

**Rane Engine Valve Limited**

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CIN: L74999TN1972PLC006127

**Unaudited Financial Results for the Quarter and six months ended September 30, 2014**

Rs. in lakhs

**Part I**

| Particulars  | Quarter ended   |                 |                 | Half Year ended  |                   | Financial year Ended |
|--|-----------------|-----------------|-----------------|------------------|-------------------|----------------------|
|  | 30.09.2014      | 30.06.2014      | 30.09.2013      | 30.09.2014       | 30.09.2013        | 31.03.2014           |
|  | Unaudited       |                 |                 | unaudited        |                   | Audited              |
| <b>1. Income from Operations</b>   |                 |                 |                 |                  |                   |                      |
| (a) Net Sales/Income from Operations (net of excise duty)  | 6,743.97        | 7,003.78        | 6,410.53        | 13,747.75        | 12,511.08         | 25,913.63            |
| (b) Other Operating Income   | 148.30          | 174.86          | 187.83          | 323.16           | 312.73            | 678.09               |
| <b>Total income from operations (net)</b>  | <b>6,892.27</b> | <b>7,178.64</b> | <b>6,598.36</b> | <b>14,070.91</b> | <b>12,823.81</b>  | <b>26,591.72</b>     |
| <b>2. Expenses</b>   |                 |                 |                 |                  |                   |                      |
| a. Cost of materials consumed  | 2,018.52        | 1,905.42        | 1,984.40        | 3,923.94         | 3,858.84          | 7,280.95             |
| b. Purchase of stock-in-trade  | 193.88          | 209.65          | 139.70          | 403.53           | 238.33            | 721.04               |
| c. Changes in inventories of finished goods, work-in-progress and stock-in-trade                   | (109.62)        | 237.65          | (179.44)        | 128.03           | (219.48)          | 52.39                |
| d. Employee benefits expenses  | 1,611.63        | 1,582.96        | 1,590.07        | 3,194.59         | 3,276.14          | 6,408.48             |
| e. Depreciation and amortisation expense   | 495.87          | 487.85          | 512.91          | 983.72           | 1,033.99          | 2,040.46             |
| f. Other expenses  | 2,445.65        | 2,445.77        | 2,303.59        | 4,891.42         | 4,597.94          | 9,042.02             |
| <b>Total expenses</b>  | <b>6,655.93</b> | <b>6,869.30</b> | <b>6,351.23</b> | <b>13,525.23</b> | <b>12,785.76</b>  | <b>25,545.34</b>     |
| 3. Profit / (Loss) from Operations before Other Income, finance costs & exceptional Items (1-2)    | <b>236.34</b>   | <b>309.34</b>   | <b>247.13</b>   | <b>545.68</b>    | <b>38.05</b>      | <b>1,046.38</b>      |
| 4. Other Income  | 85.56           | 23.95           | 10.79           | 109.51           | 30.63             | 102.87               |
| 5. Profit / (Loss) from ordinary activities before finance costs & exceptional Items (3+4)         | <b>321.90</b>   | <b>333.29</b>   | <b>257.92</b>   | <b>655.19</b>    | <b>68.68</b>      | <b>1,149.25</b>      |
| 6. Finance Costs   | 364.68          | 349.92          | 375.73          | 714.60           | 734.53            | 1,477.85             |
| 7. Profit / (Loss) from ordinary activities after finance costs but before Exceptional Items (5-6) | <b>(42.78)</b>  | <b>(16.63)</b>  | <b>(117.81)</b> | <b>(59.41)</b>   | <b>(665.85)</b>   | <b>(328.60)</b>      |
| 8. Exceptional Items   | -               | -               | 48.99           | -                | (4,027.38)        | (4,027.38)           |
| 9. Profit / (Loss) from ordinary activities before tax (7+8)                                       | <b>(42.78)</b>  | <b>(16.63)</b>  | <b>(68.82)</b>  | <b>(59.41)</b>   | <b>(4,693.23)</b> | <b>(4,355.98)</b>    |
| 10. Tax expense  |                 |                 |                 |                  |                   |                      |
| a) Current tax (net of MAT credit)   | -               | -               | -               | -                | -                 | -                    |
| b) Deferred tax  | (14.54)         | (5.65)          | (19.72)         | (20.19)          | (1,565.10)        | (1,446.84)           |
| c) Relating to Earlier Years   | -               | -               | -               | -                | -                 | -                    |
| 11. Net Profit / (Loss) from Ordinary Activities after tax (9-10)                                  | <b>(28.24)</b>  | <b>(10.98)</b>  | <b>(49.10)</b>  | <b>(39.22)</b>   | <b>(3,128.13)</b> | <b>(2,909.14)</b>    |
| 12. Extraordinary Item (net of tax expense Rs.)  | -               | -               | -               | -                | -                 | -                    |
| 13. Net Profit / (Loss) for the period (11-12)   | <b>(28.24)</b>  | <b>(10.98)</b>  | <b>(49.10)</b>  | <b>(39.22)</b>   | <b>(3,128.13)</b> | <b>(2,909.14)</b>    |
| 14. Paid-up equity share capital<br>(Face Value of Rs.10/- per share)                              | 515.10          | 515.10          | 515.10          | 515.10           | 515.10            | 515.10               |
| 15. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year        |                 |                 |                 |                  |                   | 5,775.89             |
| <b>16. Earnings Per Share<br/>(of Rs.10/- each) (not annualised) (Amount in Rs.)</b>               |                 |                 |                 |                  |                   |                      |
| (a) Basic  | (0.55)          | (0.21)          | (0.95)          | (0.76)           | (60.73)           | (56.48)              |
| (b) Diluted  | (0.55)          | (0.21)          | (0.95)          | (0.76)           | (60.73)           | (56.48)              |

