

# Rane Engine Valve Ltd.

Registered Office:  
" Maithri "  
132, Cathedral Road,  
Chennai 600 086.  
India.  
CIN : L744999TN1972PLC006127

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

//Online Submission//

REVL/SE/49/2020-21

January 29, 2021

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

**Sub: Outcome of Board Meeting held on January 29, 2021 - under Regulation 30 of SEBI LODR**

**Ref: Our letter no. REVL/SE/44/2020-21 dated December 30, 2020**

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, 2020 as recommended by the audit committee at their respective meeting(s) held today (**January 29, 2021**).

The un-audited financial results of the Company for the quarter and nine-months ended December 31, 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 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 11 :53 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

  
Vivekanandaa M  
Secretary



Encl: a/a

1. Un-audited financial results for the quarter and nine-months ended December 31, 2020.
2. Extract of the un-audited financial results for Newspaper publication.
3. Limited Review Report for the quarter and nine-months ended December 31, 2020.
4. Earnings release for the quarter and nine-months ended December 31, 2020.

## Rane Engine Valve Limited

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### Statement of Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2020

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2020	30.09.2020	31.12.2019	31.12.2020	31.12.2019	31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Income from Operations</b>						
(a) Revenue from Operations	8,996.28	8,053.04	8,078.28	20,013.45	27,192.73	34,742.88
(b) Other Operating Income	161.33	153.93	120.76	379.55	571.28	756.41
(c) Other Income	99.03	129.61	91.84	252.41	391.67	315.13
<b>Total Revenue</b>	<b>9,256.64</b>	<b>8,336.58</b>	<b>8,290.88</b>	<b>20,645.41</b>	<b>28,155.68</b>	<b>35,814.42</b>
<b>2. Expenses</b>						
(a) Cost of materials consumed	3,451.38	2,623.55	3,266.54	6,899.64	10,881.40	13,792.52
(b) Purchase of stock-in-trade	187.38	112.11	77.68	331.51	413.84	541.44
(c) Changes in inventories of Finished Goods, Work-in-Progress	65.55	1,074.89	(237.52)	1,954.65	144.24	141.27
(d) Employee benefits expenses	2,616.89	2,197.21	2,504.94	6,790.81	8,073.66	10,363.44
(e) Finance Costs	209.50	256.56	261.79	694.23	814.57	1,051.65
(f) Depreciation and amortisation expense	553.34	576.72	681.18	1,760.06	2,123.27	2,809.31
(g) Other Expenses	2,375.44	1,943.50	2,494.96	5,375.41	7,682.90	9,644.23
<b>Total expenses</b>	<b>9,459.48</b>	<b>8,784.54</b>	<b>9,049.57</b>	<b>23,806.31</b>	<b>30,133.88</b>	<b>38,343.86</b>
<b>3. Profit / (Loss) before Exceptional items (1-2)</b>	<b>(202.84)</b>	<b>(447.96)</b>	<b>(758.69)</b>	<b>(3,160.90)</b>	<b>(1,978.20)</b>	<b>(2,529.44)</b>
<b>4. Exceptional Items (net) (Refer Note 5)</b>	<b>2,348.94</b>	<b>(80.57)</b>	<b>-</b>	<b>2,268.37</b>	<b>-</b>	<b>-</b>
<b>5. Profit / (Loss) before tax (3±4)</b>	<b>2,146.10</b>	<b>(528.53)</b>	<b>(758.69)</b>	<b>(892.53)</b>	<b>(1,978.20)</b>	<b>(2,529.44)</b>
<b>6. Tax expense</b>						
(a) Current tax	-	-	-	-	-	-
(b) Deferred tax	729.61	(182.26)	(257.17)	(332.09)	(683.32)	(895.35)
(c) Relating to Earlier Years	-	-	-	-	-	-
<b>Total Tax Expenses</b>	<b>729.61</b>	<b>(182.26)</b>	<b>(257.17)</b>	<b>(332.09)</b>	<b>(683.32)</b>	<b>(895.35)</b>
<b>7. Profit / (Loss) for the period (5-6)</b>	<b>1,416.49</b>	<b>(346.27)</b>	<b>(501.52)</b>	<b>(560.44)</b>	<b>(1,294.88)</b>	<b>(1,634.09)</b>
<b>8. Other Comprehensive Income (Net of Tax Expenses)</b>	<b>(8.74)</b>	<b>(21.16)</b>	<b>6.79</b>	<b>(26.22)</b>	<b>20.35</b>	<b>2.32</b>
<b>9. Total Comprehensive Income for the period (7+8) (Comprising profit / (loss) and other comprehensive income for the period)</b>	<b>1,407.75</b>	<b>(367.43)</b>	<b>(494.73)</b>	<b>(586.66)</b>	<b>(1,274.53)</b>	<b>(1,631.77)</b>
<b>10. Details of equity share capital</b>						
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
<b>11. Other Equity excluding revaluation reserve</b>						<b>10,427.11</b>
<b>12. Earnings per share (of Rs.10/- each) (not annualised) (in Rs.)</b>						
(a) Basic	21.08	(5.15)	(7.46)	(8.34)	(19.27)	(24.31)
(b) Diluted	21.08	(5.15)	(7.46)	(8.34)	(19.27)	(24.31)



