

Rane Engine Valve Limited

CIN: L74999TN1972PLC006127

Regd Office: "Maithri", 132 Cathedral Road, Chennai 600 086

visit us at: www.ranegroup.com



Statement of Unaudited Financial Results for the Quarter and Half year ended September 30, 2022

Rs. in Crores

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income						
(a) Revenue from Operations	122.89	114.91	99.61	237.80	175.04	382.06
(b) Other Income	0.44	0.10	0.77	0.54	1.34	2.89
Total Income	123.33	115.01	100.38	238.34	176.38	384.95
2. Expenses						
(a) Cost of materials consumed	53.80	47.59	41.88	101.39	75.63	160.77
(b) Purchase of stock-in-trade	2.38	2.23	2.20	4.61	3.59	9.44
(c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(1.79)	0.22	(2.37)	(1.57)	(10.14)	(18.86)
(d) Employee benefits expenses	30.55	30.20	28.51	60.75	55.52	113.87
(e) Finance Costs	2.53	1.94	1.97	4.47	3.60	7.89
(f) Depreciation and amortisation expense	4.65	4.85	5.12	9.50	10.13	20.00
(g) Other Expenses	30.12	31.41	26.64	61.53	50.52	103.30
Total expenses	122.24	118.44	103.95	240.68	188.85	396.41
3. Profit / (Loss) before Exceptional items (1-2)	1.09	(3.43)	(3.57)	(2.34)	(12.47)	(11.46)
4. Exceptional Items (net) (Refer Note 6)	(1.15)	(1.05)	(0.90)	(2.20)	(0.90)	(3.55)
5. Profit / (Loss) before tax (3±4)	(0.06)	(4.48)	(4.47)	(4.54)	(13.37)	(15.01)
6. Tax expense						
(a) Current tax	-	-	-	-	-	-
(b) Deferred tax	(0.02)	(1.37)	(1.55)	(1.39)	(4.66)	(5.33)
(c) Relating to Earlier Years	-	-	0.17	-	0.17	2.18
Total Tax Expenses	(0.02)	(1.37)	(1.38)	(1.39)	(4.49)	(3.15)
7. Profit / (Loss) for the period (5-6)	(0.04)	(3.11)	(3.09)	(3.15)	(8.88)	(11.86)
8. Other Comprehensive Income (Net of Tax Expenses)	0.21	0.03	0.09	0.24	0.12	0.11
9. Total Comprehensive Income for the period (7+8) (Comprising profit / (loss) and other comprehensive income for the period)	0.17	(3.08)	(3.00)	(2.91)	(8.76)	(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	(0.06)	(4.63)	(4.61)	(4.69)	(13.22)	(17.65)
(b) Diluted	(0.06)	(4.63)	(4.61)	(4.69)	(13.22)	(17.65)



Rane Engine Valve Limited

CIN: L74999TN1972PLC006127

Regd Office: "Maithri", 132 Cathedral Road, Chennai 600 086

visit us at <https://www.ranegroup.com>

Statement of Unaudited Financial Results for the Quarter and Half Year ended September 30, 2022

Rs. in Crores



Notes:

1. Balance Sheet

Particulars	As at 30.09.2022	As at 31.03.2022
	Unaudited	Audited
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	75.99	79.95
(b) Right-of-use assets	1.15	1.53
(c) Capital Work-In-Progress	10.46	4.75
(d) Investment property	0.31	0.31
(e) Intangible Assets	0.41	0.30
(f) Financial Assets		
(i) Investments	2.15	2.15
(ii) Other Financial Assets	4.95	4.68
(g) Deferred tax assets (net)	33.50	32.25
(h) Tax Assets	7.05	6.93
(i) Other Non-Current Assets	2.19	3.15
Total Non-Current Assets	138.16	136.00
Current Assets		
(a) Inventories	88.30	88.19
(b) Financial Assets		
(i) Trade Receivables	87.54	79.48
(ii) Cash and cash equivalents	0.51	0.91
(iii) Bank balances other than (ii) above	0.03	0.06
(iv) Other Financial Assets	2.90	2.45
(c) Other Current Assets	6.51	4.50
Total Current Assets	185.79	175.59
TOTAL ASSETS	323.95	311.59
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	6.72	6.72
(b) Other Equity	87.51	90.44
Total Equity	94.23	97.16
Liabilities		
(1) Non-Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	33.94	30.90
(ii) Lease Liabilities	0.49	0.88
(iii) Other Financial Liabilities	0.89	0.86
(b) Provisions	16.10	15.44
(c) Other Non Current Liabilities	0.21	0.23
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	94.84	96.68
(ii) Lease Liabilities	0.76	0.74
(iii) Trade Payables		
- Micro & Small Enterprises	5.59	3.39
- Others	64.93	50.19
(iv) Other Financial Liabilities	8.96	11.70
(b) Other Current Liabilities	2.00	2.28
(c) Provisions	1.01	1.14
Total Liabilities	229.72	214.43
TOTAL EQUITY AND LIABILITIES	323.95	311.59



Rane Engine Valve Limited

CIN: L74999TN1972PLC006127

Regd Office: "Maithri", 132 Cathedral Road, Chennai 600 086

visit us at: www.ranegroup.com

Statement of Unaudited Financial Results for the Quarter and Half Year ended September 30, 2022



2. Cash Flow Statement

Rs. In Crores

Particulars	Half Year ended 30.09.2022	Half Year ended 30.09.2021
	Unaudited	Unaudited
A. Cash flow from operating activities		
Net profit/(loss) before tax	(4.55)	(13.37)
Adjustments for:		
Depreciation & Amortisation Expense	9.50	10.13
Unrealised Foreign exchange loss / (gain) - net	0.34	0.01
Finance Costs	4.47	3.60
Interest Income	(0.15)	(0.11)
(Gain) / Loss on disposal of Property, Plant & Equipment - Net	(0.02)	-
Assets Written off / Loss on Retirement of Assets	0.00	0.04
Provision for bad debts and bad debts written off / (written back)	1.64	(0.30)
Provision no longer required and balances written back	(0.37)	(0.71)
Operating profit before working capital changes	10.86	(0.71)
Adjustments for (Increase) / Decrease in :		
Trade receivables	(9.27)	5.36
Non-Current and Current financial assets	(1.00)	0.40
Inventories	(0.11)	(15.43)
Other Non-current and Current assets	(1.99)	(2.29)
Trade payables	16.97	(1.30)
Non-Current and Current financial liabilities	(2.74)	2.16
Other Non-Current and Current liabilities	(0.29)	(0.36)
Non-Current and Current provisions	0.89	0.57
Cash generated from operating activities	13.32	(11.60)
Income taxes paid - net of refund	(0.12)	(0.32)
Net cash (used in)/generated from operating activities (A)	13.20	(11.92)
B. Cash flow from investing activities:		
Purchase of Property, Plant and Equipment	(9.77)	(7.15)
Proceeds from sale of Property, Plant and Equipment	0.02	-
Purchase of Non-Current investments - Others	-	-
Interest received	0.21	0.23
Net cash (used in)/generated by investing activities (B)	(9.54)	(6.92)
C. Cash flow from financing activities:		
Proceeds from Non-Current borrowings	10.52	-
Repayment of Non-Current borrowings	(7.38)	(5.80)
Proceeds from / (Repayment) of Current borrowings	(2.50)	18.77
Principal portion of Lease payments	(0.37)	(0.16)
Interest portion of Lease payments	(0.06)	(0.05)
Finance Costs paid	(4.25)	(3.46)
Dividend and Dividend tax paid	(0.02)	(0.02)
Net cash (used in)/generated by financing activities (C)	(4.06)	9.28
Net Increase/(Decrease) in cash equivalents (A)+(B)+(C)	(0.40)	(9.56)
Cash and cash equivalents at the beginning of the period	0.91	23.67
Effects of exchange rate changes on the balance of cash and cash	-	-
Cash and cash equivalents at the end of the period	0.51	14.11

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.



