



Rane Engine Valve Ltd.

Registered Office:

" Maithri "

132, Cathedral Road,
Chennai 600 086.

India.

CIN : L744999TN1972PLC006127

Tel : 044 - 2811 2472

Fax : 044 - 2811 2449

URL : www.ranegroup.com

//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**).

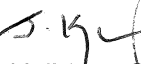
The meeting of the Board of Directors commenced at 12:30 hrs (IST) and concluded at 14:05 hrs (IST).

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.

**Rane Engine Valve Limited**

Regd Office: "Maithri", 132 Cathedral Road, Chennai 600 086

visit us at: www.ranegroup.com

CIN: L74999TN1972PLC006127

**Statement of Unaudited Financial Results for the Quarter ended June 30, 2017**

Particulars	Rs. in lakhs	
	Quarter ended	
	30.06.2017	30.06.2016
	Unaudited	Unaudited
1. Income from Operations		
(a) Revenue from Operations (Gross)	9,528.79	9,819.06
(b) Other Operating Income	143.46	176.44
(c) Other Income	49.67	19.05
Total Revenue	9,721.92	10,014.55
2. Expenses		
(a) Cost of materials consumed	3,051.08	3,021.57
(b) Purchase of stock-in-trade	212.49	151.09
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(196.85)	319.07
(d) Excise Duty	817.51	871.81
(e) Employee benefits expenses	2,454.10	2,271.06
(f) Finance Costs	171.51	332.69
(g) Depreciation and amortisation expense	700.89	706.58
(h) Other Expenses	2,919.00	2,725.67
Total expenses	10,129.73	10,399.54
3. Profit / (Loss) before Exceptional items (1-2)	(407.81)	(384.99)
4. Exceptional Items	-	-
5. Profit / (Loss) before tax (3+4)	(407.81)	(384.99)
6. Tax expense		
(a) Current tax (net of MAT credit)	-	-
(b) Deferred tax	(141.13)	(133.24)
(c) Relating to Earlier Years	-	(0.48)
Total Tax Expenses	(141.13)	(133.72)
7. Profit / (Loss) for the period (5-6)	(266.68)	(251.27)
8. Other Comprehensive Income (Net of Tax Expenses)	(16.71)	(16.71)
9. Total Comprehensive Income for the period (7+8) (Comprising profit / (loss) and other comprehensive income for the period)	(283.39)	(267.98)
10. Details of equity share capital		
Paid-up equity share capital	671.90	671.90
(Face Value of Rs.10/- per share)		
Total equity share capital	671.90	671.90
11. Earnings per share (of Rs.10/- each) (not annualised) (in Rs.)		
(a) Basic	(3.97)	(3.74)
(b) Diluted	(3.97)	(3.74)

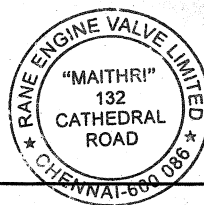
Notes:

- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 21, 2017.
- The company has adopted Indian Accounting Standards ('Ind AS') from 01st April, 2017 and these 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.
- In terms of the circular no.CIR/CFD/FAC/6212016 dated July 05, 2016 issued by the Securities and Exchange Board of India, the IND AS compliant unaudited financial results for the quarter ended June 30, 2016 have not been subjected to limited review by the Statutory Auditors.However, the management has exercised necessary due diligence to ensure that the financial results for the said period provide a true and fair view of its affairs.
- The Company operates only in one segment, namely, components for transportation industry.
- Reconciliation of net profit reposted under Indian GAAP for the quarter ended June 30, 2016 with Ind AS is furnished below

Particulars	Rs. in Lakhs
	Quarter Ended 30.06.2016
Net Profit as per Indian GAAP	(259.15)
Add:	
Actuarial Loss on employee defined benefit plan recognised in other comprehensive income (net of tax)	16.71
Deferred tax impact on fair value of financial assets and liabilities	4.67
	(237.77)
Less:	
Fair valuation of financial assets and liabilities	(13.50)
Net Profit under Ind AS (A)	(251.27)
Other Comprehensive Income (net of tax)	
- Actuarial Loss on employee defined benefit plans	(16.71)
Other Comprehensive Income, net of income tax (B)	(16.71)
Total Comprehensive Income for the period under Ind AS (A+B)	(267.98)

- The financial results for the quarter ended June 30, 2017 are being published in the newspaper as per the format prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The financial results are available on the Company's website viz., www.ranegroup.com and on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com).

