

RAIL:SEC:2014

August 11, 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 11th August, 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 first quarter ended 30th June, 2014 (copy enclosed).
2. Limited Review Report for the aforesaid quarter duly signed by the Auditors of the Company.

Thanking you,

Yours faithfully,
for **Rico Auto Industries Limited**


B.M. Jhamb
Company Secretary

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)

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014

(Rs. in crores)

PART - I

Particulars	Quarter ended on			Year ended
	30.06.2014	31.03.2014	30.06.2013	31.03.2014
	Unaudited	Audited	Unaudited	Audited
1. Gross revenue	229.97	237.48	293.19	1,041.62
Income from operations				
2. Net sales/ income from operations (net of excise duty)	195.48	194.52	256.39	901.25
- Domestic	150.06	153.76	203.62	708.05
- Export	45.42	40.76	52.77	193.20
3. Other operating income	8.57	12.69	3.45	29.14
Total income from operations	204.05	207.21	259.84	930.39
4. Expenses				
a) Cost of materials consumed	106.93	99.65	146.90	497.62
b) Change in inventories of finished goods and work-in-progress	(1.92)	5.33	5.11	12.99
c) Employee benefit expense	28.01	26.48	28.96	112.44
d) Depreciation and amortisation	16.16	17.45	18.01	71.33
e) Power and fuel	23.80	18.20	20.27	78.75
f) Other expenditure	27.88	32.33	33.59	125.07
Total expenses	200.86	199.44	252.84	898.20
5. Profit/(loss) from operations before other income, finance cost and exceptional items	3.19	7.77	7.00	32.19
6. Other income	9.40	12.88	11.28	32.65
7. Profit from ordinary activities before finance cost and exceptional items	12.59	20.65	18.28	64.84
8. Finance cost	11.28	17.14	21.46	59.36
9. Profit/(loss) from ordinary activities after finance cost but before exceptional items	1.31	3.51	(3.18)	5.48
10. Exceptional items	1.48	1.38	-	1.38
11. Profit/(loss) from ordinary activities before tax	(0.17)	2.13	(3.18)	4.10
12. Tax expense	0.56	0.96	(0.36)	1.47
13. Net profit/(loss) from ordinary activities after tax	(0.73)	1.17	(2.82)	2.63
14. Extraordinary items (net of tax)	-	-	-	-
15. Net profit/(loss) for the period	(0.73)	1.17	(2.82)	2.63
16. Paid-up equity share capital of Re.1/- each	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.)	(0.05)	0.09	(0.21)	0.19
- Diluted (Rs.)	(0.05)	0.09	(0.21)	0.19

PART - II

A. PARTICULARS OF SHAREHOLDING

	30.06.2014	31.03.2014	30.06.2013	31.03.2014
1. Aggregate of public shareholding				
a) Number of shares	67505022	67505022	67505022	67505022
b) Percentage of shareholding	49.90	49.90	49.90	49.90
2. Promoters and promoter group shareholding				
a) Pledged/encumbered				
- Number of shares	35400000	47400000	32000000	47400000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	52.23	69.93	47.21	69.93
- Percentage of shares (as a % of the total share capital of the Company)	26.17	35.04	23.65	35.04
b) Non-encumbered				
- Number of shares	32379978	20379978	35779978	20379978
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	47.77	30.07	52.79	30.07
- Percentage of shares (as a % of the total share capital of the Company)	23.93	15.06	26.45	15.06

B. INVESTOR COMPLAINTS	Quarter ended 30.06.2014
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 11th August, 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.

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.

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 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.

6) A fire broke out on 7th December, 2012 at one section of the Company's Ferrous Foundry Unit located at the Gurgaon Plant. During the year ended 31st March, 2013, the Company had recorded a receivable from the insurance company amounting to Rs.1.02 Crores to cover the book value of assets lost in the fire, after adjusting salvage value of Rs.0.82 Crore. Against the aforementioned receivable, Company has received Rs.1.00 Crore as upfront reimbursement. During quarter ended 30th June, 2014, the Company has received a sum of Rs.3.28 Crores as final settlement of the claim, of which Rs.0.02 Crore has been adjusted against the balance receivable and the remaining Rs.3.26 Crores has been recorded as 'Other income' in the profit and loss account.

7) 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 31st March, 2014, from such subsidiaries are recoverable. The assessment was performed by a third party valuer, using business plans of these subsidiaries. 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 Crores and advances or other receivables aggregating to Rs.49.82 Crores pertaining to these subsidiaries are required to be made in the financial results for the quarter ended 30th June, 2014.

