

RAIL:SEC:2014

November 13, 2014

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
5th Floor, Plot No.C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

Ref : **Symbol – RICOAUTO & Series – EQ**

Sub : **Board Meeting held on 13th November, 2014**

Dear Sir,

Pursuant to the Listing Agreements, SEBI (Insider Trading) Regulation 2002 and other applicable rules and regulations, we wish to inform you that the Board of Directors have approved the following in the aforesaid meeting:

1. Unaudited Financial Results for the quarter and half year ended 30th September, 2014 (copy enclosed).
2. Limited Review Report for the aforesaid quarter duly signed by the Auditors of the Company.
3. Re-appointment of Shri Arvind Kapur as Chairman, CEO & Managing Director for a period of 5 (five) years w.e.f. 17/12/2014 to 16/12/2019.

Thanking you,

Yours faithfully,
for Rico Auto Industries Limited


B.M. Jhamb
Company Secretary
FCS : 2446

Encl : As above

RICO AUTO INDUSTRIES LIMITED

Regd. Office : 69 KM Stone, Delhi - Jaipur Highway , Dharuhera, Distt. Rewari (Haryana)
Corp. Office : 38 KM Stone, Delhi - Jaipur Highway, Gurgaon - 122001 (Haryana) CIN : L34300HR1983PLC023187

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

(Rs. in crores)

PART - I

Particulars	Quarter ended on			Half-Year ended		Year ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Gross revenue	249.98	229.97	260.35	479.95	553.54	1,041.62
Income from operations						
2. Net sales/ income from operations (net of excise duty)	215.61	195.48	230.09	411.09	486.48	901.25
- Domestic	164.57	150.06	179.94	314.63	383.56	708.05
- Export	51.04	45.42	50.15	96.46	102.92	193.20
3. Other operating income	7.25	8.57	6.92	15.82	10.37	29.14
Total income from operations	222.86	204.05	237.01	426.91	496.85	930.39
4. Expenses						
a) Cost of materials consumed	115.32	106.93	132.41	222.25	279.31	497.62
b) Change in inventories of finished goods and work-in-progress	(3.77)	(1.92)	(0.35)	(5.69)	4.76	12.99
c) Employee benefit expense	27.36	28.01	27.90	55.37	56.86	112.44
d) Depreciation and amortisation	16.10	16.16	17.73	32.26	35.74	71.33
e) Power and fuel	27.30	23.80	19.68	51.10	39.95	78.75
f) Other expenditure	37.41	27.39	33.35	64.80	67.50	125.07
Total expenses	219.72	200.37	230.72	420.09	484.12	898.20
5. Profit/ (loss) from operations before other income, finance cost and exceptional items	3.14	3.68	6.29	6.82	12.73	32.19
6. Other income	9.55	9.40	8.90	18.95	14.99	32.65
7. Profit from ordinary activities before finance cost and exceptional items	12.69	13.08	15.19	25.77	27.72	64.84
8. Finance cost	15.17	11.77	14.73	26.94	30.44	59.36
9. Profit/ (loss) from ordinary activities after finance cost but before exceptional items	(2.48)	1.31	0.46	(1.17)	(2.72)	5.48
10. Exceptional items	1.08	1.48	-	2.56	-	1.38
11. Profit/ (loss) from ordinary activities before tax	(3.56)	(0.17)	0.46	(3.73)	(2.72)	4.10
12. Tax expense/ (Credit)	(1.50)	0.56	0.12	(0.94)	(0.24)	1.47
a) Current Year	(0.27)	0.27	0.57	-	1.75	2.54
b) Deferred Tax { Liability (+) / Asset (-) }	(1.23)	0.29	(0.45)	(0.94)	(1.99)	(1.07)
c) MAT Credit Receivable	-	-	-	-	-	-
d) Previous Year Income Tax	-	-	-	-	-	-
13. Net profit/ (loss) from ordinary activities after tax	(2.06)	(0.73)	0.34	(2.79)	(2.48)	2.63
14. Extraordinary items (net of tax)	-	-	-	-	-	-
15. Net profit/ (loss) for the period	(2.06)	(0.73)	0.34	(2.79)	(2.48)	2.63
16. Paid - up equity share capital of Re. 1/- each	13.53	13.53	13.53	13.53	13.53	13.53
17. Reserves excluding revaluation reserves as per balance sheet of previous accounting year						308.69
18. Earning per Share (before and after extraordinary items, not annualised)						
- Basic (Rs.)	(0.16)	(0.05)	0.03	(0.21)	(0.18)	0.19
- Diluted (Rs.)	(0.16)	(0.05)	0.03	(0.21)	(0.18)	0.19

