

AIA ENGINEERING LIMITED

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

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2023

(₹ in lakhs)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-2023	30-Sep-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022	31-Mar-2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from sale of products	102,158.80	106,039.14	98,020.57	309,558.21	292,828.60	397,430.88
	Other operating revenue	2,243.63	2,094.05	1,690.16	6,266.69	4,899.64	7,045.47
	a) Total revenue from operations	104,402.43	108,133.19	99,710.73	315,824.90	297,728.24	404,476.35
	b) Other income	8,487.28	6,735.82	18,172.37	21,352.96	27,187.78	32,273.96
	Total income (a+b)	112,889.71	114,869.01	117,883.10	337,177.86	324,916.02	436,750.31
2	Expenses						
	a) Cost of materials consumed	54,419.76	49,043.84	42,620.86	152,507.75	149,723.80	201,494.98
	b) Purchase of stock-in-trade	-	-	17.78	-	146.84	351.65
	c) Changes in inventories of finished goods and work-in-progress	(4,391.54)	2,305.12	4,249.59	(3,034.64)	(542.46)	(716.47)
	d) Employee benefits expense	3,112.14	2,996.62	2,730.25	9,111.42	8,116.92	11,040.39
	e) Finance costs	707.16	731.93	520.89	2,188.18	1,003.13	1,845.36
	f) Depreciation and amortisation expense	2,662.32	2,372.87	2,395.30	7,425.70	6,838.18	9,115.33
	g) Other expenses						
	Consumption of Stores	7,408.98	7,479.34	7,974.22	22,794.81	22,889.16	30,844.00
	Power and fuel	10,094.30	8,534.92	8,124.69	27,693.79	26,308.03	36,431.41
	Others	6,735.25	6,993.65	4,767.94	18,722.50	14,121.44	19,635.30
	Total expenses (a+b+c+d+e+f+g)	80,748.37	80,458.29	73,401.52	237,409.51	228,605.04	310,041.95
3	Profit before tax (1-2)	32,141.34	34,410.72	44,481.58	99,768.35	96,310.98	126,708.36
4	Tax expense						
	(i) Current tax	7,594.08	8,388.25	8,861.71	24,345.24	21,984.77	29,309.44
	(ii) Short/ (Excess) provision for tax of earlier periods	(194.43)	-	-	(194.43)	-	10.49
	(iii) Deferred tax	620.29	324.79	107.23	1,030.47	113.80	505.87
	Total tax expense (i+ii+iii)	8,019.94	8,713.04	8,968.94	25,181.28	22,098.57	29,825.80
5	Profit for the period (3-4)	24,121.40	25,697.68	35,512.64	74,587.07	74,212.41	96,882.56
6	Other comprehensive income / (loss):						
	(i) Items that will not be reclassified to statement of profit and loss	(35.02)	(108.98)	61.09	(108.00)	187.35	142.79
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	8.81	27.43	(15.37)	27.18	(47.15)	(35.94)
	(iii) Items that will be reclassified to statement of profit and loss	337.23	211.71	284.81	1,172.28	(581.32)	(919.64)
	(iv) Income tax relating to items that will be reclassified to statement of profit and loss	(84.87)	(53.29)	(71.67)	(295.04)	146.31	231.45
	Total other comprehensive income / (loss) (net of tax) (i+ii+iii+iv)	226.15	76.87	258.86	796.42	(294.81)	(581.34)
7	Total comprehensive income for the period (5+6)	24,347.55	25,774.55	35,771.50	75,383.49	73,917.60	96,301.22
8	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
9	Other equity						545,414.51
10	Earnings per equity share (EPS) in ₹ (not annualised)						
	Basic	25.58	27.24	37.65	79.08	78.68	102.72
	Diluted	25.58	27.24	37.65	79.08	78.68	102.72

Notes:

- (i) The above unaudited standalone financial results for the quarter and nine months ended 31 December 2023 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on 7 February 2024. 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 recognition and measurement principles laid down in 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, as amended.
- (iii) The Company has only one reportable primary business segment as per IND AS 108 - "Operating Segments", i.e., Manufacturing of High Chrome Mill Internals.
- (iv) During the nine months ended 31 December 2023, the Company along with its subsidiary, Vega Industries (Middle East) FZC, UAE, ("VEGA ME") has acquired 100% shares of Vega Industries Peru Limited ("Vegu Peru") on 01 August 2023 (in the ratio of 1% by the Company and 99% by VEGA ME) for a total consideration of USD 1,000. Vega Peru is a newly incorporated company in Peru which shall be engaged in trading of goods manufactured by the Company. The Company along with VEGA ME has further invested USD 99,000 (in the ratio of 1% by the Company and 99% by VEGA ME) on 15 November 2023.
- (v) During the quarter ended 31 December 2023, the Company has made an Initial Public Announcement on 13 December 2023, intending to acquire all the equity shares of its Subsidiary Company i.e. Welcast Steels Limited ("WSL") that are held by public shareholders and consequently voluntarily delist the equity shares of WSL from BSE Limited. The aforesaid voluntary delisting of equity shares has been approved by the Board of Directors of WSL on 18 December 2023 and by the shareholders of WSL on 20 January 2024. Further regulatory process in this respect is ongoing and accordingly the financial results for the quarter and nine months ended 31 December 2023 do not contain any impact of the above.

