

AUTOMOTIVE AXLES LIMITED

7th August, 2020

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

National Stock Exchange Limited
Exchange Plaza, Plot No. C/1, G-

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, 2020
- Regulation 33 SEBI (LODR) Regulations, 2015**

Please find enclosed herewith a Statement of Unaudited Financial Results for the Quarter ended 30th June, 2020, duly taken on record by the Board of Directors at their meeting held today (Friday, August 7, 2020).

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 3.00 PM and concluded at 4.50 PM

This is for your information and record.

Thanking you,

Yours Truly,

For Automotive Axles Limited



Debadas Panda
Company Secretary



Encl: A/a

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



KALYANI

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



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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, 2020 (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, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared 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. 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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 accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. **Emphasis of Matter**
We draw attention to Note 4 of Financial Results, describing that the Pandemic COVID 19 would cause various social and economic disruption impacting supply chains, demand from customers, commodity prices, personnel available for work and access to offices of the Company. Our conclusion is not modified in respect of this matter.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004


per Rajeev Kumar

Partner

Membership No.: 213803



UDIN: 20213803AAAACK7045

Place: Bengaluru

Date: August 7, 2020

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, 2020

(Amount in Rupees Millions, except per share data)

	Particulars	For the three months ended			For the year ended
		30.06.2020 (Unaudited)	31.03.2020 (Audited) (note 7)	30.06.2019 (Unaudited)	31.03.2020 (Audited)
I	Revenue from operations	388.52	1,687.57	4,184.48	9,519.58
II	Other income	22.40	24.63	13.63	77.23
III	Total income (I + II)	410.92	1,712.20	4,198.11	9,596.81
IV	Expenses				
a)	Cost of raw materials consumed	196.01	954.90	3,204.94	6,266.66
b)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	46.60	179.49	(337.68)	188.91
c)	Employee benefits expense	180.06	186.08	303.83	890.90
d)	Finance costs	8.03	4.48	3.24	18.07
e)	Depreciation and amortisation expense	86.64	96.28	93.65	372.22
f)	Other expenses	103.49	239.17	525.45	1,240.27
	Total Expenses	620.83	1,660.40	3,793.43	8,977.03
V	Profit/ (loss) before Exceptional Items and Tax (III - IV)	(209.91)	51.80	404.68	619.78
VI	Exceptional Items - Income / (Loss) (Refer note 5)	(37.69)	-	(20.24)	(20.24)
VII	Profit/ (loss) before tax (V - VI)	(247.60)	51.80	384.44	599.54
VIII	Tax expense/ (credit):				
a)	Current tax / (credit)	-	(11.38)	152.47	147.13
b)	Income tax/ (credit) relating to prior years	(17.23)	(11.82)	-	(11.82)
c)	Deferred tax charge / (credit) (Refer note 6)	-	17.49	(14.20)	52.89
	Tax expense/ (credit), net	(17.23)	(5.71)	138.27	188.20
IX	Profit/ (loss) for the period / year (VII - VIII)	(230.37)	57.51	246.17	411.34
X	Other comprehensive income/ (loss)				
a)	Items that will not be reclassified to profit or loss				
i)	Remeasurements gains/(loss) of the defined benefit plan	(0.69)	(1.86)	(3.35)	(6.73)
ii)	Tax on remeasurements of the defined benefit plan	-	0.14	1.17	1.69
	Total other comprehensive income/ (loss)	(0.69)	(1.72)	(2.18)	(5.04)
XI	Total comprehensive income/ (loss) for the period /year, net of tax (IX + X)	(231.06)	55.79	243.99	406.30
XII	Paid up share capital (face value of Rs. 10/- each)	151.12	151.12	151.12	151.12
XIII	Earnings/ (loss) per equity share (EPS) (Nominal value of share Rs. 10) (Not annualised in case of interim periods)				
	Basic and Diluted	(15.24)	3.81	16.29	27.22

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 07, 2020.
- 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 as amended, read with the relevant rules issued thereunder and in terms of Regulations 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
- 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 outbreak of Coronavirus disease (COVID-19) has significantly impacted businesses around the globe and has been recognized as a global pandemic by the World Health Organisation (WHO). The various Governments across the world including India are taking drastic measures, including locking down of entire country to reduce the impact of this catastrophe. The Company is primarily engaged in manufacturing of Axles and Brakes at Mysore, Rudrapur and Jamshedpur. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying value of assets, economic disruption impacting supply chains, consumer demand, commodity prices, personnel available for work and access to offices of the Company considering internal and external information up to the date of approval of these financial results. The impact of global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions. The Company has complied with all statutory requirements on COVID-19 compliances and followed all required guidelines of Central and State government.
- Pursuant to an agreement between the Company and the Government of Madhya Pradesh ("Government"), on September 2012, the Company had taken a land on lease at Pithampur, Madhya Pradesh, for setting up a manufacturing unit and paid an upfront premium of INR 94 million (including a stamp duty of INR 20.24 million), net of amortisation. The Company has applied to the Government for surrender of the land due to non-utilisation of the land. In accordance with the Agreement, a surrender charge of 50% of upfront premium paid is applicable on surrender of the land.

During the previous year, the Company entered into another agreement with the Government for acquisition of another land for 99 years for a consideration of INR 124.86 million. As per the communication from the Government, the Company has remitted INR 88.81 million after adjusting INR 36.05 million pertaining to the amount recoverable on surrender of the existing leasehold land. During the quarter ended June 30, 2019, the Company has provided for the initial registration and stamp duty charges, paid towards acquisition of the land amounting to INR 20.24 million. Based on the outcome of final discussion with governmental authorities, the Company has provided for the surrender charges of INR 37.69 million during the quarter ended June 30, 2020.
- The Company has not recognised deferred tax assets on losses incurred during the quarter on account of uncertainties related to the COVID -19.
- 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, 2020 and the published unaudited year to date figures for nine months ended December 31, 2019.

For and on behalf of the Board of Directors

Place : Mysuru
Date : August 07, 2020

Kumaradevan Srinivasan
Senior Vice President & Whole time Director
DIN: 08107660



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