

Rane Engine Valve Ltd.

CIN: L74999TN1972PLC006127

Registered Office:
"Maithri"
132, Cathedral Road,
Chennai 600 086.
India.

Tel : 044 - 2811 2472
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REVL / 2014

May 20, 2014

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.
Fax No. 2659 8237 / 38, 2659 8247 / 48
Code : RANEENGINE

Dear Sir,

Sub.: Decision taken at the Board Meeting – Approval of restructuring proposal

We would like to inform that the meeting of Board of Directors ("Board") of the Company held today i.e. May 20, 2014, the Board of Directors have considered and approved a proposal for the amalgamation of Kar Mobiles Limited ("KML" or "the Transferor Company") with Rane Engine Valve Limited ("REVL" or "the Company" or "the Transferee Company") and their respective shareholders.

The proposal would be implemented by a Scheme of Amalgamation ("the Scheme") under the provisions of Section 391-394 of the Companies Act, 1956 as may be amended from time-to-time, which provides for:

- (i) Amalgamation of Kar Mobiles Limited (CIN: L85110TN1936PLC071646) with Rane Engine Valve Limited (CIN: L74999TN1972PLC006127)
- (ii) In consideration for the transfer of and vesting of assets and liabilities of KML as above, REVL would issue 7 (seven) fully paid up equity share of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 10 (ten) fully paid-up equity shares of Rs.10/- (Rupees Ten Only) each, held by the shareholders in Transferor Company.
- (iii) Post amalgamation, the shares of Rane Engine Valve Limited would continue to be listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The voluntary delisting application submitted to Madras Stock Exchange Limited by Rane Engine Valve Limited is pending for their approval.

The above proposal is subject to satisfaction of various conditions, including obtaining necessary approvals from the shareholders, creditors and regulatory authorities including Securities and Exchange Board of India (SEBI), Stock Exchanges under the Listing Agreement, and sanction of the Scheme by the High Court of Judicature at Madras.

The final Scheme of Amalgamation as approved at the board meeting held today will be filed with stock exchange in compliance with the provisions of clause 24 (f) of the listing agreement.


News release issued in this connection is also attached.

This intimation is being provided to you in compliance with the provisions of the listing agreement.

Please acknowledge receipt.

Thanking you,

Yours faithfully
For Rane Engine Valve Limited



V SUBRAMANI
Secretary

Encl : a /a

Copy to	BSE Limited Corporate Relationship Department, 1st Floor, New Trading Ring, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	Madras Stock Exchange Limited Exchange Building Second Line Beach, Chennai 600 001.
	Code No.532490	Code : RANEENGINE

News Release

Chennai, May 20, 2014: Rane Group, one of India's leading auto component manufacturer, today announced merger of Kar Mobiles Limited (KML) with Rane Engine Valve Limited (REVL) effective 1st April 2014.

The board of Directors of both the Companies approved the merger in their respective meetings held today. The exchange ratio will be 7 shares of REVL for every 10 shares of KML. The merger is subject to regulatory, legal and other statutory approvals as may be required.

KML, based in Karnataka, manufactures large valves for internal combustion engines and caters to the automotive, marine and stationary engines in both the domestic and export markets. The Company had a sales of Rs.120 crores for the year ended 31st March 2014 with an employee strength of 389.

REVL, a leader in the engine valves segment in India, achieved sales of Rs.267 crores for the year ended 31st March 2014. The merger will benefit the engine valve business from the synergies in combining the operations of the two companies.

About Rane Group

Established in 1929, the Rane Group comprises seven companies manufacturing safety and critical components for a broad range of automotive industry segments. In fiscal 2013-14 the expected revenues of the group would be around Rs.2700 Crores. The Rane Group embraces TQM as a way of life and three of its companies have won the prestigious Deming Grand Prize and four of its companies have received the coveted Deming Prize.

For further information on the Group please visit www.rane.co.in

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