



Rane Engine Valve Ltd.

Registered Office:
" Maithri "
132, Cathedral Road,
Chennai 600 086.
India.
CIN : L74999TN1972PLC006127

Tel : 044 - 2811 2472
URL : www.ranegroup.com

//Online Submission//

REVL /SE/040/2023-24

October 31, 2023

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

Sub: Outcome of Board Meeting held on October 31, 2023 - under Regulation 30 of SEBI LODR
Ref: Our letter no(s). REVL/SE/036/2023-24 dated September 29, 2023

This is to inform you that the Board of Directors have at their meeting held today i.e., **October 31, 2023** *inter alia*:

1. approved the un-audited financial results of the Company for the quarter and half year ended September 30, 2023 (UFR). The UFR along with Limited Review Report issued by M/s. Varma & Varma, Chartered Accountants, Statutory Auditors and an 'earnings release' for the above results is also enclosed.
2. approved the below changes to the Board:
 - a. appointment of Mr. Vikram Hosangady, as an Additional Director (Non-Executive and Non-Independent Director), effective October 31, 2023 and
 - b. retirement of Mr. Anil Kumar Venkat Epur, Non Executive – Independent Director, effective closure of business hours on October 31, 2023.
3. approved Postal ballot notice for seeking approval of shareholders the appointment of Mr. Vikram Hosangady as Non-Executive and Non-Independent Director.
4. re-constituted the Stakeholders Relationship Committee and Nomination & Remuneration Committee of the Board in view of the above changes.

The details pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, in respect of the above disclosure will be furnished separately.

The Meeting of the Board of Directors commenced at 11 : 15 hrs (IST) and concluded at 12 : 35 hrs (IST)

Thanking you.

Yours faithfully

For **Rane Engine Valve Limited**

Vivekanandaa M
Secretary

Encl: a/a

1. Un-audited financial results for the quarter and half year ended September 30, 2023.
2. Limited Review Report for the quarter and half year ended September 30, 2023.
3. Earnings release for the quarter and half year ended September 30, 2023

Rane Engine Valve Limited

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Statement of Unaudited Financial Results for the Quarter and Half Year ended September 30, 2023

Rs. in Crores

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income						
(a) Revenue from Operations	142.50	138.01	122.89	280.51	237.80	497.57
(b) Other Income	1.21	0.52	0.44	1.73	0.54	2.06
Total Income	143.71	138.53	123.33	282.24	238.34	499.63
2. Expenses						
(a) Cost of materials consumed	60.50	56.73	53.80	117.23	101.39	209.94
(b) Purchase of stock-in-trade	2.62	2.71	2.38	5.33	4.61	8.80
(c) Changes in inventories of Finished Goods, Work-in-Progress and Stock -in -Trade	(0.05)	(1.31)	(1.79)	(1.36)	(1.57)	(2.64)
(d) Employee benefits expenses	37.69	35.89	30.55	73.58	60.75	124.50
(e) Finance Costs	2.47	2.79	2.53	5.26	4.47	10.11
(f) Depreciation and amortisation expense	4.64	4.69	4.65	9.33	9.50	19.28
(g) Other Expenses	33.74	33.38	30.12	67.12	61.53	122.81
Total Expenses	141.61	134.88	122.24	276.49	240.68	492.80
3. Profit / (Loss) before Exceptional items (1-2)	2.10	3.65	1.09	5.75	(2.34)	6.83
4. Exceptional Items (net) (Refer Note 5)	(0.09)	(1.13)	(1.15)	(1.22)	(2.20)	(6.67)
5. Profit / (Loss) before tax (3±4)	2.01	2.52	(0.06)	4.53	(4.54)	0.16
6. Tax expense						
(a) Current tax	0.42	0.49	-	0.91	-	0.33
(b) Deferred tax	0.11	0.29	(0.02)	0.40	(1.39)	(0.11)
Total Tax Expenses	0.53	0.78	(0.02)	1.31	(1.39)	0.22
7. Profit / (Loss) for the period (5-6)	1.48	1.74	(0.04)	3.22	(3.15)	(0.06)
8. Other Comprehensive Income (Net of Tax Expenses)	0.62	0.07	0.21	0.69	0.24	0.26
9. Total Comprehensive Income for the period (7+8) (Comprising profit / (loss) and other comprehensive income for the period)	2.10	1.81	0.17	3.91	(2.91)	0.20
10. Details of equity share capital						
Paid-up equity share capital (Face Value of Rs.10/- per share)	7.23	7.23	6.72	7.23	6.72	7.06
Total equity share capital	7.23	7.23	6.72	7.23	6.72	7.06
11. Other Equity excluding revaluation reserve	-	-	-	-	-	97.80
12. Earnings per share (of Rs.10/- each) (not annualised) (in Rs.)						
(a) Basic	2.04	2.47	(0.06)	4.50	(4.69)	(0.09)
(b) Diluted	2.04	2.47	(0.06)	4.50	(4.69)	(0.09)

