



Rane Engine Valve Ltd.

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URL : www.ranegroup.com

// Online submission //

REVL / SE/ 28 / 2021-22

August 09, 2021

| | |
|--|---|
| BSE Limited Listing Centre Scrip Code: 532988 | National Stock Exchange of India Ltd. NEAPS Symbol: RANEENGINE |
|--|---|

Dear Sir / Madam,

Sub: Earnings Presentation – Un-Audited Financial Results for the Quarter ended June 30, 2021.

Ref: Our letter REVL / SE /27/2021-22 dated August 03, 2021

This is with reference to the aforementioned letter intimating Earnings Conference Call scheduled on **Tuesday, August 10, 2021 at 15:00 hours (IST)**, inter alia, to discuss the un-audited financial results for the quarter ended June 30, 2021. We enclose herewith copy of the Earnings presentation proposed to be made thereat, to the analyst and investors.

The same is also being made available on the website of the Company, www.ranegroup.com.

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

Thanking you.

Yours faithfully,

For Rane Engine Valve Limited

Vivekanandaa M
Secretary

Encl: a/a



Expanding Horizons

Rane Group

Earnings Presentation | Q1 FY22



A u g u s t 2 0 2 1

www.ranegroup.com



- › **Industry Performance Review – Q1 FY22**

- › Rane Group Performance Review – Q1 FY22

- › Group Companies Performance Highlights – Q1 FY22

Industry Performance Review (Q1 FY22)

| Vehicle Segment | Production YoY Growth# in % | Rane Group Sales Growth YoY in % (India OEM) | Rane Group Revenue Split * (India OEM) |
|--|-----------------------------|--|--|
| Passenger Cars (PC) | 470% | 675% | 43% |
| Utility Vehicles (MUV) | 423% | 576% | 22% |
| Vans | 605% | 817% | 1% |
| - Total Passenger Vehicle | 452% | 641% | 66% |
| Small Commercial Vehicles (SCV) | 307% | 354% | 1% |
| Light Commercial Vehicles (LCV) | 337% | 335% | 7% |
| Medium & Heavy Commercial Vehicles (M&HCV) | 506% | 501% | 12% |
| - Total Commercial Vehicle | 373% | 417% | 20% |
| Farm Tractors (FT) | 121% | 116% | 8% |
| 2-Wheeler | 179% | 229% | 3% |

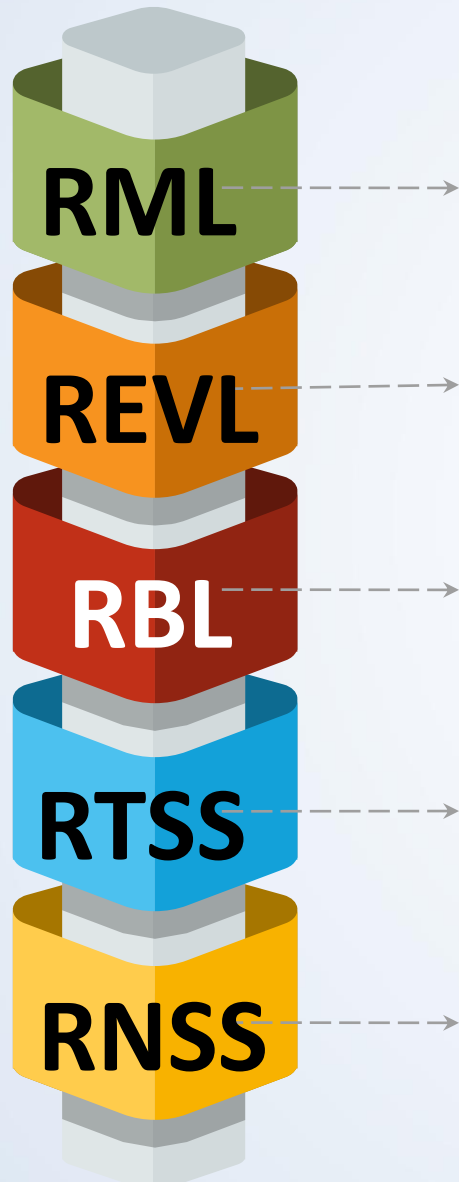
* Other segments such as Rail, Defence, Stationary Engines and 3-Wheeler contribute around 3%

