Rane Engine Valve Ltd.

Registered Office:
" Maithri "
132, Cathedral Road,
Chennai 600 086.
India.
CIN : L744999TN1972PLC006127

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//Online Submission//

REVL / SE / 32 / 2017-18

November 20, 2017

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 November 20, 2017 - under Regulation 30 of SEBI LODR

Ref: Our letter no. REVL / SE / 27 / 2017-18 dated September 28, 2017

This is to inform you that the Board of Directors have, inter alia, approved the un-audited financial results (Ind AS compliant) of the Company for the quarter and half year ended September 30, 2017, based on the recommendations of the Audit Committee, at their respective meeting(s) held today, i.e. **November 20, 2017.**

The un-audited financial results of the Company for the quarter ended and half year ended September 30, 2017 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 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 11:00 hrs (IST) and concluded at 14:30 hrs (IST).

We request you to take the above on record and note the compliance under relevant provisions 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 & half year ended September 30, 2017.*
2. *Extract of the un-audited financial results for Newspaper publication.*
3. *Limited Review Report for the quarter & half year ended September 30, 2017.*
4. *Earnings release for the quarter & half year ended September 30, 2017.*

Rane
Expanding Horizons

RANE ENGINE VALVE LIMITED

Q2FY18 Earnings Release



Chennai, India, November 20, 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 second quarter (Q2 FY18) and six months (H1 FY18) ended September 30th, 2017.

Q2 FY18 Performance

- Total Net Revenue was ₹94.1 Crore for Q2 FY18 as compared to ₹90.6 Crore in Q2 FY17, an increase of 3.8%
- EBITDA stood at ₹5.2 Crore as compared to ₹2.3 Crore during Q2 FY17, an increase of 120.2%
- EBITDA Margin at 5.5% for Q2 FY18 as against 2.6% in Q2 FY17
- Net Loss of ₹2.4 Crore for Q2 FY18 as compared to a profit of ₹62.1 Crore in Q2 FY17

H1 FY18 Performance

- Total Net Revenue was ₹183.1 Crore for H1 FY18 as compared to ₹182.1 Crore in H1 FY17, an increase of 0.6%
- EBITDA stood at ₹9.8 Crore as compared to ₹8.9 Crore during H1 FY17, an increase of 10.4%
- EBITDA Margin at 5.4% for H1 FY18 as against 4.9% in H1 FY17
- Net Loss of ₹5.0 Crore for H1 FY18 as compared to a profit of ₹59.6 Crore in H1 FY17

Operating Highlights for Q2 FY18

- Strong demand from Indian OE customers particularly Two-Wheeler segment and higher offtake by International customers
- Continued to experience lower offtake in Indian Aftermarket segment
- Continues to focus on operational efficiency and cost reduction initiatives
- Lower finance costs helped in reducing the loss for the quarter

BUSINESS HIGHLIGHTS

Financial Performance

Particulars	Q2 FY 18	Q2 FY 17	YOY%
Total Net Revenue*	94.1	90.6	3.8%
EBITDA	5.2	2.3	120.2%
Margin (%)	*5.5%*	*2.6%*	*290bps*
PAT	-2.4	62.1	-103.8%

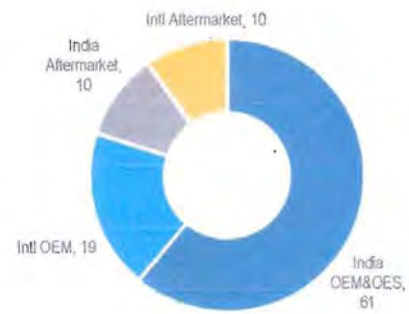
Particulars	H1 FY 18	H1 FY 17	YOY%
Total Net Revenue*	183.1	182.1	0.6%
EBITDA	9.8	8.9	10.4%
Margin (%)	*5.4%*	*4.9%*	*48bps*
PAT	-5.0	59.6	-108.5%

