



AIA Engineering Limited

October 30, 2021

To,
The Manager (Listing),
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Script Code: 532683

To,
The Manager (Listing),
National Stock Exchange of India Limited
“Exchange Plaza”, C-1 , Block – G,
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051
Script Code: AIAENG

Dear Sir/Madam,

Sub: Unaudited Financial Results for the Quarter/Half Year ended September 30, 2021 as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Unaudited Financial Results [Standalone and Consolidated] of the Company for the Quarter/Half Year ended September 30, 2021 alongwith Limited Review Reports [Standalone and Consolidated] taken on record by the Board of Directors of the Company in its meeting held today i.e. October 30, 2021, which was commenced at 04.00 p.m. and concluded at 05.35 p.m.

Please take the same on record.

Thanking you.

Yours faithfully,
For AIA Engineering Limited

S. N. Jetheliya
Company Secretary
Encl: As above



CIN : L29259GJ1991PLC015182

An ISO 9001 Certified Company

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Registered Office : 115, G.V.M.M. Estate, Odhav Road, Odhav, Ahmedabad - 382410. Gujarat, INDIA. Ph.: +91-79-22901078 Fax : +91-79-22901077 | www.aiaengineering.com, E-mail : ric@aiaengineering.com

AIA ENGINEERING LIMITED

Regd. Office.: 115, GVMM Estate, Odhav Road, Ahmedabad 382 410; CIN: L29259GJ1991PLC015182

Ph. 079-22901078; Fax: 079-22901077; E-mail: ric@aiaengineering.com; Website: www.aiaengineering.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2021

(₹ in lakhs)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-2021	30-Jun-2021	30-Sep-2020	30-Sep-2021	30-Sep-2020	31-Mar-2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from sale of products	66,056.13	63,759.71	65,818.93	129,815.84	113,011.31	241,031.67
	Other operating revenue	1,396.14	961.64	2,241.59	2,357.78	4,133.79	6,267.71
	a) Total revenue from operations	67,452.27	64,721.35	68,060.52	132,173.62	117,145.10	247,299.38
	b) Other income	4,009.34	4,070.92	2,098.56	8,080.26	8,088.14	14,480.71
	Total income (a+b)	71,461.61	68,792.27	70,159.08	140,253.88	125,233.24	261,780.09
2	Expenses						
	a) Cost of materials consumed	41,401.45	35,576.13	29,288.72	76,977.58	48,817.74	108,078.03
	b) Purchase of stock-in-trade	709.84	194.82	614.49	904.66	1,809.12	3,307.97
	c) Changes in inventories of finished goods and work-in-progress	(8,601.68)	(3,445.07)	(2,420.98)	(12,046.75)	(2,437.79)	(1,243.11)
	d) Employee benefits expense	2,541.94	2,558.28	2,449.91	5,100.22	4,927.36	9,805.91
	e) Finance costs	77.42	71.81	117.32	149.23	244.17	398.52
	f) Depreciation and amortisation expense	2,121.30	2,367.37	2,266.94	4,488.67	4,713.15	9,097.06
	g) Other expenses	18,419.35	17,501.04	18,803.09	35,920.39	31,257.29	67,534.42
	Total expenses (a+b+c+d+e+f+g)	56,669.62	54,824.38	51,119.49	111,494.00	89,331.04	196,978.80
3	Profit before tax (1-2)	14,791.99	13,967.89	19,039.59	28,759.88	35,902.20	64,801.29
4	Tax expense						
	(i) Current tax	3,534.92	3,605.47	4,992.10	7,140.39	11,169.01	18,628.27
	(ii) Deferred tax	223.83	(48.88)	(264.79)	174.95	(2,130.92)	(2,317.16)
	Total tax expense (i+ii)	3,758.75	3,556.59	4,727.31	7,315.34	9,038.09	16,311.11
5	Profit for the period (3-4)	11,033.24	10,411.30	14,312.28	21,444.54	26,864.11	48,490.18
6	Other comprehensive income / (loss):						
	(i) Items that will not be reclassified to statement of profit and loss	(90.00)	52.50	116.28	(37.50)	44.28	201.84
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	22.65	(13.21)	(29.26)	9.44	(11.14)	(50.80)
	(iii) Items that will be reclassified to statement of profit and loss	(750.15)	1,011.66	(450.43)	261.51	(1,059.33)	(566.88)
	(iv) Income tax relating to items that will be reclassified to statement of profit and loss	188.80	(254.62)	113.36	(65.82)	266.61	142.67
7	Total other comprehensive income / (loss) (net of tax)	(628.70)	796.33	(250.05)	167.63	(759.58)	(273.17)
8	Total comprehensive income for the period (5+7)	10,404.54	11,207.63	14,062.23	21,612.17	26,104.53	48,217.01
9	Paid-up equity share capital - face value of ₹ 2 each	1,886.41	1,886.41	1,886.41	1,886.41	1,886.41	1,886.41
10	Other equity						407,555.76
11	Earnings per equity share (EPS) in ₹ (not annualised)						
	Basic	11.70	11.04	15.17	22.74	28.48	51.41
	Diluted	11.70	11.04	15.17	22.74	28.48	51.41