Source: SIAM

Q1 FY 22 numbers are strictly not comparable with Q1 FY 21

Group's performance against industry varies based on served customers/models

- › Industry Performance Review – Q1 FY22
- › **Rane Group Performance Review – Q1 FY22**
- › Group Companies Performance Highlights – Q1 FY22



- Achieved highest Cylinder production in a month
- Domestic aftermarket is witnessing a strong recovery post wave 2 lockdown
- Certified as a 'Great Work place' by GPTW Institute, India for the 4th consecutive year
- US subsidiary company (LMCA), received USD 3.8 Mn on account of US Federal Stimulus benefits

- Higher exports mix – 36%
- Execution of operational improvement initiatives were partially impacted due to wave 2 resultant lockdown and manpower availability.

- Achieved 100% schedule adherence despite supply chain constraints
- Enhancing exports – expanded to Saudi Arabia, introduced new variants in Sri Lanka and Bangladesh
- Certified as a 'Great Work place' by GPTW Institute, India for the 5th consecutive year

- Maintained 60+% share in Domestic CV market for steering gear product
- Exports account for 67% of Occupant safety product sales
- Operational improvements and fixed cost control worked upon to partially mitigate inflationary pressures

- Continue to secure new business from MSIL for the upcoming programs
- Faced challenges on labour availability during wave 2 in April and May

