

# Rane Engine Valve Ltd.

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" Maithri "  
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Chennai 600 086.  
India.  
CIN : L744999TN1972PLC006127

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URL : [www.ranegroup.com](http://www.ranegroup.com)

//Online Submission//

REVL/SE/ 33/2020-21

October 23, 2020

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

**Sub: Outcome of Board Meeting held on October 23, 2020 - under Regulation 30 of SEBI LODR**

**Ref: Our letter no. REVL/SE/28/2020-21 dated September 29, 2020**

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results for the quarter and half year ended September 30, 2020 along with Cash Flow Statement of the Company for the half year ended September 30, 2020 as recommended by the audit committee at their respective meeting(s) held today (**October 23, 2020**).

The un-audited financial results of the Company for the quarter and half year ended September 30, 2020 is enclosed along with the Limited Review Report issued by M/s. Varma & Varma, Chartered Accountants, Statutory Auditors. (**Regulation 33**).

The unaudited financial results along with cash flow statement will be uploaded on the website of the company at [www.ranegroup.com](http://www.ranegroup.com) and stock exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) (**Regulation 46**). An 'earnings release' for the above results is also enclosed (**Regulation 30**).

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**).

The meeting of the Board of Directors commenced at 11:00 hrs (IST) and concluded at **12:40** 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

  
Siva Chandrasekaran  
Authorized Signatory



Encl: a/a

1. Un-audited financial results for the quarter and half year ended September 30, 2020.
2. Extract of the un-audited financial results for Newspaper publication.
3. Limited Review Report for the quarter and half year ended September 30, 2020.
4. Earnings release for the quarter and half year ended September 30, 2020



Expanding Horizons

# RANE ENGINE VALVE LIMITED

## Q2FY21 Earnings Release



**Chennai, India, October 23, 2020** – 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 FY21) and six months (H1 FY21) ended September 30th, 2020.

### Q2 FY21 Performance

- Total Revenue was ₹83.4 Crore for Q2 FY21 as compared to ₹94.6 Crore in the Q2 FY20, a decrease of 11.9%
- EBITDA stood at ₹3.9 Crore as compared to ₹4.5 Crore during Q2 FY20, a decrease of 13.9%
- EBITDA Margin at 4.6% for Q2 FY21 as against 4.7% in Q2 FY20, a decrease of 11 basis points (bps)
- Net loss stood at ₹3.5 Crore for Q2 FY21 as compared to Loss of ₹3.7 Crore in Q2 FY20

### H1 FY21 Performance

- Total Revenue was ₹113.9 Crore for H1 FY21 as compared to ₹198.6 Crore in the H1 FY20, a decrease of 42.7%
- EBITDA stood at ₹-12.7 Crore as compared to ₹7.8 Crore during H1 FY20, a decrease of 263.4%
- EBITDA Margin at -11.1% for H1 FY21 as against 3.9% in H1 FY20
- Net loss stood at ₹19.8 Crore for H1 FY21 as compared to Loss of ₹7.9 Crore in H1 FY20

### Operating Performance for Q2 FY21

- Sales to Indian OE customers declined 8%. Volume drop in passenger car segment particularly diesel vehicles impacted the sales.
- Sales to International customers declined 15%. Lower offtake from key customers
- Better fixed cost control and reduction in manufacturing costs due to improvement in operational performance helped to mitigate adverse product mix and manage the EBITDA margin despite drop in volume

### MANAGEMENT COMMENT

“We saw gradual improvement in the demand environment with the opening of the economy. The plant operations faced supply chain and labour availability challenges while ramping up production levels. The cost reduction measures and better operational performance helped to manage the margin despite lower volume. We remain cautiously optimistic about sustenance of the demand post festive season.”

– **L. Ganesh, Chairman, Rane Group**

### BUSINESS HIGHLIGHTS

#### Financial Performance

Particulars	Q2 FY 21	Q2 FY 20	YOY%
Total Revenue	83.4	94.6	-11.9%
EBITDA	3.9	4.5	-13.9%
Margin (%)	4.6%	4.7%	-11 bps
PAT	-3.5	-3.7	

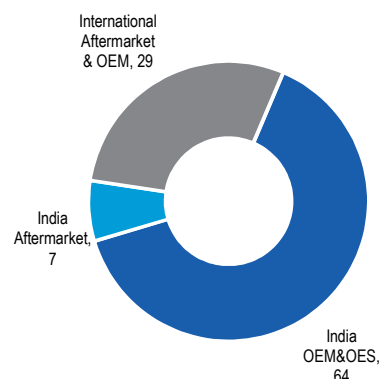
Particulars	H1 FY 21	H1 FY 20	YOY%
Total Revenue	113.9	198.6	-42.7%
EBITDA	-12.7	7.8	-263.4%
Margin (%)	-11.1%	3.9%	
PAT	-19.8	-7.9	