Notes :

- (i) The above unaudited standalone financial results for the quarter and half year ended 30 September 2021 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on 30 October 2021. These unaudited standalone financial results have been subjected to limited review by the statutory auditors of the Company. The statutory auditors have expressed an unmodified conclusion.
- (ii) The unaudited standalone financial results are prepared in accordance with the Indian Accounting Standards 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment Rules), 2016.
- (iii) During the previous year, the Canada Border Service Agency ('CBSA') had initiated investigations with respect to alleged dumping and subsidizing of certain grinding media from India into Canada. Based on the applicable rules and regulations, the CBSA had levied an interim duty of 32.2% w.e.f. 1 May 2021 and subsequently reduced such duty to 22.0% upon completion of their investigation. Such duty was subject to decision of the Canadian International Trade Tribunal ('CITT') with respect to determination of the injury/damage. On 27 August 2021, the CITT has given its decision favoring the domestic industry and concluded to continue such duty at 22.0% on certain grades of grinding media exported from India into Canada except for such grinding media supplied to Cement industry.
- (iv) The Company has only one reportable primary business segment as per IND AS 108 - "Operating Segments", i.e., Manufacturing of High Chrome Mill Internals.
- (v) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- (vi) The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these standalone financial results including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these standalone financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. Having reviewed the underlying information, management believes the impact of the pandemic may not be significant. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.
- (vii) Refer Annexure-I for standalone statement of assets and liabilities.
- (viii) Refer Annexure-II for standalone statement of cash flows.
- (ix) Figures for the previous period have been regrouped, reclassified and restated wherever necessary to make them comparable with the current period's figures.

During the quarter ended 31 December 2020, the management had reclassified certain items of 'stores, spares and consumables' as 'raw materials'. Accordingly, the following amounts from the comparative periods have been regrouped/reclassified to make them comparable with current period's figures.

Particulars	Quarter ended	Half year ended
	30-Sep-2020	30-Sep-2020
	Unaudited	Unaudited
Increase in raw material consumption / cost of material consumed	1,326.03	2,157.69
Decrease in stores, spares and consumable consumption / other expenses	1,326.03	2,157.69

By Order of Board of Directors
For AIA Engineering Limited



(Bhadresh K. Shah)
Managing Director
DIN:00058177

Place: Ahmedabad
Date: 30 October 2021

AIA ENGINEERING LIMITED

CIN : L29259GJ1991PLC015182

Annexure - I : Standalone Statement of Assets and Liabilities

(₹ in lakhs)