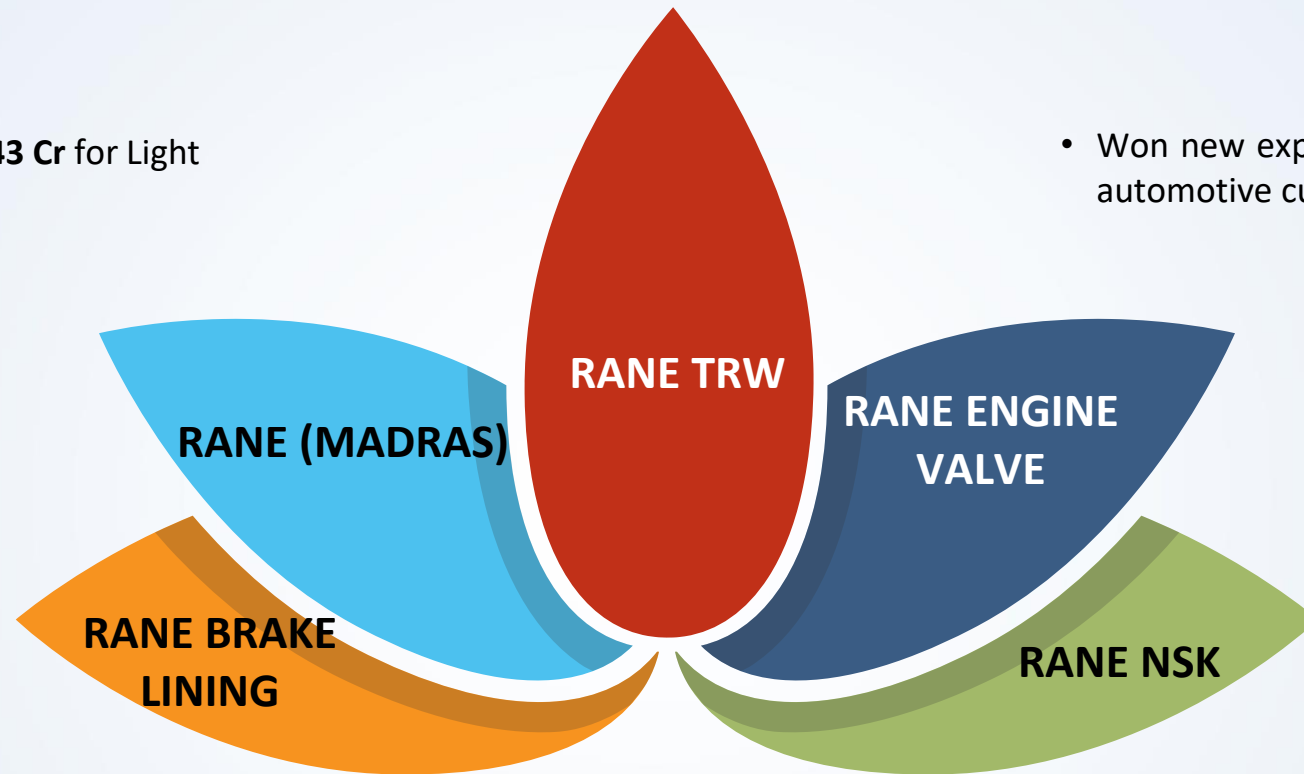
Update on New Business Development

RML

- Won new business worth **Rs. 43 Cr** for Light Metal Castings export

REVL

- Won new export business worth **Rs. 5 Cr** from non automotive customers



RBL

- Won new businesses worth **Rs. 13 Cr** from various customers

RTSS

- Received orders worth about **Rs. 10 Cr** from various domestic customers for Steering products
- Won **Rs. 78 Cr** order for cushion exports

RNSS

- Secured new business worth **Rs. 184 Cr** from MSIL for Utility Vehicle model

Continued to enhance the order book position across domestic and international customers

Customer Awards in Q1 FY22



Customer Awards

| Company | CUSTOMER | CATEGORY |
|-----------------|---------------|---------------------------|
| • Rane (Madras) | Tata Motors | Best supplier for Quality |
| ▪ Rane NSK | Ashok Leyland | LCV Business Silver Award |

'Customer at the core' remains our priority on the goal to sustainable growth and profitability

OPPORTUNITIES

- › Favourable recovery in domestic demand environment
- › Export demand remains robust
- › Strong order book position
- › Cost reduction and operational improvements



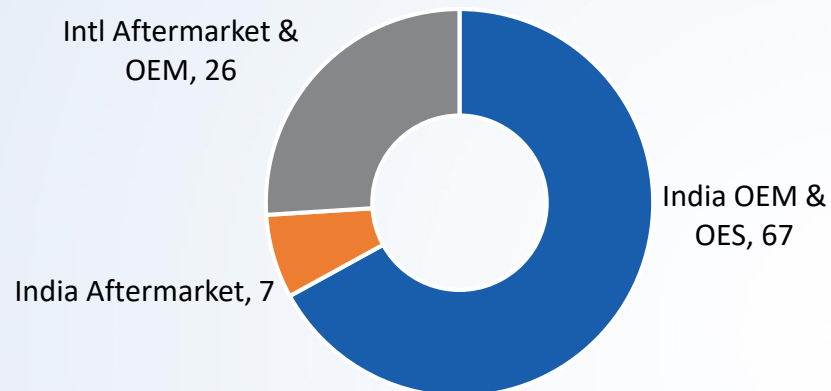
RISKS

- › Potential Covid-19 wave 3 and resultant lockdown
- › Semiconductor shortage remains overhang
- › Commodity price increases