PART - II

A. PARTICULARS OF SHAREHOLDING	Quarter ended on			Half-Year ended		Year ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Aggregate of public shareholding						
a) Number of shares	67505022	67505022	67505022	67505022	67505022	67505022
b) Percentage of shareholding	49.90	49.90	49.90	49.90	49.90	49.90
2. Promoters and promoter group shareholding						
a) Pledged/ encumbered						
- Number of shares	45400000	35400000	32000000	45400000	32000000	47400000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	66.98	52.23	47.21	66.98	47.21	69.93
- Percentage of shares (as a % of the total share capital of the Company)	33.56	26.17	23.65	33.56	23.65	35.04
b) Non-encumbered						
- Number of shares	22379978	32379978	35779978	22379978	35779978	20379978
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	33.02	47.77	52.79	33.02	52.79	30.07
- Percentage of shares (as a % of the total share capital of the Company)	16.54	23.93	26.45	16.54	26.45	15.06

B. INVESTOR COMPLAINTS	Quarter ended on 30.09.2014
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed off during the quarter	Nil
Remaining unresolved at the end of quarter	Nil

NOTES

1) The above financial results were reviewed by the audit committee and thereafter were approved and taken on record by the board of directors in their meeting held on 13 November 2014.

2) The Limited Review as required under Clause 41 of the Listing Agreement of the standalone results has been completed by the Statutory Auditors of the Company. The aforementioned Limited Review for the quarter ended and the year to date 30 September, 2014 does not have any impact on the above results.

3) Previous quarter's/year amounts have been re-grouped/re-classified, wherever considered necessary to make them comparable with those of the current quarter and year to date .

4) As the Company's primary segment falls within a single business segment viz. "Automotive Components", accordingly disclosure requirements under Clause 41 of the Listing Agreement are not applicable.

5)The Board of Directors of the Company on September 25, 2014 approved and signed a share purchase agreement for the sale of Company's investment in FCC RICO Limited, a joint venture between the Company and FCC Co. Ltd., Japan, to FCC Co. Ltd., Japan and/or its affiliate (a FCC Group company) for a total gross consideration of Rs. 495 crores (Rupees Four hundred ninety five crores only). The sale will be completed subject to completion of customary conditions precedent and such other regulatory conditions as applicable. The Company has reclassified its investment in the Joint venture from long term investment to current investment, and continues to consolidate results of the joint venture for the period in accordance with requirements of Accounting Standard 27 "Financial Reporting of Interests in Joint Ventures".

In accordance with the requirement of clause 41, information relating discontinued operation for the purpose of consolidated financial results are as follows:

Particulars	Quarter ended on			Half-Year ended		Year ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1. Profit before tax from ordinary activities attributable to discontinuing operations	9.45	5.96	3.21	15.41	4.73	25.19
2. Add: Tax expenses of discontinuing operations	2.92	1.99	1.01	4.91	1.82	7.70
3. Profit from discontinuing operations	6.53	3.97	2.20	10.50	2.91	17.49

Amounts included in the statement of assets and liabilities pertaining to discontinuing operations are: assets of Rs. 253.57 crores as at 30 September 2014 and Rs.243.88 crores as at 31 March 2014 and liabilities of Rs. 137.43 crores as at 30 September 2014 and Rs. 132.36 crores as at 31 March 2014.

6) The Company had performed a detailed assessment to determine whether there is permanent diminution in the value of investments in two subsidiaries namely Rasa Autocom Limited and Rico Jinfei Wheels Limited and if advances or other receivables as of March 31, 2014, from such subsidiaries are recoverable. Material estimates and judgments used for the purposes of business plans of these subsidiaries, which form the basis of such assessment, continue to be appropriate, accordingly, the management has concluded that no adjustments to the carrying values of underlying investments aggregating to Rs.50.53 Crore and advances or other receivables aggregating to Rs.61.21 Crore pertaining to these subsidiaries are required to be made in the financial statements for the period ended September 30, 2014. The Auditors have given an emphasis of matter in their review report.

7) Effective from April 01, 2014, the Company has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of Rs.2.95 crore (net of deferred tax) has been adjusted against retained earnings. Based on the technical estimate and history of usage, the Company has retained useful life of certain categories of plant and machinery which is higher than the useful life as indicated in Schedule II. Owing to aforementioned change in estimate (except for certain categories of plant and machinery where the earlier useful life is retained), depreciation charge for the period is lower by Rs.2.49 crore.

8) Tax expense include prior period deferred tax amounting to Rs.0.51 crore.

