



Rane Engine Valve Ltd.

Registered Office:

" Maithri "

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India.

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//Online Submission//

REVL / SE / 21 / 2017-18

August 21, 2017

BSE Limited Listing Centre Scrip Code: 532988	National Stock Exchange of India Ltd. NEAPS Symbol: RANEENGINE
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Dear Sir / Madam,

Sub: Outcome of Board Meeting held on August 21, 2017 - under Regulation 30 of SEBI LODR

Ref: Our letter no. REVL / SE / 16 / 2017-18 dated June 29, 2017

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results (Ind AS compliant) of the Company for the quarter ended June 30, 2017, as recommended by the audit committee, at their respective meeting(s) held today (**August 21, 2017**).

The un-audited financial results of the Company for the quarter ended June 30, 2017 is enclosed along with the Limited Review Report issued by M/s. Brahmayya & Co, Chartered Accountants, Statutory Auditors (**Regulation 33**).

The financial results will be available on the website of the company at www.ranegroup.com (**Regulation 46**).

The extract of the un-audited financial results will be published in newspapers, i.e., 'Business Standard' and 'Dinamani' in the format prescribed (**Regulation 47**). An 'earnings release' for the above results is also enclosed (**Regulation 30**).

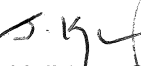
The meeting of the Board of Directors commenced at 12:30 hrs (IST) and concluded at 14:05 hrs (IST).

We request you to take the above on record and note the compliance under above referred regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

Thanking you.

Yours faithfully

For **Rane Engine Valve Limited**


Kalidoss S
Secretary



Encl: a/a

1. Un-audited financial results for the quarter ended June 30, 2017.
2. Extract of the un-audited financial results for Newspaper publication.
3. Limited Review Report for the quarter ended June 30, 2017.
4. Earnings release for the quarter ended June 30, 2017.



Expanding Horizons

RANE ENGINE VALVE LIMITED

Q1FY18 Earnings Release



Chennai, India, August 21, 2017 – Rane Engine Valve Limited (NSE: RANEENGINE; BSE Code:532988), a leading manufacturer of Engine Valves, Guides and Tappets today announced financial performance for the first quarter (Q1 FY18) ended June 30th, 2017

The company has adopted Indian Accounting Standards (Ind AS) from April 1, 2017 and this financial results have been prepared in accordance with the recognition and measurement principles laid down in the said standards. The date of transition to Ind AS is April 1, 2016. The figures for the quarter ended June 30, 2016 under IND-AS have not been subjected to limited review by the statutory auditors.

Q1 FY18 Performance

- Total Net Revenue was ₹89.04 Crore for Q1 FY18 as compared to ₹91.43 Crore during Q1 FY17, a decrease of around 3%
- EBITDA stood at ₹4.65 Crore as compared to ₹6.54 Crore during Q1 FY17, a decrease of 29%
- EBITDA Margin at 5.2% for Q1 FY18 as against 7.2% in Q1 FY17
- Net Loss (PAT) stood at ₹2.67 Crore for Q1 FY18 as compared to a loss of ₹2.51 Crore in Q1 FY17

Operating Highlights

- Sales to India OE customers were muted as we were constrained with delivery bottlenecks at select plants
- Sales to Aftermarket segment was affected as dealers lowered stocking owing to GST implementation
- Experienced lower offtake by International customers particularly for Extra Large Valves
- EBITDA margin declined 200 bps YoY
 - Better product mix helped to lower material cost
 - Experienced higher operational cost as we were not able to meet the increased demand

MANAGEMENT COMMENT

"We had a challenging quarter with lower revenues creating pressure on profitability. We anticipate pickup in market demand in the upcoming quarters. The revival of operational performance is taking longer than anticipated. As we move forward, our initiatives will address on reducing rejections, debottlenecking and controlling cost to deliver improved operational performance."