8) Effective from 1st April, 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.2.88 Crores (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 quarter is lower by Rs.2.26 Crores.

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

10) 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

Place : Gurgaon

Date : 11th August, 2014

RICO AUTO INDUSTRIES LTD. AND ITS SUBSIDIARIES AND JOINT VENTURES
FOR THE QUARTER ENDED JUNE 30, 2014

(Rs. in crores)

Particulars	Quarter ended on			Year ended
	30.06.2014	31.03.2014	30.06.2013	31.03.2014
	Unaudited	Audited	Unaudited	Audited
1. Gross revenue	443.49	421.01	425.07	1,660.48
Income from operations				
2. Net sales/ income from operations (net of excise duty)	383.04	352.65	371.03	1,442.93
- Domestic	371.07	337.32	350.10	1,374.06
- Export	11.97	15.33	20.93	68.87
3. Other operating income	10.86	15.61	5.80	37.17
Total income from operations	393.90	368.26	376.83	1,480.10
4. Expenses				
a) Cost of materials consumed	257.28	211.12	221.75	875.98
b) Change in inventories of finished goods and work-in	(2.48)	11.62	5.04	15.43
c) Employee benefit expense	38.15	35.93	37.38	149.68
d) Depreciation and amortisation	22.01	23.61	23.71	94.32
e) Power and fuel	28.09	22.29	24.90	96.09
f) Other expenditure	46.38	50.05	52.51	193.02
Total expenses	389.43	354.62	365.29	1,424.52
5. Profit/(loss) from operations before other income, finance cost and exceptional items	4.47	13.64	11.54	55.58
6. Other income	11.07	11.40	9.92	26.08
7. Profit from ordinary activities before finance cost and exceptional items	15.54	25.04	21.46	81.66
8. Finance cost	12.86	17.67	22.86	67.38
9. Profit/ (loss) from ordinary activities after finance cost but before exceptional items	2.68	7.37	(1.40)	14.28
10. Exceptional items	1.46	1.65	(0.01)	1.71
11. Profit/ (loss) from ordinary activities before tax	1.22	5.72	(1.39)	12.57
12. Tax expense	2.50	4.05	0.56	9.87
13. Net profit/ (loss) from ordinary activities after tax	(1.28)	1.67	(1.95)	2.70
14. Extraordinary items (net of tax)	-	-	-	-
15. Net profit/ (loss) for the period	(1.28)	1.67	(1.95)	2.70
16. Paid-up equity share capital of Re.1/- each	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.)	(0.09)	0.12	(0.14)	0.20
- Diluted (Rs.)	(0.09)	0.12	(0.14)	0.20

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

Name of the Company	% shareholding & voting power of Rico Auto Industries Limited	Nature of Interest
1) Rico Auto Industries Inc. USA	100%	Subsidiary
2) Rico Auto Industries (UK) Limited	100%	Subsidiary
3) Rico Jinfei Wheels Limited	92.50%	Subsidiary & Joint Venture
4) Rasa Autocom Limited	100%	Subsidiary
5) Uttarakhand Automotives Limited	100%	Subsidiary
6) RAA Autocom Limited	100%	Subsidiary
7) AAN Engineering Industries Limited	100%	Subsidiary
8) FCC Rico Limited	50%	Joint Venture
9) 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.

Walker Chandiook & Co LLP

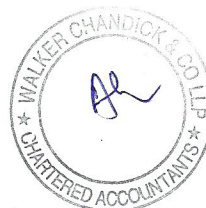
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Review Report

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 June 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 7 to the Statement regarding investments in subsidiaries aggregating to Rs. 50.53 crores and trade receivables and advances due from them aggregating to Rs.49.82 crores as at 30 June 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 statements. Our report is not qualified in respect of this matter



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5. We have neither performed a review nor performed an audit of the figures/notes for the consolidated results for the quarter ended 30 June 2014, as reported in the Statement and accordingly do not express any opinion thereon.

Walker Chandiok & Co LLP

For **Walker Chandiok & Co LLP**

(formerly Walker, Chandiok & Co)

Chartered Accountants

Firm Registration No: 001076N/N50001

Ashish Gupta
per **Ashish Gupta**

Partner

Membership No. 504662



Place: Gurgaon

Date: 11 August 2014