**Revenue excludes excise duty wherever applicable*

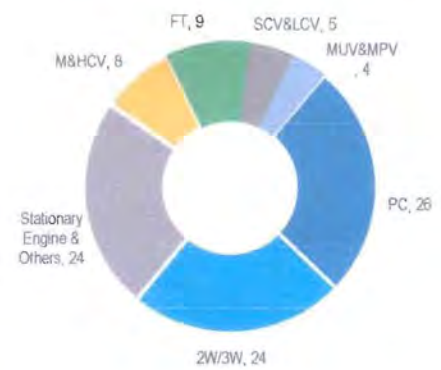
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q2 FY18)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



MANAGEMENT COMMENT

"REVL capitalized on robust demand environment to post revenue growth. We experienced challenges in demand fulfilment owing to delivery bottlenecks in one of our manufacturing facility. We continue to focus on the operational performance with stringent cost control measures. We anticipate strong demand from Indian and International OE customers in the upcoming quarters and would continue to work towards improving our profitability."

L. Ganesh, Chairman, Rane Group

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

PROFIT AND LOSS ACCOUNT

	Q2FY18	Q1FY18	QoQ%	Q2FY17	YoY%	H1FY18	H1FY17	YoY%
Income from Operations	91.8	95.3	-4%	96.6	-5%	187.1	194.8	-4%
Other Operating Income	1.8	1.4	24%	1.5	16%	3.2	3.3	-3%
Other Income	0.5	0.5	3%	1.2	-57%	1.0	1.4	-27%
Total Revenue	**94.1**	**97.2**	**-3%**	**99.4**	**-5%**	**191.3**	**199.5**	**-4%**
Expenses								
-Cost of Material Consumed	30.0	30.5	-2%	30.7	-2%	60.5	60.9	-1%
-Purchase of stock-in-trade	2.0	2.1	-8%	2.1	-8%	4.1	3.6	12%
-Changes in inventories	1.9	-2.0	198%	-1.4	241%	-0.0	1.8	-102%
-Excise Duty	-	8.2	-100%	8.7	-100%	8.2	17.5	-53%
-Employee Benefit Expense	25.4	24.5	3%	24.0	6%	49.9	46.7	7%
-Finance Cost	1.9	1.7	11%	2.8	-31%	3.6	6.1	-40%
-Depreciation & Amortization	6.9	7.0	-2%	7.0	-2%	13.9	14.1	-1%
-Other Expenditure	29.7	29.2	2%	32.8	-10%	58.9	60.1	-2%
Total Expenses	**97.7**	**101.3**	**-4%**	**106.8**	**-9%**	**199.0**	**210.8**	**-6%**
PBT before Exceptional Items	**-3.6**	**-4.1**	**11%**	**-7.4**	**51%**	**-7.7**	**-11.3**	**32%**
Exceptional Item	-	-		93.9		-	93.9	
PBT	**-3.6**	**-4.1**	**11%**	**86.5**	**-104%**	**-7.7**	**82.6**	**-109%**
Tax Expense	-1.2	-1.4	12%	24.3	-105%	-2.7	23.0	-112%
PAT	**-2.4**	**-2.7**	**11%**	**62.1**	**-104%**	**-5.0**	**59.6**	**-108%**

(In ₹ Crore, unless otherwise mentioned)

KEY BALANCE SHEET ITEMS

Particulars	As at 30.09.2017
Non-current assets	**168.7**
-Property, Plant and Equipment	127.8
-Financial Assets	5.3
Current assets	**153.9**
- Inventories	52.6
-Trade receivables	70.0
-Cash and cash equivalents	1.3
Total Assets	**323.4**
Shareholders Fund	**152.6**
Non-current liabilities	**45.8**
-Long-term borrowings	35.2
Current liabilities	**125.0**
-Short-term borrowings	55.0
-Trade payables	44.4
Total Liabilities	**170.8**
Total Equity and Liabilities	**323.4**

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, 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

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.

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