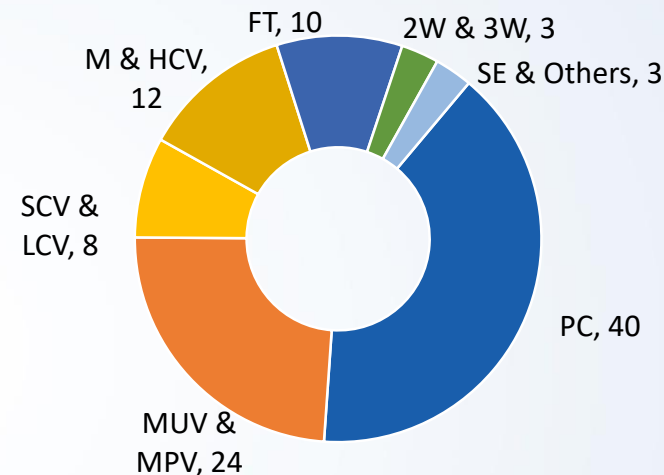
- › Industry Performance Review – Q1 FY22
- › Rane Group Performance Review – Q1 FY22
- › **Group Companies Performance Highlights – Q1 FY22**

Business Split – Group Aggregate (Q1 FY'22)

By Market segment (%)



By Vehicle Segment (%)



Financial Performance (Q1 FY'22) Rs. Cr

| Group Aggregate | Q1 FY21 | Q1 FY22 |
|-----------------|---------|---------|
| Total Revenue | 314.1 | 1,096.4 |
| EBITDA | (76.2) | 64.1 |
| PBT* | (140.8) | 27.2 |

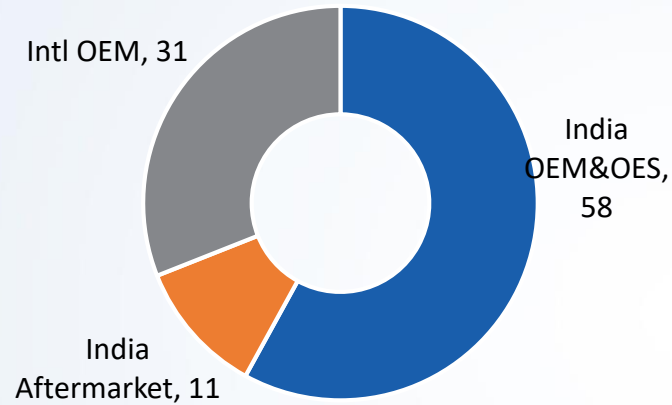
*includes exceptional items

| RHL Consolidated | Q1 FY21 | Q1 FY22 |
|------------------|---------|---------|
| Total Revenue | 194.1 | 531.9 |
| EBITDA | (46.2) | 23.4 |
| PBT* | (106.1) | 19.6 |

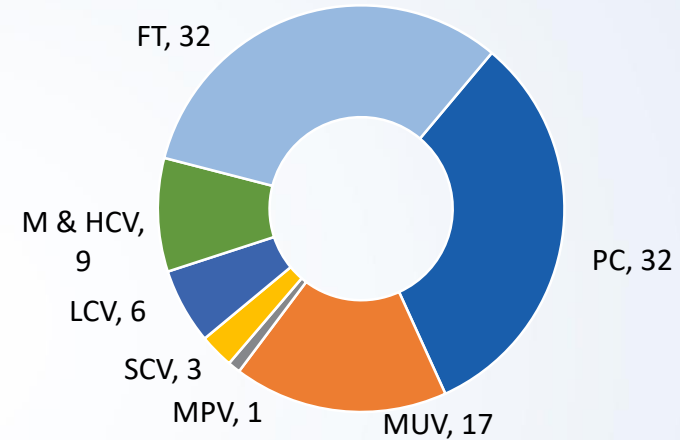
*includes exceptional items

Business Split (Q1 FY'22) - Standalone

By Market Segment (%)



By Vehicle Segment (%)