**By Order of Board of Directors
For AIA Engineering Limited**

**(Bhadresh K. Shah)
Managing Director
DIN:00058177**

Place: Ahmedabad
Date: 7 February 2024

AIA ENGINEERING LIMITED

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2023

(₹ in lakhs)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-2023	30-Sep-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022	31-Mar-2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from sale of products	114,671.89	127,385.72	120,994.94	364,086.76	358,620.96	483,802.48
	Other operating revenue	2,243.90	2,094.22	1,690.16	6,267.52	4,899.64	7,074.39
	a) Total revenue from operations	116,915.79	129,479.94	122,685.10	370,354.28	363,520.60	490,876.87
	b) Other income (Refer Note viii)	8,310.30	6,232.46	11,795.25	20,493.94	17,073.36	23,453.94
	Total Income (a+b)	125,226.09	135,712.40	134,480.35	390,848.22	380,593.96	514,330.81
2	Expenses						
	a) Cost of materials consumed	55,427.72	49,834.18	40,979.22	154,505.61	152,398.34	204,076.00
	b) Changes in inventories of finished goods and work-in-progress	(7,367.31)	4,861.92	3,374.54	2,389.75	(3,589.66)	2,506.02
	c) Employee benefits expense	4,321.70	4,334.45	3,784.53	12,719.54	11,196.92	15,190.16
	d) Finance costs	707.62	741.85	524.36	2,199.15	1,021.06	2,010.39
	e) Depreciation and amortisation expense	2,698.93	2,450.92	2,443.82	7,574.40	6,979.47	9,304.01
	f) Other expenses						
	Power and fuel	10,374.03	8,845.27	8,402.52	28,612.78	27,209.26	37,659.43
	Freight outward expenses	6,953.90	7,082.95	13,631.14	20,843.80	39,069.53	47,654.25
	Others	16,084.38	16,311.37	15,940.73	47,648.24	44,746.42	59,726.93
	Total expenses (a+b+c+d+e+f)	89,200.97	94,462.91	89,080.86	276,493.27	279,031.34	378,127.19
3	Profit before share of profit of joint venture and tax (1-2)	36,025.12	41,249.49	45,399.49	114,354.95	101,562.62	136,203.62
4	Share of profit of joint venture, Net of Tax	75.47	-	-	75.47	-	-
5	Profit before tax (3+4)	36,100.59	41,249.49	45,399.49	114,430.42	101,562.62	136,203.62
6	Tax expense						
	(i) Current tax	7,876.15	8,560.51	9,195.14	24,922.33	22,584.93	29,872.66
	(ii) Short/ (Excess) provision for tax of earlier periods (Refer Note v)	(191.90)	2.43	531.49	641.15	532.47	539.97
	(iii) Deferred tax	426.12	277.57	426.36	1,215.46	(438.87)	140.96
	Total tax expense (i+ii+iii)	8,110.37	8,840.51	10,152.99	26,778.94	22,678.53	30,553.59
7	Profit for the period (5-6)	27,990.22	32,408.98	35,246.50	87,651.48	78,884.09	105,650.03
8	Other comprehensive income / (loss):						
	(i) Items that will not be reclassified to statement of profit and loss	(30.06)	(102.77)	73.33	(93.12)	224.06	162.63
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	7.56	25.86	(15.37)	23.43	(47.15)	(40.93)
	(iii) Items that will be reclassified to statement of profit and loss	(285.69)	(229.69)	(2,806.34)	(531.77)	(4,215.68)	(3,837.20)
	(iv) Income tax relating to items that will be reclassified to statement of profit and loss	(84.87)	(53.29)	(71.67)	(295.04)	146.31	231.45
	Total other comprehensive income / (loss) (net of tax) (i+ii+iii+iv)	(393.06)	(359.89)	(2,820.05)	(896.50)	(3,892.46)	(3,484.05)
9	Total comprehensive income for the period (7+8)	27,597.16	32,049.09	32,426.45	86,754.98	74,991.63	102,165.98
10	Net profit / (loss) attributable to:						
	a) Owners of the Holding Company	27,961.48	32,307.60	35,246.16	87,503.23	78,773.68	105,592.89
	b) Non-Controlling Interest	28.74	101.38	0.34	148.25	110.41	57.14
11	Other comprehensive income / (loss) attributable to:						
	a) Owners of the Holding Company	(393.46)	(361.06)	(2,823.13)	(898.77)	(3,901.69)	(3,487.78)
	b) Non-Controlling Interest	0.40	1.17	3.08	2.27	9.23	3.73
12	Total comprehensive income / (loss) attributable to:						
	a) Owners of the Holding Company	27,568.02	31,946.54	32,423.03	86,604.46	74,871.99	102,105.11
	b) Non-Controlling Interest	29.14	102.55	3.42	150.52	119.64	60.87
13	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
14	Other equity						567,246.19
15	Earning per equity share (EPS) in ₹ (not annualised)						
	Basic	29.64	34.26	37.37	92.77	83.52	111.95
	Diluted	29.64	34.26	37.37	92.77	83.52	111.95

