

**Rane Engine Valve Ltd.**

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Chennai 600 086.  
India.  
CIN : L74999TN1972PLC006127

//Online Submission//

REVL / SE / 43 / 2018-19

January 25, 2019

<b>BSE Limited</b> Listing Centre Scrip Code: <b>532988</b>	<b>National Stock Exchange of India Ltd.</b> NEAPS Symbol: <b>RANEENGINE</b>
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Dear Sir / Madam,

**Sub: Outcome of Board Meeting held on January 25, 2019 - under Regulation 30 of SEBI LODR****Ref: Our letter no. REVL / SE / 38 / 2018-19 dated December 31, 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 nine-months ended December 31, 2018 as recommended by the audit committee at their respective meeting(s) held today (**January 25, 2019**).

The un-audited financial results of the Company for the quarter and nine-months ended December 31, 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](http://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 **10:30** hrs (IST) and concluded at **13:00** hrs (IST).

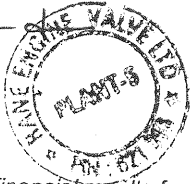
We request you to take the above on record and note the compliance under above referred regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

Thanking you.

Yours faithfully

For Rane Engine Valve Limited

  
Kalidoss S  
Secretary



Encl: a/a

1. Un-audited financial results for the quarter and nine-months ended December 31, 2018.
2. Extract of the un-audited financial results for Newspaper publication.
3. Limited Review Report for the quarter and nine-months ended December 31, 2018.
4. Earnings release for the quarter and nine-months ended December 31, 2018.



Expanding Horizons

# RANE ENGINE VALVE LIMITED

## Q3FY19 Earnings Release



Trichy, India, January 25, 2019 – Rane Engine Valve Limited (NSE: RANEENGINE; BSE Code:532988), a leading manufacturer of Engine Valves, Guides and Tappets today announced financial performance for the third quarter (Q3 FY19) and nine months (9M FY19) ended December 31<sup>st</sup>, 2018.

### Q3 FY19 Performance

- Total Net Revenue was ₹107.5 Crore for Q3 FY19 as compared to ₹93.1 Crore in Q3 FY18, an increase of 15.5%
- EBITDA stood at ₹5.2 Crore as compared to ₹3.9 Crore during Q3 FY18, an increase of 32.7%
- EBITDA Margin at 4.8% for Q3 FY19 as against 4.2% in Q3 FY18, an increase of 63 basis point (bps)
- Net Loss of ₹3.4 Crore for Q3 FY19 as compared to a loss of ₹3.2 Crore in Q3 FY18

### 9M FY19 Performance

- Total Net Revenue was ₹318.4 Crore for 9M FY19 as compared to ₹276.2 Crore in 9M FY18, an increase of 15.3%
- EBITDA stood at ₹11.9 Crore as compared to ₹13.7 Crore during 9M FY18, a decline of 13.2%
- EBITDA Margin at 3.7% for 9M FY19 as against 5.0% in 9M FY18, a decline of 123 basis point (bps)
- Net Loss of ₹11.9 Crore for 9M FY19 as compared to a loss of ₹8.3 Crore in 9M FY18

### Operating Highlights for Q3 FY19

- Strong offtake from Indian OE customers across segments particularly passenger car and two wheeler segment
- Sales to International customers grew by 23% supported by ramp up in supplies to key OE customer
- EBITDA margin improved by 63 bps
  - Better operational performance and productivity benefits helped to offset adverse forex movement, unfavourable product mix and increase in raw material/employee costs

### MANAGEMENT COMMENT

"REVL posted strong sales growth and improvement in operational performance in Q3FY19. The plants continued to improve on delivery and quality parameters. We expect material cost to stabilize in the upcoming quarters. We are working on various cost reduction initiatives as part of the turnaround plan."

