Rane Engine Valve Ltd.

Registered Office:
" Maithri "
132, Cathedral Road,
Chennai 600 086.
India.
CIN : L74999TN1972PLC006127

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//Online Submission//

REVL / SE / 33 / 2018-19

October 24, 2018

BSE Limited Listing Centre Scrip Code: **532988**	**National Stock Exchange of India Ltd.** NEAPS Symbol: **RANEENGINE**

Dear Sir / Madam,

Sub: Outcome of Board Meeting held on October 24, 2018 - under Regulation 30 of SEBI LODR

Ref: Our letter no. REVL / SE / 27 / 2018-19 dated September 28, 2018

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results of the Company for the quarter and half year ended September 30, 2018 as recommended by the audit committee at their respective meeting(s) held today **(October 24, 2018)**.

The un-audited financial results of the Company for the quarter and half year ended September 30, 2018 is enclosed along with the Limited Review Report issued by M/s. Varma & Varma, Chartered Accountants, Statutory Auditors. **(Regulation 33)**.

The financial results will be uploaded 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 11:00 hrs (IST) and concluded at 12:50hrs (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**

RANE ENGINE VALVE LIMITED "MAITHRI" 132 CATHEDRAL ROAD CHENNAI-600 086

Kalidoss S
Secretary

Encl: a/a

1. *Un-audited financial results for the quarter and half year ended September 30, 2018.*
2. *Extract of the un-audited financial results for Newspaper publication.*
3. *Limited Review Report for the quarter and half year ended September 30, 2018.*
4. *Earnings release for the quarter and half year ended September 30, 2018.*

Rane
Expanding Horizons

RANE ENGINE VALVE LIMITED

Q2FY19 Earnings Release



Chennai, India, October 24, 2018 – **Rane Engine Valve Limited** (NSE: RANEENGINE; BSE Code:532988), a leading manufacturer of Engine Valves, Guides and Tappets today announced financial performance for the second quarter (Q2 FY19) and six months (H1 FY19) ended September 30th, 2018.

Q2 FY19 Performance

- Total Net Revenue was ₹107.8 Crore for Q2 FY19 as compared to ₹94.1 Crore in Q2 FY18, an increase of 14.6%
- EBITDA stood at ₹3.4 Crore as compared to ₹5.2 Crore during Q2 FY18, a decline of 35.1%
- EBITDA Margin at 3.1% for Q2 FY19 as against 5.5% in Q2 FY18
- Net Loss of ₹4.1 Crore for Q2 FY19 as compared to a loss of ₹2.4 Crore in Q2 FY18

H1 FY19 Performance

- Total Net Revenue was ₹210.9 Crore for H1 FY19 as compared to ₹183.1 Crore in H1 FY18, an increase of 15.2%
- EBITDA stood at ₹6.7 Crore as compared to ₹9.8 Crore during H1 FY18, a decline of 31.5%
- EBITDA Margin at 3.2% for H1 FY19 as against 5.4% in H1 FY18
- Net Loss of ₹8.5 Crore for H1 FY19 as compared to a loss of ₹5.0 Crore in H1 FY18

Operating Highlights for Q2 FY19

- Strong demand from Indian OE customers across segments and higher offtake by International customers
- The domestic Aftermarket Sales declined by about 6%
- EBITDA margin declined by 238 bps
  - — Adverse forex movement, unfavourable product mix, increase in raw material / employee cost mainly contributed for the drop in the EBITDA margin
  - — Better operational performance helped to partially offset the inflationary pressure

MANAGEMENT COMMENT

"REVL capitalized on robust demand environment to post strong revenue growth. We experienced inflationary pressure on commodity and employee cost. The plants improved the operational performance particularly on delivery and lower internal rejections. We continue to work on operational improvement initiatives and mitigate margin pressure through improved operational performance in the upcoming quarters."

