

BTL/SH/SE/Reg. 30/2020-2021

9th November, 2020

The Secretary BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, <u>Mumbai - 400001</u>	The Manager Listing Department National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C-1, Block G, Bandra-Kurla Complex, Bandra (E) <u>Mumbai - 400051</u>
BSE Scrip Code - 542932	NSE Symbol - BIRLATYRE

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on 9th November, 2020

In continuation of our letter under reference BTL/SH/SE/Reg. 29/2020-2021 dated 31st October, 2020, and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI – LODR), we wish to inform you that the Board of Directors of the Company at its meeting held today i.e. 9th November, 2020 considered and approved the Statement of Unaudited Financial Statements of the Company for the quarter and half year ended 30th September, 2020, as recommended by the Audit Committee.

Pursuant to Regulation 33 of the SEBI – LODR, we enclose herewith the following:

- Statement showing the Unaudited Financial Results for the quarter and half year ended 30th September, 2020;
- Limited Review Report for Unaudited Financial Results for the quarter and half year ended 30th September, 2020 issued by the Statutory Auditors.

Further, in compliance with Regulation 30 read with Schedule III Part A of SEBI – LODR, please be informed that the Board has accepted the resignation of Mr. Anirban Moulik, Chief Financial Officer, to be effective from the close of business hours on 18th November, 2020.

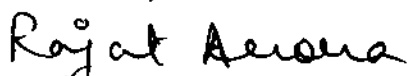
We hereby submit the following details as required under Regulation 30 of the SEBI – LODR:

- a) Reason for change: Resignation
- b) Date of Cessation: 18.11.2020
- c) Brief Profile: N.A.
- d) Disclosure of relationship between directors: N.A.

The Meeting commenced at 12.36 PM and concluded at 13.00 PM.

This is for your information and records.

Yours faithfully,
For Birla Tyres Limited


Rajat Arora
Company Secretary

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF BIRLA TYRES LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Birla Tyres Limited** ("the Company"), for the quarter and six months ended September 30, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 specified under section 143(10) of the Companies Act, 2013 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.

4. Based on our review conducted as stated in paragraph 3 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 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We draw attention to Note 4 of the Statement regarding preparation of the financial results of the Company on a going concern. The Company had incurred losses during the previous year and has continued to incur losses during the current period. The networth of the Company has been fully eroded. The net current liabilities are Rs. 985.60 crore as at September 30, 2020. These conditions, along with the outcome of other matters as set forth in Note 4, indicate existence of material uncertainty, which may cast significant doubts about the Company's ability to continue as a going concern and consequently, the ability of the Company to realise its assets and discharge its liabilities in the normal course of business. The ability of the Company to continue as a going concern is solely dependent upon successful completion of resolution plan with the lenders and raising additional capital which is not wholly in control of the Company. The management has prepared the Statement on a going concern basis based on their assessment of a successful outcome of the resolution plan and raising additional capital and also considering the financial support committed by the Promotor group and no adjustments have been made to the carrying value of assets and liabilities and their presentation/classification in the Balance Sheet.

Our report is not modified in respect of this matter.

Deloitte Haskins & Sells

6. We draw attention to Note 6 of the Statement, which state that the external borrowings from banks of Rs. 899.77 as disclosed in Financial information used in the preparation of the Statement, is transferred from Demerged Company in accordance with the NCLT approved scheme and that some of the banks are still in the process of splitting the loan as per the order. Pending such split of loan, the outstanding balances as on the reporting date are still shown in the name of the demerged company as per the confirmation statements issued by those Banks to the demerged company.