Financial Performance (Q1 FY'22) Rs. Cr

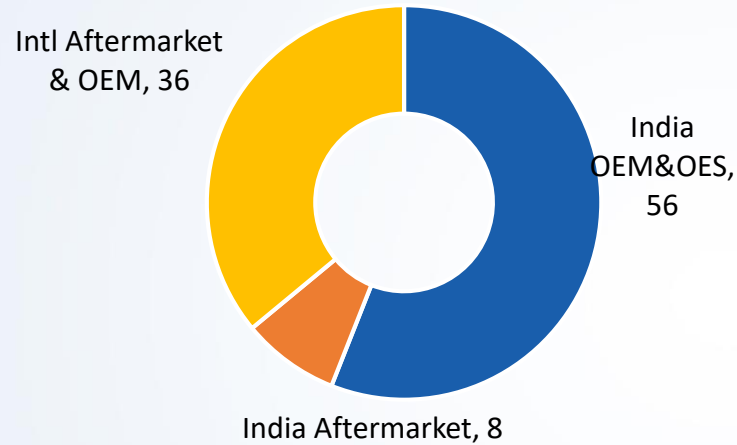
| Standalone | Q1 FY21 | Q1 FY22 |
|---------------|---------|---------|
| Total Revenue | 96.3 | 306.6 |
| EBITDA | (12.5) | 23.5 |
| PBT | (32.1) | 4.9 |

| Consolidated | Q1 FY21 | Q1 FY22 |
|---------------|---------|---------|
| Total Revenue | 114.3 | 347.1 |
| EBITDA | (27.9) | 11.3 |
| PBT* | (52.1) | 16.4 |

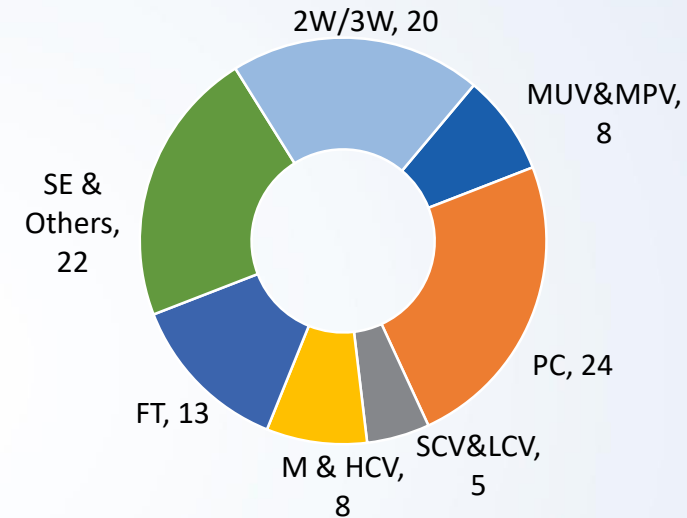
*includes exceptional items

Business Split (Q1 FY'22)

By Market Segment (%)



By Vehicle Segment (%)