Particulars	As at 30 September 2021 (Unaudited)	As at 31 March 2021 (Audited)
ASSETS		
(I) Non-current assets		
(a) Property, plant and equipment	75,030.44	74,501.25
(b) Right of use asset	3,506.72	3,589.76
(c) Capital work-in-progress	19,871.75	16,094.87
(d) Goodwill	460.69	460.69
(e) Other intangible assets	305.19	299.66
(f) Financial assets		
(i) Investments	6,623.20	27,213.99
(ii) Trade receivables	288.52	250.30
(iii) Loans	133.81	96.88
(iv) Other financial assets	1,867.08	530.12
(g) Other tax assets (net)	2,559.68	2,560.46
(h) Other non-current assets	2,894.22	2,571.31
Total non-current assets	113,541.30	128,169.29
(II) Current assets		
(a) Inventories	62,003.83	41,949.88
(b) Financial assets		
(i) Investments	100,476.41	52,026.08
(ii) Trade receivables (net)	94,149.67	106,694.70
(iii) Cash and cash equivalents	7,573.03	21,708.67
(iv) Bank balances other than (iii) above	84,133.62	93,080.85
(v) Loans	65.90	95.04
(vi) Derivatives	540.56	313.18
(vii) Other financial assets	5,880.38	4,405.79
(c) Other current assets	8,423.69	4,890.07
Total current assets	363,247.09	325,164.26
Total assets	476,788.39	453,333.55
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	1,886.41	1,886.41
(b) Other equity	420,679.10	407,555.76
Equity attributable to owners of the Company	422,565.51	409,442.17
LIABILITIES		
(I) Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	466.46	575.02
(b) Provisions	593.82	769.51
(c) Deferred tax liabilities (net)	5,992.77	5,748.77
Total non-current liabilities	7,053.05	7,093.30
(II) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	23,400.00	18,100.00
(ii) Lease liabilities	301.79	257.78
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	3,297.76	3,600.54
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,787.00	11,094.73
(iv) Other financial liabilities	2,765.32	2,188.25
(b) Other current liabilities	2,106.06	1,250.13
(c) Provisions	354.92	196.85
(d) Current tax liabilities (net)	1,156.98	109.80
Total current liabilities	47,169.83	36,798.08
Total equity and liabilities	476,788.39	453,333.55



Annexure - II : Standalone Statement of Cash Flows

	(₹ in lakhs)		
	Half Year ended 30 September 2021 (Unaudited)	Half Year ended 30 September 2020 (Unaudited)	Year ended 31 March 2021 (Audited)
A. Cash flow from operating activities:			
Profit before tax	28,759.88	35,902.20	64,801.29
Add / (less): adjustments			
Interest income	(3,818.58)	(1,416.89)	(4,777.15)
Profit on sale of current investments	(122.93)	(3,237.12)	(3,677.24)
Fair valuation of current investments	(955.09)	(872.94)	(1,228.20)
Unrealised loss / (gain) on foreign exchange fluctuation (net)	295.16	918.82	1,048.93
Loss on sale / disposal of Property, plant and equipment and right of use assets (net)	0.45	60.35	216.37
Sundry balances (written back) / written off (net)	(15.23)	(1.99)	12.71
Depreciation and amortisation	4,488.67	4,713.15	9,097.06
Finance costs	149.23	244.17	398.52
Provision for product warranties	(71.00)	63.35	170.52
Provision for doubtful receivables	73.78	62.08	3.26
	28,784.34	36,435.18	66,066.07
Changes in working capital:			
(Increase) / Decrease in trade receivable	12,071.59	(860.01)	(12,948.98)
(Increase) / Decrease in loans	(7.79)	27.06	51.82
(Increase) / Decrease in inventories	(20,053.95)	(2,288.14)	1,554.21
(Increase) / Decrease in other financial assets	(84.46)	230.11	544.40
(Increase) / Decrease in other non current and current assets	(3,532.12)	2,448.88	4,191.83
Increase/ (Decrease) in provisions	25.32	(412.21)	(423.65)
Increase/ (Decrease) in trade payables	2,404.40	2,384.63	3,161.58
Increase / (Decrease) in other financial liabilities	311.65	255.20	(36.38)
Increase/ (Decrease) in other current liabilities	(12.76)	(453.17)	(521.27)
Cash generated from operations	19,906.22	37,767.53	61,639.63
Income taxes paid (net of refunds)	(6,089.20)	(6,962.31)	(18,601.00)
Net cash generated from operating activities (A)	13,817.02	30,805.22	43,038.63
B. Cash flow from investing activities:			
Acquisition of property, plant and equipment, capital work-in-progress and other intangibles	(8,722.43)	(6,848.55)	(12,357.24)
Proceeds from sale of property, plant and equipment	11.99	31.76	102.01
(Purchase of) / proceeds from sale of investments (net)	(25,559.29)	18,415.01	70,028.63
(Investment in) / Redemption of fixed deposits with bank (net)	7,632.10	(49,999.53)	(92,503.46)
Interest income	1,269.37	859.25	2,710.87
Net cash (used in) investing activities (B)	(25,368.26)	(37,542.06)	(32,019.19)
C. Cash flow from financing activities:			
Proceeds from / (Repayment) of current borrowings (net)	5,300.00	6,903.42	9,103.42
Repayment non-current borrowings	-	-	(1,500.00)
Dividends paid (including taxes on dividend)	(7,620.14)	-	-
Finance costs paid	(106.96)	(177.42)	(294.95)
Repayment of lease liabilities	(172.92)	(244.36)	(500.44)
Net cash (used in) / generated from financing activities (C)	(2,600.02)	6,481.64	6,808.03
D. Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(14,151.26)	(255.20)	17,827.47
E. Add : Cash and cash equivalents at the beginning of the year	21,708.67	3,881.10	3,881.10
F. Less: Foreign exchange (loss) / gain on restatement of cash and cash equivalents	15.62	264.91	0.10
G. Cash and cash equivalents at the end of the period / year (refer note 1 below)	7,573.03	3,890.81	21,708.67

