

Letter from the Chairman & Managing Director

Dear Shareholders,

In 2017, the world economy grew at 3.8%, the fastest since 2011. At domestic front, the rollout of uniform Goods and Services Tax (GST) created some disruption and India's growth moderated to 6.6% in FY18. However, with a gradual settling down of the after effects of this important policy legislation, India is pegged to win back its tag of the fastest growing major economy for FY19 and FY20, thus, achieving projected growth rates of 7.4% and 7.8%, respectively. With an impressive growth numbers exhibit in the Automotive sector, India is all set to become the third largest in the world by 2025.

India has already established itself as a global components sourcing hub and government initiatives like 'Make in India', NATRiP (National Automotive Testing and R&D Infrastructure Project), AMP 2026 (Automotive Mission Plan 2016-26) are poised to strengthen its already strong position as a leading global supplier of quality auto components. Additionally, with the favourable demography, availability of credit and financing options, low cost of production, low penetration of cars and a major thrust on infrastructure by the government bodes well for the Indian Auto Component Industry.

Notwithstanding these immense opportunities, we continued to face some operational challenges in Rane Engine Valve Ltd. At the group level our efforts are channelized in the areas of margin accretive products, substantiated with the innovations from our R&D labs to design state-of-the-art products to provide a winning edge to our customers, in line with our goal to keep 'Customer at the core'. These efforts have started yielding fruits, which can be seen in our financial numbers. In FY18, we acquired 69.41% stake in Bengaluru-based Telematics4u Services Pvt. Ltd – later renamed to Rane t4u Private Ltd., which provides connected mobility solutions to diverse set of customers. This acquisition is in line with our growth strategy for expanding into new auto businesses.

The tradition of pursuing excellence, delighting customers and keeping 'Customer at the core' has been augmented this year as well, with numerous customer awards being received by all our group companies. We have received **Great Place To Work** certification, **Talent Management** award acknowledging our talent practices and value delivered to our employees. At Rane, we believe in giving back to the society, which has been



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reflected in our CSR initiatives through Rane Foundation - that focuses on all round community development with education, healthcare and environment related activities.

On behalf of the entire Board of Rane Holdings Limited, I thank all our stakeholders – Customers, Employees, Partners, Vendors, Investors, Bankers, Government, Communities and most importantly you – our shareholders, who have been with us, throughout this exciting journey.

Yours Sincerely,

L Ganesh
Chairman & Managing Director