

Varroc Engineering Limited

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Maharashtra, India

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www.varrocgroup.com
CIN: L28920MH1988PLC047335



VARROC/SE/INT/2018-19/32
November 13, 2018

To,

(1) The Manager – Listing
The Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai-400051

(2) The Manager - Listing
The Corporate Relation Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001

NSE Symbol: VARROC

BSE Security Code: 541578
Security ID: VARROC

Dear Sir/Madam,

Sub.: Submission of Financial Results for Q2 2018-19.

Ref.: Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

This is to Inform you that the Board of Directors of the Company, at its meeting held today i.e. on 13th November 2018, which commenced at 12: 00 noon and concluded at 03:00 p.m. inter alia, has discussed and approved unaudited Standalone and Consolidated Financial Results of the Company for quarter and half year ended 30th September 2018.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

1. Standalone and Consolidated Unaudited Financial Results, for the quarter and half year ended 30th September 2018.
2. Limited review report on unaudited Financial Results for the quarter and half year ended 30th September 2018.

The results will be uploaded on the Company's website www.varrocgroup.com and will be published in English and Vernacular newspapers.

Kindly take the same on record and note the compliance.

Thanking you,

Yours faithfully,

For Varroc Engineering Limited

Rakesh Darji

Company Secretary & Compliance Officer

Encl: Unaudited Financial Results for Q2 2018-19

CC:

Link Intime India Pvt. Ltd., Mumbai (RTA)

Limited Review Report**Review Report to
The Board of Directors
Varroc Engineering Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of Varroc Engineering Limited (the 'Company') for the quarter ended September 30, 2018 and year to date from April 01, 2018 to September 30, 2018 (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'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('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 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 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 applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, 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.
5. We have not audited or reviewed the comparative financial information of the Company for the corresponding quarter and six month period ended September 30, 2017, included in the statement of unaudited standalone Ind AS financial results which have been prepared solely based on the information compiled by Management.



SRBC & CO LLP

Chartered Accountants

6. The comparative Ind AS financial information of the Company as at and for the year ended March 31, 2018, included in the statement of unaudited standalone Ind AS financial results is based on the audited standalone financial statements of the Company for the year ended March 31, 2018 which were audited by the predecessor auditor who expressed an unmodified opinion on those standalone financial statements on June 6, 2018.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003


per Paul Alvares

Partner

Membership No.: 105754

Place: Mumbai

Date: **NOVEMBER 13, 2018**



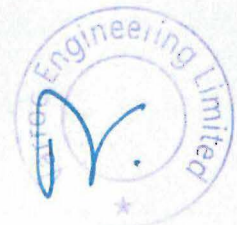


Statement of unaudited standalone financial results for the quarter and half year ended 30 September 2018