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Statement of Unaudited Financial Results for the Quarter and Half Year ended September 30, 2023

Rs. in Crores

Notes:

1. Balance Sheet

Particulars	As at 30.09.2023	As at 31.03.2023
	Unaudited	Audited
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	84.33	84.58
(b) Right-of-use assets	0.80	0.78
(c) Capital Work-In-Progress	6.27	5.01
(d) Intangible Assets	0.41	0.33
(e) Financial Assets		
(i) Investments	2.68	2.15
(ii) Other Financial Assets	5.49	5.16
(f) Deferred tax assets (net)	31.44	32.22
(g) Tax Assets	4.88	5.62
(h) Other Non-Current Assets	4.48	0.88
Total Non-Current Assets	140.78	136.73
Current Assets		
(a) Inventories	87.10	91.61
(b) Financial Assets		
(i) Trade Receivables	107.61	107.91
(ii) Cash and cash equivalents	6.77	7.96
(iii) Bank balances other than (ii) above	0.03	0.03
(iv) Other Financial Assets	2.90	2.83
(c) Other Current Assets	7.01	5.06
Total Current Assets	211.42	215.40
TOTAL ASSETS	352.20	352.13
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	7.23	7.06
(b) Other Equity	105.28	97.80
TOTAL EQUITY	112.51	104.86
LIABILITIES		
Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	44.09	44.30
(ii) Lease Liabilities	0.32	0.07
(iii) Other Financial Liabilities	0.94	0.92
(b) Provisions	12.62	15.07
(c) Other Non-Current liabilities	0.15	0.28
Total Non-Current Liabilities	58.12	60.65
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	74.31	92.13
(ii) Lease Liabilities	0.55	0.81
(iii) Trade Payables	-	-
- Micro & Small Enterprises	5.31	5.58
- Others	83.02	72.69
(iv) Other Financial Liabilities	10.79	9.31
(b) Other Current Liabilities	3.88	4.88
(c) Provisions	3.71	1.22
Total Current Liabilities	181.57	186.63
TOTAL LIABILITIES	239.69	247.27
TOTAL EQUITY AND LIABILITIES	352.20	352.13

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Statement of Unaudited Financial Results for the Quarter and Half Year ended September 30, 2023



