

AUTOMOTIVE AXLES LIMITED

14th August, 2019

The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001
Scrip Code: 505010

National Stock Exchange Limited
Exchange Plaza, Plot No. C/1, G- Block
Bandra (E)
Mumbai - 400 051
Scrip Code: AUTOAXLES

Attn: Listing Department

Dear Sir/Madam,

**Sub: Statement of Unaudited Financial Results for the Quarter ended 30th June, 2019
- Regulation 33 SEBI (LODR) Regulations, 2015**

Please find enclosed herewith a Statement of Unaudited Financial Results for the Quarter ended 30th June, 2019, duly taken on record by the Board of Directors at their meeting held today (Wednesday, August 14, 2019) at the registered office of the Company.

The 'Limited Review Report' issued by M/s S R Batliboi & Associates LLP, Statutory Auditors of the Company in respect of the said 'Results' is also enclosed.

The Board Meeting started at 1.30 P.M and concluded at 5.00 P.M

This is for your information and record.

Thanking you,

Yours Truly,

For Automotive Axles Limited



Debadas Panda
Company Secretary

Encl: as above

Regd. Office & Mysuru Unit :

Hootagalli Industrial Area, Off Hunsur Road, Mysuru - 570 018, Karnataka, India
Telephone : 91 - 821 - 719 7500, Fax : 91 - 821 - 240 2451
Email : info@autoaxle.com, Website : www.autoaxle.com

CIN : L51909KA1981PLC004198

ISO 9001 : 2015 / IATF 16949 : 2016, EMS ISO 14001 : 2015 & BS OHSAS 18001 : 2007



MERITOR®

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

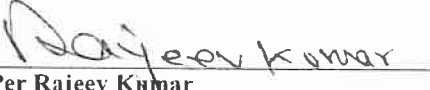
**Review Report to
The Board of Directors
Automotive Axles Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Automotive Axles Limited (the 'Company') for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation') as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004


Per Rajeev Kumar

Partner

Membership No.: 213803

UDIN: 19213803AAAABC3188

Place: Bengaluru

Date: August 14, 2019



AUTOMOTIVE AXLES LIMITED

(TS 16949 Company)

Regd. Office : Hootagalli Industrial Area, Off Hunsur Road, Mysuru 570 018

CIN : L51909KA1981PLC004198

Statement of unaudited Financial Results for the quarter ended June 30, 2019

(Amount in Rupees Millions, except per share data)

	Particulars	For the three months ended			For the year ended
		30.06.2019 (Unaudited)	31.03.2019 (Audited) (Note 7)	30.06.2018 (Unaudited)	31.03.2019 (Audited)
I	Revenue from operations	4,184.48	4,810.94	4,737.94	19,390.42
II	Other income	13.63	4.70	9.07	29.60
III	Total income (I + II)	4,198.11	4,815.64	4,747.01	19,420.02
IV	Expenses				
a)	Cost of materials consumed	3,204.94	2,918.86	3,416.31	13,796.11
b)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	(337.68)	482.02	(125.19)	(347.53)
c)	Employee benefits expense	303.83	291.66	316.04	1,235.14
d)	Finance costs	3.24	0.13	1.82	5.49
e)	Depreciation and amortisation expense	93.65	99.97	124.84	461.86
f)	Other expenses	525.45	533.21	571.49	2,415.84
	Total Expenses	3,793.43	4,325.85	4,305.31	17,566.91
V	Profit before Exceptional Items and Tax (III - IV)	404.68	489.79	441.70	1,853.11
VI	Exceptional Items Income / (Loss) (Refer Note 6)	(20.24)	-	-	-
VII	Profit before tax (V - VI)	384.44	489.79	441.70	1,853.11
VIII	Tax expense:				
a)	Current tax	152.47	186.70	184.50	711.40
b)	Deferred tax	(14.20)	3.55	(32.79)	(73.79)
	Tax expense, net	138.27	190.25	151.71	637.61
IX	Profit for the period / year (VII - VIII)	246.17	299.54	289.99	1,215.50
X	Other comprehensive income				
a)	Items that will not be reclassified to profit or loss				
i)	Remeasurements gains/(loss) of the defined benefit plan	(3.35)	(8.47)	(10.61)	(43.82)
ii)	Tax on Remeasurements of the defined benefit plan	1.17	2.95	3.71	15.31
	Total other comprehensive income	(2.18)	(5.52)	(6.90)	(28.51)
XI	Total comprehensive income for the period /year, net of tax (IX + X)	243.99	294.02	283.09	1,186.99
XI	Paid up share capital (face value of Rs. 10/- each)	151.12	151.12	151.12	151.12
XII	Earnings per equity share (EPS) (Nominal value of share Rs. 10)				
	Basic / Diluted	16.29	19.82	19.19	80.43

Notes:

- The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meetings held on August 14, 2019.
- These financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and in terms of Regulations 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and SEBI circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019.
- Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of INR 113.12 million, and a lease liability of INR 130.30 million. The cumulative effect of applying the standard resulted in INR 6.76 million being debited to retained earnings, net of taxes. In the statement of profit and loss for the current period, operating lease expenses has changed from rent to depreciation cost for the right of use assets and finance cost for interest accrued on lease liability. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share.
- Segment information:
In line with the provisions of Ind AS 108 - Operating Segments, Chief Operating Decision Maker (CODM) reviews the operations of the Company as a manufacturer of Automotive Components, which is considered to be the only reportable segment by the management. Accordingly, no separate disclosure of segment information has been made.
- The Supreme Court of India in a judgment on Provident Fund dated February 28, 2019 addressed the principle for determining salary components that form part of Basic Salary for individuals below a prescribed salary threshold. The Company determined that they had not previously included such components in Basic Salary. There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the company has made a provision on a prospective basis from the date of the SC order. The company will update its provision, on receiving further clarity on the subject.
- Represents provision for expected losses on account of surrender of leasehold land obtained from Government of Madhya Pradesh.
- The figures of last quarter of previous year are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2019 and the published unaudited year to date figures for nine months ended December 31, 2018.

Place : Mysuru
Date : August 14, 2019

For and on behalf of the Board of Directors:


Dr. N Muthukumar
President & Wholetime Director
DIN:06708535



Joint Venture between



MERITOR