Our opinion is not modified in respect of this matter.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 302009E)

ABHIJIT	Digitally signed by ABHIJIT
BANDYOPA	BANDYOPADHYAY
DHYAY	Date: 2020.11.09 13:02:30 +05'30'

Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)
UDIN: 20054785AAAAFP4030

Place: Kolkata
Date: November 09, 2020

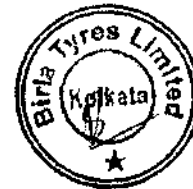
BIRLA TYRES LIMITED

Regd. Office : 9/1, R. N. Mukherjee Road, Kolkata - 700 001

Statement of Standalone Unaudited Financial Results for the quarter and six month ended 30th September, 2020

(Approved by the Board of Directors on 9th November, 2020 after review thereof by the Audit Committee)

Sl. No.	Particulars	Standalone					Rs./Crores
		Current three months ended 30/09/2020 (Unaudited)	Preceding three months ended 30/09/2020 (Unaudited)	Corresponding three months ended in the previous year 30/09/2019 (Unaudited)	Current six months ended 30/09/2020 (Unaudited)	Corresponding six months ended in the previous year 30/09/2019 (Unaudited) (Refer Note 5)	Previous Year ended 31/03/2020 (Audited)
	Income						
	a) Revenue from Operations	38.78	28.80	139.84	68.58	349.67	471.70
	b) Other income	0.25	0.26	1.76	0.51	3.48	66.76
	Total Income [1(a) + 1(b)]	40.03	29.06	141.60	69.09	353.15	538.46
	EXPENSES						
	a) Cost of Materials consumed	18.76	10.05	83.61	28.81	214.60	253.78
	b) Purchases of stock-in-trade	0.77	0.25	5.38	1.02	22.53	25.46
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1.52	12.30	19.32	13.82	7.92	38.50
	d) Employee benefits expense	22.30	28.85	30.10	51.15	62.61	121.50
	e) Depreciation and amortisation expense	8.21	8.94	9.65	17.15	19.35	38.06
	f) Finance Costs	35.80	42.14	34.80	77.94	69.67	151.74
	g) Other expenses	25.59	15.10	42.57	40.69	97.88	196.03
	Total Expenses [2(a) to 2(g)]	112.95	117.63	225.43	230.58	494.46	825.13
	Profit/(Loss) before exceptional items and tax (3-7)	(72.92)	(88.57)	(83.83)	(161.49)	(141.31)	(286.67)
	Provisions (Vol)	-	-	-	-	-	-
	Profit/(Loss) before tax (3+4)	(72.92)	(88.57)	(83.83)	(161.49)	(141.31)	(286.67)
	Tax expense						
	a) Current tax charge / (credit)	-	-	-	-	-	-
	b) Deferred tax charge / (credit)	-	-	-	-	-	-
	Net Profit/(Loss) for the period (5-8)	(72.92)	(88.57)	(83.83)	(161.49)	(141.31)	(286.67)
	Other Comprehensive Income (net of tax expense)	(0.58)	(0.58)	0.01	(1.16)	0.02	(2.32)
	Total Comprehensive Income (7+8)	(73.50)	(89.15)	(83.82)	(162.65)	(141.29)	(288.99)
	Paid-up equity share capital (Face value Rs. 10/- per share)	142.59	142.59	142.59	142.59	142.59	142.59
	Reserves excluding Revaluation Reserve	-	-	-	-	-	1425.66
	Earnings Per Share (EPS) (Not Annualised)						
	(i) Face value of Rs.10/- per share						
	(ii) Basic EPS	Rs (5.12)	(6.21)	(5.88)	(11.33)	(9.91)	(20.11)
	(iii) Diluted EPS	Rs (5.12)	(6.21)	(5.88)	(11.33)	(9.91)	(20.11)



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Statement of Standalone Unaudited Financial Results for the quarter and six month ended 30th September, 2020

(Approved by the Board of Directors on 9th November, 2020 after review thereof by the Audit Committee)