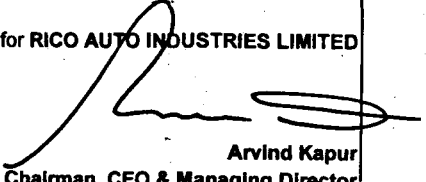
9) The Consolidated Financial Results of the Company have been prepared in accordance with the Accounting Standards and includes the results of its Subsidiary and Joint Venture Companies.

10) Shri Arvind Kapur, Chairman, CEO & Managing Director has been re-appointed for a further period of five years w.e.f. December 17, 2014 and his remuneration has been fixed by the Board of Directors subject to approval of the Shareholders and the Central Government.

11) Exceptional item represents expenditure incurred pursuant to Voluntary Retirement Scheme of the Company.

12) Results are available at Company's website ricoauto.com and also at bseindia.com and nseindia.com.

for RICO AUTO INDUSTRIES LIMITED


Arvind Kapur
Chairman, CEO & Managing Director
DIN : 00096308

Place : Gurgaon

Date : 13th November, 2014

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF
RICO AUTO INDUSTRIES LTD. AND ITS SUBSIDIARIES AND JOINT VENTURES
FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014**

(Rs. in crores)

Particulars	Quarter ended on			Half-Year ended		Year ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Gross revenue	435.62	402.33	410.46	837.95	835.53	1,660.48
Income from operations						
2. Net sales/ income from operations (net of excise duty)	378.35	346.07	365.28	724.42	736.31	1,442.93
- Domestic	356.41	334.10	346.82	690.51	696.92	1,374.06
- Export	21.94	11.97	18.46	33.91	39.39	68.87
3. Other operating income	9.71	10.86	7.97	20.57	13.77	37.17
Total income from operations	388.06	356.93	373.25	744.99	750.08	1,480.10
4. Expenses						
a) Cost of materials consumed	224.66	216.50	230.28	441.16	452.03	875.98
b) Change in inventories of finished goods and work-in-progress	0.64	(2.48)	(4.29)	(1.84)	0.75	15.43
c) Employee benefit expense	37.75	37.75	37.57	75.50	74.95	149.68
d) Depreciation and amortisation	21.89	22.01	23.33	43.90	47.04	94.32
e) Power and fuel	31.85	28.09	24.38	59.94	49.28	96.09
f) Other expenditure	57.77	46.69	51.64	104.46	104.71	193.02
Total expenses	374.56	348.56	362.91	723.12	728.76	1,424.52
5. Profit/ (loss) from operations before other income, finance cost and exceptional items	13.50	8.37	10.34	21.87	21.32	55.58
6. Other income	8.00	7.66	4.95	15.66	9.68	26.08
7. Profit from ordinary activities before finance cost and exceptional	21.50	16.03	15.29	37.53	31.00	81.66
8. Finance cost	17.22	13.35	19.66	30.57	36.77	67.38
9. Profit/ (loss) from ordinary activities after finance cost but before	4.28	2.68	(4.37)	6.96	(5.77)	14.28
10. Exceptional items	1.18	1.46	0.14	2.64	0.13	1.71
11. Profit/ (loss) from ordinary activities before tax	3.10	1.22	(4.51)	4.32	(5.90)	12.57
12. Tax expense/ (Credit)	1.41	2.50	1.42	3.91	1.98	9.87
a) Current Year	2.92	2.87	2.97	5.79	5.58	12.94
b) Deferred Tax { Liability (+) / Asset (-) }	(1.51)	(0.37)	(1.55)	(1.88)	(3.60)	(2.96)
c) MAT Credit Receivable	-	-	-	-	-	(0.11)
d) Previous Income Tax { written back (-) / paid (+) }	-	-	-	-	-	-
13. Net profit/ (loss) from ordinary activities after tax	1.69	(1.28)	(5.93)	0.41	(7.88)	2.70
14. Extraordinary items (net of tax)	-	-	-	-	-	-
15. Net profit/ (loss) for the period	1.69	(1.28)	(5.93)	0.41	(7.88)	2.70
16. Paid - up equity share capital of Re. 1/- each	13.53	13.53	13.53	13.53	13.53	13.53
17. Reserves excluding revaluation reserves as per balance sheet of previous accounting year						335.28
18. Earning per Share (before and after extraordinary items, not annualised)						
- Basic (Rs.)	0.12	(0.09)	(0.44)	0.03	(0.58)	0.20
- Diluted (Rs.)	0.12	(0.09)	(0.44)	0.03	(0.58)	0.20

The Consolidated Financial Results include Results of the following Companies:-

Name of the Company	% shareholding & voting power of Rico Auto Industries Ltd.	Nature of Interest
a. Rico Auto Industries Inc. USA	100%	Subsidiary
b. Rico Auto Industries (UK) Ltd.	100%	Subsidiary
c. Rico Jinfei Wheels Ltd.	92.50%	Subsidiary & Joint Venture
d. Rasa Autocom Ltd.	100%	Subsidiary
e. Uttarakhand Automotives Ltd.	100%	Subsidiary
f. RAA Autocom Limited	100%	Subsidiary
g. AAN Engineering Industries Limited	100%	Subsidiary
h. FCC Rico Limited	50%	Joint Venture
i. Magna Rico Powertrain Pvt. Ltd.	50%	Joint Venture

NOTE:

The Consolidated Financial Results of the Company have been prepared in accordance with the Accounting Standards and includes the results of its Subsidiary and Joint Venture Companies.



