

SCHAEFFLER INDIA LIMITED

CIN: L29130MH1962PLC012340

Regd. Office : Nariman Bhavan, 8th Floor, 227 Backbay Reclamation, Nariman Point, Mumbai - 400 021

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

(Amount in ₹ million except per share data)

Sr.	Particulars	Three Months Ended			Year-To-Date		Year Ended
		Sep 30, 2019	Jun 30, 2019	Sep 30, 2018	Sep 30, 2019	Sep 30, 2018	Dec 31, 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations	10,351.7	11,167.0	11,914.9	33,241.6	33,752.2	45,615.1
	(b) Other income	129.3	124.5	170.3	425.6	642.6	908.0
	Total Income	10,481.0	11,291.5	12,085.2	33,667.2	34,394.8	46,523.1
2	Expenses						
	(a) Cost of materials consumed	3,960.7	4,665.4	4,485.0	13,526.0	13,810.9	18,175.9
	(b) Purchases of stock-in-trade	2,313.4	2,748.2	4,350.7	8,635.0	10,581.9	12,858.8
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	250.6	(523.1)	(1,411.4)	(1,290.6)	(3,346.3)	(2,299.2)
	(d) Employees benefits expense	891.4	915.1	816.4	2,648.4	2,393.4	3,178.6
	(e) Finance costs	4.3	7.8	13.4	24.1	43.4	70.4
	(f) Depreciation and amortisation expense	399.7	384.7	371.9	1,162.5	1,097.0	1,485.0
	(g) Other expenses	1,507.3	1,767.9	1,677.5	4,856.7	4,634.0	6,304.6
	Total Expenses	9,327.4	9,966.0	10,303.5	29,562.1	29,214.3	39,774.1
3	Profit before exceptional items and tax (1 - 2)	1,153.6	1,325.5	1,781.7	4,105.1	5,180.5	6,749.0
4	Exceptional items - Refer note 2(c)	-	-	391.4	3.4	432.0	432.0
5	Profit before tax (3 - 4)	1,153.6	1,325.5	1,390.3	4,101.7	4,748.5	6,317.0
6	Tax expense						
	(i) Current tax	192.2	533.3	614.7	1,251.0	1,769.3	2,251.5
	(ii) Deferred tax	17.1	(32.6)	(131.0)	19.8	(147.3)	(132.5)
7	Profit for the period (5 - 6)	944.3	824.8	906.6	2,830.9	3,126.5	4,198.0
8	Other Comprehensive Income						
	A (i) Items that will not be reclassified to profit or loss	4.7	(2.3)	(10.9)	(3.9)	(18.1)	14.3
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.5)	0.8	3.8	1.5	6.3	(5.0)
	B (i) Items that will be reclassified to profit or loss	51.7	60.6	93.5	75.5	103.9	(87.9)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(18.1)	(21.2)	(32.7)	(26.4)	(36.3)	30.7
	Total Comprehensive Income for the period (comprising Profit and Other Comprehensive Income for the period) (7 + 8)	981.1	862.7	960.3	2,877.6	3,182.3	4,150.1
9	Paid-up equity share capital (face value of ₹ 10 per share)	312.6	312.6	166.2	312.6	166.2	312.6
10	Other equity						26,748.7
11	Earnings per equity share (of ₹ 10 each) (not annualised)						
	(a) Basic (in ₹)	30.2	26.4	29.0	90.6	100.0	134.3
	(b) Diluted (in ₹)	30.2	26.4	29.0	90.6	100.0	134.3

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Notes:

- 1 The above financial results for the quarter and nine months period ended September 30, 2019 were reviewed by the Audit Committee at their meeting held on October 21, 2019 and approved by the Board of Directors at their meeting held on October 21, 2019. The Statutory Auditors have performed a 'Limited Review' of the above financial results for quarter and nine months period ended September 30, 2019.
- 2(a) The Scheme of Amalgamation of INA Bearings India Private Limited ('INA') and LuK India Private Limited ('LuK') (jointly referred to as 'transferor companies') with Schaeffler India Limited ('the Scheme'), was approved by the National Company Law Tribunal, Chennai and Mumbai Benches vide their orders dated June 13, 2018 and October 8, 2018 respectively. Accordingly impact of the Scheme has been given effect from appointed date (i.e. January 1, 2018) in above financial results.
- (b) Basic and diluted EPS for the quarter and nine months period ended September 30, 2018 has been calculated as per 'Ind AS 33 - Earnings Per Share' after considering 14,643,464 equity shares allotted pursuant to the Scheme.
- (c) Exceptional items pertain to provision for stamp duties, professional/consulting fees and other costs incurred pursuant to the Scheme.
- 3 As per 'Ind AS 108 - Operating Segments', the Company has reported segment information under two segments i.e. 1) Mobility components and related solutions and 2) Others.

Particulars	Three Months Ended			Year To Date		Year Ended
	Sep 30, 2019	Jun 30, 2019	Sep 30, 2018	Sep 30, 2019	Sep 30, 2018	Dec 31, 2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(a) Segment Revenue (Net revenue / income)						
Mobility components and related solutions	8,341.9	9,139.2	9,965.7	26,876.4	28,186.7	37,732.9
Others	2,009.8	2,027.8	1,949.2	6,365.2	5,565.5	7,882.2
Revenue from operations	10,351.7	11,167.0	11,914.9	33,241.6	33,752.2	45,615.1
(b) Segment Results (Profit before finance cost and tax)						
Mobility components and related solutions	766.7	970.6	1,372.5	2,901.4	3,989.2	5,137.6
Others	272.9	238.2	252.3	802.2	592.1	773.8
Total profit before finance costs and tax	1,028.6	1,208.8	1,624.8	3,703.6	4,581.3	5,911.4
Less : Finance cost	4.3	7.8	13.4	24.1	43.4	70.4
Less : Unallocable expenses	-	-	391.4	3.4	432.0	432.0
Add : Unallocable Income	129.3	124.5	170.3	425.6	642.6	908.0
Profit before tax	1,153.6	1,325.5	1,390.3	4,101.7	4,748.5	6,317.0
(c) Segment assets						
Mobility components and related solutions *	23,812.4	24,265.2	21,878.5	23,812.4	21,878.5	22,713.9
Others	3,124.6	3,315.0	2,737.4	3,124.6	2,737.4	2,824.3
Unallocated	9,565.4	8,819.9	12,818.1	9,565.4	12,818.1	12,135.5
Total assets	36,502.4	36,400.1	37,434.0	36,502.4	37,434.0	37,673.7
(d) Segment liabilities						
Mobility components and related solutions	4,840.3	5,381.0	6,519.2	4,840.3	6,519.2	6,499.4
Others	1,142.8	1,262.2	1,382.8	1,142.8	1,382.8	1,378.6
Unallocated	1,714.2	1,929.7	3,318.0	1,714.2	3,318.0	2,734.4
Total liabilities	7,697.3	8,572.9	11,220.0	7,697.3	11,220.0	10,612.4
(e) Net capital employed	28,805.1	27,827.2	26,214.0	28,805.1	26,214.0	27,061.3

* Property, plant and equipment (PPE) of the Company is predominantly used for 'Mobility solutions and related components' and hence has been disclosed as a segment asset under that reportable segment.

- 4 The Company elected to exercise the option permitted under section 115BAA of the Income-tax Act 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 with effect from April 1, 2019. Accordingly, the Company has recognised provision for Income Tax and deferred tax expenses for the nine months ended September 30, 2019 on the basis of estimated annual effective income tax rate.
- 5 Effective January 1, 2019 the Company adopted Ind AS 115 "Revenue from Contracts with Customers". The adoption of the Standard did not have impact on the financial results for quarter and nine months period ended September 30, 2019.

