

Rane Engine Valve Ltd.

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

Tel : 044 - 2811 2472
Fax : 044 - 2811 2449
URL : www.ranegroup.com

//Online Submission//

REVL/SE/43/2019-20

January 22, 2020

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

Sub: Outcome of Board Meeting held on January 22, 2020 - under Regulation 30 of SEBI LODR

Ref: Our letter no. REVL/SE/37/2019-20 dated December 24, 2019

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results for the quarter and nine-months ended December 31, 2019 as recommended by the audit committee at their respective meeting(s) held today (**January 22, 2020**).

The un-audited financial results of the Company for the quarter and nine-months ended December 31, 2019 is enclosed along with the Limited Review Report issued by M/s. Varma & Varma, Chartered Accountants, Statutory Auditors. (**Regulation 33**).

The unaudited financial results will be uploaded on the website of the company at www.ranegroup.com and stock exchanges at www.bseindia.com and 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 11:30 hrs (IST) and concluded at 13:20 hrs (IST).

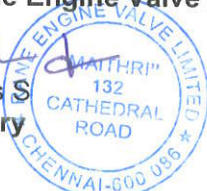
We request you to take the above on record and note the compliance under above referred regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

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, 2019.
2. Extract of the un-audited financial results for Newspaper publication.
3. Limited Review Report for the quarter and nine-months ended December 31, 2019.
4. Earnings release for the quarter and nine-months ended December 31, 2019.

Rane Engine Valve Limited

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visit us at: www.ranegroup.com



Statement of Unaudited Financial Results for the Quarter and Nine months ended December 31, 2019

Particulars	Quarter ended			Nine Months ended		Rs. in lakhs
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	Year ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income from Operations						
(a) Revenue from Operations	8,078.28	9,033.51	10,409.88	27,192.73	30,999.16	41,299.07
(b) Other Operating Income	120.76	226.65	232.11	571.28	659.24	962.96
(c) Other Income	91.84	198.04	109.98	391.67	182.03	223.55
Total Revenue	8,290.88	9,458.20	10,751.97	28,155.68	31,840.43	42,485.58
2. Expenses						
(a) Cost of materials consumed	3,266.54	3,617.54	4,842.00	10,881.40	13,953.08	18,444.95
(b) Purchase of stock-in-trade	77.68	128.36	240.85	413.84	825.08	1,084.77
(c) Changes in inventories of Finished Goods, Work-in-Progress and Stock -in -Trade	(237.52)	26.45	(759.40)	144.24	(1,377.58)	(2,009.13)
(d) Employee benefits expenses	2,504.94	2,686.66	2,834.60	8,073.66	8,487.66	11,153.06
(e) Finance Costs	261.79	302.27	269.11	814.57	718.70	987.80
(f) Depreciation and amortisation expense	681.18	713.12	761.00	2,123.27	2,285.32	3,053.15
(g) Other Expenses	2,494.96	2,551.49	3,076.07	7,682.90	8,762.33	11,819.81
Total expenses	9,049.57	10,025.89	11,264.23	30,133.88	33,654.59	44,534.41
3. Profit / (Loss) before Exceptional Items (1-2)	(758.69)	(567.69)	(512.26)	(1,978.20)	(1,814.16)	(2,048.83)
4. Exceptional Items	-	-	-	-	-	-
5. Profit / (Loss) before tax (3±4)	(758.69)	(567.69)	(512.26)	(1,978.20)	(1,814.16)	(2,048.83)
6. Tax expense						
(a) Current tax	-	-	-	-	-	-
(b) Deferred tax	(257.17)	(198.37)	(168.73)	(683.32)	(623.68)	(691.38)
(c) Relating to Earlier Years	-	-	-	-	-	-
Total Tax Expenses	(257.17)	(198.37)	(168.73)	(683.32)	(623.68)	(691.38)
7. Profit / (Loss) for the period (5-6)	(501.52)	(369.32)	(343.53)	(1,294.88)	(1,190.48)	(1,357.45)
8. Other Comprehensive Income (Net of Tax Expenses)	6.79	16.18	(14.20)	20.35	(42.60)	(10.47)
9. Total Comprehensive Income for the period (7+8) (Comprising profit / (loss) and other comprehensive income for the period)	(494.73)	(353.14)	(357.73)	(1,274.53)	(1,233.08)	(1,367.92)
10. Details of equity share capital						
Paid-up equity share capital (Face Value of Rs.10/- per share)	671.90	671.90	671.90	671.90	671.90	671.90
Total equity share capital	671.90	671.90	671.90	671.90	671.90	671.90
11. Other Equity excluding revaluation reserve						12,057.18
12. Earnings per share (of Rs.10/- each) (not annualised) (in Rs.)						
(a) Basic	(7.46)	(5.50)	(5.11)	(19.27)	(17.72)	(20.20)
(b) Diluted	(7.46)	(5.50)	(5.11)	(19.27)	(17.72)	(20.20)