**Part - II Select information for the Quarter ended September 30, 2014**

| <b>A PARTICULARS OF SHAREHOLDING</b>   |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| 1. Public shareholding   |           |           |           |           |           |           |
| - Number of shares   | 23,36,819 | 23,36,819 | 23,86,819 | 23,36,819 | 23,86,819 | 23,86,819 |
| - Percentage of shareholding   | 45.37%    | 45.37%    | 46.34%    | 45.37%    | 46.34%    | 46.34%    |
| 2. Promoters and Promoter Group Shareholding   |           |           |           |           |           |           |
| <b>a) Pledged / Encumbered</b>   |           |           |           |           |           |           |
| - Number of shares   | -         | -         | -         | -         | -         | -         |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | -         | -         | -         | -         | -         | -         |
| - Percentage of shares (as a % of the total share capital of the company)                | -         | -         | -         | -         | -         | -         |
| <b>b) Non - encumbered</b>   |           |           |           |           |           |           |
| - Number of shares   | 28,14,173 | 28,14,173 | 27,64,173 | 28,14,173 | 27,64,173 | 27,64,173 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100%      | 100%      | 100%      | 100%      | 100%      | 100%      |
| - Percentage of shares (as a % of the total share capital of the company)                | 54.63%    | 54.63%    | 53.66%    | 54.63%    | 53.66%    | 53.66%    |

| Particulars                                    | 3 months ended<br>(30/09/2014) |
|--|--------------------------------|
| <b>B INVESTOR COMPLAINTS</b>                   |                                |
| Pending at the beginning of the quarter        | Nil                            |
| Received during the quarter                    | 1                              |
| Disposed off during the quarter                | 1                              |
| Remaining unresolved at the end of the quarter | Nil                            |