Note : The above Standalone Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS-7, "Statement of Cash Flows".

	(₹ in lakhs)		
	As at 30 September 2021 (Unaudited)	As at 30 September 2020 (Unaudited)	As at 31 March 2021 (Audited)
Note 1:			
1 Cash and cash equivalents include:			
Balances with banks	7,566.80	3,881.60	21,701.76
Cash on hand	6.23	9.21	6.91
	7,573.03	3,890.81	21,708.67



BSR & Co. LLP

Chartered Accountants

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Near Vodafone House
Pralhadnagar, Corporate Road,
Ahmedabad 380 051
India

Telephone +91 (79) 7145 0001
Fax +91 (79) 7145 0050

Limited Review Report on Unaudited Quarterly Standalone Financial Results and Standalone Year-to-date financial results of AIA Engineering Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of AIA Engineering Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of AIA Engineering Limited ('the Company') for the quarter ended 30 September 2021 and year-to-date results for the period from 1 April 2021 to 30 September 2021 ("the Statement") being submitted by the Company pursuant to the requirements 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 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)


Rupen Shah
Partner

Place: Ahmedabad
Date: 30 October 2021

Membership No. 116240
ICAI UDIN: 21116240AAAACK4618

AIA ENGINEERING LIMITED

Regd. Office.: 115, GVMM Estate, Odhav Road, Ahmedabad 382 410; CIN: L29259GJ1991PLC015182

Ph. 079-22901078; Fax: 079-22901077; E-mail: ric@aiaengineering.com; Website: www.aiaengineering.com