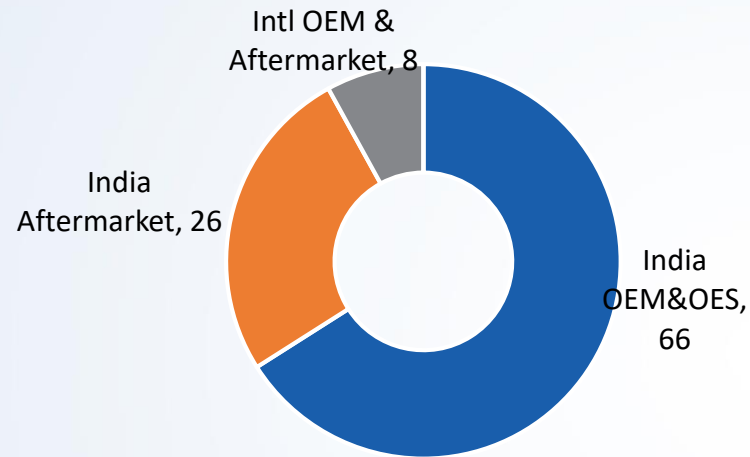


Financial Performance (Q1 FY'22) Rs. Cr

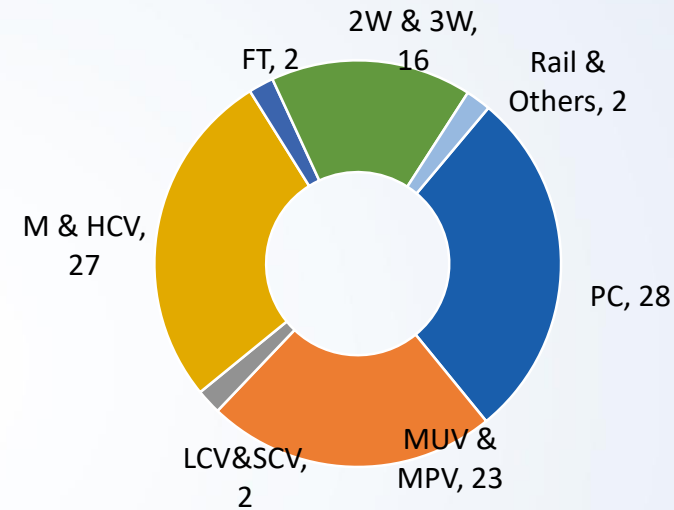
| Particulars | Q1 FY21 | Q1 FY22 |
|---------------|---------|---------|
| Total Revenue | 30.5 | 76.0 |
| EBITDA | (16.5) | (2.3) |
| PBT | (25.1) | (8.9) |

Business Split (Q1 FY'22)

By Market Segment (%)



By Vehicle Segment (%)

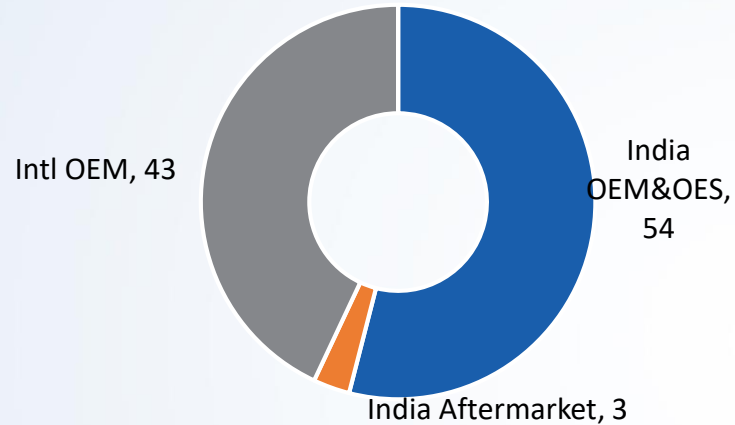


Financial Performance (Q1 FY'22) Rs. Cr

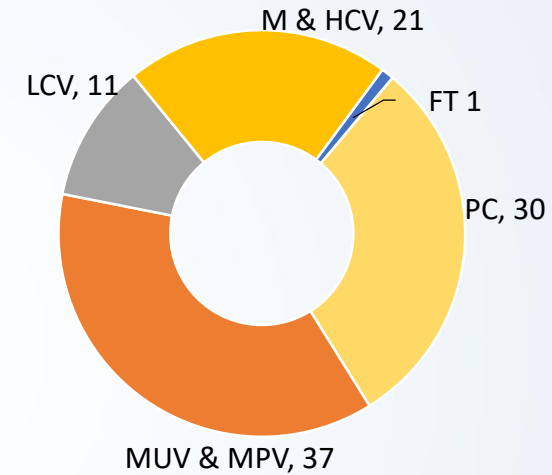
| Particulars | Q1 FY21 | Q1 FY22 |
|---------------|---------|---------|
| Total Revenue | 41.2 | 97.9 |
| EBITDA | (3.6) | 7.2 |
| PBT | (10.0) | 1.9 |

Business Split (Q1 FY'22)

By Market Segment (%)



By Vehicle Segment (%)