(Rs. In million)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
		Unaudited	Unaudited	Unaudited (refer note 4)	Unaudited	Unaudited (refer note 4)	Audited
I	Revenue from operations (refer note 5)	6,934.27	6,199.04	5,278.14	13,133.31	10,368.24	20,954.75
II	Other income	156.28	124.27	73.69	280.55	119.28	287.71
III	Total Income (I + II)	7,090.55	6,323.31	5,351.83	13,413.86	10,487.52	21,242.46
IV	Expenses						
(a)	Cost of materials consumed	4,516.27	4,025.95	3,253.65	8,542.23	6,118.54	13,083.36
(b)	Changes in stock of finished goods, stock-in-trade and work-in-progress	(25.19)	(30.45)	131.08	(55.65)	185.70	(10.54)
(c)	Excise duty	-	-	-	-	485.83	485.83
(d)	Employee benefits expense	538.05	533.99	432.34	1,071.98	837.72	1,753.76
(e)	Finance costs	101.18	100.41	98.61	201.59	188.39	363.50
(f)	Depreciation and amortisation expense	262.59	260.11	251.42	522.70	500.95	1,016.11
(g)	Other expenses	1,043.64	1,044.07	846.56	2,087.71	1,663.12	3,498.84
	Total expenses (IV)	6,436.54	5,934.03	5,013.66	12,370.56	9,980.25	20,190.86
V	Profit before tax (III - IV)	654.01	389.28	338.17	1,043.30	507.27	1,051.60
VI	Tax expense						
	Current tax	120.93	93.87	73.09	214.80	113.32	232.97
	Short/(excess) provision for tax relating to prior periods	0.01	(3.12)	-	(3.11)	-	-
	Deferred tax	58.79	40.26	32.17	99.05	52.20	120.33
	Total tax expense	179.73	131.01	105.26	310.74	165.52	353.30
VII	Profit for the period (V - VI)	474.28	258.27	232.91	732.56	341.75	698.30
VIII	Other comprehensive income						
	Items that will be reclassified to profit or loss in subsequent periods (net of tax)						
	Deferred hedging gains/(losses) on cash flow hedges (net of tax)	58.15	(8.31)	1.53	49.84	0.02	6.68
	Items that will not be reclassified to profit or loss in subsequent periods (net of tax)						
	Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	-	10.82
	Other comprehensive income	58.15	(8.31)	1.53	49.84	0.02	17.50
IX	Total comprehensive income for the period (VII + VIII)	532.43	249.96	234.44	782.40	341.77	715.80
X	Paid-up equity share capital Face value of the share in Rs.1/- each	134.81	134.81	123.13	134.81	123.13	134.81
XI	Reserves excluding revaluation reserves as per balance sheet of previous accounting year						9,980.66
XII	Earnings per share (of Rs 1/- each) (not annualised): Basic & diluted	3.52	1.92	1.62*	5.43	2.38*	4.96

* Adjusted for impact of change in face value of equity shares from Rs. 10 to Re.1 per share.



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Statement of unaudited standalone Assets and Liabilities as at September 30, 2018

(Rs. In million)

Sr. No.	Particulars	As at September 30, 2018	As at March 31, 2018
		Unaudited	Audited
	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	7,491.11	7,632.20
	(b) Capital work-in-progress	922.70	217.13
	(c) Investment properties	280.71	286.42
	(d) Intangible assets	86.22	91.05
	(e) Intangible assets under development	21.33	5.97
	(f) Financial assets		
	(i) Investments in subsidiaries	4,647.21	4,647.21
	(ii) Loans	16.59	17.45
	(ii) Other financial assets	102.25	0.39
	(g) Income tax assets (net)	-	24.04
	(h) Other non-current assets	529.61	328.51
		14,097.73	13,250.37
2	Current assets		
	(a) Inventories	2,280.14	1,946.90
	(b) Financial assets		
	(i) Investments	-	0.10
	(ii) Trade receivables	4,967.18	3,888.43
	(iii) Cash and cash equivalents	101.16	84.03
	(iv) Bank balances other than (iii) above	1.89	1.83
	(v) Loans	54.39	18.71
	(vi) Other financial assets	63.29	175.32
	(c) Other current assets	269.60	234.58
		7,737.65	6,349.90
	Total Assets (1+2)	21,835.38	19,600.27
	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	134.81	134.81
	(b) Other equity		
	Reserves and surplus	10,708.46	9,982.93
	Other reserves	3.85	-2.27
		10,847.12	10,115.47
2	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	1,857.00	2,204.61
	(ii) Other financial liabilities	5.88	5.64
	(b) Provisions	53.79	53.05
	(c) Deferred tax liabilities (net)	237.57	135.22
	(d) Other non current liabilities	163.95	172.66
		2,318.19	2,571.18
3	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	2,251.53	1,724.32
	(ii) Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	2.82	8.75
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,912.16	3,234.54
	(c) Acceptances	499.36	184.12
	(iii) Other financial liabilities	1,435.66	1,331.00
	(b) Provisions	212.15	194.07
	(c) Current tax liabilities (net)	62.82	-
	(d) Other current liabilities	293.57	236.82
		8,670.07	6,913.62
	Total Equity and Liabilities (1+2+3)	21,835.38	19,600.27



Notes to the Unaudited Standalone Financial Results:

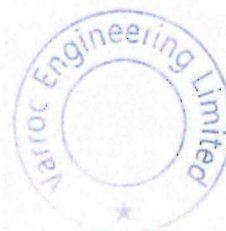
- 1 The above unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 13, 2018. The Statutory Auditor of the Company have carried out a "limited review " of these financial results.
- 2 These unaudited standalone financial results have 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 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI Circular no. CIR/CFD/FAC/62/2016. dated 5th July, 2016.
- 3 During the current period, the Company has completed a detailed evaluation of the impact of the new revenue standard Ind AS 115 "Revenue from Contracts with Customers" which is effective from April 1, 2018. Application of Ind AS 115 did not have any material impact on the recognition and measurement of revenue and related items in the financial results for current and previous periods.
- 4 The unaudited standalone financial results for the quarter and half year ended September 30, 2017 is solely based on information compiled by the management. The said information has not been subject to limited review or audit.
- 5 Post the applicability of GST in India with effect from July 01, 2017, revenue is required to be disclosed net of GST, Accordingly, the revenue from operations for the half year ended September 30, 2018 is not comparable with the half year ended September 30, 2017 in the results.

Place: Mumbai
Date: 13/11/2018



For and on behalf of Board of Directors
Varroc Engineering Limited

Tarang Jain
Managing Director



Limited Review Report**Review Report to
The Board of Directors
Varroc Engineering Limited**

1. We have reviewed the accompanying statement of unaudited consolidated Ind AS financial results of Varroc Engineering Group comprising Varroc Engineering Limited (the 'Company'), its subsidiaries (together referred to as 'the Group') and its joint ventures, for the quarter ended September 30, 2018 and year to date from April 01, 2018 to September 30, 2018 (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'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('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 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 issue express a conclusion on the Statement based on our review.
3. We conducted our review 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 and based on the consideration of the reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of subsidiaries and joint venture, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated Ind AS financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, 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.
5. We did not review the financial statements and other financial information, in respect of 6 subsidiaries, whose Ind AS financial statements include total assets of Rs. 46,947.23 million as at September 30, 2018, and total revenues of Rs. 17,531.72 million and Rs. 35,239.87 million for the quarter and the period ended on that date. These Ind AS financial statements and other financial information have been reviewed by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial results also include the Group's share of net profit of Rs. 70.67 million and Rs. 195.23 million for the quarter and for the period ended September 30, 2018 respectively, as considered in the consolidated Ind AS financial statements, in respect of a joint venture, whose financial statements, other financial information have been reviewed by other auditors and whose



reports have been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of such subsidiaries and joint venture is based solely on the report of other auditors. Our conclusion is not modified/qualified in respect of this matter.

6. Certain of these subsidiaries are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial results of such subsidiaries/joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries/joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.
7. The accompanying consolidated Ind AS financial results include unaudited financial statements and other unaudited financial information in respect of 11 subsidiaries, whose financial statements and other financial information reflect total assets of Rs. 13,641.06 million as at September 30, 2018, and total revenues of Rs. 398.39 million and Rs. 824.61 million for the quarter and the period ended on that date respectively. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated Ind AS financial results also include the Group's share of net profit of Rs. 2.70 million and Rs. 6.65 million for the quarter and for the period ended September 30, 2018 respectively, as considered in the consolidated Ind AS financial results, in respect of a joint venture, whose financial statements and other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of these subsidiaries and joint venture, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements and other financial information are not material to the Group. Our conclusion is not modified/qualified in respect of this matter.
8. We have not audited or reviewed the comparative financial information of the Group for the corresponding quarter and period ended September 30, 2017, included in the statement of unaudited consolidated Ind AS financial results which have been prepared solely based on the information compiled by the management.
9. The comparative Ind AS consolidated financial information of the Group as at and for the year ended March 31, 2018, included in the statement of unaudited consolidated Ind AS financial results is based on the audited consolidated financial statements of the Company for the year ended March 31, 2018 which were audited by the predecessor auditor who expressed an unmodified opinion on those consolidated financial statements on June 6, 2018.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

per **Paul Alvares**

Partner

Membership No.: 105754

Place: Mumbai

Date: **NOVEMBER 13, 2018**



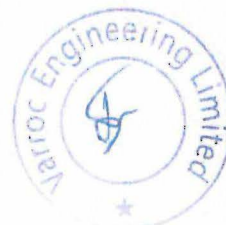


Statement of unaudited consolidated financial results for the quarter and half year ended September 30, 2018