2. Cash Flow Statement

Particulars	Rs. In Crores	
	Half Year ended 30.09.2023	Half Year ended 30.09.2022
	Unaudited	Unaudited
A. Cash flow from operating activities		
Net profit/(loss) before tax	4.53	(4.55)
Adjustments for:	-	-
Depreciation & Amortisation Expense	9.33	9.50
Unrealised Foreign exchange loss / (gain) - net	(0.37)	0.34
Finance Costs	5.26	4.47
Interest Income	(0.15)	(0.15)
(Gain) / Loss on disposal of Property, Plant & Equipment - Net	-	(0.02)
Assets Written off / Loss on Retirement of Assets	0.00	0.00
Provision for bad debts and bad debts written off / (written back)	(0.14)	1.64
Provision no longer required and balances written back	(0.39)	(0.37)
Operating profit before working capital changes	18.07	10.86
Adjustments for (Increase) / Decrease in :		
Trade receivables	0.56	(9.27)
Non-Current and Current financial assets	(0.18)	(1.00)
Inventories	4.50	(0.11)
Other Non-current and Current assets	(1.95)	(1.99)
Trade payables	10.10	16.97
Non-Current and Current financial liabilities	1.51	(2.74)
Other Non-Current and Current liabilities	(1.12)	(0.29)
Non-Current and Current provisions	1.09	0.89
Cash generated from operating activities	32.58	13.32
Income taxes paid - net of refund	(0.16)	(0.12)
Net cash (used in)/generated from operating activities (A)	32.42	13.20
B. Cash flow from investing activities:		
Purchase of Property, Plant and Equipment	(13.28)	(9.77)
Proceeds from sale of Property, Plant and Equipment	-	0.02
Purchase of Non-Current investments - Others	(0.53)	-
Interest received	0.14	0.21
Net cash (used in)/generated by investing activities (B)	(13.67)	(9.54)
C. Cash flow from financing activities:		
Proceeds from Non-Current borrowings	9.33	10.52
Repayment of Non-Current borrowings	(10.39)	(7.38)
Money received against share warrants	3.75	-
Proceeds from / (Repayment) of Current borrowings	(16.97)	(2.50)
Principal portion of Lease payments	(0.41)	(0.37)
Interest portion of Lease payments	(0.04)	(0.06)
Finance Costs paid	(5.21)	(4.25)
Dividend and Dividend tax paid	0.00	(0.02)
Net cash (used in)/generated by financing activities (C)	(19.94)	(4.06)
Net Increase/(Decrease) in cash equivalents (A)+(B)+(C)	(1.19)	(0.40)
Cash and cash equivalents at the beginning of the period	7.96	0.91
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	-	-
Cash and cash equivalents at the end of the period	6.77	0.51

Note:

(a) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS-7) Cash flow Statement.

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Statement of Unaudited Financial Results for the Quarter and Half Year ended September 30, 2023

Notes:

- 3 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 31, 2023. The Statutory auditors have carried out limited review of these financial results.
- 4 The Company operates only in one segment, namely, manufacture and marketing of components for the transportation industry.
- 5 Exceptional items (net) represents the following:
 - i. Voluntary Retirement Expenditure of Rs.0.09 Crores for the quarter ended September 30, 2023; Rs.0.48 Crores for the year ended March 31, 2023.
 - ii. Provision for Customer Quality Claims of Rs.1.13 Crores for the quarter ended June 30, 2023 and half year ended September 30, 2023; Rs. 6.19 Crores for the year ended March 31, 2023 (Rs.1.15 Crores and Rs.2.20 Crores respectively for the quarter and half year ended September 30, 2022), towards estimated product liability costs, in respect of certain valves supplied to an overseas customer pending finalisation. The company has initiated insurance claim in respect of the same, which is under process and would be recognised once there is virtual certainty of realization. The management is of the opinion that the provision carried as at September 30, 2023 is adequate to cover the estimated net liability.
- 6 Of the 5,15,463 warrants allotted on preferential basis to Rane Holdings Limited in March 2022, 3,43,642 warrants were converted into equivalent equity shares of Rs.10 each fully paid up during the quarter ended March 31, 2023. The balance 1,71,821 warrants were also converted into equivalent equity shares of Rs.10 each fully paid up during the quarter ended June 30, 2023. The Company has raised an aggregate Rs. 15 crores pursuant to aforesaid preferential issue (Rs. 3.75 crores on warrant subscription in March 2022, Rs. 11.25 crores and Rs.3.75 crores as warrant exercise price in March 2023 and June 2023 respectively). Consequently, the issued and paid up capital of the Company stands increased to Rs. 7.06 crores and Rs.7.23 crores as on March 31, 2023 and June 2023 respectively.
- 7 The previous period figures have been re-grouped wherever necessary to conform to current period's presentation.
- 8 The financial results for the quarter and half year ended September 30, 2023 are being published in the newspaper as per the format prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The financial results are also available on the Stock Exchange websites: www.bseindia.com and www.nseindia.com and on the company's website- www.ranegroup.com.

