

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.rane.co.in

REVL/SE/07/2016-17

May 19, 2016

BSE Limited (BSE) Corporate Relationship Department, 1st Floor, New Trading Ring, PJ Towers, Dalal Street, Mumbai 400 001	Listing Department National Stock Exchange of India Limited (NSE) Exchange Plaza, 5 th Floor, Plot No.C/1, 'G' Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.
Code No. 532988	Code : RANEENGINE

Dear Sir / Madam,

Ref: Our letter dated April 12, 2016 vide letter no. REVL/SE/04/2016-17

Sub: Outcome of Board Meeting - under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)

The board of directors of the Company at the meeting held today (May 19, 2016) have inter alia approved:

- (a) the **audited financial results** for the **quarter and year ended March 31, 2016**, as recommended by the Audit Committee at its meeting held on May 19, 2016.

The audited financial results along with the **auditor's report** issued by M/s Brahmayya & Co., Statutory Auditors and '**Form A**' are enclosed as per regulation 33 of SEBI LODR. A **press release** relating to the said audited financial results is also enclosed. The same will be uploaded on the website of the Company www.rane.co.in [**Regulation 46**].

The **extract of audited financial results** for the quarter and year ended March 31, 2016 will be published in newspapers, i.e., '**Business Standard**' and '**Dinamani**' [**Regulation 47**].


- (b) Appointment of Mr. Guhanantham P as Company Secretary / Key Managerial Personnel under Companies Act, 2013 and Compliance Officer of the Company for the purpose of Regulation 6 of SEBI LODR.

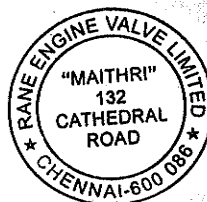
The meeting of the Board of Directors commenced at 12:00 Noon and concluded at 2.30 P.M.

Kindly take this on record as compliance with the relevant regulations of SEBI LODR and acknowledge receipt.

Yours faithfully,

For **Rane Engine Valve Limited**


Siva Chandrasekaran
Executive Vice- President
(Secretarial and Legal)



Encl: a/a

1. Audited financial results
2. Statutory Auditor's report
3. Form A
4. Press Release dated May 19, 2016

Statement of Audited Financial Results for the Quarter and Year ended March 31,2016

Rs. in lakhs

Part I

Particulars	Quarter ended			Financial Year ended	
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
	Audited	Unaudited	Audited	Audited	Audited
1. Income from Operations					
(a) Net Sales/Income from Operations (net of excise duty)	9,125.26	8,044.95	19,131.09	34,244.20	38,756.99
(b) Other Operating Income	191.05	155.70	327.08	715.70	761.45
Total income from operations (net)	9,316.31	8,200.65	19,458.17	34,959.90	39,518.44
2. Expenses					
a. Cost of materials consumed	2,930.06	2,745.53	7,744.24	11,880.53	13,675.08
b. Purchase of stock-in-trade	111.15	200.37	258.83	732.94	932.81
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	981.31	68.55	6.25	840.66	(571.66)
d. Employee benefits expenses	2,465.05	2,363.50	4,708.35	9,537.77	9,558.25
e. Depreciation and amortisation expense	705.94	701.48	1,327.73	2,753.82	2,836.11
f. Other Expenses	2,822.05	2,813.17	5,707.83	11,601.83	12,957.05
Total expenses	10,015.56	8,892.60	19,753.23	37,347.55	39,387.64
3. Profit / (Loss) from Operations before Other Income, finance costs & exceptional Items (1-2)	(699.25)	(691.95)	(295.06)	(2,387.65)	130.80
4. Other Income	32.18	75.01	266.44	295.02	404.63
5. Profit / (Loss) from ordinary activities before finance costs & exceptional Items (3+4)	(667.07)	(616.94)	(28.62)	(2,092.63)	535.43
6. Finance Costs	340.77	364.98	741.65	1,422.08	1,847.94
7. Profit / (Loss) from ordinary activities after finance costs but before Exceptional Items (5-6)	(1,007.84)	(981.92)	(770.27)	(3,514.71)	(1,312.51)
8. Exceptional Items (Refer Note: 3)	-	(241.08)	4,458.86	1,748.71	4,458.86
9. Profit / (Loss) from ordinary activities before tax (7+8)	(1,007.84)	(1,223.00)	3,688.59	(1,766.00)	3,146.35
10. Tax expense					
a) Current tax (net of MAT credit)	-	(91.48)	-	-	-
b) Deferred tax	(342.82)	(284.82)	982.51	(511.96)	798.20
c) Relating to Earlier Years	0.43	-	0.64	0.43	0.64
11. Net Profit / (Loss) from Ordinary Activities after tax (9-10)	(665.45)	(846.70)	2,705.44	(1,254.47)	2,347.51
12. Extraordinary Item (net of tax expense.)	-	-	-	-	-
13. Net Profit / (Loss) for the period (11-12)	(665.45)	(846.70)	2,705.44	(1,254.47)	2,347.51
14. Paid-up equity share capital (Face Value of Rs.10/- per share)	671.90	671.90	515.10	671.90	515.10
Add: Equity Shares pending allotment to KML Shareholders pursuant to Merger			156.80		156.80
Total equity share capital	671.90	671.90	671.90	671.90	671.90
15. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				9622.54	10879.67
16. Earnings per share (of Rs 10/- each) (not annualised) (in Rs)					
i. Earnings Per Share before extraordinary items					
(a) Basic	(9.90)	(12.60)	40.27	(18.67)	34.94
(b) Diluted	(9.90)	(12.60)	40.27	(18.67)	34.94
ii. Earnings Per Share after extraordinary items					
(a) Basic	(9.90)	(12.60)	40.27	(18.67)	34.94
(b) Diluted	(9.90)	(12.60)	40.27	(18.67)	34.94