Rane Engine Valve Limited

CIN: L74999TN1972PLC006127

Regd Office: "Maithri", 132 Cathedral Road, Chennai 600 086

visit us at <https://www.ranegroup.com>



Statement of Unaudited Financial Results for the Quarter and Half year ended September 30, 2022

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 18, 2022. 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 The results for the half year ended September 30, 2022 are strictly not comparable as such with that of the half year ended September 30, 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.
- 6 Exceptional items (net) represents the following:
 - i. Voluntary Retirement Expenditure of Rs.0.90 Crores for the quarter and half year ended September 30, 2021 and Rs.3.55 Crores for the year ended March 31, 2022 respectively,
 - ii. Provision for Customer Quality Claims of Rs. 2.20 Crores for the half year ended September 30, 2022 (Rs.1.15 Crores and Rs.1.05 Crores respectively for the quarters ended 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.
- 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, 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 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



L Ganesh
Chairman

Ponneri, Thiruvallur District, Tamil Nadu

Dated : October 18, 2022



OK

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 30th September 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.



Varma & Varma
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.

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



**Georgy Mathew
Partner
M.No. 209645
UDIN : 22209645BABXTH8594**

**Place : Chennai
Date : 18th October, 2022**





RANE ENGINE VALVE LIMITED

Q2FY23 Earnings Release



Ponneri, Thiruvallur District, October 18, 2022 – 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 FY23) and six months (H1 FY23) ended September 30th, 2022.

Q2 FY23 Performance

- Total Revenue was ₹123.3 Crore for Q2 FY23 compared to ₹100.4 Crore in the Q2 FY22, an increase of 22.9%
- EBITDA stood at ₹8.3 Crore compared to ₹3.5 Crore during Q2 FY22, an increase of 135.0%
- EBITDA Margin at 6.7% for Q2 FY23 against 3.5% in Q2 FY22
- Net Loss stood at ₹0.04 Crore for Q2 FY23 compared to Loss of ₹3.1 Crore in Q2 FY22

H1 FY23 Performance

- Total Revenue was ₹238.3 Crore for H1 FY23 compared to ₹176.4 Crore in the H1 FY22, an increase of 35.1%
- EBITDA stood at ₹11.6 Crore compared to ₹1.3 Crore during H1 FY22
- EBITDA Margin at 4.9% for H1 FY23 against 0.7% in H1 FY22
- Net Loss stood at ₹3.2 Crore for H1 FY23 compared to Loss of ₹8.9 Crore in H1 FY22

Operating Performance for Q2 FY23

- Sales to India OE customers grew by 18% supported by robust demand from Passenger Vehicle and non-automotive customers.
- Export Sales grew by 40%. Demand from International customers remained strong.
- Sales to Indian Aftermarket customers grew by 3%
- EBITDA margin improved by 320 bps
 - Improved operational performance and price recovery from customers helped mitigate increase in material cost and unfavourable mix
 - Higher volumes helped manage employee costs

MANAGEMENT COMMENT

"Favorable demand and improved operational performance helped the company further improve during Q2 FY23. We continue to experience higher commodity price particularly in special alloys. Management is working to mitigate the impact through combination of improved operational performance and customer recovery. The demand environment remains strong with the ongoing festive season, however we remain cautious given the global economic situation and tightening monetary policy."