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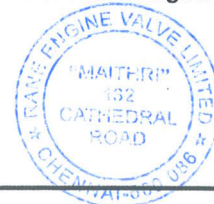
**Statement of Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2020**



### Notes:

- 1 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 29, 2021. 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 Company's operations for part of the nine months ended December 31, 2020 were suspended on account of the lockdown announced by the Government of India consequent to the outbreak of COVID-19 pandemic. The results for the nine months ended are, therefore, not comparable with those of the previous periods.
- 4 The company has assessed the impact of COVID-19 on its financial statement based on the internal and external information up to the date of approval of these financial statements and expects to recover the carrying amounts of property, plant and equipment, deferred tax assets, inventories, trade receivables, and other financial assets. While the COVID-19 situation may adversely impact the business in the short term, the management does not anticipate any material medium to long term risks to its business prospects. The company will continue to monitor future economic conditions and update its assessment given the uncertainties associated with the nature and duration of the pandemic.
- 5 Exceptional items (net) represents the following:
  - i. Profit on Sale of Land of Rs.2,395.33 Lakhs (net of incidental expenses) for the quarter and nine months ended December 31, 2020, and
  - ii. Voluntary Retirement Expenditure of Rs.46.39 Lakhs and Rs.80.57 Lakhs for the quarter ended December 31, 2020 and the quarter ended September 30, 2020 respectively; Rs.126.96 Lakhs for the nine months ended December 31, 2020.
- 6 The previous period figures have been re-grouped wherever necessary to conform to current period's presentation.
- 7 The financial results for the quarter and nine months ended December 31, 2020 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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and on the company's website- [www.ranegroup.com](http://www.ranegroup.com).

For Rane Engine Valve Limited



**L. Ganesh**  
Chairman

Chennai

Dated : January 29, 2021

## Rane Engine Valve Limited

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Rs.in lakhs except per share data

### Extract of Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2020

S.No	Particulars	Quarter ended 31.12.2020	Quarter ended 31.12.2019	Nine Months ended 31.12.2020	Nine Months ended 31.12.2019
1	Total income from operations	9,256.64	8,290.88	20,645.41	28,155.68
2	Net Profit / (Loss) for the period (before tax and Exceptional Items)	(202.84)	(758.69)	(3,160.90)	(1,978.20)
3	Net Profit / (Loss) for the period before tax (after Exceptional Items)	2,146.10	(758.69)	(892.53)	(1,978.20)
4	Net Profit / (Loss) for the period after tax (after Exceptional Items)	1,416.49	(501.52)	(560.44)	(1,294.88)
5	Total Comprehensive Income for the period (comprising profit/loss) for the period (after tax) and other Comprehensive Income(after tax))	1,407.75	(494.73)	(586.66)	(1,274.53)
6	Equity Share Capital	671.90	671.90	671.90	671.90
7	<b>Earnings Per Share (of Rs 10/- each)</b> <b>(for continuing and discontinued operations)-</b>				
	(a) Basic :	21.08	(7.46)	(8.34)	(19.27)
	(b) Diluted:	21.08	(7.46)	(8.34)	(19.27)

The above is an extract of the detailed format of Quarterly 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:**