L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

Particulars	Q2 FY 19	Q2 FY 18	YOY
Total Net Revenue*	107.8	94.1	14.6
EBITDA	3.4	5.2	-35.1
Margin (%)	*3.1%*	*5.5%*	*-238 bp*
PAT	-4.1	-2.4	-72.8

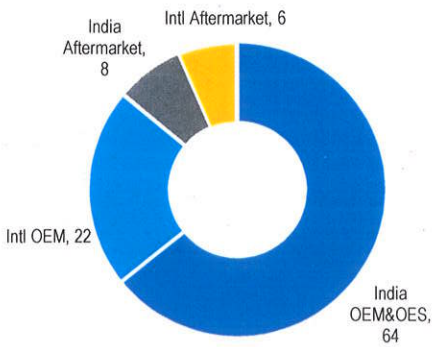
Particulars	H1 FY 19	H1 FY 18	YOY
Total Net Revenue*	210.9	183.1	15.2
EBITDA	6.7	9.8	-31.5
Margin (%)	*3.2%*	*5.4%*	*-217 bp*
PAT	-8.5	-5.0	-67.8

**Revenue excludes excise duty wherever applicable*

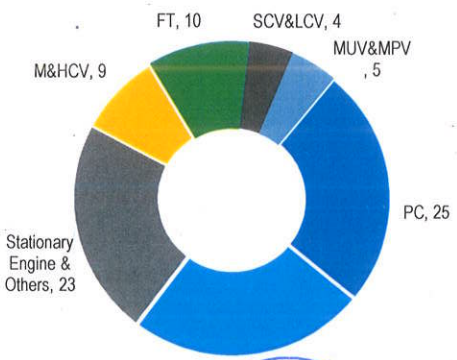
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q2 FY19)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



RANE ENGINE VALVE LIMITED "MAITHRI" 132 CATHEDRAL ROAD CHENNAI-600 086

PROFIT AND LOSS ACCOUNT

	Q2FY19	Q1FY19	QoQ%	Q2FY18	YoY%	H1FY19	H1FY18	YoY%
Income from Operations	105.2	100.7	5%	91.8	15%	205.9	187.1	10%
Other Operating Income	2.4	1.8	33%	1.8	37%	4.3	3.2	33%
Other Income	0.1	0.6	-77%	0.5	-74%	0.7	1.0	-29%
Total Revenue	**107.8**	**103.1**	**5%**	**94.1**	**15%**	**210.9**	**191.3**	**10%**
Expenses								
-Cost of Material Consumed	46.6	44.5	5%	34.2	36%	91.1	68.7	33%
-Purchase of stock-in-trade	2.9	2.9	0%	2.0	49%	5.8	4.1	43%
-Changes in inventories	-2.8	-3.4	19%	1.9	-243%	-6.2	-0.0	
-Excise Duty	-	-		-		-	8.2	
-Employee Benefit Expense	28.7	27.9	3%	25.4	13%	56.5	49.9	13%
-Finance Cost	2.1	2.4	-15%	1.9	9%	4.5	3.6	24%
-Depreciation & Amortization	7.6	7.6	0%	6.9	11%	15.2	13.9	10%
-Other Expenditure	29.0	27.9	4%	25.4	14%	56.9	50.6	12%
Total Expenses	**114.1**	**109.8**	**4%**	**97.7**	**17%**	**223.9**	**199.0**	**13%**
PBT before Exceptional Items	**-6.4**	**-6.7**	**5%**	**-3.6**	**-75%**	**-13.0**	**-7.7**	**-69%**
Exceptional Item	-	-		-		-	-	
PBT	**-6.4**	**-6.7**	**5%**	**-3.6**	**-75%**	**-13.0**	**-7.7**	**-69%**
Tax Expense	-2.2	-2.3	3%	-1.2	-80%	-4.5	-2.7	-71%
PAT	**-4.1**	**-4.4**	**6%**	**-2.4**	**-73%**	**-8.5**	**-5.0**	**-68%**

(In ₹ Crore, unless otherwise mentioned. The sum of sub-segment amounts may not equal the total amounts due to rounding off)

KEY BALANCE SHEET ITEMS

Particulars	As at 30.09.2018
Non-current assets	**162.7**
-Property, Plant and Equipment	124.9
-Financial Assets	4.7
Current assets	**162.9**
- Inventories	64.7
-Trade receivables	84.6
-Cash and cash equivalents	1.0
Total Assets	**325.6**
Shareholders Fund	**132.2**
Non-current liabilities	**49.8**
-Long-term borrowings	36.6
Current liabilities	**143.5**
-Short-term borrowings	62.5
-Trade payables	57.8
Total Liabilities	**193.4**
Total Equity and Liabilities	**325.6**

(In ₹ Crore)

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 provides Steering and Suspension systems, Friction materials, Valve train components, Occupant safety systems, Die-casting products and Telematics solutions. 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

RANE ENGINE VALVE LIMITED "MAITHRI" 132 CATHEDRAL ROAD CHENNAI-600 086

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, an any 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 t publicly update these forward-looking statements to reflect subsequent events or circumstances.