



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/055/2022-23

February 07, 2023

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 February 07, 2023 - under Regulation 30 of SEBI LODR

Ref: Our letter no. REVL/SE/050/2022-23 dated December 30, 2022

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, 2022 as recommended by the audit committee at their respective meeting(s) held today (**February 07, 2023**).

The un-audited financial results of the Company for the quarter and nine-months ended December 31, 2022 is enclosed along with the Limited Review Report issued by M/s. Varma & Varma, Chartered Accountants, Statutory Auditors. (**Regulation 33**). An 'earnings release' for the above results is also enclosed (**Regulation 30**).

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**).


The meeting of the Board of Directors commenced at 10:55 hrs (IST) and concluded at 11 : 46 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**


Vivekananda M
Secretary



Encl: a/a

1. Un-audited financial results for the quarter and nine-months ended December 31, 2022.
2. Limited Review Report for the quarter and nine-months ended December 31, 2022.
3. Earnings release for the quarter and nine-months ended December 31, 2022.

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Statement of Unaudited Financial Results for the Quarter and Nine months ended December 31, 2022

Rs. in Crores

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income						
(a) Revenue from Operations	124.06	122.89	98.30	361.86	273.34	382.06
(b) Other Income	0.71	0.44	0.78	1.25	2.12	2.89
Total Income	124.77	123.33	99.08	363.11	275.46	384.95
2. Expenses						
(a) Cost of materials consumed	52.10	53.80	41.39	153.49	117.02	160.77
(b) Purchase of stock-in-trade	2.24	2.38	2.33	6.85	5.92	9.44
(c) Changes in inventories of Finished Goods, Work-in-Progress and Stock -in -Trade	(2.32)	(1.79)	(6.10)	(3.89)	(16.24)	(18.86)
(d) Employee benefits expenses	33.11	30.55	28.74	93.86	84.26	113.87
(e) Finance Costs	2.80	2.53	2.17	7.27	5.77	7.89
(f) Depreciation and amortisation expense	4.71	4.65	4.96	14.21	15.09	20.00
(g) Other Expenses	31.65	30.12	27.49	93.18	78.01	103.30
Total Expenses	124.29	122.24	100.98	364.97	289.83	396.41
3. Profit / (Loss) before Exceptional items (1-2)	0.48	1.09	(1.90)	(1.86)	(14.37)	(11.46)
4. Exceptional Items (net) (Refer Note 4)	(2.48)	(1.15)	(2.65)	(4.68)	(3.55)	(3.55)
5. Profit / (Loss) before tax (3±4)	(2.00)	(0.06)	(4.55)	(6.54)	(17.92)	(15.01)
6. Tax expense						
(a) Current tax	-	-	-	-	-	-
(b) Deferred tax	(0.23)	(0.02)	(1.58)	(1.62)	(6.24)	(5.33)
(c) Relating to Earlier Years	-	-	-	-	0.17	2.18
Total Tax Expenses	(0.23)	(0.02)	(1.58)	(1.62)	(6.07)	(3.15)
7. Profit / (Loss) for the period (5-6)	(1.77)	(0.04)	(2.97)	(4.92)	(11.85)	(11.86)
8. Other Comprehensive Income (Net of Tax Expenses)	0.12	0.21	0.07	0.36	0.19	0.11
9. Total Comprehensive Income for the period (7+8) (Comprising profit / (loss) and other comprehensive income for the period)	(1.65)	0.17	(2.90)	(4.56)	(11.66)	(11.75)
10.Details of equity share capital						
Paid-up equity share capital (Face Value of Rs.10/- per share)	6.72	6.72	6.72	6.72	6.72	6.72
Total equity share capital	6.72	6.72	6.72	6.72	6.72	6.72
11.Other Equity excluding revaluation reserve	-	-	-	-	-	90.44
12.Earnings per share (of Rs.10/- each) (not annualised) (in Rs.)						
(a) Basic	(2.63)	(0.06)	(4.42)	(7.33)	(17.64)	(17.65)
(b) Diluted	(2.63)	(0.06)	(4.42)	(7.33)	(17.64)	(17.65)

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Statement of Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2022

Notes:

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 07, 2023. The Statutory auditors have carried out limited review of these financial results.
2. The Company operates only in one segment, namely, manufacture and marketing of components for the transportation industry.
3. The results for the nine months ended December 31, 2022 are strictly not comparable as such with that of the nine months ended December 31, 2021 as the Company's sales for a part of the quarter ended June 30, 2021 was impacted by the second wave of COVID-19 pandemic. The company, based on the internal and external information available up to the date of approval of these financial results, has concluded that no adjustments arising out of the COVID-19 pandemic are required in the carrying amounts of financial and other assets. The company will continue to monitor future economic conditions and update its assessment.
4. Exceptional items (net) represents the following:
 - i. Voluntary Retirement Expenditure of Rs.0.48 Crores for the quarter and nine months ended December 31, 2022; Rs.2.65 Crores for the quarter ended December 30, 2021 and Rs.3.55 Crores for the nine months ended December 30, 2021 and year ended March 31, 2022 respectively.
 - ii. Provision for Customer Quality Claims of Rs. 4.20 Crores for the nine months ended December 31, 2022 (Rs.2.00 Crores, Rs.1.15 Crores and Rs.1.05 Crores respectively for the quarters ended December 31,2022, September 30, 2022 and June 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, 2022 is adequate to cover the estimated net liability.
5. The previous period figures have been re-grouped wherever necessary to conform to current period's presentation.
6. The financial results for the quarter and nine months ended December 31, 2022 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 is being made 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 : February 07, 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 period ended 31st December 2022 ("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 Statements 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.

