



Expanding Horizons

# RANE ENGINE VALVE LIMITED

## FY17 Earnings Release



**Chennai, India, May 18, 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 financial year (FY17) ended March 31<sup>st</sup>, 2017

### FY17 Performance

- Total Revenue was ₹362.51 Crore for FY17 as compared to ₹352.55 Crore in the FY16, an increase of 3%
- EBITDA stood at ₹23.78 Crore as compared to ₹6.61 Crore during FY16, an increase of 260%
- EBITDA Margin at 6.6% for FY17 as against 1.9% in FY16
- Net profit (PAT) stood at ₹57.06 Crore for FY17 as compared to loss of ₹12.54 Crore in FY16

### Corporate Action

- A final dividend of ₹2.50/- per equity share has been recommended by the Board of Directors on the paid-up capital of 67,18,992 equity shares of ₹10/- each fully paid up

### Operating Highlights

- Increased share of business with key customers in passenger vehicle and two wheeler segment helped grow sales to Indian OE customers by 2%
- Export sales grew by 2% on account of ramp up in business share with key international customer
- Sales to Aftermarket segment was affected by demonetization and declined by 9%
- International business constituted 28% of overall sales for the year
- Various initiatives on cost control, productivity improvements helped to improve EBITDA margin by 4.7%
- The exceptional items for the year 2016-17 includes (i) income of Rs.94.01 crores towards profit on sale of land and (ii) loss on impairment of assets amounting to Rs. 3.57 crores consequent to the plant consolidation during the previous year

### MANAGEMENT COMMENT

*“FY 17 has been another challenging year for REVL. We continued to improve the operational performance with stringent cost control measures. We grew share of business with key customers and won new business with existing customers. We have initiated conversations with customers to support emerging demands on the back of newer emission norms. We continue to work towards increasing sales and optimizing the cost to improve operational performance.*

**L. Ganesh, Chairman, Rane Group**

### BUSINESS HIGHLIGHTS

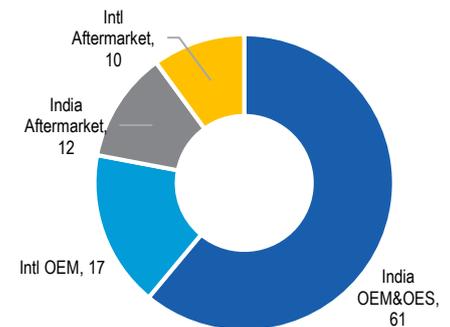
#### FINANCIAL PERFORMANCE

Particulars	FY17	FY16	YoY%
Total Revenue	362.51	352.55	3%
EBITDA	23.78	6.61	260%
EBITDA Margins	6.6%	1.9%	468 bps
PAT	57.06	-12.54	-

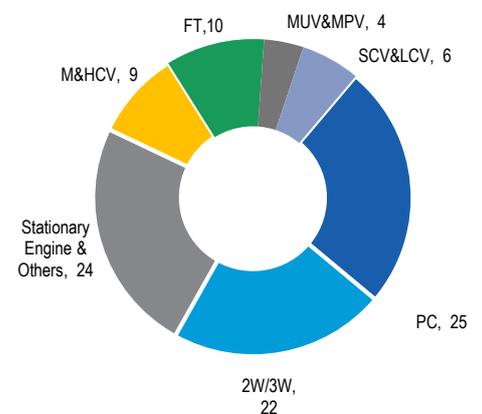
(In ₹ Crore, unless otherwise mentioned)

### BUSINESS SPLIT (FY17)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



## PROFIT AND LOSS ACCOUNT

Particulars	FY17	FY16	YoY%
Net Sales	354.23	342.44	3%
Other Operating Income	5.94	7.16	-17%
Other Income	2.34	2.95	-21%
<b>Total Revenue</b>	<b>362.51</b>	<b>352.55</b>	<b>3%</b>
<b>Expenses</b>			
-Cost of Material Consumed	119.29	118.81	0%
-Purchase of stock-in-trade	8.56	7.33	17%
-Changes in inventories	-0.56	8.41	-107%
-Employee Benefit Expense	94.72	96.77	-2%
-Finance Cost	9.88	14.22	-31%
-Depreciation & Amortization	27.75	27.54	1%
-Other Expenditure	116.73	114.62	2%
<b>Total Expenses</b>	<b>376.37</b>	<b>387.70</b>	<b>-3%</b>
<b>PBT before exceptional items</b>	<b>-13.86</b>	<b>-35.15</b>	<b>61%</b>
Exceptional Item	90.44	17.49	417%
<b>PBT</b>	<b>76.58</b>	<b>-17.66</b>	-
Tax Expense	19.52	-5.12	-
<b>PAT</b>	<b>57.06</b>	<b>-12.54</b>	-

## KEY BALANCE SHEET ITEMS

Particulars	FY17	FY16	Change
<b>Shareholders Fund</b>	<b>160.00</b>	<b>102.94</b>	<b>57.06</b>
<b>Non-current liabilities</b>	<b>36.81</b>	<b>68.67</b>	<b>-31.86</b>
-Long-term borrowings	28.95	61.48	-32.53
<b>Current liabilities</b>	<b>106.83</b>	<b>137.90</b>	<b>-31.07</b>
-Short-term borrowings	35.27	55.07	-19.79
-Trade payables	35.96	36.65	-0.69
<b>Total Liabilities</b>	<b>303.64</b>	<b>309.52</b>	<b>-5.88</b>
<b>Non-current assets</b>	<b>161.55</b>	<b>186.44</b>	<b>-24.89</b>
-Fixed assets	143.78	164.30	-20.51
-Other Non-Current assets	17.77	22.15	-4.38
<b>Current assets</b>	<b>142.09</b>	<b>123.07</b>	<b>19.01</b>
- Inventories	48.29	47.21	1.08
-Trade receivables	63.41	60.35	3.07
-Cash and cash equivalents	10.34	1.64	8.70
<b>Total Assets</b>	<b>303.64</b>	<b>309.52</b>	<b>-5.88</b>

(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,  
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