For Rane Engine Valve Limited

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Chennai

Dated : October 31, 2023

L Ganesh
Chairman

Limited Review Report

To
The Board of Directors
Rane Engine Valve Limited

We have reviewed the accompanying statement of unaudited standalone financial results of Rane Engine Valve Limited ("the Company") for the quarter and half year ended September 30, 2023 ("the Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The preparation of this Statement in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34, ('Ind AS 34'), "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other Accounting Principles generally accepted in India, is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results, prepared in all material respects in accordance with applicable accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Varma & Varma
Chartered Accountants
FRN. 004532S**

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**Georgy Mathew
Partner**

M. No. 209645

UDIN : 23209645BGXBKP5155

**Date : 31st October, 2023
Place: Bengaluru**



Expanding Horizons

RANE ENGINE VALVE LIMITED

Q2FY24 Earnings Release



Chennai, India, October 31, 2023 – 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 FY24) and six months (H1FY24) ended September 30, 2023.

Q2 FY24 Performance

- Total Revenue was ₹143.7 Crore for Q2 FY24 compared to ₹123.3 Crore in the Q2 FY23, an increase of 16.5%
- EBITDA stood at ₹9.2 Crore for Q2 FY24 compared to ₹8.3 Crore during Q2 FY23, an increase of 11.5%
- EBITDA Margin at 6.4% for Q2 FY24 against 6.7% in Q2 FY23
- Net profit stood at ₹1.5 Crore for Q2 FY24 compared to Loss of ₹0.04 Crore in Q2 FY23

H1 FY24 Performance

- Total Revenue was ₹282.2 Crore for H1 FY24 compared to ₹238.3 Crore in the H1 FY23, an increase of 18.4%
- EBITDA stood at ₹20.3 Crore for H1 FY24 compared to ₹11.6 Crore during H1 FY23, an increase of 74.8%
- EBITDA Margin at 7.2% for H1 FY24 against 4.9% in H1 FY23
- Net profit stood at ₹3.2 Crore for H1 FY24 compared to Loss of ₹3.2 Crore in H1 FY23

Operating Performance for Q2 FY24

- Sales to India OE customers grew by 13% supported by strong off-take across served customers.
- Export Sales grew by 25%. Demand from International customers remained strong.
- Sales to Indian Aftermarket customers grew by 14%
- EBITDA Margin declined 29 bps. Better operational leverage was offset by higher employee cost

MANAGEMENT COMMENT

“REVL executed well to capitalize on the favourable demand from domestic and export customers. REVL continues to work on the cost savings initiatives to sustain and improve the financial performance. Though we remain positive about the demand environment, given the dynamic macro and geopolitical situation we are working closely with our customers and focusing on operational improvements.”

L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

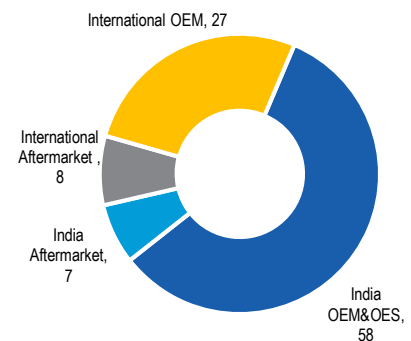
Particulars	Q2FY24	Q2FY23	YOY%
Total Revenue	143.7	123.3	16.5%
EBITDA	9.2	8.3	11.5%
Margin (%)	6.4%	6.7%	-29 bps
PAT	1.5	-0.04	3794.4%