Chartered Accountants

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.

Place : Bengaluru
Date : 7th Feb, 2023

For Varma & Varma
Chartered Accountants
FRN. 004532S

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Expanding Horizons

RANE ENGINE VALVE LIMITED

Q3FY23 Earnings Release



Chennai, India, February 07, 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 third quarter (Q3 FY23) and nine months (9M FY23) ended December 31st, 2022.

Q3 FY23 Performance

- Total Revenue was ₹124.8 Crore for Q3 FY23 compared to ₹99.1 Crore in the Q3 FY22, an increase of 25.9%
- EBITDA stood at ₹8.0 Crore compared to ₹5.2 Crore during Q3 FY22, an increase of 52.9%
- EBITDA Margin at 6.4% for Q3 FY23 against 5.3% in Q3 FY22
- Net Loss stood at ₹1.8 Crore for Q3 FY23 compared to Loss of ₹3.0 Crore in Q3 FY22

9M FY23 Performance

- Total Revenue was ₹363.1 Crore for 9M FY23 compared to ₹275.5 Crore in the 9M FY22, an increase of 31.8%
- EBITDA stood at ₹19.6 Crore compared to ₹6.5 Crore during 9M FY22, an increase of 202.8%
- EBITDA Margin at 5.4% for 9M FY23 against 2.4% in 9M FY22
- Net Loss stood at ₹4.9 Crore for 9M FY23 compared to Loss of ₹11.9 Crore in 9M FY22

Operating Performance for Q3 FY23

- Sales to India OE customers grew by 26% supported by strong off-take from Passenger Vehicle and non-automotive customers.
- Export Sales grew by 31%. Demand from International customers remained strong.
- Sales to Indian Aftermarket customers grew by 10%
- EBITDA margin improved by 113 bps
 - Price recovery from customers helped mitigate increase in material cost and unfavourable mix

MANAGEMENT COMMENT

“Favorable demand environment continued in Q3 FY23. Management continues to execute various initiatives identified to improve operational performance. Though the demand environment in India remains strong, we remain cautious given the evolving economic scenario across major global economies.”

L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

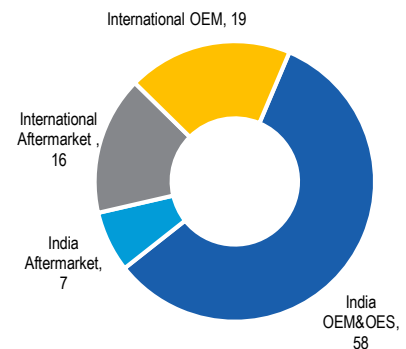
Particulars	Q3FY23	Q3FY22	YOY%
Total Revenue	124.8	99.1	25.9%
EBITDA	8.0	5.2	52.9%
Margin (%)	6.4%	5.3%	113 bps
PAT	-1.8	-3.0	41.0%

Particulars	9MFY23	9MFY22	YOY%
Total Revenue	363.1	275.5	31.8%
EBITDA	19.6	6.5	202.8%
Margin (%)	5.4%	2.4%	305 bps
PAT	-4.9	-11.9	58.7%

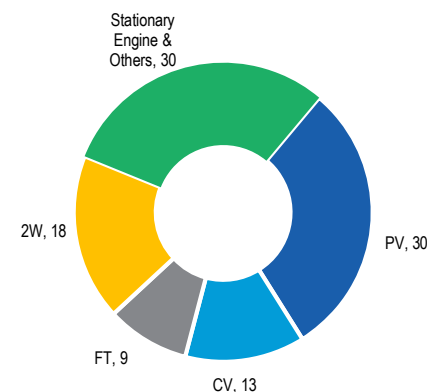
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q3 FY23)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Q3FY23	Q2FY23	QoQ%	Q3FY22	YoY%	9MFY23	9MFY22	YoY%
Income from Operations	124.1	122.9	1%	98.3	26%	361.9	273.3	32%
Other Income	0.7	0.4	64%	0.8	-9%	1.3	2.1	-41%
Total Revenue	124.8	123.3	1%	99.1	26%	363.1	275.5	32%
Expenses								
-Cost of Material Consumed	52.1	53.8	-3%	41.4	26%	153.5	117.0	31%
-Purchase of stock-in-trade	2.2	2.4	-6%	2.3	-4%	6.8	5.9	16%
-Changes in inventories	-2.3	-1.8		-6.1		-3.9	-16.2	
-Employee Benefit Expense	33.1	30.6	8%	28.7	15%	93.9	84.3	11%
-Finance Cost	2.8	2.5	11%	2.2	29%	7.3	5.8	26%
-Depreciation & Amortization	4.7	4.6	1%	5.0	-5%	14.2	15.1	-6%
-Other Expenditure	31.7	30.1	5%	27.5	15%	93.2	78.0	19%
Total Expenses	124.3	122.2	2%	101.0	23%	365.0	289.8	26%
PBT before Exceptional Items	0.5	1.1		-1.9		-1.8	-14.4	87%
Exceptional Item	-2.5	-1.1		-2.7		-4.7	-3.6	
PBT	-2.0	-0.1		-4.6	56%	-6.5	-17.9	64%
Tax Expense	-0.2	-0.0		-1.6	85%	-1.6	-6.1	73%
PAT	-1.8	-0.0		-3.0	41%	-4.9	-11.9	59%

(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, 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.

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