STATEMENT OF ASSETS AND LIABILITIES

CONSOLIDATED			STANDALONE	
PERIOD ENDED			PERIOD ENDED	
As at Sept 30,2014 (Rs. in Crores)	As at March 31,2014 (Rs. in Crores)	PARTICULARS	As at Sept 30,2014 (Rs. in Crores)	As at March 31,2014 (Rs. in Crores)
		I. EQUITY AND LIABILITIES		
		(1) SHAREHOLDERS' FUNDS		
13.53	13.53	(a) Share Capital	13.53	13.53
331.65	335.28	(b) Reserves & surplus	302.95	308.69
345.18	348.81	Sub-Total -Shareholder's funds	316.48	322.22
		(2) Non-current liabilities		
108.67	95.76	(a) Long-term borrowings	72.00	61.07
34.17	37.46	(b) Deferred tax liabilities (net)	33.03	35.39
1.09	1.21	(c) Other long-term liabilities	1.09	1.20
11.99	10.27	(d) Long-term Provisions	11.40	9.72
155.92	144.70	Sub-Total -Non-current liabilities	117.52	107.38
		(3) Current liabilities		
212.79	170.71	(a) Short-term borrowings	205.43	147.27
257.10	267.54	(b) Trade payables	173.65	196.05
223.27	199.75	(c) Other current liabilities	198.55	167.59
40.86	38.54	(d) Short-term Provisions	4.34	4.34
734.02	676.54	Sub-Total -Current liabilities	581.97	515.25
1235.12	1170.05	TOTAL - EQUITY AND LIABILITIES	1015.97	944.85
		II. ASSETS		
		(1) Non-current assets		
		(a) Fixed assets		
645.09	670.10	(i) Tangible Assets	499.08	516.78
1.81	2.09	(ii) Intangible Assets	1.02	1.27
48.85	34.89	(iii) Capital Work-in-Progress	34.92	21.58
0.00	0.00	(b) Non-current investments	72.45	76.40
40.08	41.85	(c) Long-term loans & advances	84.49	78.49
0.31	0.32	(d) Other non-current assets	0.00	0.00
736.14	749.25	Sub-Total -Non-current assets	691.96	694.52
		(2) Current assets		
0.00	0.00	(a) Current investments	3.95	0.00
168.33	158.49	(b) Inventories	68.76	58.68
198.61	166.98	(c) Trade receivable	129.07	101.05
16.53	10.72	(d) Cash and bank balances	4.89	0.92
103.15	69.69	(e) Short-term loans & advances	110.92	80.62
12.36	14.92	(f) Other current assets	6.42	9.06
498.98	420.80	Sub-Total -Current assets	324.01	250.33
1235.12	1170.05	TOTAL - ASSETS	1015.97	944.85

Walker ChandioK & Co LLP

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Review Report

To the Board of Directors of Rico Auto Industries Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Rico Auto Industries Limited ("the Company") for the quarter ended 30 September 2014 and the year to date results for the period 1 April 2014 to 30 September 2014, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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.
3. 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, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to note 6 to the Statement regarding investments in subsidiaries aggregating to Rs. 50.53 crores and trade receivables and advances due from them aggregating to Rs.61.21 crores as at 30 September 2014. The management, based on the factors discussed in the said note, believes that the decline in the value of investments is temporary in nature and balance of trade receivables and advances is recoverable, and hence no provision in respect of aforesaid amounts has been made in the accompanying financial results. Our report is not qualified in respect of this matter.



Walker Chandiok & Co LLP

5. We have neither performed a review nor performed an audit of the information and disclosures for the consolidated results for the quarter ended 30 September 2014 and year to date period 01 April 2014 to 30 September 2014, including comparative information, as reported in the Statement and accordingly do not express any opinion thereon.

Walker Chandiok & Co

For Walker Chandiok & Co LLP

(formerly Walker, Chandiok & Co)

Chartered Accountants

Firm Registration No: 001076N/N500013

Ashish Gupta

per **Ashish Gupta**

Partner

Membership No. 504662



Place: Gurgaon

Date: 13 November 2014