L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

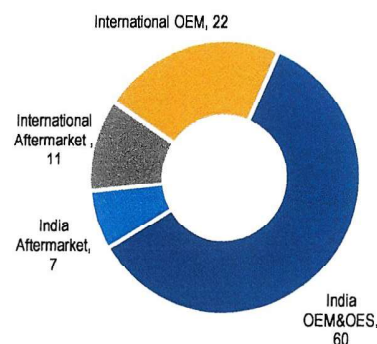
Particulars	Q2FY23	Q2FY22	YOY%
Total Revenue	123.3	100.4	22.9%
EBITDA	8.3	3.5	135.0%
Margin (%)	6.7%	3.5%	320 bps
PAT	-0.04	-3.1	98.7%

Particulars	H1FY23	H1FY22	YOY%
Total Revenue	238.3	176.4	35.1%
EBITDA	11.6	1.3	827.9%
Margin (%)	4.9%	0.7%	417 bps
PAT	-3.2	-8.9	64.5%

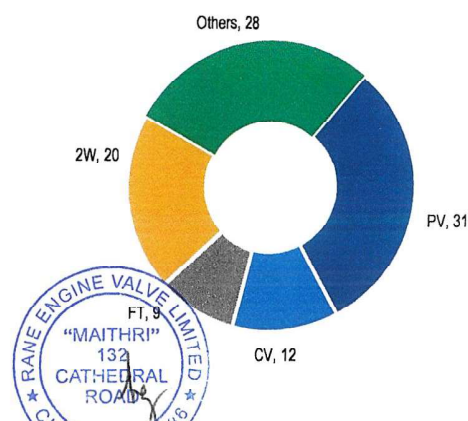
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q2 FY23)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Q2FY23	Q1FY23	QoQ%	Q2FY22	YoY%	H1FY23	H1FY22	YoY%
Income from Operations	122.9	114.9	7%	99.6	23%	237.8	175.0	36%
Other Income	0.4	0.1	315%	0.8	-43%	0.5	1.3	-60%
Total Revenue	123.3	115.0	7%	100.4	23%	238.3	176.4	35%
Expenses								
-Cost of Material Consumed	53.8	47.6	13%	41.9	28%	101.4	75.6	34%
-Purchase of stock-in-trade	2.4	2.2	7%	2.2	8%	4.6	3.6	28%
-Changes in inventories	-1.8	0.2		-2.4		-1.6	-10.1	
-Employee Benefit Expense	30.6	30.2	1%	28.5	7%	60.8	55.5	9%
-Finance Cost	2.5	1.9	30%	2.0	28%	4.5	3.6	24%
-Depreciation & Amortization	4.7	4.9	-4%	5.1	-9%	9.5	10.1	-6%
-Other Expenditure	30.1	31.4	-4%	26.6	13%	61.5	50.5	22%
Total Expenses	122.2	118.4	3%	104.0	18%	240.7	188.9	27%
PBT before Exceptional Items	1.1	-3.4		-3.6		-2.3	-12.5	81%
Exceptional Item	-1.2	-1.1		-0.9		-2.2	-0.9	
PBT	-0.1	-4.5	99%	-4.5	99%	-4.5	-13.4	66%
Tax Expense	-0.0	-1.4	98%	-1.4	98%	-1.4	-4.5	69%
PAT	-0.0	-3.1	99%	-3.1	99%	-3.2	-8.9	65%

KEY BALANCE SHEET ITEMS

Particulars	As at 30.09.2022	As at 31.03.2022
Non-current assets	138.2	136.0
-Property, Plant and Equipment	76.0	80.0
-Financial Assets	7.1	6.8
Current assets	185.8	175.6
-Inventories	88.3	88.2
-Trade receivables	87.5	79.5
-Cash and cash equivalents	0.5	0.9
Total Assets	324.0	311.6
Shareholders Fund	94.2	97.2
Non-current liabilities	51.6	48.3
-Long-term borrowings	33.9	30.9
Current liabilities	178.1	166.1
-Short-term borrowings	94.8	96.7
-Trade payables	70.5	53.6
Total Liabilities	229.7	214.4
Total Equity and Liabilities	324.0	311.6

(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.

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