(Rs. in million)

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
	Unaudited	Unaudited	Unaudited (refer note 3)	Unaudited	Unaudited (refer note 3)	Audited
Revenue from operations (refer note 4 and 7)	30,010.51	29,270.24	24,191.76	59,280.75	48,534.37	1,03,784.57
Other income	183.03	261.53	50.18	444.56	137.54	386.10
Total income	30,193.54	29,531.77	24,241.94	59,725.31	48,671.91	1,04,170.67
Expenses						
Cost of materials consumed	18,687.71	19,097.56	14,261.87	37,785.27	29,032.19	64,127.17
Changes in inventories of work-in-progress, stock-in-trade and finished goods	59.20	(705.13)	592.13	(645.93)	37.14	(300.31)
Excise duty	-	-	-	-	996.26	996.26
Employee benefits expense	3,402.98	3,742.45	3,111.09	7,145.43	6,285.58	13,135.17
Finance costs	207.95	229.02	221.92	436.97	438.04	861.70
Depreciation and amortisation expense	1,642.88	1,063.96	951.07	2,706.84	1,859.20	3,864.65
Other expenses	4,822.14	4,889.32	4,035.02	9,711.46	7,864.34	17,017.97
Total expenses	28,822.86	28,317.18	23,173.10	57,140.04	46,512.75	99,702.61
Profit before share of profits of joint ventures and tax	1,370.68	1,214.59	1,068.84	2,585.27	2,159.16	4,468.06
Share of profits of Joint Ventures	73.36	128.52	147.03	201.88	254.49	690.27
Profit before tax	1,444.04	1,343.11	1,215.87	2,787.15	2,413.65	5,158.33
Tax expense						
Current tax	182.05	329.05	374.29	511.10	600.27	1,193.75
Deferred tax	253.32	9.68	(84.22)	263.00	(96.51)	(543.19)
Total tax expense	435.37	338.73	290.07	774.10	503.76	650.56
Profit for the period	1,008.67	1,004.38	925.80	2,013.05	1,909.89	4,507.77
Other comprehensive income						
Other comprehensive income to be reclassified to profit or loss in subsequent periods						
Deferred hedging gains/(losses) on cash flow hedges (net of tax)	58.15	(8.31)	1.53	49.84	0.02	6.68
Exchange differences in translating the financial statements of foreign operations	(21.28)	(190.35)	797.24	(211.63)	1,496.36	1,996.01
Other comprehensive income not to be reclassified to profit or loss in subsequent periods						
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	-	(4.41)
Other comprehensive income, net of tax	36.87	(198.66)	798.77	(161.79)	1,496.38	1,998.28
Total comprehensive income for the period	1,045.54	805.72	1,724.57	1,851.26	3,406.27	6,506.05
Profit for the period attributable to:						
Shareholders of the Company	1,000.18	994.76	927.45	1,994.94	1,906.05	4,502.58
Non-controlling interests	8.49	9.62	(1.65)	18.11	3.84	5.19
Other comprehensive income attributable to:						
Shareholders of the Company	36.87	(198.66)	797.10	(161.79)	1,496.38	1,997.80
Non-controlling interests	-	-	-	-	-	0.48
Total comprehensive income for the period attributable to:						
Shareholders of the Company	1,037.05	796.10	1,724.55	1,833.15	3,402.43	6,500.38
Non-controlling interests	8.49	9.62	(1.65)	18.11	3.84	5.67
Paid-up equity share capital (face value of Rs 1)	134.81	134.81	114.61	134.81	114.61	134.81
Reserves excluding revaluation reserves as per balance sheet of previous accounting year						28,145.24
Earnings per equity share attributable to Owners (Nominal value per share: Re. 1) (not annualised)						
Basic and diluted (in Rupees)	7.42	7.38	6.88*	14.80	14.14*	33.40

* Adjusted for impact of change in face value of equity shares from Rs. 10 to Re. 1 per share.