Rs./Crores

Statement of Assets & Liabilities

Particulars	Standalone	
	As at 30/09/2020 (Unaudited)	As at 31/03/2020 (Audited)
A. ASSETS		
(1) NON-CURRENT ASSETS		
(a) Property, Plant and Equipment	492.22	507.97
(b) Capital work-in-progress	775.11	775.44
(c) Right of use asset	1.39	8.95
(d) Other intangible assets	0.03	0.03
(e) Financial assets		
(i) Other financial assets	4.41	5.30
(f) Other non-current assets	63.72	66.22
Total Non-Current Assets	1,336.88	1,363.91
(2) CURRENT ASSETS		
(a) Inventories	49.90	76.82
(b) Financial assets		
(i) Trade receivables	111.37	115.45
(ii) Cash and cash equivalents	5.00	3.16
(iii) Other bank balances	-	16.69
(iv) Loans	0.17	0.25
(v) Other financial assets	1.46	1.25
(c) Other current assets	38.91	50.87
Total Current Assets	206.81	264.49
TOTAL ASSETS	1,543.69	1,628.40
B. EQUITY AND LIABILITIES		
(1) EQUITY		
(a) Equity share capital	142.59	142.59
(b) Other equity	(588.31)	(425.66)
Total Equity	(445.72)	(283.07)
(2) NON-CURRENT LIABILITIES		
(a) Financial liabilities		
(i) Borrowings	630.65	619.55
(ii) Lease Liability	0.48	6.22
(iii) Other financial liabilities	151.71	150.64
(b) Provisions	14.16	16.14
Total Non-Current Liabilities	797.00	792.55
(3) CURRENT LIABILITIES		
(a) Financial liabilities		
(i) Borrowings	210.16	235.98
(ii) Lease Liability	1.04	3.45
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	5.05	5.80
Total outstanding dues of creditors other than micro enterprises and small enterprises	266.03	267.26
(iv) Other financial liabilities	564.92	472.60
(b) Provisions	61.66	63.65
(d) Other current liabilities	83.55	70.17
Total Current Liabilities	1,192.41	1,118.92
TOTAL EQUITY AND LIABILITIES	1,543.69	1,628.40



BIRLA TYRES LIMITED

Regd. Office : 9/1, R. N. Mukherjee Road, Kolkata - 700 001

Statement of Cash Flow for the six month ended 30th September, 2020

(Approved by the Board of Directors on 9th November, 2020 after review thereof by the Audit Committee)

Rs./Crores

Particulars	Period ended 30/09/2020	Period ended 30/09/2019
A. Cash Flow From Operating Activities		
Net Loss before tax	(161.49)	(141.31)
Adjustments for:		
Depreciation and amortisation	17.15	19.35
Provision for bad and doubtful debts charged / (written back)	7.04	8.71
Provision for doubtful advances charged / (written back)	2.29	-
Provision for warranty	(5.00)	2.12
Finance costs	77.94	69.67
Loss on sale of property, plant and equipment (net)	0.00	-
Right of use asset written off (net)	5.81	-
Liabilities/Provision no longer required written back	-	(0.01)
Interest income	(0.50)	(1.15)
Operating loss before working capital changes	(56.76)	(42.62)
Changes in Working Capital:		
Increase / (decrease) in Non-Current / Current financial and other liabilities/provisions	4.58	(117.88)
(Increase) / decrease in Non-Current / Current financial and other assets	7.79	42.16
(Increase) / decrease in inventories	26.92	28.51
Cash Used in Operations	(17.47)	(89.81)
Direct Taxes paid (net of refunds)	-	-
Net cash used in operating activities	(17.47)	(89.81)
B. Cash flow from Investing Activities:		
Purchase of property, plant and equipment/capital advance given	(0.18)	(0.28)
Proceeds from sale of property, plant and equipment	0.00	-
Interest received	0.50	1.15
Proceeds from Bank Deposit	17.28	(2.39)
Net cash (used) / generated in / from Investing activities	17.60	(1.51)
C. Cash flow from Financing Activities		
Finance cost paid	(13.08)	(64.95)
Proceed / (Repayment) from / of loans and advances from body corporate	50.47	243.43
Payment of Lease obligations	(1.48)	(2.33)
Net Proceed / (Repayment) from / of Short term borrowings	(12.36)	67.61
Repayment of Long term borrowings	-	(24.70)
Net cash generated from financing activities	23.57	219.06
Net decrease in cash and cash equivalents	23.70	127.74
Cash and cash equivalents at the beginning of the period	3.16	0.01
Cash and cash equivalents acquired pursuant to the scheme of arrangement	-	8.98
Less: Cash credits at the beginning of the period	(114.66)	-
Less: Cash credits transferred pursuant to the scheme of demerger	-	(213.27)
Adjusted cash & cash equivalents at the beginning of the period	(111.50)	(204.28)
Cash & cash equivalents at the end of the period	(87.80)	(76.54)