L. Ganesh, Chairman, Rane Group

### BUSINESS HIGHLIGHTS

#### Financial Performance

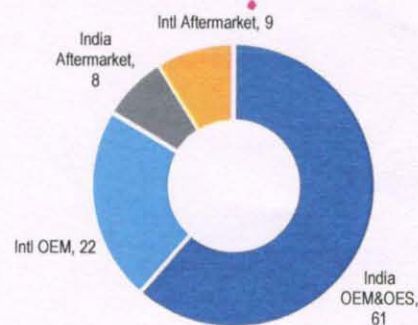
Particulars	Q3 FY 19	Q3 FY 18	YOY%
Total Net Revenue*	107.5	93.1	15.5%
EBITDA	5.2	3.9	32.7%
Margin (%)	4.8%	4.2%	63 bps
PAT	-3.4	-3.2	-6.9%

Particulars	9M FY 19	9M FY 18	YOY%
Total Net Revenue*	318.4	276.2	15.3%
EBITDA	11.9	13.7	-13.2%
Margin (%)	3.7%	5.0%	-123 bps
PAT	-11.9	-8.3	-44.1%

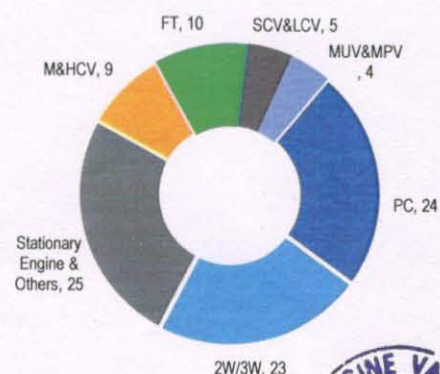
\*Revenue excludes excise duty wherever applicable  
(In ₹ Crore, unless otherwise mentioned)

### BUSINESS SPLIT (Q3 FY19)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



## PROFIT AND LOSS ACCOUNT

Particulars	Q3FY19	Q2FY19	QoQ%	Q3FY18	YoY%	9MFY19	9MFY18	YoY%
Income from Operations	104.1	105.2	-1%	91.0	14%	310.0	278.1	11%
Other Operating Income	2.3	2.4	-5%	1.7	38%	6.6	4.9	35%
Other Income	1.1	0.1	727%	0.4	194%	1.8	1.4	32%
<b>Total Revenue</b>	<b>107.5</b>	<b>107.8</b>	<b>0%</b>	<b>93.1</b>	<b>16%</b>	<b>318.4</b>	<b>284.4</b>	<b>12%</b>
<b>Expenses</b>								
-Cost of Material Consumed	48.4	46.6	4%	38.5	26%	139.5	107.4	30%
-Purchase of stock-in-trade	2.4	2.9	-18%	1.7	44%	8.3	5.8	43%
-Changes in inventories	-7.6	-2.8	-175%	-3.8	-98%	-13.8	-3.9	-255%
-Excise Duty	-	-	-	-	-	-	8.2	-
-Employee Benefit Expense	28.3	28.7	-1%	25.5	11%	84.9	75.4	13%
-Finance Cost	2.7	2.1	30%	2.0	32%	7.2	5.7	27%
-Depreciation & Amortization	7.6	7.6	0%	7.1	7%	22.9	21.0	9%
-Other Expenditure	30.8	29.0	6%	27.4	12%	87.6	77.8	13%
<b>Total Expenses</b>	<b>112.6</b>	<b>114.1</b>	<b>-1%</b>	<b>98.4</b>	<b>15%</b>	<b>336.5</b>	<b>297.4</b>	<b>13%</b>
<b>PBT before Exceptional Items</b>	<b>-5.1</b>	<b>-6.4</b>	<b>19%</b>	<b>-5.3</b>	<b>3%</b>	<b>-18.1</b>	<b>-13.0</b>	<b>-40%</b>
Exceptional Item	-	-	-	-	-	-	-	-
<b>PBT</b>	<b>-5.1</b>	<b>-6.4</b>	<b>19%</b>	<b>-5.3</b>	<b>3%</b>	<b>-18.1</b>	<b>-13.0</b>	<b>-40%</b>
Tax Expense	-1.7	-2.2	25%	-2.1	18%	-6.2	-4.7	-32%
<b>PAT</b>	<b>-3.4</b>	<b>-4.1</b>	<b>16%</b>	<b>-3.2</b>	<b>-7%</b>	<b>-11.9</b>	<b>-8.3</b>	<b>-44%</b>

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



## 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 Connected mobility 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](mailto:INVESTORSERVICES@RANEGROUP.COM) OR [DPINGLE@CHRISTENSENIR.COM](mailto: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.