

**SCHAEFFLER INDIA LIMITED**

CIN: L29130MH1962PLC012340

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

Ph. +91 22 66814444; Fax; +91 22 22027022 Website: www.schaeffler.co.in Email: investorsupport.in@schaeffler.com

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS PERIOD ENDED JUNE 30, 2020**

(Amount in ₹ million except per share data)

Sr. No.	Particulars	Three Months Ended			Year-To-Date		Year Ended
		Jun 30, 2020	Mar 31, 2020	Jun 30, 2019	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income</b>						
	(a) Revenue from operations	4,388.8	9,285.4	11,167.0	13,674.2	22,889.9	43,606.3
	(b) Other income	140.0	181.7	124.5	321.7	296.3	632.1
	<b>Total Income</b>	<b>4,528.8</b>	<b>9,467.1</b>	<b>11,291.5</b>	<b>13,995.9</b>	<b>23,186.2</b>	<b>44,238.4</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of materials consumed	939.0	3,950.1	4,665.4	4,889.1	9,565.3	17,307.5
	(b) Purchases of stock-in- trade	1,429.8	2,367.4	2,748.2	3,797.2	6,321.6	10,030.1
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	381.7	(725.1)	(523.1)	(343.4)	(1,541.2)	158.3
	(d) Employees benefits expense	835.7	928.0	915.1	1,763.7	1,757.0	3,451.7
	(e) Finance costs	9.2	9.4	7.8	18.6	19.8	34.7
	(f) Depreciation and amortisation expense	499.0	444.2	384.7	943.2	762.8	1,587.1
	(g) Other expenses	1,000.7	1,392.4	1,767.9	2,393.1	3,349.4	6,322.8
	<b>Total Expenses</b>	<b>5,095.1</b>	<b>8,366.4</b>	<b>9,966.0</b>	<b>13,461.5</b>	<b>20,234.7</b>	<b>38,892.2</b>
<b>3</b>	<b>Profit / (Loss) before exceptional items and tax (1 - 2)</b>	<b>(566.3)</b>	<b>1,100.7</b>	<b>1,325.5</b>	<b>534.4</b>	<b>2,951.5</b>	<b>5,346.2</b>
<b>4</b>	Exceptional items - Refer note 3	-	-	-	-	3.4	3.4
<b>5</b>	<b>Profit / (Loss) before tax (3 - 4)</b>	<b>(566.3)</b>	<b>1,100.7</b>	<b>1,325.5</b>	<b>534.4</b>	<b>2,948.1</b>	<b>5,342.8</b>
<b>6</b>	<b>Tax expense</b>						
	(i) Current tax	(89.5)	320.0	533.3	230.5	1,058.8	1,594.6
	(ii) Deferred tax charge / (credit)	(52.1)	(2.8)	(32.6)	(54.9)	2.7	71.8
<b>7</b>	<b>Profit / (Loss) for the period (5 - 6)</b>	<b>(424.7)</b>	<b>783.5</b>	<b>824.8</b>	<b>358.8</b>	<b>1,886.6</b>	<b>3,676.4</b>
<b>8</b>	<b>Other Comprehensive Income / (Loss)</b>						
	A (i) Items that will not be reclassified to profit or loss	13.7	(14.7)	(2.3)	(1.0)	(8.6)	(42.8)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(3.5)	3.7	0.8	0.2	3.0	8.3
	B (i) Items that will be reclassified to profit or loss	-	-	60.6	-	23.8	75.5
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	(21.2)	-	(8.3)	(26.4)
	<b>Total Comprehensive Income for the period (comprising Profit / (Loss) and Other Comprehensive Income / (Loss) for the period) (7 + 8)</b>	<b>(414.5)</b>	<b>772.5</b>	<b>862.7</b>	<b>358.0</b>	<b>1,896.5</b>	<b>3,691.0</b>
<b>9</b>	Paid-up equity share capital (face value of ₹ 10 per share)	312.6	312.6	312.6	312.6	312.6	312.6
<b>10</b>	Other equity						29,309.0
<b>11</b>	Earnings per equity share (of ₹ 10 each) (not annualised)						
	(a) Basic (in ₹)	(13.6)	25.1	26.4	11.5	60.4	117.6
	(b) Diluted (in ₹)	(13.6)	25.1	26.4	11.5	60.4	117.6

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**STATEMENT OF ASSETS & LIABILITIES**