Particulars	30-Sep-20	30-Sep-19
Cash and Cash Equivalents comprise:		
Cash on hand	0.04	0.03
Cheques on hand	-	3.96
Balances with banks on current account	4.93	3.83
Deposit with Original Maturity for less than three months	0.03	0.03
Cash credits at the end of the period	(92.80)	(84.39)
	(87.80)	(76.54)



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BIRLA TYRES LIMITED

Regd. Office : 9/1, R. N. Mukherjee Road, Kolkata - 700 001

Statement of Standalone Unaudited Financial Results for the quarter and six month ended 30th September, 2020

(Approved by the Board of Directors on 9th November, 2020 after review thereof by the Audit Committee)

- 1 Other Comprehensive Income includes re-measurement gains/ (losses) on actuarial valuation of post-employment defined benefits. These items will not be reclassified to profit or loss.
- 2 The Company has only one business segment, i.e "Tyres" and does not operate in any other reportable segment as per IND AS 108 - "Operating Segments"
- 3 As per the directives of both the Central and State Governments in the wake of COVID-19 pandemic, the operations of the Company were impacted, due to shutdown of its plant and offices following nationwide lockdown by the Government of India. The Company has resumed operations in a phased manner as per directives from the Government of India. The Management has considered the possible effects, if any, that may result from the pandemic on the carrying amount of current assets after considering internal and external sources of information including the possible future uncertainties in the global economic conditions as at the date of approval of these financial results. Given the uncertainties associated with pandemic's nature and duration, the actuals may differ from the estimates considered in these financial results. The Company continues to closely monitor the rapidly changing situation.
- 4 The Company has incurred losses during the previous year and has continued to incur losses during the current period, primarily due to lower sales volume and finance costs which has resulted in erosion in net worth as at September 30, 2020. The net current liabilities as at September 30 2020 were Rs. 985.60 Crore. Further, the Company has not complied with certain financial debt covenants, defaulted in repayment of letter of credit, working capital facilities, term loan repayments and interest payable to lenders aggregating to Rs. 185.49 Crore. Further, it has not paid employee benefit expenses and certain statutory liabilities as on September 30, 2020. The aforesaid conditions indicate existence of liquidity stress and material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern and consequently, the ability of the Company to realise its assets and discharge its liabilities in the normal course of business.

The Board of directors has evaluated these conditions and has advised management to take measures to improve the liquidity condition of the Company. The Company is working towards a resolution plan with the lenders and is also considering capital raising options of an amount aggregating upto Rs. 1,100 Crore by way of Equity and/ or Debt Instruments, which will enable the Company to scale up its operations and meet the remaining financial obligations. The management is expecting to get the necessary approval from lenders and the stakeholders. The Company's ability to continue as a going concern is dependent on successful outcome of the above mentioned management plans which are not wholly in control of the management. Pending implementation of the resolution plan and the successful implementation of the capital raising options, the Promoter Group has committed to provide continuing financial support to the Company over the next 12 months as and when necessary and will bring in funds by December 2020 which will enable the Company to meet its liabilities towards the lenders and the overdue balances as stated above. Accordingly, these financial information have been prepared on the basis that the Company will continue as a going concern.

- 5 The figures for the corresponding quarter and six months ended September 30, 2019 are approved by the Board of Directors and were subject to special purpose audit by the auditors for inclusion in the information memorandum filed with relevant stock exchanges for listing of the equity shares of the Company
- 6 The external borrowings from banks as recorded in the books of the Company is transferred from Demerged Company in accordance with the NCLT approved scheme. The banks are in the process of spilling the loan as per the NCLT order.
- 7 Figures for the previous year have been regrouped/reclassified wherever necessary to conform to current period's classification.
- 8 The Statutory Auditors have carried out a Limited Review of the above unaudited financial results for the quarter ended 30th September, 2020 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



By Order of the Board

Kaushik Biswas
Director

Place: Kolkata

Date: 9th November, 2020

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