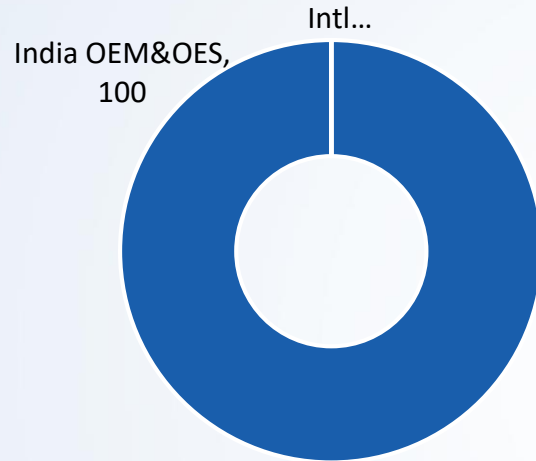


Financial Performance (Q1 FY'22) Rs. Cr

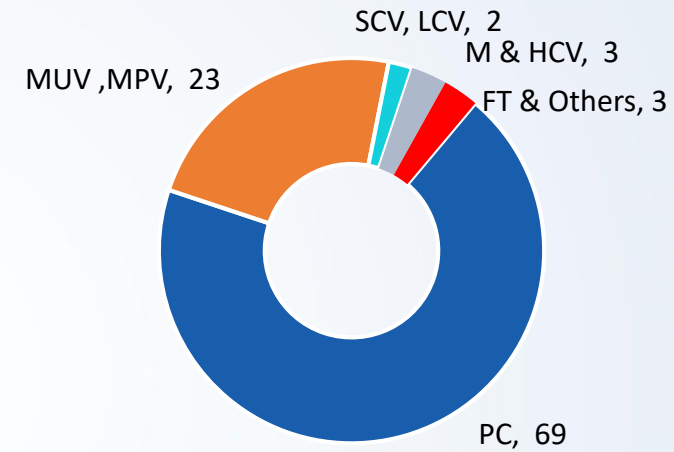
| Particulars | Q1 FY21 | Q1 FY22 |
|---------------|---------|---------|
| Total Revenue | 86.5 | 275.5 |
| EBITDA | (15.6) | 19.8 |
| PBT | (27.3) | 5.4 |

Business Split (Q1 FY'22)

By Market Segment (%)



By Vehicle Segment (%)



Financial Performance (Q1 FY'22) Rs. Cr

| Particulars | Q1 FY21 | Q1 FY22 |
|---------------|---------|---------|
| Total Revenue | 38.4 | 297.9 |
| EBITDA | (12.1) | 28.9 |
| PBT | (25.2) | 13.8 |



Thank You



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Glossary of Abbreviations

| Abbreviation | Expansion |
|--------------|--|
| CV | Commercial Vehicle |
| Cr | Crores |
| EBITDA | Earnings Before Interest, Tax, Depreciation and Amortization |
| FT | Farm Tractors |
| FY | Financial Year |
| GPTW | Great Place To Work |
| Intl | International |
| LCV | Light Commercial Vehicles |
| LMCA | Light Metal Casting America |
| MPV | Multi Purpose Vehicles |
| MSIL | Maruti Suzuki India Limited |
| MUV | Multi Utility Vehicles |
| M&HCV | Medium & Heavy Commercial Vehicles |
| OEM | Original Equipment Manufacturer |

| Abbreviation | Expansion |
|--------------|--|
| OES | Original Equipment Supplier |
| PBT | Profit Before Tax |
| PC | Passenger Car |
| Q1 | Quarter 1 |
| RBL | Rane Brake Lining Limited |
| REVL | Rane Engine Valve Limited |
| RHL | Rane Holdings Limited |
| RML | Rane (Madras) Limited |
| RNSS | Rane NSK Steering Systems Pvt Limited |
| RTSS | Rane TRW Steering Systems Pvt Limited |
| SCV | Small Commercial Vehicles |
| SE | Stationary Engines |
| SIAM | Society of Indian Automobile Manufacturers |
| YoY | Year-on-Year |
| 2W/3W | Two Wheeler/Three Wheeler |

This presentation may contain certain forward looking statements concerning Rane's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the target countries for exports, ability to attract and retain highly skilled professionals, government policies and action with respect to investments, fiscal deficits, regulations etc., interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statement become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.