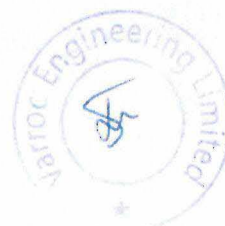


Statement of unaudited consolidated Assets and Liabilities as at September 30, 2018



(Rs. in million)

Sr. No.	Particulars	As at September 30, 2018	As at March 31, 2018
		Unaudited	Audited
	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	27,480.68	25,863.21
	(b) Capital work-in-progress	4,440.19	2,440.47
	(c) Investment properties	137.33	140.55
	(d) Goodwill	2,661.53	334.72
	(e) Other intangible assets	3,639.56	1,701.05
	(f) Intangible assets under development	3,112.88	1,000.25
	(g) Investments accounted for using the equity method	3,433.19	3,564.96
	(h) Financial assets		
	(i) Investments	0.17	0.20
	(ii) Loans	113.54	106.81
	(iii) Other financial assets	315.42	316.27
	(i) Income tax assets (net)	475.39	124.35
	(j) Deferred tax assets (Net)	1,136.85	1,030.00
	(k) Other non-current assets	2,289.95	1,296.70
		49,236.68	37,919.54
2	Current assets		
	(a) Inventories	10,319.74	8,640.97
	(b) Financial assets		
	(i) Investments	92.77	30.32
	(ii) Trade receivables	16,952.72	14,027.34
	(iii) Cash and cash equivalents	2,196.21	3,265.78
	(iv) Bank balances other than (iii) above	28.91	23.59
	(v) Loans	80.89	40.07
	(vi) Other financial assets	2,425.13	2,612.77
	(c) Other current assets	3,297.44	1,963.54
		35,393.81	30,604.38
	Total Assets (1+2)	84,630.49	68,523.92
	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	134.81	134.81
	(b) Other equity		
	Reserves and surplus	27,400.97	26,106.57
	Other reserves	1,809.25	2,038.27
	Equity attributable to owners	29,345.03	28,280.05
	Non-controlling interests	225.97	207.67
	Total equity	29,571.00	28,487.72
2	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	9,787.39	6,361.46
	(ii) Other financial liabilities	76.35	122.81
	(b) Provisions	1,072.31	1,062.42
	(c) Deferred tax liabilities (net)	690.40	508.87
	(d) Other non-current liabilities	397.83	310.33
		12,014.28	8,305.89
3	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	10,566.79	3,439.27
	(ii) Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	12.28	27.22
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18,795.82	19,766.57
	(c) Acceptances	546.50	210.34
	(iii) Other financial liabilities	6,472.54	5,653.05
	(b) Provisions	618.10	448.48
	(c) Current tax liabilities (net)	169.93	81.33
	(d) Other current liabilities	5,863.25	2,104.04
		43,045.21	31,730.31
	Total Equity and Liabilities (1+2+3)	84,630.49	68,523.92



Unaudited Consolidated Segment wise Revenue, Results, Assets and Liabilities

(Rs. In million)