Notes :

- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 22, 2020. The Statutory auditors have carried out limited review of these financial results.
- The Company operates only in one segment, namely, manufacture and marketing of components for the transportation industry.
- The Company has adopted Ind AS 116 Leases with a modified retrospective approach effective April 01, 2019. The adoption of this standard resulted in recognition of right-of-use assets and lease liabilities of Rs. 70.55 Lakhs as on the transition date. The effect of the same on the financial results for the quarter and nine months ended December 31, 2019, was not material.
- Pursuant to The Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, corporate assesses have been given an option to apply a lower income tax rate with effect from April 01, 2019, subject to certain conditions specified therein. The company is in the process of evaluating the impact of availment of the said option and accordingly, no effect in this regard has presently been considered in the measurement of tax expense for the quarter and period ended December 31, 2019 and the Deferred Tax Asset (net) as on that date.
- The previous period figures have been re-grouped wherever necessary to conform to current period's presentation.
- The financial results for the quarter and nine months ended December 31, 2019 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

Chennai
Dated : January 22, 2020




L. Ganesh
 Chairman & Managing Director
 "MAITHRI", 132
 CATHEDRAL
 ROAD
 CHENNAI-600 086



Rane Engine Valve Limited

Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086
 visit us at: www.ranegroup.com CIN: L74999TN1972PLC006127

Rs.in lakhs except per share data

Extract of Standalone Unaudited Financial Results for the Quarter and Nine months ended December 31, 2019

S.No	Particulars	Quarter ended 31.12.2019	Quarter ended 31.12.2018	Nine Months ended 31.12.2019	Nine Months ended 31.12.2018
1	Total income from operations	8,290.88	10,751.97	28,155.68	31,840.43
2	Net Profit / (Loss) for the period (before tax and Exceptional Items)	(758.69)	(512.26)	(1,978.20)	(1,814.16)
3	Net Profit / (Loss) for the period before tax (after Exceptional Items)	(758.69)	(512.26)	(1,978.20)	(1,814.16)
4	Net Profit / (Loss) for the period after tax (after Exceptional Items)	(501.52)	(343.53)	(1,294.88)	(1,190.48)
5	Total Comprehensive Income for the period (comprising profit/loss) for the period (after tax) and other Comprehensive Income(after tax)	(494.73)	(357.73)	(1,274.53)	(1,233.08)
6	Equity Share Capital	671.90	671.90	671.90	671.90
7	Earnings Per Share (of Rs 10/- each) (for continuing and discontinued operations)-				
	(a) Basic :	(7.46)	(5.11)	(19.27)	(17.72)
	(b) Diluted:	(7.46)	(5.11)	(19.27)	(17.72)

The above is an extract of the detailed format of Quarterly & Year to date results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015. The full format of the unaudited financial results are available on the Stock Exchange websites: www.bseindia.com and www.nseindia.com and on the company's website-www.ranegroup.com

Note:

- The unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 22, 2020.
- The Company has adopted Ind AS 116 Leases with a modified retrospective approach effective April 01, 2019. The adoption of this standard resulted in recognition of right-of-use assets and lease liabilities of Rs. 70.55 Lakhs as on the transition date. The effect of the same on the financial results for the quarter and nine months ended December 31, 2019, was not material.
- Pursuant to The Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, corporate assesses have been given an option to apply a lower income tax rate with effect from April 01, 2019, subject to certain conditions specified therein. The company is in the process of evaluating the impact of avilment of the said option and accordingly, no effect in this regard has presently been considered in the measurement of tax expense for the quarter and period ended December 31, 2019 and the Deferred Tax Asset (net) as on that date.

For Rane Engine Valve Limited

Chennai
 Dated : January 22, 2020

L. Ganesh
 Chairman & Managing Director



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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 nine months ended 31st December 2019 ("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, 2015"). The Statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors.

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 financial statements are 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 has not been prepared in all material respects in accordance with Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Chennai
Date : 22-01-2020

For Varma & Varma
Chartered Accountants
FRN. 004532S



P.R Prasanna Varma
Partner

M.No. 025854

UDIN: 20025854AAAAAA4547





Chennai, India, January 22, 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 third quarter (Q3 FY20) and nine months (9M FY20) ended December 31st, 2019.