L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

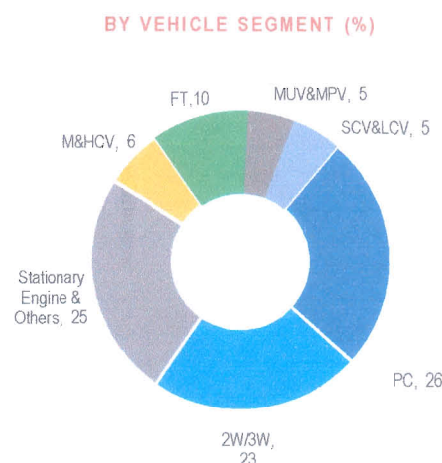
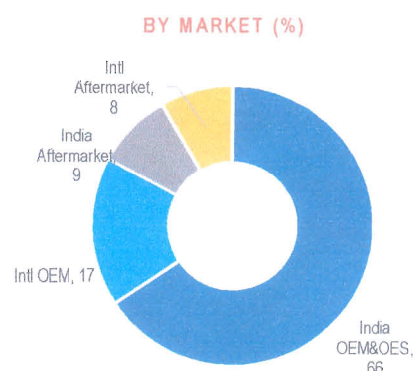
FINANCIAL PERFORMANCE

Particulars	Q1 FY 18	Q1 FY 17	YOY%
Revenue*	89.04	91.43	-2.6%
EBITDA	4.65	6.54	-29.0%
Margin (%)	5.2%	7.2%	-27.1%
PBT	-4.08	-3.85	-5.9%
Margin (%)	-4.6%	-4.2%	-8.8%
PAT	-2.67	-2.51	-6.1%
Margin (%)	-3.0%	-2.8%	-9.0%

(In ₹ Crore, unless otherwise mentioned)

Note: * Revenue excluding excise duty

BUSINESS SPLIT (Q1 FY18)



PROFIT AND LOSS ACCOUNT

	Q1FY18	Q1FY17	YoY%
Revenue from Operations (Gross)	96.72	99.96	-3.2%
Other Income	0.50	0.19	160.7%
Total Revenue	97.22	100.15	-2.9%
Expenses			
-Cost of Material Consumed	30.51	30.22	1.0%
-Purchase of stock-in-trade	2.12	1.51	40.6%
-Changes in inventories	-1.97	3.19	-161.7%
-Excise Duty	8.18	8.72	-6.2%
-Employee Benefit Expense	24.54	22.71	8.1%
-Finance Cost	1.72	3.33	-48.4%
-Depreciation & Amortization	7.01	7.07	-0.8%
-Other Expenditure	29.19	27.26	7.1%
Total Expenses	101.30	104.00	-2.6%
PBT before Exceptional Items	-4.08	-3.85	-5.9%
Exceptional Item	-	-	
PBT	-4.08	-3.85	-5.9%
Tax Expense	-1.41	-1.34	-5.5%
PAT	-2.67	-2.51	-6.1%
Other Comprehensive Income (Net of Tax)			
-Items that will not be reclassified to profit or loss	-0.26	-0.26	0.0%
-Income tax relating to items that will not be reclassified to profit or loss	0.09	0.09	0.0%
Total Other Comprehensive Income (Net of Tax)	-0.17	-0.17	0.0%
Total Comprehensive Income	-2.83	-2.68	-5.7%

(In ₹ Crore, unless otherwise mentioned, the sum of the sub-segment amounts may not equal the total amounts)

ABOUT RANE ENGINE VALVE LIMITED

Established in 1959, Rane Engine Valve Limited (REVL) is part of the Rane Group of Companies, a leading auto component group based out of Chennai. REVL manufactures engine valves, valve guides and tappets for various IC engine applications. REVL is market leader in Indian OEM and replacement markets. REVL caters to all segments of automobile industries such as PV, CV, Tractors, 2W, 3W, stationary engines, railways and marine engines.

ABOUT RANE GROUP

Headquartered in Chennai, India, Rane Group is engaged primarily in manufacturing auto components for well over five decades. Rane Group is a preferred supplier to major OEMs in India and abroad. Through its group companies, it manufactures Steering and Suspension systems, Friction materials, Valve train components, Occupant safety systems and Die-casting products. Its products serve a variety of industry segments including Passenger Vehicles, Commercial Vehicles, Farm Tractors, Two-wheelers, Three-wheelers, Railways and Stationery Engines.

IF YOU HAVE ANY QUESTIONS OR REQUIRE FURTHER INFORMATION,
PLEASE FEEL FREE TO CONTACT: INVESTORSERVICES@RANEGROUP.COM OR DPINGLE@CHRISTENSENIR.com

Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



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