As per our report of even date attached

B S R & Co. LLP

Chartered Accountants

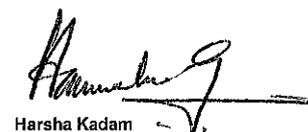
Firm Reg. No. 101248W / W-100022

Nirav Patel

Partner

Membership No. 113327

For and on behalf of the Board



Harsha Kadam

Managing Director

DIN: 07736005

October 21, 2019

BSR & Co. LLP

Chartered Accountants

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Near Vodafone House
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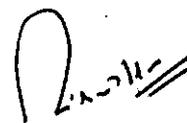
Limited review report on unaudited quarterly financial results and year-to-date results of Schaeffler India Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

To The Board of Directors of Schaeffler India Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Schaeffler India Limited ('the Company') for the quarter ended 30 September 2019 and year-to-date results for the period from 1 January 2019 to 30 September 2019 ('the Statement').
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report 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 applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For BSR & Co. LLP
Chartered Accountants

Firm's Registration No.: 101248W/W-100022



Nirav Patel
Partner

Membership No.: 113327

ICAI UDIN: 19113327AAAABW7397

Pune
21 October 2019

Press Release

Schaeffler India Limited announces Q3 and Nine months results for the period ended September 30, 2019

Pune, *October 21, 2019*. Leading industrial and automotive supplier, Schaeffler India Limited (BSE: 505790, NSE: SCHAEFFLER) today announced that the Board of Directors approved the results for the third quarter and nine months, ended September 30, 2019.

July – September 2019 (Third quarter)

- Total revenue from operations (net) for the quarter was INR 10,352 million, lower by 7.3% than the preceding quarter and 13.1% lower than the corresponding quarter of 2018.
- PBT (before exceptional items) for the quarter was INR 1,154 million, lower by 13.0% than the preceding quarter and 35.3% lower than the corresponding quarter of 2018.

January – September 2019

- Total revenue from operations (net) for the nine months period was INR 33,242 million, lower by 1.5% than the corresponding period of 2018.
- PBT (before exceptional items) for the nine months period was INR 4,105 million, lower by 20.8% than the corresponding period of 2018.

Commenting on the results and financial performance of Schaeffler India Limited, Mr. Harsha Kadam, Managing Director, said, "The economic growth continues to face headwinds and the current quarter witnessed further deceleration. While the government's efforts to revive the growth momentum is evident and the policy rate cuts, fiscal stimulus provide some respite to the corporates, the investment climate and the consumer sentiments remain tepid. The expected turnaround in automotive industry during festive season has not been realized. We could avoid significant impact on sales, with a balanced portfolio in Automotive and Industrial business, while effectively flexing costs during the quarter. A quick turnaround of the growth momentum is not anticipated, we continue to draw up measures to stretch ourselves in terms of improving cost structure, preparing organization for the future and scale up our operations as the market improves".

About Schaeffler India Limited

Schaeffler has been present in India for over 50 years. With 3 well known product brands LuK, INA and FAG, 4 manufacturing plants and 19 sales offices, Schaeffler has a significant presence in India. Schaeffler is among the largest Industrial and Automotive supplier with sales of INR 45.6 billion in 2018 and around 3,000 employees. The manufacturing plants in Maneja and Savli (Vadodara), produce a vast range of ball bearings, cylindrical roller bearings, spherical roller bearings and wheel bearings that are sold under the brand name of FAG. The plant at Talegaon near Pune, manufactures engine and powertrain components for front accessory drive system, chain drive systems, valve train, gear shift systems and a range of needle roller bearings and elements, under the brand INA. The fourth manufacturing location is based out of Hosur, producing a wide range of clutches and hydraulic clutch release systems for passenger cars, light commercial vehicles, heavy commercial vehicles and tractors sold under the brand of LuK. Schaeffler also has the largest after-market networks serving the industrial and automotive customers. All of this is backed by dedicated engineering, research and development support based in India in support of product teams.



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For further information

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