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2021

(₹ in lakhs)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-21	30-Jun-21	30-Sep-20	30-Sep-21	30-Sep-20	31-Mar-21
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from sale of products	87,110.75	73,032.46	71,988.75	160,143.21	128,130.88	281,877.87
	Other operating revenue	1,406.37	961.64	2,243.61	2,368.01	4,136.15	6,271.37
	a) Total revenue from operations	88,517.12	73,994.10	74,232.36	162,511.22	132,267.03	288,149.24
	b) Other income	3,572.40	3,951.68	2,476.89	7,524.08	9,952.48	17,219.59
	Total Income (a+b)	92,089.52	77,945.78	76,709.25	170,035.30	142,219.51	305,368.83
2	Expenses						
	a) Cost of materials consumed	42,894.80	35,785.90	30,965.44	78,680.70	51,813.67	113,505.12
	b) Changes in inventories of finished goods and work-in-progress	(3,496.70)	(7,508.41)	(4,533.83)	(11,005.11)	(1,766.01)	755.46
	c) Employee benefits expense	3,423.74	3,384.95	3,337.19	6,808.69	6,652.84	13,350.47
	d) Finance costs	80.77	73.53	124.76	154.30	265.54	429.31
	e) Depreciation and amortisation expense	2,175.42	2,416.86	2,331.71	4,592.28	4,842.94	9,350.09
	f) Other expenses	29,502.58	25,141.56	25,436.16	54,644.14	44,190.73	95,013.59
	Total expenses (a+b+c+d+e+f)	74,580.61	59,294.39	57,661.43	133,875.00	105,999.71	232,404.04
3	Profit before tax and Exceptional Items (1-2)	17,508.91	18,651.39	19,047.82	36,160.30	36,219.80	72,964.79
4	Less: Exceptional Items	-	-	369.10	-	369.10	-
5	Profit before tax (3-4)	17,508.91	18,651.39	18,678.72	36,160.30	35,850.70	72,964.79
6	Tax expense						
	(i) Current tax	3,603.00	3,615.93	5,003.08	7,218.93	11,200.26	18,683.22
	(ii) Deferred tax	107.29	125.92	(668.93)	233.21	(2,627.37)	(2,289.07)
	Total tax expense (i+ii)	3,710.29	3,741.85	4,334.15	7,452.14	8,572.89	16,394.15
7	Profit for the period (5-6)	13,798.62	14,909.54	14,344.57	28,708.16	27,277.81	56,570.64
8	Other comprehensive income / (loss):						
	(i) Items that will not be reclassified to statement of profit and loss	(94.88)	59.02	120.93	(35.86)	44.28	223.38
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	23.88	(14.85)	(30.43)	9.03	(11.14)	(56.22)
	(iii) Items that will be reclassified to statement of profit and loss	(1,354.37)	869.85	(1,108.99)	(484.52)	(1,946.75)	(2,607.95)
	(iv) Income tax relating to items that will be reclassified to statement of profit and loss	188.80	(254.62)	113.36	(65.82)	266.61	142.67
9	Total other comprehensive income / (loss) (net of tax)	(1,236.57)	659.40	(905.13)	(577.17)	(1,647.00)	(2,298.12)
10	Total comprehensive income for the period (7+9)	12,562.05	15,568.94	13,439.44	28,130.99	25,630.81	54,272.52
11	Net profit / (loss) attributable to:						
	a) Owners of the Holding Company	13,759.15	14,932.52	14,396.63	28,691.67	27,323.37	56,612.19
	b) Non-Controlling Interest	39.47	(22.98)	(52.06)	16.49	(45.56)	(41.55)
12	Other comprehensive income / (loss) attributable to:						
	a) Owners of the Holding Company	(1,235.65)	658.17	(906.01)	(577.48)	(1,647.00)	(2,302.17)
	b) Non-Controlling Interest	(0.92)	1.23	0.88	0.31	-	4.05
13	Total comprehensive income / (loss) attributable to:						
	a) Owners of the Holding Company	12,523.50	15,590.69	13,490.62	28,114.19	25,676.37	54,310.02
	b) Non-Controlling Interest	38.55	(21.75)	(51.18)	16.80	(45.56)	(37.50)
14	Paid-up equity share capital - face value of ₹ 2 each	1,886.41	1,886.41	1,886.41	1,886.41	1,886.41	1,886.41
15	Other equity						422,545.04
16	Earning per equity share (EPS) in ₹ (not annualised)						
	Basic	14.59	15.83	15.26	30.42	28.97	60.02
	Diluted	14.59	15.83	15.26	30.42	28.97	60.02

Notes:

- (i) The above unaudited consolidated financial results for the quarter and half year ended 30 September 2021 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on 30 October 2021. These unaudited consolidated financial results have been subjected to Limited review by the statutory auditors of the Company. The statutory auditors have expressed an unmodified conclusion.
- (ii) The unaudited consolidated financial results are prepared in accordance with the Indian Accounting Standards 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment Rules), 2016.
- (iii) The unaudited consolidated financial results comprise of the results / financial information of the Holding Company, i.e., AIA Engineering Limited, and its subsidiaries namely - Welcast Steels Limited - India, AIA CSR Foundation - India, Vega Industries (Middle East) F.Z.C. - U.A.E., Vega Industries Limited - U.K., Vega Industries Limited - U.S.A., Vega Steel Industries (RSA) (PTY.) Limited - South Africa, Wuxi Vega Trade Co., Limited - China, PT. Vega industries Indonesia - Indonesia, Vega Industries Chile SPA - Chile, AIA Ghana Limited - Ghana and Vega Industries Australia Pty. Ltd. - Australia.



