



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

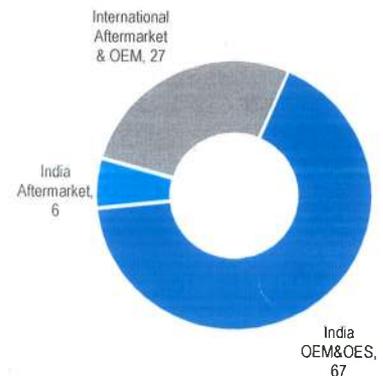
Particulars	Q3 FY 21	Q3 FY 20	YOY%
Total Revenue	92.6	82.9	11.6%
EBITDA	5.6	1.8	203.9%
Margin (%)	6.0%	2.2%	383 bps
PAT	14.2	-5.0	382.4%

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%

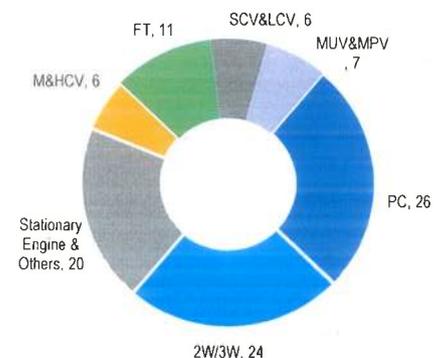
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q3 FY21)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



(Signature)

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%
Total Revenue	92.6	83.4	11%	82.9	12%	206.5	281.6	-27%
Expenses								
-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%
Total Expenses	94.6	87.8	8%	90.5	5%	238.1	301.3	-21%
PBT before Exceptional Items	-2.0	-4.5	55%	-7.6	73%	-31.6	-19.8	-60%
Exceptional Item	23.5	-0.8		-		22.7	-	
PBT	21.5	-5.3	506%	-7.6	383%	-8.9	-19.8	55%
Tax Expense	7.3	-1.8	500%	-2.6	384%	-3.3	-6.8	51%
PAT	14.2	-3.5	509%	-5.0	382%	-5.6	-12.9	57%

(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 OR DPINGLE@CHRISTENSENIR.COM

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