Sr. No.	Particulars	As at	As at
		Jun 30, 2020	Dec 31, 2019
		Unaudited	Audited
<b>A)</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
a)	Property, plant & equipment	8,564.6	8,943.4
b)	Right of use assets	637.7	-
c)	Capital work-in-progress	2,421.5	1,662.5
d)	Other intangible assets	1.9	2.5
e)	Financial assets		
	(i) Loans	89.4	95.3
	(ii) Other financial assets	5.0	1,391.4
f)	Deferred tax assets (net)	290.1	235.0
g)	Non-current tax assets (net)	1,115.5	814.8
h)	Other non-current assets	520.1	660.5
	<b>Total Non-current assets</b>	<b>13,645.8</b>	<b>13,805.4</b>
<b>2</b>	<b>Current assets</b>		
a)	Inventories	8,812.2	7,204.9
b)	Financial assets		
	(i) Trade receivables	4,831.6	6,319.4
	(ii) Cash and cash equivalents	889.5	1,159.1
	(iii) Bank balances other than (ii) above	7,845.4	7,194.5
	(iv) Loans	65.0	78.4
	(v) Other financial assets	342.3	244.2
c)	Other current assets	862.8	446.4
	<b>Total Current assets</b>	<b>23,648.8</b>	<b>22,646.9</b>
	<b>TOTAL ASSETS</b>	<b>37,294.6</b>	<b>36,452.3</b>
<b>B)</b>	<b>EQUITY &amp; LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
a)	Equity share capital	312.6	312.6
b)	Other equity	28,559.5	29,309.0
	<b>Total Equity</b>	<b>28,872.1</b>	<b>29,621.6</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
a)	Financial liabilities		
	(i) Lease liabilities	578.1	-
	(ii) Other financial liabilities	25.9	33.5
b)	Provisions	422.7	421.4
	<b>Total Non-current liabilities</b>	<b>1,026.7</b>	<b>454.9</b>
	<b>Current liabilities</b>		
a)	Financial liabilities		
	(i) Lease liabilities	84.4	-
	(ii) Trade payables		
	a) Total outstanding dues of micro enterprises and small enterprises	21.2	18.9
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises	4,819.7	4,972.6
	(iii) Other financial liabilities	2,076.6	1,035.3
b)	Other current liabilities	204.7	133.2
c)	Provisions	177.8	186.2
d)	Current tax liabilities (net)	11.4	29.6
	<b>Total Current liabilities</b>	<b>7,395.8</b>	<b>6,375.8</b>
	<b>Total Liabilities</b>	<b>8,422.5</b>	<b>6,830.7</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>37,294.6</b>	<b>36,452.3</b>

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Cash Flow Statement	Six months period ended Jun 30, 2020		Year ended Dec 31, 2019	
	Unaudited		Audited	
<b>Cash flows from operating activities</b>				
Net profit before tax		534.4		5,342.8
Adjustments:				
Depreciation and amortisation	943.2		1,587.1	
Finance costs	18.6		34.7	
Interest income	(314.1)		(507.2)	
(Profit) / Loss on sale of assets (net)	-		(1.4)	
Unrealised exchange loss / (gain) (net)	70.3		28.9	
Bad debts written off	16.6		14.7	
		734.6		1,156.8
<b>Operating cash flow before changes in working capital</b>		<b>1,269.0</b>		<b>6,499.6</b>
(Increase) / decrease in inventories	(1,607.3)		1,664.2	
(Increase) / decrease in trade and other receivables	1,120.2		1,577.9	
Increase / (decrease) in trade and other payables	507.3		(3,271.6)	
(Decrease) / increase in provisions	(7.3)		260.9	
		12.9		231.4
<b>Cash generated from operating activities</b>		<b>1,281.9</b>		<b>6,731.0</b>
Income tax paid (net of refunds)		(549.6)		(1,633.3)
<b>A Net cash from operating activities</b>		<b>732.3</b>		<b>5,097.7</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment (tangible and intangible, capital work-in-progress, capital advance and capital creditors)	(1,853.0)		(3,202.5)	
Proceeds from sale of property, plant and equipment	-		3.9	
Proceeds from / (investment in) bank deposits (with original maturity of more than 3 months and remaining maturity of less than 12 months)	735.5		(1,029.8)	
Interest received	163.8		570.7	
<b>B Net cash used in investing activities</b>		<b>(953.7)</b>		<b>(3,657.7)</b>
<b>Cash flows from financing activities</b>				
Finance costs paid	(18.6)		(34.7)	
Proceeds from repayment of loans	-		35.3	
Payment of lease liability	(29.6)		-	
Repayment of borrowings	-		(576.4)	
Dividends paid on equity shares	-		(937.3)	
Dividend distribution tax	-		(192.8)	
<b>C Net cash used in financing activities</b>		<b>(48.2)</b>		<b>(1,705.9)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A + B + C)</b>		<b>(269.6)</b>		<b>(265.9)</b>
Cash and cash equivalents at the beginning of period		1,159.1		1,425.0
Cash and cash equivalents at the end of period		889.5		1,159.1
		<b>(269.6)</b>		<b>(265.9)</b>

The above cash flow statement has been prepared under the Indirect Method as set out in Ind AS 7 - Statement of Cash Flows notified pursuant to Section 133 of the Companies Act, 2013 ('the Act').