NOTES TO UNAUDITED CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

- (iv) During the previous year, the Canada Border Service Agency ('CBSA') had initiated investigations with respect to alleged dumping and subsidizing of certain grinding media from India into Canada. Based on the applicable rules and regulations, the CBSA had levied an interim duty of 32.2% w.e.f. 1 May 2021 and subsequently reduced such duty to 22.0% upon completion of their investigation. Such duty was subject to decision of the Canadian International Trade Tribunal ('CITT') with respect to determination of the injury/damage.
On 27 August 2021, the CITT has given its decision favoring the domestic industry and concluded to continue such duty at 22.0% on certain grades of grinding media exported from India into Canada except for such grinding media supplied to Cement industry.
- (v) The Group has only one reportable primary business segment as per Ind AS 108 - "Operating Segments", i.e., Manufacturing of High Chrome Mill Internals.
- (vi) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- (vii) The Group has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these consolidated financial results including the recoverability of carrying amounts of financial and non- financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group has, at the date of approval of these consolidated financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. Having reviewed the underlying information, management believes the impact of the pandemic may not be significant. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.
- (viii) Refer Annexure-I for consolidated statement of assets and liabilities.
- (ix) Refer Annexure-II for consolidated statement of cash flows.
- (x) Figures for the previous period have been regrouped, reclassified and restated wherever necessary to make them comparable with the current period's figures.

During the quarter ended 31 December 2020, the management had reclassified certain items of 'stores, spares and consumables' as 'raw materials'. Accordingly, the following amounts from the comparative periods have been regrouped/reclassified to make them comparable with current period's figures.

Particulars	Quarter ended	Half year ended
	30-Sep-2020	30-Sep-2020
	Unaudited	Unaudited
Increase in raw material consumption / cost of material consumed	1,326.03	2,157.69
Decrease in stores, spares and consumable consumption / other expenses	1,326.03	2,157.69

Place: Ahmedabad
Date: 30 October 2021



By Order of Board of Directors
For AIA Engineering Limited

(Bhadresh K. Shah)
Managing Director
DIN:00058177

AIA ENGINEERING LIMITED

CIN : L29259GJ1991PLC015182

Annexure - I : Consolidated Statement of Assets and Liabilities

(₹ in lakhs)

Particulars	As at	As at
	30 September 2021 (Unaudited)	31 March 2021 (Audited)
ASSETS		
(I) Non-current assets		
(a) Property, plant and equipment	75,913.58	75,249.24
(b) Right of use assets	3,618.59	3,602.90
(c) Capital work-in-progress	19,871.75	16,094.87
(d) Goodwill	460.69	460.69
(e) Goodwill on consolidation	1,532.08	1,528.79
(f) Other intangible assets	307.19	301.39
(g) Financial assets		
(i) Investments	5,130.46	25,721.25
(ii) Trade receivables	288.52	250.30
(iii) Loans	134.12	97.18
(iv) Other financial assets	2,338.17	992.85
(h) Deferred tax assets	17.10	21.36
(i) Other tax assets (net)	2,934.76	2,821.28
(j) Other non-current assets	2,922.90	2,759.71
Total non-current assets	115,469.91	129,901.81
(II) Current assets		
(a) Inventories	94,597.82	75,477.62
(b) Financial assets		
(i) Investments	105,053.24	55,136.36
(ii) Trade receivables (net)	64,047.94	63,847.10
(iii) Cash and cash equivalents	25,304.21	46,217.43
(iv) Bank balances other than (iii) above	84,481.93	93,327.43
(v) Loans	164.55	199.46
(vi) Derivatives	540.56	313.18
(vii) Other financial assets	6,039.81	4,536.58
(c) Other current assets	11,336.01	6,863.98
Total current assets	391,566.07	345,919.14
Total assets	507,035.98	475,820.95
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	1,886.41	1,886.41
(b) Other equity	442,173.50	422,545.04
Equity attributable to owners of the Company	444,059.91	424,431.45
(c) Non-controlling interest	900.63	881.77
Total equity	444,960.54	425,313.22
LIABILITIES		
(I) Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	468.61	577.17
(b) Provisions	593.82	769.51
(c) Deferred tax liabilities (net)	5,000.14	4,701.62
Total non-current liabilities	6,062.57	6,048.30
(II) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	23,625.00	18,447.30
(ii) Lease liabilities	412.87	269.40
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	3,299.35	3,601.33
Total outstanding dues of creditors other than micro enterprises and small enterprises	17,350.75	12,979.51
(iv) Other financial liabilities	2,833.04	2,273.05
(b) Other current liabilities	5,597.48	5,193.67
(c) Provisions	1,596.80	1,517.08
(d) Current tax liabilities (net)	1,297.58	178.09
Total current liabilities	56,012.87	44,459.43
Total equity and liabilities	507,035.98	475,820.95