Chennai
Dated : August 21, 2017



For Rane Engine Valve Limited

L Ganesh
Chairman & Managing Director

**Rane Engine Valve Limited**

Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086

visit us at: www.ranegroup.com CIN: L74999TN1972PLC006127**Rs.in lakhs except per share data****Extract of Standalone Unaudited Financial Results for the Quarter ended June 30, 2017**

S.No	Particulars	Quarter ended 30.06.2017	Quarter ended 30.06.2016
1	Total income from operations	9,721.92	10,014.55
2	Net Profit / (Loss) for the period before Tax and Exceptional items	(407.81)	(384.99)
3	Net Profit / (Loss) for the period before Tax after Exceptional items	(407.81)	(384.99)
4	Net Profit / (Loss) for the period (after Tax and Exceptional items)	(266.68)	(251.27)
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(283.39)	(267.98)
6	Equity Share Capital	671.90	671.90
7	Earnings Per Share (of Rs.10/- each)		
	(a) Basic :	(3.97)	(3.74)
	(b) Diluted:	(3.97)	(3.74)

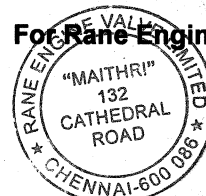
Notes:

- 1 The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 21, 2017.
- 2 The company has adopted Indian Accounting Standards ('Ind AS') from April 01, 2017 and these 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.
- 3 In terms of the circular no.CIR/CFD/FAC/6212016 dated July 05, 2016 issued by the Securities and Exchange Board of India, the IND AS compliant unaudited financial results for the quarter ended June 30, 2016 have not been subjected to limited review by the Statutory Auditors. However, the management has exercised necessary due diligence to ensure that the financial results for the said period provide a true and fair view of its affairs.
- 4 The above is an extract of the detailed format of Quarterly / Annual Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Financial Results are available on the Stock Exchange websites www.bseindia.com and www.nseindia.com and on the company's website- www.ranegroup.com

Chennai

Dated : August 21, 2017

For Rane Engine Valve Limited

**L. Ganesh**
Chairman & Managing Director

Auditor's Review Report of Unaudited Quarterly Financial Results of the Company for the quarter ended 30th June, 2017 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors
Rane Engine Valve Ltd
Chennai.

1. We have reviewed the accompanying statement of unaudited Financial Results ("Statement") of **Rane Engine Valve Ltd** ("the Company"), for the quarter ended 30th June, 2017 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34"), prescribed under section 133 of the companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 Engagement (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 the 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 Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30th November, 2015 and CIR/CFD/FAC/62/2016 dated 05th July, 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For BRAHMAYYA & CO.,
CHARTERED ACCOUNTANTS
Firm Regn No: 000511S



R. N. Prasad

R. NAGENDRA PRASAD

Partner

Membership No. 203377

Date : 21th August, 2017

Place : Chennai



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

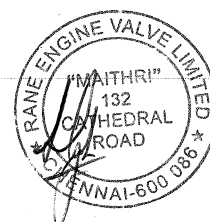
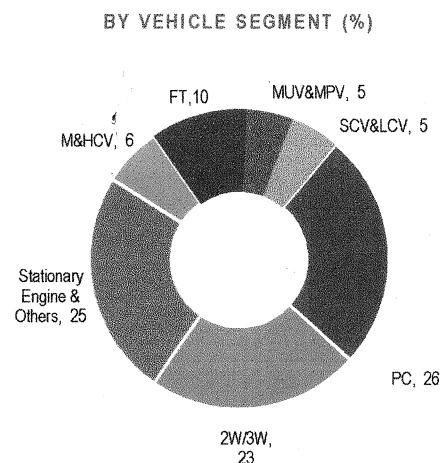
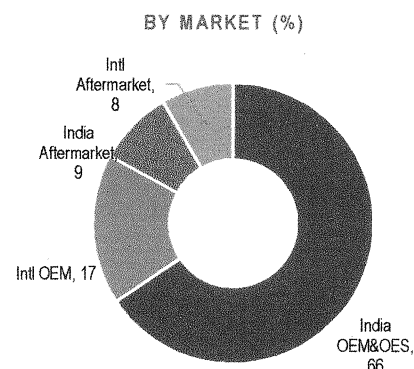
FINANCIAL PERFORMANCE

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

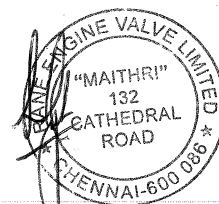
Established in 1959, Rane Engine Valve Limited (REVL) is part of the Rane Group of Companies, a leading auto component group based out of Chennai. REVL manufactures engine valves, valve guides and tappets for various IC engine applications. REVL is market leader in Indian OEM and replacement markets. 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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