Statement of Audited Financial Results for the Quarter and Year ended March 31, 2016

Rs. in lakhs

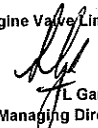
Notes:

1. Statement of Assets and Liabilities

Particulars	31.03.2016	31.03.2015
	Audited	Audited
A EQUITY AND LIABILITIES		
1 Shareholder's funds		
(a) Share capital	671.90	515.10
(b) Reserves and surplus	9,622.54	10,879.67
(c) Money received against share warrants	-	-
Sub-total - Shareholders' funds	10,294.44	11,394.77
2 Equity Share Capital pending allotment pursuant to scheme of merger		156.80
3 Non-current liabilities		
(a) Long-term borrowings	6,148.49	5,815.10
(b) Deferred tax liabilities (net)	-	-
(c) Other long-term liabilities	52.81	54.31
(d) Long-term provisions	665.95	1,019.04
Sub-total - Non-current liabilities	6,867.25	6,888.45
4 Current liabilities		
(a) Short-term borrowings	5,506.73	6,044.00
(b) Trade payables	3,663.17	4,638.52
(c) Other current liabilities	4,372.59	4,828.94
(d) Short-term provisions	230.54	333.97
Sub-total - Current liabilities	13,773.03	15,845.43
TOTAL EQUITY AND LIABILITIES	30,934.72	34,285.45
B ASSETS		
1 Non-current assets		
(a) Fixed assets	16,429.67	17,933.41
(b) Non-current investments	57.73	55.33
(c) Deferred tax assets (net)	685.88	173.92
(d) Long-term loans and advances	1,471.01	1,403.14
(e) Other non-current assets	-	-
Sub-total - Non-current assets	18,644.29	19,565.80
2 Current assets		
(a) Current Investments	-	-
(b) Inventories	4,720.85	5,945.38
(c) Trade receivables	6,028.76	6,809.85
(d) Cash and cash equivalents	164.22	214.21
(e) Short-term loans and advances	936.08	1,508.80
(f) Other current assets	440.52	241.41
Sub-total - Current assets	12,290.43	14,719.65
TOTAL ASSETS	30,934.72	34,285.45

2. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 19, 2016.
3. Exceptional items include the following:
- Voluntary Retirement Scheme expenditure of Rs 241.08 lakhs for the Quarter ended December 31, 2015 and Rs 1005.22 lakhs for the year ended March 31, 2016.
 - Profit on sale of land of Rs.2,753.93 lakhs for the year ended March 31, 2016.
 - Profit on sale of land of Rs.4,458.86 lakhs for the Quarter ended March 31, 2015 and for the year ended March 31, 2015.
4. Figures for the quarter ended March 31, 2016, quarter ended December 31, 2015 and year ended March 31, 2016 include those relating to Kar Mobiles Limited, which was amalgamated with the Company pursuant to the Scheme of Amalgamation with effect from April 1, 2014. Figures for the year ended March 31, 2015 include those relating to the above unit for the period April 1, 2014 to March 31, 2015. Hence the results for the quarter ended March 31, 2016 are not comparable with the figures for the quarter ended March 31, 2015.
5. The figures of the quarter ended March 31, 2016 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
6. Previous year / period figures have been regrouped wherever necessary to conform to current year / periods' presentation.
7. The Company operates only in one segment, namely, components for transportation industry.
8. The above Financial Results are available on the Stock Exchange websites www.bseindia.com and www.nseindia.com and on the company's website- www.rane.co.in

For Rane Engine Valve Limited


 L. Ganesh
 Chairman & Managing Director

Chennai
 Dated : May 19, 2016



Auditor's Report On Audited Annual Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Rane Engine Valve Limited
Chennai

We have audited the accompanying Statement of Financial Results of **Rane Engine Valve Limited ("the Company")** for the year ended 31st March, 2016 ("the Statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the company's management and approved by the Board of Directors, has been prepared on the basis of the related financial statements which is in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Statement. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us, the Statement;

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (ii) give a true and fair view of the net loss and other financial information of the company for the year ended 31st March, 2016.