AIA ENGINEERING LIMITED

CIN : L29259GJ1991PLC015182

Annexure - II : Consolidated Statement of Cash Flows

(₹ in lakhs)

	Half Year Ended 30 September 2021 (Unaudited)	Half Year Ended 30 September 2020 (Unaudited)	Year ended 31 March 2021 (Audited)
A. Cash flow from operating activities:			
Profit before tax	36,160.30	35,850.70	72,964.79
Add / (less): Adjustments			
Exceptional Items	-	369.10	-
Interest income	(3,929.54)	(1,492.04)	(5,004.28)
Profit on sale of current investments	(122.93)	(3,237.12)	(3,677.24)
Fair value of current investments	(892.38)	(872.94)	(1,291.19)
Unrealised loss / (gain) on foreign exchange fluctuation (net)	145.20	860.59	1,184.23
Loss / (gain) on sale / disposal of Property, plant and equipment and right of use assets (net)	0.45	60.35	216.37
Sundry balances written back (net)	-	(42.38)	(32.06)
Depreciation and amortisation	4,592.28	4,842.94	9,350.09
Finance costs	154.30	265.54	429.31
Provision for product warranties	(129.91)	99.35	234.82
Provision for doubtful trade receivables	73.78	62.08	3.26
Foreign currency fluctuation on translation of foreign operations	(740.55)	(891.22)	(2,043.09)
	35,311.00	35,874.95	72,335.01
Changes in working capital:			
(Increase) / Decrease in trade receivables	(470.58)	10,927.37	(2,225.60)
Decrease / (Increase) in loans	(2.03)	35.93	51.68
(Increase) / Decrease in inventories	(19,120.20)	(1,963.18)	2,334.60
(Increase) / Decrease in other financial assets	(121.26)	268.20	552.05
(Increase) / Decrease in other non current and current assets	(4,470.53)	2,428.15	3,353.94
(Decrease) / Increase in provisions	6.80	(584.45)	(1,313.92)
Increase / (Decrease) in trade payables	4,129.44	1,953.71	2,953.15
Increase / (Decrease) in other financial liabilities	294.57	226.82	(82.87)
Increase / (Decrease) in other current liabilities	(464.88)	(2,617.17)	329.81
Cash generated from operations	15,092.33	46,550.33	78,287.86
Income taxes paid (net of refunds)	(6,209.17)	(7,048.32)	(18,441.67)
Net cash generated from operating activities (A)	8,883.16	39,502.01	59,846.19
B. Cash flow from investing activities:			
Acquisition of property, plant and equipment, capital work-in-progress and other intangibles	(8,761.27)	(6,862.34)	(12,417.20)
Proceeds from sale of property, plant and equipment	11.99	31.76	110.15
(Purchase of) / proceeds from sale of investments	(27,173.66)	15,305.07	66,981.34
Interest income	1,386.19	921.72	2,894.75
(Investment in) / Redemption of fixed deposits with bank (net)	7,524.31	(50,014.31)	(92,696.76)
Net cash used in investing activities (B)	(27,012.44)	(40,618.10)	(35,127.72)
C. Cash flow from financing activities:			
Proceeds from / (Repayment) of current borrowings (net)	5,177.70	6,713.42	9,050.72
Repayment non-current borrowings	-	-	(1,500.00)
Dividends paid (including taxes on dividend)	(7,620.14)	-	-
Finance costs paid	(109.97)	(197.27)	(306.75)
Repayment of lease liabilities	(218.01)	(293.63)	(590.15)
Net cash generated from / (used in) financing activities (C)	(2,770.42)	6,222.52	6,653.82
D. Net (decrease) / increase in cash and cash equivalents (A+B+C)	(20,899.70)	5,106.43	31,372.29
E. Add : Cash and cash equivalents at the beginning of the period / year	46,217.43	14,849.19	14,849.19
F. Less: Foreign exchange (loss) / gain on restatement of cash and cash equivalents	(13.52)	553.14	(4.05)
G. Cash and cash equivalents at the end of the period / year (refer note 1 below)	25,304.21	20,508.76	46,217.43

Note: The above Consolidated Statement of cash flows has been prepared under the 'Indirect Method' as set out in Ind AS-7, "Statement of Cash Flows".