(In ₹ Crore, unless otherwise mentioned)

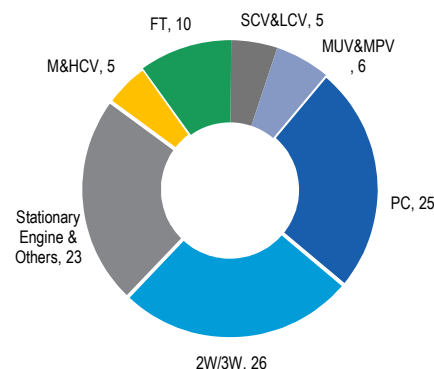
Note: The H1 FY21 results are not comparable to the corresponding period of the previous year due to the truncated period of operations due to lockdown in the Q1 FY21 impacting overall H1 FY21

### BUSINESS SPLIT (Q2 FY21)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



## PROFIT AND LOSS ACCOUNT

	Q2FY21	Q1FY21	QoQ%	Q2FY20	YoY%	H1FY21	H1FY20	YoY%
Income from Operations	80.5	29.6	172%	90.3	-11%	110.2	191.1	-42%
Other Operating Income	1.5	0.6	139%	2.3	-32%	2.2	4.5	-52%
Other Income	1.3	0.2	445%	2.0	-35%	1.5	3.0	-49%
<b>Total Revenue</b>	<b>83.4</b>	<b>30.5</b>	<b>173%</b>	<b>94.6</b>	<b>-12%</b>	<b>113.9</b>	<b>198.6</b>	<b>-43%</b>
<b>Expenses</b>								
-Cost of Material Consumed	26.2	8.2	218%	36.2	-27%	34.5	76.1	-55%
-Purchase of stock-in-trade	1.1	0.3	250%	1.3	-13%	1.4	3.4	-57%
-Changes in inventories	10.7	8.1		0.3		18.9	3.8	
-Employee Benefit Expense	22.0	19.8	11%	26.9	-18%	41.7	55.7	-25%
-Finance Cost	2.6	2.3	12%	3.0	-15%	4.8	5.5	-12%
-Depreciation & Amortization	5.8	6.3	-8%	7.1	-19%	12.1	14.4	-16%
-Other Expenditure	19.4	10.6	84%	25.5	-24%	30.0	51.9	-42%
<b>Total Expenses</b>	<b>87.8</b>	<b>55.6</b>	<b>58%</b>	<b>100.3</b>	<b>-12%</b>	<b>143.5</b>	<b>210.8</b>	<b>-32%</b>
<b>PBT before Exceptional Items</b>	<b>-4.5</b>	<b>-25.1</b>		<b>-5.7</b>		<b>-29.6</b>	<b>-12.2</b>	
Exceptional Item	-0.8	-		-		-0.8	-	
<b>PBT</b>	<b>-5.3</b>	<b>-25.1</b>		<b>-5.7</b>		<b>-30.4</b>	<b>-12.2</b>	
Tax Expense	-1.8	-8.8		-2.0		-10.6	-4.3	
<b>PAT</b>	<b>-3.5</b>	<b>-16.3</b>		<b>-3.7</b>		<b>-19.8</b>	<b>-7.9</b>	

## KEY BALANCE SHEET ITEMS

Particulars	As at 30.09.2020
<b>Non-current assets</b>	<b>150.9</b>
-Property, Plant and Equipment	96.7
-Financial Assets	6.0
<b>Current assets</b>	<b>134.1</b>
- Inventories	55.1
-Trade receivables	62.7
-Cash and cash equivalents	5.5
<b>Total Assets</b>	<b>285.1</b>
<b>Shareholders Fund</b>	<b>91.0</b>
<b>Non-current liabilities</b>	<b>43.8</b>
-Long-term borrowings	27.6
<b>Current liabilities</b>	<b>150.2</b>
-Short-term borrowings	70.1
-Trade payables	48.7
<b>Total Liabilities</b>	<b>194.0</b>
<b>Total Equity and Liabilities</b>	<b>285.1</b>

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

\* The H1 FY21 results are not comparable to the corresponding period of the previous year due to the truncated period of operations due to lockdown in the Q1 FY21 impacting overall H1 FY21

## 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, light metal 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.