Notes:

- (i) The above unaudited consolidated financial results for the quarter and nine months ended 31 December 2023 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on 7 February 2024. These unaudited consolidated financial results have been subjected to Limited review by the statutory auditors of the Holding Company. The statutory auditors have expressed an unmodified conclusion.
- (ii) The unaudited consolidated financial results are prepared in accordance with the recognition and measurement principles laid down in 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, as amended.
- (iii) The unaudited consolidated financial results comprise of the results / financial information of the Holding Company, i.e., AIA Engineering Limited, 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, Vega Industries Australia Pty. Ltd. - Australia, Vega Industries Peru Limited - Peru and a joint venture namely - Vega MPS Pty. Ltd.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

- (iv) The Group has only one reportable primary business segment as per Ind AS 108 - "Operating Segments", i.e., Manufacturing of High Chrome Mill Internals.
- (v) During the nine months ended 31 December 2023, the Group has created a provision of Rs. 835.99 lakhs towards certain withholding taxes recoverable in an overseas jurisdiction.
- (vi) During the nine months ended 31 December 2023, the Holding Company along with its subsidiary, Vega Industries (Middle East) FZC, UAE, ("VEGA ME") has acquired 100% shares of Vega Industries Peru Limited ("Vegu Peru") on 01 August 2023 (in the ratio of 1% by the Company and 99% by VEGA ME) for a total consideration of USD 1,000. Vega Peru is a newly incorporated company in Peru which shall be engaged in trading of goods manufactured by the Holding Company. The Holding Company along with VEGA ME has further invested USD 99,000 (in the ratio of 1% by the Company and 99% by VEGA ME) on 15 November 2023.
- (vii) During the nine months ended 31 December 2023, Vega Industries (Middle East) FZC, UAE, ("VEGA ME"), a wholly owned subsidiary of the Company, has entered into a Share Purchase Agreement and Shareholder's Agreement on 3 August 2023, with the promoters of Vega MPS Pty. Ltd.(VMPS), Australia, a newly incorporated company, created by promoters of MPS to acquire 30% stake in the business of Mining Products and Service Pty. Ltd., (MPS), Australia. During the quarter ended 31 December 2023, the mining products business of MPS, Australia has been transferred to VMPS, Australia and VEGA ME has acquired 30% stake in VMPS Australia on 11 October 2023, for a total consideration of AUD 7.86 million. VEGA ME has an option to acquire additional 40% shares of VMPS, Australia over a period of 3 years.
- (viii) Other Income of Welcast Steels Ltd. for the quarter ended 30 September 2023 includes reversal of provision of earlier year for service tax demand and interest thereon amounting to Rs. 206.42 Lakhs consequent to favorable order received from Tribunal (CESTAT) vide order received on 08 September 2023.
- (ix) During the quarter ended 31 December 2023, the Company has made an Initial Public Announcement on 13 December 2023, intending to acquire all the equity shares of its Subsidiary Company i.e. Welcast Steels Limited ("WSL") that are held by public shareholders and consequently voluntarily delist the equity shares of WSL from BSE Limited. The aforesaid voluntary delisting of equity shares has been approved by the Board of Directors of WSL on 18 December 2023 and by the shareholders of WSL on 20 January 2024. Further regulatory process in this respect is ongoing and accordingly the financial results for the quarter and nine months ended 31 December 2023 do not contain any impact of the above.

**By Order of Board of Directors
For AIA Engineering Limited**

Place: Ahmedabad
Date: 7 February 2024

(Bhadresh K. Shah)
Managing Director
DIN:00058177