



Expanding Horizons

RANE ENGINE VALVE LIMITED

Q4FY23 Earnings Release



Chennai, India, May 04, 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 fourth quarter (Q4 FY23) and full year (FY23) ended March 31st, 2023.

Q4 FY23 Performance

- Total Revenue was ₹136.5 Crore for Q4 FY23 compared to ₹109.5 Crore in the Q4 FY22, an increase of 24.7%
- EBITDA stood at ₹16.6 Crore compared to ₹9.9 Crore during Q4 FY22, an increase of 66.9%
- EBITDA Margin at 12.2% for Q4 FY23 against 9.1% in Q4 FY22
- Net profit stood at ₹4.9 Crore for Q4 FY23 compared to Loss of ₹0.01 Crore in Q4 FY22

FY23 Performance

- Total Revenue was ₹499.6 Crore for FY23 compared to ₹385.0 Crore in the FY22, an increase of 29.8%
- EBITDA stood at ₹36.2 Crore compared to ₹16.4 Crore during FY22, an increase of 120.3%
- EBITDA Margin at 7.2% for FY23 against 4.3% in FY22
- Net Loss stood at ₹0.1 Crore for FY23 compared to Loss of ₹11.9 Crore in FY22

Operating Performance for Q4 FY23

- Sales to India OE customers grew by 28% supported by strong off-take from Passenger Vehicle and Commercial Vehicle customers.
- Export Sales grew by 27%. Demand from International customers remained strong.
- Sales to Indian Aftermarket customers stood in-line with Q4 FY'22.
- Better capacity realization through productivity improvements and operational leverage benefits resulted in 307 bps improvement in EBITDA margin

MANAGEMENT COMMENT

"I'm glad to report the financial turnaround of REVL driven by strong topline growth and improved operational performance. The favourable demand environment in India and strong demand from exports supported the topline growth. REVL executed several operational improvements and cost saving initiatives which resulted in financial turnaround. REVL continues to prioritise operational improvement projects including capacity optimisation for sustaining and improving the performance."

L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

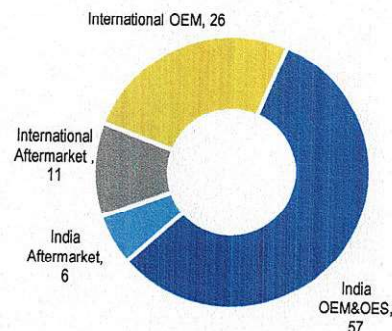
Particulars	Q4FY23	Q4FY22	YOY%
Total Revenue	136.5	109.5	24.7%
EBITDA	16.6	9.9	66.9%
Margin (%)	12.2%	9.1%	307 bps
PAT	4.9	-0.01	

Particulars	FY23	FY22	YOY%
Total Revenue	499.6	385.0	29.8%
EBITDA	36.2	16.4	120.3%
Margin (%)	7.2%	4.3%	298 bps
PAT	-0.1	-11.9	99.5%

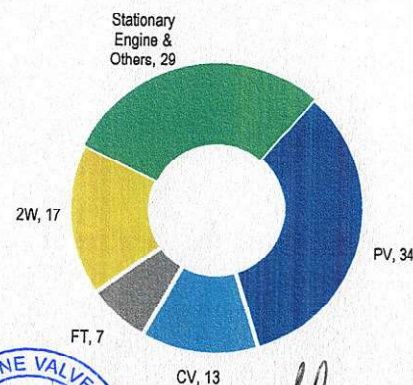
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q4 FY23)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



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PROFIT AND LOSS ACCOUNT

Particulars	Q4FY23	Q3FY23	QoQ%	Q4FY22	YoY%	FY23	FY22	YoY%
Income from Operations	135.7	124.1	9%	108.7	25%	497.6	382.1	30%
Other Income	0.8	0.7	13%	0.8	5%	2.1	2.9	-29%
Total Revenue	136.5	124.8	9%	109.5	25%	499.6	385.0	30%
Expenses								
-Cost of Material Consumed	56.4	52.1	8%	43.7	29%	209.9	160.8	31%
-Purchase of stock-in-trade	2.0	2.2	-13%	3.5	-44%	8.8	9.4	-7%
-Changes in inventories	1.3	-2.3		-2.6		-2.6	-18.9	
-Employee Benefit Expense	30.6	33.1	-7%	29.6	3%	124.5	113.9	9%
-Finance Cost	2.8	2.8	1%	2.1	34%	10.1	7.9	28%
-Depreciation & Amortization	5.1	4.7	8%	4.9	3%	19.3	20.0	-4%
-Other Expenditure	29.6	31.7	-6%	25.3	17%	122.8	103.3	19%
Total Expenses	127.8	124.3	3%	106.6	20%	492.8	396.4	24%
PBT before Exceptional Items	8.7	0.5		2.9	198%	6.8	-11.5	160%
Exceptional Item	-2.0	-2.5		-		-6.7	-3.6	
PBT	6.7	-2.0	436%	2.9	130%	0.2	-15.0	101%
Tax Expense	1.8	-0.2	901%	2.9	-37%	0.2	-3.2	107%
PAT	4.9	-1.8	375%	-0.0		-0.1	-11.9	100%

KEY BALANCE SHEET ITEMS

Particulars	As at 31.03.2023	As at 31.03.2022
Non-current assets	136.7	136.0
-Property, Plant and Equipment	84.6	80.3
-Financial Assets	7.3	6.8
Current assets	215.4	175.7
- Inventories	91.6	88.2
-Trade receivables	107.9	79.5
-Cash and cash equivalents	8.0	0.9
Total Assets	352.1	311.7
Shareholders Fund	104.9	97.2
Non-current liabilities	61.8	48.3
-Long-term borrowings	44.3	30.9
Current liabilities	185.5	166.2
-Short-term borrowings	92.1	96.7
-Trade payables	78.3	53.6
Total Liabilities	247.3	214.5
Total Equity and Liabilities	352.1	311.7

(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 DIWAKAR.PINGLE@RAN.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 & 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.