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## Notes:

- The above financial results for the quarter and six months period ended June 30, 2020 were reviewed by the Audit Committee at their meeting held on July 24, 2020 and approved by the Board of Directors at their meeting held on July 24, 2020. The statutory auditors have performed limited review on above financial result for the quarter and six months period ended June 30, 2020.
- 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
	Jun 30, 2020	Mar 31, 2020	Jun 30, 2019	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(a) <b>Segment Revenue (Net revenue / income)</b>						
Mobility components and related solutions	3,223.0	7,400.5	9,139.2	10,623.5	18,534.5	35,015.9
Others	1,165.8	1,884.9	2,027.8	3,050.7	4,355.4	8,590.4
<b>Revenue from operations</b>	<b>4,388.8</b>	<b>9,285.4</b>	<b>11,167.0</b>	<b>13,674.2</b>	<b>22,889.9</b>	<b>43,606.3</b>
(b) <b>Segment Results (Profit / (Loss) before finance cost and tax)</b>						
Mobility components and related solutions	(611.6)	647.1	970.6	35.5	2,145.7	3,640.9
Others	(85.5)	281.3	238.2	195.8	529.3	1,157.8
<b>Total profit / (loss) before finance costs and tax</b>	<b>(697.1)</b>	<b>928.4</b>	<b>1,208.8</b>	<b>231.3</b>	<b>2,675.0</b>	<b>4,798.7</b>
Less : Finance cost	9.2	9.4	7.8	18.6	19.8	34.7
Less : Unallocable expenses	-	-	-	-	3.4	3.4
Add : Unallocable Income	140.0	181.7	124.5	321.7	296.3	582.2
<b>Profit / (Loss) before tax</b>	<b>(566.3)</b>	<b>1,100.7</b>	<b>1,325.5</b>	<b>534.4</b>	<b>2,948.1</b>	<b>5,342.8</b>
(c) <b>Segment assets</b>						
Mobility components and related solutions *	22,480.9	23,286.7	24,265.2	22,480.9	24,265.2	21,781.5
Others	3,042.5	2,912.5	3,315.0	3,042.5	3,315.0	2,664.3
Unallocated	11,771.2	13,627.6	8,819.9	11,771.2	8,819.9	12,006.5
<b>Total assets</b>	<b>37,294.6</b>	<b>39,826.8</b>	<b>36,400.1</b>	<b>37,294.6</b>	<b>36,400.1</b>	<b>36,452.3</b>
(d) <b>Segment liabilities</b>						
Mobility components and related solutions	5,815.9	6,091.2	5,381.0	5,815.9	5,381.0	4,639.0
Others	1,357.3	1,346.1	1,262.2	1,357.3	1,262.2	1,015.5
Unallocated	1,249.3	2,010.3	1,929.7	1,249.3	1,929.7	1,176.2
<b>Total liabilities</b>	<b>8,422.5</b>	<b>9,447.6</b>	<b>8,572.9</b>	<b>8,422.5</b>	<b>8,572.9</b>	<b>6,830.7</b>
(e) <b>Net capital employed</b>	<b>28,872.1</b>	<b>30,379.2</b>	<b>27,827.2</b>	<b>28,872.1</b>	<b>27,827.2</b>	<b>29,621.6</b>

\* 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.

- Exceptional items pertain to provision for stamp duties, professional/consulting fees and other costs incurred pursuant to the Scheme.
- Effective January 1, 2020, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on January 1, 2020 using the modified retrospective with no impact to retained earnings on the date of adoption. Accordingly, the comparatives have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹ 673.4 million and the corresponding lease liability of ₹ 673.4 million. The effect of this adoption on the profit for the current quarter and earning per share has not been significant.
- On account of the spread of COVID-19, the Government of India had imposed a complete nation-wide lockdown on March 24, 2020 leading to shut down of the Company's manufacturing facilities and logistics operations. Since then the Government of India has progressively relaxed lockdown conditions and has allowed most of the industries and businesses to resume operations in a phased manner. During the quarter, the Company has resumed its manufacturing facilities and is currently in the process of further scaling up its operations. Further, since the lock-down was still in force for a significant period of the current quarter, the Company's operations were impacted however, management believes that the impact seems to be temporary in nature and the pandemic is not likely to have an impact on the recoverability of the carrying value of its assets as at June 30, 2020. The management is continuously and closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is still continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these financial results.

As per our report of even date attached  
**B S R & Co. LLP**  
Chartered Accountants  
Firm Reg. No. 101248W / W-100022

For and on behalf of the Board

Nirav Patel  
Partner  
Membership No. 113327

Harsha Kadam  
Managing Director  
DIN: 07736005

July 24, 2020

# B S R & Co. LLP

Chartered Accountants

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## Limited review report on Unaudited Quarterly and Year-To-Date Financial 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 June 2020 and year-to-date results for the period from 1 January 2020 to 30 June 2020 ('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 **B S R & Co. LLP**  
*Chartered Accountants*

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

Mumbai  
24 July 2020

**Nirav Patel**  
*Partner*

Membership No: 113327  
ICAI UDIN: 20113327AAAABZ9919