Q3 FY20 Performance

- Total Net Revenue was ₹82.9 Crore for Q3 FY20 as compared to ₹107.5 Crore in Q3 FY19, a decrease of 22.9%
- EBITDA stood at ₹1.8 Crore as compared to ₹5.2 Crore during Q3 FY19, a decrease of 64.4%
- EBITDA Margin at 2.2% for Q3 FY20 as against 4.8% in Q3 FY19, a decrease of 259 basis point (bps)
- Net Loss of ₹5.0 Crore for Q3 FY20 as compared to a loss of ₹3.4 Crore in Q3 FY19

9M FY20 Performance

- Total Net Revenue was ₹281.6 Crore for 9M FY20 as compared to ₹318.4 Crore in 9M FY19, a decrease of 11.6%
- EBITDA stood at ₹9.6 Crore as compared to ₹11.9 Crore during 9M FY19, a decline of 19.3%
- EBITDA Margin at 3.4% for 9M FY20 as against 3.7% in 9M FY19, a decline of 33 basis point (bps)
- Net Loss of ₹12.9 Crore for 9M FY20 as compared to a loss of ₹11.9 Crore in 9M FY19

Operating Highlights for Q3 FY20

- Sales to Indian OE customers declined 19%. Volume drop across major segments.
- Sales to International customers declined 29%.
- EBITDA margin declined by 259 bps
 - Steep drop in volume resulted in drop in EBITDA which was partially mitigated by favourable raw material price and operational performance improvement

MANAGEMENT COMMENT

"The volume drop in domestic market and lower schedules from international customers posed significant challenge to the turnaround plan. The management continued to work on various operational improvement and cost reduction projects which helped to partially mitigate the impact of steep volume drop. We continue to see traction on new business pursuits which will help on turnaround plan once demand environment improves."

L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

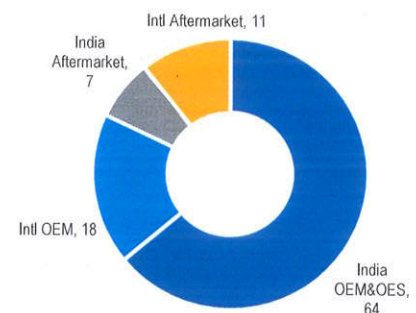
Particulars	Q3 FY 20	Q3 FY 19	YOY%
Total Net Revenue	82.9	107.5	-22.9%
EBITDA	1.8	5.2	-64.4%
Margin (%)	2.2%	4.8%	-259 bps
PAT	-5.0	-3.4	-46.0%

Particulars	9M FY 20	9M FY 19	YOY%
Total Net Revenue	281.6	318.4	-11.6%
EBITDA	9.6	11.9	-19.3%
Margin (%)	3.4%	3.7%	-33 bps
PAT	-12.9	-11.9	-8.8%

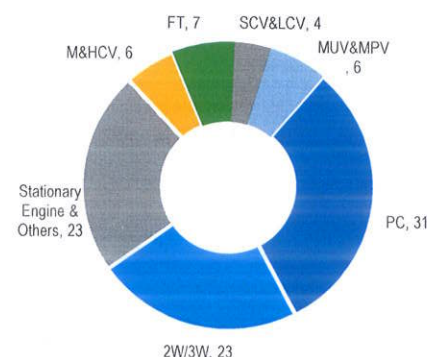
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q3 FY20)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Q3FY20	Q2FY20	QoQ%	Q3FY19	YoY%	9MFY20	9MFY19	YoY%
Income from Operations	80.8	90.3	-11%	104.1	-22%	271.9	310.0	-12%
Other Operating Income	1.2	2.3	-47%	2.3	-48%	5.7	6.6	-13%
Other Income	0.9	2.0	-54%	1.1	-16%	3.9	1.8	115%
Total Revenue	82.9	94.6	-12%	107.5	-23%	281.6	318.4	-12%
Expenses								
-Cost of Material Consumed	32.7	36.2	-10%	48.4	-33%	108.8	139.5	-22%
-Purchase of stock-in-trade	0.8	1.3	-39%	2.4	-68%	4.1	8.3	-50%
-Changes in inventories	-2.4	0.3	-998%	-7.6	69%	1.4	-13.8	110%
-Employee Benefit Expense	25.0	26.9	-7%	28.3	-12%	80.7	84.9	-5%
-Finance Cost	2.6	3.0	-13%	2.7	-3%	8.1	7.2	13%
-Depreciation & Amortization	6.8	7.1	-4%	7.6	-10%	21.2	22.9	-7%
-Other Expenditure	24.9	25.5	-2%	30.8	-19%	76.8	87.6	-12%
Total Expenses	90.5	100.3	-10%	112.6	-20%	301.3	336.5	-10%
PBT before Exceptional Items	-7.6	-5.7	-34%	-5.1	-48%	-19.8	-18.1	-9%
Exceptional Item	-	-	-	-	-	-	-	-
PBT	-7.6	-5.7	-34%	-5.1	-48%	-19.8	-18.1	-9%
Tax Expense	-2.6	-2.0	-30%	-1.7	-52%	-6.8	-6.2	-10%
PAT	-5.0	-3.7	-36%	-3.4	-46%	-12.9	-11.9	-9%

(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 Telematics 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 OR 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 conditions, 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 the Company has no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