Particulars	H1FY24	H1FY23	YOY%
Total Revenue	282.2	238.3	18.4%
EBITDA	20.3	11.6	74.8%
Margin (%)	7.2%	4.9%	232 bps
PAT	3.2	-3.2	202.1%

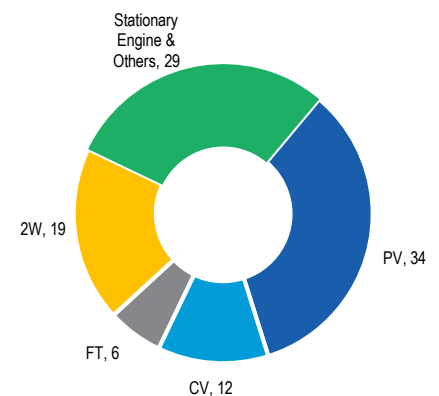
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q2 FY24)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



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PROFIT AND LOSS ACCOUNT

Particulars	Q2FY24	Q1FY24	QoQ%	Q2FY23	YoY%	H1FY24	H1FY23	YoY%
Income from Operations	142.5	138.0	3%	122.9	16%	280.5	237.8	18%
Other Income	1.2	0.5	131%	0.4	177%	1.7	0.5	220%
Total Revenue	143.7	138.5	4%	123.3	17%	282.2	238.3	18%
Expenses								
-Cost of Material Consumed	60.5	56.7	7%	53.8	12%	117.2	101.4	16%
-Purchase of stock-in-trade	2.6	2.7	-3%	2.4	10%	5.3	4.6	16%
-Changes in inventories	-0.1	-1.3		-1.8		-1.4	-1.6	
-Employee Benefit Expense	37.7	35.9	5%	30.6	23%	73.6	60.7	21%
-Finance Cost	2.5	2.8	-11%	2.5	-2%	5.3	4.5	18%
-Depreciation & Amortization	4.6	4.7	-1%	4.6	0%	9.3	9.5	-2%
-Other Expenditure	33.7	33.4	1%	30.1	12%	67.1	61.5	9%
Total Expenses	141.6	134.9	5%	122.2	16%	276.5	240.7	15%
PBT before Exceptional Items	2.1	3.7		1.1	93%	5.8	-2.3	346%
Exceptional Item	-0.1	-1.1		-1.1		-1.2	-2.2	
PBT	2.0	2.5	-20%	-0.06	3407%	4.5	-4.5	200%
Tax Expense	0.5	0.8	-32%	-0.02	2659%	1.3	-1.4	195%
PAT	1.5	1.7	-15%	-0.04		3.2	-3.2	202%

KEY BALANCE SHEET ITEMS

Particulars	As at 30.09.2023	As at 31.03.2023
Non-current assets	140.8	136.7
-Property, Plant and Equipment	84.3	84.6
-Financial Assets	8.2	7.3
Current assets	211.4	215.4
-Inventories	87.1	91.6
-Trade receivables	107.6	107.9
-Cash and cash equivalents	6.8	8.0
Total Assets	352.2	352.1
Shareholders Fund	112.5	104.9
Non-current liabilities	58.1	60.6
-Long-term borrowings	44.1	44.3
Current liabilities	181.6	186.6
-Short-term borrowings	74.3	92.1
-Trade payables	88.3	78.3
Total Liabilities	239.7	247.3
Total Equity and Liabilities	352.2	352.1

(In ₹ Crore, unless otherwise mentioned. The sum of the 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, and light metal casting products. Its products serve a variety of industry segments including Passenger Vehicles, Commercial Vehicles, Farm Tractors, Two-wheelers, Three-wheelers, Railways and stationary Engines.

IF YOU HAVE ANY QUESTIONS OR REQUIRE FURTHER INFORMATION,
PLEASE FEEL FREE TO CONTACT: INVESTORSERVICES@RANEGROUP.COM OR DIWAKAR.PINGLE@IN.EY.COM

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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.