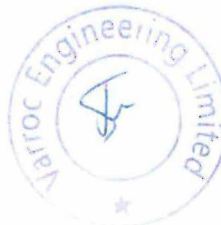
Particulars	Quarter ended			Half year ended		For the year ended
	September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
	Unaudited	Unaudited	Unaudited (refer note 3)	Unaudited	Unaudited (refer note 3)	Audited
1) Segment Revenue						
(i) Automotive	29,313.41	28,443.67	23,590.20	57,757.08	47,324.22	1,01,042.03
(ii) Others	697.10	830.87	601.56	1,527.97	1,213.81	2,750.08
	30,010.51	29,274.54	24,191.76	59,285.06	48,538.03	1,03,792.11
Less: Inter segment revenue	-	4.30	-	4.30	3.66	7.54
	30,010.51	29,270.24	24,191.76	59,280.75	48,534.37	1,03,784.57
2) Segment Results						
(i) Automotive	1,481.48	1,365.29	1,243.75	2,846.77	2,512.02	5,077.86
(ii) Others	(11.67)	49.45	5.80	37.78	33.50	89.55
Total Segment Results	1,469.81	1,414.74	1,249.55	2,884.55	2,545.52	5,167.41
Add/ (Less):						
(a) Finance Cost	(207.95)	(229.02)	(221.92)	(436.97)	(438.04)	(861.70)
(b) Net unallocated (expenditure) / income	182.18	157.39	188.24	339.57	306.17	852.62
Total profit before tax	1,444.04	1,343.11	1,215.87	2,787.15	2,413.65	5,158.33
3) Segment Assets						
(i) Automotive	76,253.29	67,236.66	57,214.57	76,253.29	57,214.57	60,634.30
(ii) Others	2,579.01	2,488.50	2,129.41	2,579.01	2,129.41	2,518.39
Total segment assets	78,832.30	69,725.16	59,343.98	78,832.30	59,343.98	63,152.69
Add: Unallocated	5,798.19	5,430.88	4,292.93	5,798.19	4,292.93	5,371.23
Total assets	84,630.49	75,156.04	63,636.91	84,630.49	63,636.91	68,523.92
4) Segment Liabilities						
(i) Automotive	29,581.02	23,972.65	17,483.27	29,581.02	17,483.27	26,217.94
(ii) Others	943.79	1,071.84	760.03	943.79	760.03	979.28
Total segment liabilities	30,524.81	25,044.49	18,243.30	30,524.81	18,243.30	27,197.22
Add: Unallocated	24,534.68	20,825.31	19,925.01	24,534.68	19,925.01	12,838.98
Total liabilities	55,059.49	45,869.80	38,168.31	55,059.49	38,168.31	40,036.20

Notes to the unaudited consolidated Financial Results:

- The above unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 13, 2018. The Statutory Auditor of the Company have carried out a "limited review" of these financial results.
- These unaudited consolidated financial results have 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 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI Circular no. CIR/CFD/FAC/62/2016, dated 5th July, 2016.
- The unaudited consolidated financial results for the quarter and half year ended September 30, 2017 are solely based on information compiled by the management. The said information has not been subject to limited review or audit.
- Post the applicability of GST in India with effect from July 01, 2017, revenue is required to be disclosed net of GST. Accordingly, the revenue from operations for the half year ended September 30, 2018 is not comparable with the half year ended September 30, 2017 in the results.
- The "Automotive" segment consists of the business of automobile products consisting of auto parts for two-wheelers, three-wheelers and four-wheelers and related design, development and engineering activities and other services. "Others" comprise of forging components for off road vehicles and components for mining and oil drilling industry which is below the thresholds for reporting as separate operating segment. Investment in Joint Venture and corresponding share of profit from joint venture is considered under unallocated assets and profit respectively.
- On July 02, 2018, the Group has acquired "SA-BA Endustriyel Urunler Imalat ve Ticaret Anonim Sirketi", a Turkey based company engaged in the manufacture and supply of interior and exterior lighting products mainly for the automotive sector. Given the recent acquisition, the management is in the process of allocation of the purchase consideration of EURO 43 Million to assets and liabilities based on their acquisition date fair values. As at September 30, 2018, the consideration in excess of book value of the assets and liabilities acquired has been allocated to the Goodwill on provisional basis. The Group expects to finalize the purchase price allocation as above before end of current financial year ending March 31, 2019.
- During the current period, the Group has completed a detailed evaluation of the impact of the new revenue standard Ind AS 115 "Revenue from Contracts with Customers" which is effective from April 1, 2018. Ind AS 115 has impact on the product development/engineering services which are now considered as related to sale of parts rather than a separate performance obligation. As a result, revenue from engineering services is now recognised over the period of production. Costs incurred in respect of providing engineering services are recognised as intangible assets and amortised over the period of production. The Group has applied the modified retrospective approach as permitted by Ind AS 115 to the contracts which were not completed as of April 1, 2018 and has debited Rs. 691.87 million (net of tax) to retained earnings as at April 1, 2018. Due to the above change, the revenue and profit after tax for the quarter and half year ended September 30, 2018 are higher by Rs. 264.26 million and Rs. 119.28 million respectively.



Place: Mumbai
Date: November 13, 2018



For and on behalf of Board of Directors
Varroc Engineering Limited

Tarang Jain
Managing Director