- 1 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 29, 2021. The Statutory auditors have carried out limited review of these financial results.
- 2 The Company's operations for part of the nine months ended December 31, 2020 were suspended on account of the lockdown announced by the Government of India consequent to the outbreak of COVID-19 pandemic. The results for the nine months ended are, therefore, not comparable with those of the previous periods.
- 3 Exceptional items (net) represents the following:
  - i. Profit on Sale of Land of Rs.2,395.33 Lakhs (net of incidental expenses) for the quarter and nine months ended December 31, 2020, and
  - ii. Voluntary Retirement Expenditure of Rs.46.39 Lakhs and Rs.80.57 Lakhs for the quarter ended December 31, 2020 and the quarter ended September 30, 2020 respectively; Rs.126.96 Lakhs for the nine months ended December 31, 2020.
- 4 The company has assessed the impact of COVID-19 on its financial statement based on the internal and external information up to the date of approval of these financial statements and expects to recover the carrying amounts of property, plant and equipment, deferred tax assets, inventories, trade receivables, and other financial assets. While the COVID-19 situation may adversely impact the business in the short term, the management does not anticipate any material medium to long term risks to its business prospects. The company will continue to monitor future economic conditions and update its assessment given the uncertainties associated with the nature and duration of the pandemic.

For Rane Engine Valve Limited



*(Signature)*  
**L Ganesh**  
Chairman

Chennai  
Dated : January 29, 2021

### 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 31<sup>st</sup> December 2020 ("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 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 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 applicable accounting standards 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.



*Varma & Varma*  
*Chartered Accountants*

"Sreela Terrace"  
Level-4, Unit-D, 105, First Main Road  
Gandhi Nagar, Adyar  
Chennai - 600 020  
Ph: +91 44 2445 2239, 2442 3496  
E-mail : [chennai@varmaandvarma.com](mailto:chennai@varmaandvarma.com)

We draw attention to Note. 4 to the Statement which explains the uncertainties and the impact due to the COVID-19 pandemic situation on the Company's financial results as assessed by the management. Our conclusion is not modified in respect of the above matter.

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



**Arjun R**  
**Partner**

**M.No. 226775**

**UDIN : 21226775AAAABY6164**

• **Place : Chennai**

**Date : 29<sup>th</sup> January, 2021**





Expanding Horizons

# RANE ENGINE VALVE LIMITED

## Q3FY21 Earnings Release



### BUSINESS HIGHLIGHTS

Chennai, India, January 29, 2021 – 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 FY21) and nine months (9M FY21) ended December 31st, 2020.

#### Q3 FY21 Performance

- Total Revenue was ₹92.6 Crore for Q3 FY21 compared to ₹82.9 Crore in the Q3 FY20, an increase of 11.6%
- EBITDA stood at ₹5.6 Crore compared to ₹1.8 Crore during Q3 FY20, an increase of 203.9%
- EBITDA Margin at 6.0% for Q3 FY21 against 2.2% in Q3 FY20, an increase of 383 basis points (bps)
- Net profit (PAT) stood at ₹14.2 Crore for Q3 FY21 compared to Loss of ₹5.0 Crore in Q3 FY20, an increase of 382.4%

#### 9M FY21 Performance

- Total Revenue was ₹206.5 Crore for 9M FY21 compared to ₹281.6 Crore during 9M FY20, a decrease of 26.7%
- EBITDA stood at ₹-7.1 Crore compared to ₹9.6 Crore during 9M FY20, a decrease of 173.6%
- EBITDA Margin at -3.4% for 9M FY21 against 3.4% in 9M FY20
- Net loss stood at ₹5.6 Crore for 9M FY21 compared to Loss of ₹12.9 Crore in 9M FY20

#### Operating Performance for Q3 FY21

- Sales to Indian OE customers grew by 16%.
- Sales to International customers grew by 5%
- EBITDA margin improved by 383 bps on account of lower employee expenses, reduction in fixed cost and higher volume
- Exceptional items of ₹23.49 Crore includes an income from Profit on Sale of land of ₹23.95 Crore and VRS related expense of ₹0.46 Crore

#### MANAGEMENT COMMENT

"There was a strong recovery in demand in Q3. The plants improved output despite challenges in manpower and raw material availability. The operational performance continued to improve. Better fixed cost control helped to improve margins. The demand environment remains robust barring volatility in customer schedules as they experience supply constraints on certain components."