The statement includes the results for the quarter ended 31st March, 2016 being the balancing figure between the audited figures in respect of the current financial year ended 31st March, 2016 and the published year to date figures upto the third quarter of the current financial year ended 31st December, 2015 which were subject to limited review by us.

For **Brahmayya & Co.,**
Chartered Accountants
Firm Regn No: 000511S



P.S. Kumar
Partner
Membership No: 15590

Place: Chennai
Date: May 19, 2016

Rane Engine Valve Ltd.

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FORM A

(Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1.	Name of the company	Rane Engine Valve Limited
2.	Annual financial statements for the year ended	March 31, 2016
3.	Type of Audit observation	Un-modified
4.	Frequency of observation	Not Applicable

Refer Audit Report dated May 19, 2016 on the standalone financial statements of the Company.

For Brahmayya & Co.,
Chartered Accountants
(Firm Registration No. 000511S)


P S Kumar
Partner
(Membership No. 15590)
Statutory Auditor



For Rane Engine Valve Limited


L Ganesh
Chairman & Managing Director


B Suresh Kumar
Chief Financial Officer


C N Srivatsan
Chairman - Audit Committee

Place: Chennai
Date: May 19, 2016

Press Release

Rane Engine Valve Limited reports full year results for FY 16

- Sales & Operating income at Rs. 349.60 Crores against Rs. 395.18 Crores for previous year
- EBITDA of Rs. 6.61 Crores against Rs. 33.72 Crores for previous year
- Net Loss of Rs. 12.54 Crores against Net Profit of Rs. 23.48 Crores for previous year

Chennai, 19th May 2016: Rane Engine Valve Limited (REVL), (BSE: 532988, NSE: RANEENGINE) a leading manufacturer of Engine Valves, Guides & Tappets today announced its results for the year ended 31st March 2016.

The Company registered Sales & Operating Income of Rs. 349.60 Crores for the year ended 31st March 2016 as against Rs. 395.18 Crores for the previous year. The decline in sales is mainly attributed to lower offtake in served models in passenger cars in India and end of major program of a European customer. Though the Two Wheeler segment saw modest growth, REVL's limited presence in the Scooter segment is attributed to sales decline compared to previous year. Our large valve business was affected by slowdown in Oil & Gas sector and lower offtake from locomotive customers. Further, we saw structural decline in the aftermarket demand for Engine parts. Export sales constituted 28% of the total sales for the year.

The company reported Net Loss of Rs. 12.54 Crores against Net Profit of Rs. 23.48 Crores for the previous year. This was driven by higher employee cost and lower capacity utilisation. During the year, REVL took various measures with focus on long term improvements in productivity and reduction of raw material /in-house quality costs. The company as part of the rationalization of facilities, consolidated the Peenya Plant (Bengaluru) with Hirehalli Plant (Tumakuru) to become more cost efficient.

"During this challenging time at REVL, our efforts are focused on stringent cost control initiatives and making strategic investments to revive sales growth. We have invested on developing high performance materials and special surface coating to provide superior products meeting newer emission norms and engines requirements. These present us with opportunities in India and globally to drive sales growth in the coming years" **said L. Ganesh, Chairman, Rane Group**

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Expanding Horizons

The summary of financial performance is given below:-

(Rs. Crores)	2015-16	2014-15
Sales and Operating Revenues	349.60	395.18
Other Income	2.95	4.05
Operating PBT (before exceptional items)	(35.15)	(13.13)
Exceptional [(Expenses)/ Income] Items*	17.49	44.59
Profit/(Loss) before Tax	(17.66)	31.46
Profit/(Loss) after Tax	(12.54)	23.48

*Exceptional items includes:

- a) Profit on sale of land of Rs. 27.54 Cr for the year ended March 31, 2016 and Rs. 44.59 Cr for the year ended March 31, 2015.
b) Voluntary Retirement Scheme (VRS) expenditure of Rs.10.05 Cr for the year ended March 31, 2016.

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For further information, please contact:

Ms. Pavithra Lakshmanan brand-comm Tel: +91 98409 96840 Email: rane@brand-comm.com	Ms. V Usha Corporate Communications, Rane Group Tel: +91 44 4229 2443 E-Mail: v.usha@rane.co.in
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About Rane Engine Valve Ltd.

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 passenger vehicle, commercial vehicle, Tractor, 2 wheelers and 3 wheelers, 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, Die-casting products and Aerospace-grade Wiring harnesses. Its products serves a variety of industry segments including Passenger Vehicles, Commercial Vehicles, Farm Tractors, Two-wheelers, Three-wheelers, Railways and Stationary Engines.