Note 1:

- 1 Cash and cash equivalents include:**
Balances with banks
Balances with bank in fixed deposit accounts
Cash on hand



	As at 30 September 2021 (Unaudited)	As at 30 September 2020 (Unaudited)	As at 31 March 2021 (Audited)
	25,295.91	20,397.82	46,208.07
	-	100.00	-
	8.30	10.94	9.36
	25,304.21	20,508.76	46,217.43

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Limited review report on Unaudited Quarterly Consolidated Financial Results and Consolidated year-to-date results of AIA Engineering Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

Board of Directors of AIA Engineering Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of AIA Engineering Limited (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the quarter ended 30 September 2021 and year-to-date results for the period from 1 April 2021 to 30 September 2021 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s 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 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. 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following subsidiaries:

Sr. no.	Name of entity	Country	Relationship
1	Welcast Steels Limited	India	Subsidiary
2	AIA CSR Foundation	India	Wholly owned subsidiary
3	Vega Industries (Middle East) F.Z.C.	U.A.E.	Wholly owned subsidiary
4	Vega Industries Limited	U.S.A.	Step down subsidiary
5	Vega Industries Australia PTY Limited	Australia	Step down subsidiary
6	AIA Ghana Limited	Ghana	Step down subsidiary
7	Vega Industries Limited	U.K.	Step down subsidiary
8	Vega Steel Industries (RSA) PTY Limited	South Africa	Step down subsidiary
9	PT. Vega Industries Indonesia	Indonesia	Step down subsidiary
10	Wuxi Vega Trade Co. Limited	China	Step down subsidiary
11	Vega Industries Chile SpA	Chile	Step down subsidiary



Limited review report on Unaudited Quarterly Consolidated Financial Results and Consolidated year-to-date results of AIA Engineering Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of other auditor referred to in paragraph 6 below, 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 Standard and other accounting principles generally accepted in India, 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.

6. We did not review the interim financial results of 1 subsidiary included in the Statement, whose interim financial results reflect total assets of Rs. 4,224.49 lakhs as at 30 September 2021 and total revenue from operations of Rs. 1,710.71 lakhs and Rs. 2,063.04 lakhs, total net profit / (loss) after tax of Rs. 86.98 lakhs and Rs. (125.99) lakhs and total comprehensive income / (loss) of Rs. 83.33 lakhs and Rs. (124.76) lakhs for the quarter ended 30 September 2021 and for the period from 1 April 2021 to 30 September 2021 respectively, and cash inflows (net) of Rs. 47.69 lakhs for the period from 1 April 2021 to 30 September 2021 as considered in the Statement. This interim financial results have been reviewed by other auditor whose report has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

7. The Statement includes the interim financial information of 1 wholly owned subsidiary and 5 step down subsidiaries which have not been reviewed/audited, whose interim financial information reflects total assets of Rs. 19,733.88 lakhs as at 30 September 2021 and total revenue from operations of Rs. 11,054.91 lakhs and Rs. 21,877.89 lakhs, total net profit / (loss) after tax of Rs. (251.32) lakhs and Rs. 22.19 lakhs and total comprehensive profit / (loss) of Rs. (288.98) lakhs and Rs. 108.55 lakhs for the quarter ended 30 September 2021 and for the period ended 1 April 2021 to 30 September 2021 respectively, and cash inflows (net) of Rs. 894.52 lakhs for the period from 1 April 2021 to 30 September 2021 as considered in the Statement based on their interim financial information which have not been reviewed/audited. According to the information and explanations given to us by the management, this interim financial information is not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For B S R & Co. LLP

Chartered Accountants

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



Rupen Shah

Partner

Membership No. 116240

ICAI UDIN: 21116240AAAACL8933

Place: Ahmedabad

Date: 30 October 2021