– L. Ganesh, Chairman, Rane Group

#### Financial Performance

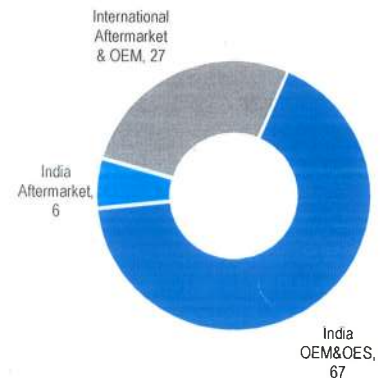
Particulars	Q3 FY 21	Q3 FY 20	YOY%
Total Revenue	92.6	82.9	11.6%
EBITDA	5.6	1.8	203.9%
Margin (%)	6.0%	2.2%	383 bps
PAT	14.2	-5.0	382.4%

Particulars	9M FY 21	9M FY 20	YOY%
Total Revenue	206.5	281.6	-26.7%
EBITDA	-7.1	9.6	-173.6%
Margin (%)	-3.4%	3.4%	-683 bps
PAT	-5.6	-12.9	56.7%

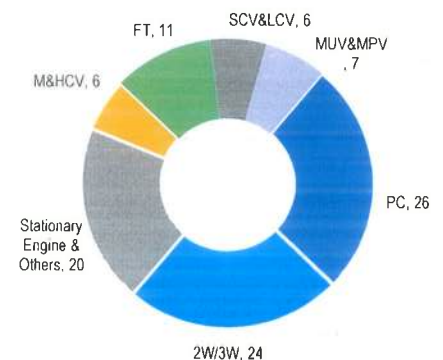
(In ₹ Crore, unless otherwise mentioned)

#### BUSINESS SPLIT (Q3 FY21)

##### BY MARKET (%)



##### BY VEHICLE SEGMENT (%)



## PROFIT AND LOSS ACCOUNT

	Q3FY21	Q2FY21	QoQ%	Q3FY20	YoY%	9MFY21	9MFY20	YoY%
Income from Operations	90.0	80.5	12%	80.8	11%	200.1	271.9	-26%
Other Operating Income	1.6	1.5	5%	1.2	34%	3.8	5.7	-34%
Other Income	1.0	1.3	-24%	0.9	8%	2.5	3.9	-36%
<b>Total Revenue</b>	<b>92.6</b>	<b>83.4</b>	<b>11%</b>	<b>82.9</b>	<b>12%</b>	<b>206.5</b>	<b>281.6</b>	<b>-27%</b>
<b>Expenses</b>								
-Cost of Material Consumed	34.5	26.2	32%	32.7	6%	69.0	108.8	-37%
-Purchase of stock-in-trade	1.9	1.1	67%	0.8	141%	3.3	4.1	-20%
-Changes in inventories	0.7	10.7	-94%	-2.4	128%	19.5	1.4	
-Employee Benefit Expense	26.2	22.0	19%	25.0	4%	67.9	80.7	-16%
-Finance Cost	2.1	2.6	-18%	2.6	-20%	6.9	8.1	-15%
-Depreciation & Amortization	5.5	5.8	-4%	6.8	-19%	17.6	21.2	-17%
-Other Expenditure	23.8	19.4	22%	24.9	-5%	53.8	76.8	-30%
<b>Total Expenses</b>	<b>94.6</b>	<b>87.8</b>	<b>8%</b>	<b>90.5</b>	<b>5%</b>	<b>238.1</b>	<b>301.3</b>	<b>-21%</b>
<b>PBT before Exceptional Items</b>	<b>-2.0</b>	<b>-4.5</b>	<b>55%</b>	<b>-7.6</b>	<b>73%</b>	<b>-31.6</b>	<b>-19.8</b>	<b>-60%</b>
Exceptional Item	23.5	-0.8		-		22.7	-	
<b>PBT</b>	<b>21.5</b>	<b>-5.3</b>	<b>506%</b>	<b>-7.6</b>	<b>383%</b>	<b>-8.9</b>	<b>-19.8</b>	<b>55%</b>
Tax Expense	7.3	-1.8	500%	-2.6	384%	-3.3	-6.8	51%
<b>PAT</b>	<b>14.2</b>	<b>-3.5</b>	<b>509%</b>	<b>-5.0</b>	<b>382%</b>	<b>-5.6</b>	<b>-12.9</b>	<b>57%</b>

(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 stationary 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.