**Unaudited Financial Results for the Quarter and six months ended September 30, 2014**

Rs. in lakhs

**Notes:**

1. Statement of Assets and Liabilities

| Particulars  | 30.09.2014       | 31.03.2014       |
|--|------------------|------------------|
|  | Unaudited        | Audited          |
| <b>A EQUITY AND LIABILITIES</b>                    |                  |                  |
| <b>1 Shareholder's funds</b>                       |                  |                  |
| (a) Share capital                                  | 515.10           | 515.10           |
| (b) Reserves and surplus                           | 5,602.43         | 5,775.89         |
| (c) Money received against share warrants          | -                | -                |
| <b>Sub-total - Shareholders' funds</b>             | <b>6,117.53</b>  | <b>6,290.99</b>  |
| <b>2 Share application money pending allotment</b> |                  |                  |
|  | -                | -                |
| <b>3 Non-current liabilities</b>                   |                  |                  |
| (a) Long-term borrowings                           | 7,075.74         | 7,694.44         |
| (b) Deferred tax liabilities (net)                 | -                | -                |
| (c) Other long-term liabilities                    | 54.31            | 54.31            |
| (d) Long-term provisions                           | 435.58           | 302.22           |
| <b>Sub-total - Non-current liabilities</b>         | <b>7,565.63</b>  | <b>8,050.97</b>  |
| <b>4 Current liabilities</b>                       |                  |                  |
| (a) Short-term borrowings                          | 3,253.21         | 2,358.39         |
| (b) Trade payables                                 | 2,908.55         | 2,733.18         |
| (c) Other current liabilities                      | 5,339.61         | 5,322.56         |
| (d) Short-term provisions                          | 82.86            | 220.64           |
| <b>Sub-total - Current liabilities</b>             | <b>11,584.23</b> | <b>10,634.77</b> |
|  |                  |                  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                | <b>25,267.39</b> | <b>24,976.73</b> |
| <b>B ASSETS</b>                                    |                  |                  |
| <b>1 Non-current assets</b>                        |                  |                  |
| (a) Fixed assets                                   | 14,486.66        | 14,758.87        |
| (b) Non-current investments                        | 55.33            | 55.33            |
| (c) Deferred tax assets (net)                      | 1,205.79         | 1,116.48         |
| (d) Long-term loans and advances                   | 1,169.67         | 954.38           |
| (e) Other non-current assets                       |                  |                  |
| <b>Sub-total - Non-current assets</b>              | <b>16,917.45</b> | <b>16,885.06</b> |
| <b>2 Current assets</b>                            |                  |                  |
| (a) Current Investments                            | -                | -                |
| (b) Inventories                                    | 3,697.73         | 3,482.36         |
| (c) Trade receivables                              | 3,540.60         | 3,462.03         |
| (d) Cash and cash equivalents                      | 310.90           | 311.37           |
| (e) Short-term loans and advances                  | 674.93           | 671.32           |
| (f) Other current assets                           | 125.78           | 164.59           |
| <b>Sub-total - Current assets</b>                  | <b>8,349.94</b>  | <b>8,091.67</b>  |
|  |                  |                  |
| <b>TOTAL ASSETS</b>                                | <b>25,267.39</b> | <b>24,976.73</b> |

2. The above results and the statement of assets and liabilities were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 24, 2014.

3. Exceptional items include the following:

- (i) Voluntary Retirement Scheme (VRS) expenditure of Rs.4,076.37 lakhs for the year ended March 31, 2014 and half year ended September 30, 2013  
 (ii) Profit on sale of land of Rs.48.99 lakhs for the year ended March 31, 2014 and quarter/half year ended September 30, 2013.

4. As required under Schedule II of the Companies Act, 2013, the Company has adopted the revised estimates of the useful life of the Tangible Assets w.e.f. April 1, 2014. Consequent to this change, the depreciation for the current quarter and half year ended September 30, 2014 is higher by Rs.6.35 lakhs and Rs.2.79 lakhs respectively. Further, an amount of Rs.134.23 lakhs has been adjusted against the opening balance of Retained Earnings (net of Deferred Tax Credit of Rs.69.12 lakhs) as on April 1, 2014, in respect of the residual value of assets wherein the remaining useful life has become 'NIL'.

5. The Company operates only in one segment, namely, components for transportation industry.

6. Previous year / period figures have been regrouped wherever necessary to conform to current year / periods' presentation.

7. The above unaudited financial results have been subjected to limited review by the Statutory Auditors.

8. During the quarter, the company has received requisite 'No objection' approvals from BSE Limited and National Stock Exchange of India Limited for the scheme of amalgamation of Kar Mobiles Limited with the company with the appointed date as April 1, 2014. The above scheme shall be subject to approvals and consents of the other regulatory authorities concerned, Honourable High Court of Madras and that of the respective Shareholders / Creditors.

For Rane Engine Valve Limited

Chennai  
 Dated : October 24, 2014

L Ganesh  
 Chairman & Managing Director