



Chennai, India, January 25, 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 third quarter (Q3 FY22) and nine months (9M FY22) ended December 31st, 2021.

Q3 FY22 Performance

- Total Revenue was ₹99.1 Crore for Q3 FY22 compared to ₹92.6 Crore in the Q3 FY21, an increase of 7.0%
- EBITDA stood at ₹5.2 Crore compared to ₹5.6 Crore during Q3 FY21
- EBITDA Margin at 5.3% for Q3 FY22 against 6.1% in Q3 FY21
- Net Loss stood at ₹3.0 Crore for Q3 FY22 compared to Profit of ₹14.2 Crore in Q3 FY21

9M FY22 Performance

- Total Revenue was ₹275.5 Crore for 9M FY22 compared to ₹206.5 Crore in the 9M FY21, an increase of 33.4%
- EBITDA stood at ₹6.5 Crore compared to ₹-7.1 Crore during 9M FY21
- EBITDA Margin at 2.4% for 9M FY22 against -3.4% in 9M FY21
- Net Loss stood at ₹11.9 Crore for 9M FY22 compared to Loss of ₹5.6 Crore in 9M FY21

Operating Performance for Q3 FY22

- Sales to Indian OE customers declined by 6%. This was due to drop in volumes in two wheeler segment and semiconductor shortage impacting passenger vehicle segment
- Sales to International customers grew by 30%. Expanded business with non-automotive customers
- Sales to Indian Aftermarket customers grew by 36%
- EBITDA margin declined by 77 bps.
 - Material cost increases was mitigated with better mix and higher production
 - Higher cost on account of increase in employee cost and other costs
- Exceptional item for the quarter represents VRS expenditure of ₹ 2.7 Crore. There was an exceptional income of ₹23.95 Crore from Profit on Sale of land and VRS expenditure of ₹ 0.46 Crore during the previous year Q3 FY21

MANAGEMENT COMMENT

“Q3 was a challenging quarter with semiconductor shortage impacting the supply chain across served customers and geographies. The increase in employee costs and other costs impacted profitability. The management team continues to implement various cost reduction and operational improvement initiatives to mitigate the inflationary pressure.”

L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

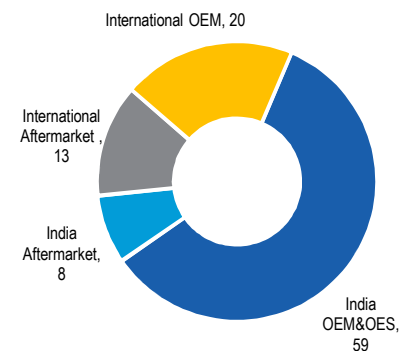
Particulars	Q3 FY22	Q3 FY21	YOY%
Total Revenue	99.1	92.6	7.0%
EBITDA	5.2	5.6	-6.6%
Margin (%)	5.3%	6.1%	-77 bps
PAT	-3.0	14.2	-121.0%

Particulars	9M FY22	9M FY21	YOY%
Total Revenue	275.5	206.5	33.4%
EBITDA	6.5	-7.1	191.9%
Margin (%)	2.4%	-3.4%	578 bps
PAT	-11.9	-5.6	-111.2%

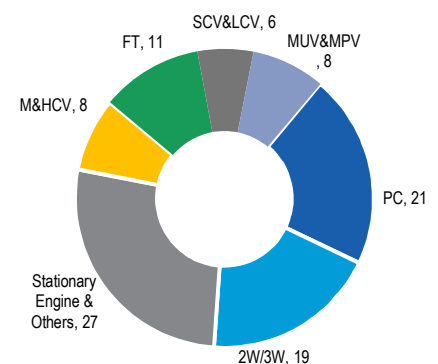
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q3 FY22)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Q3FY22	Q2FY22	QoQ%	Q3FY21	YoY%	9M FY22	9M FY21	YoY%
Income from Operations	98.3	99.6	-1%	91.6	7%	273.3	203.9	34%
Other Income	0.8	0.8	2%	1.0	-21%	2.1	2.5	-16%
Total Revenue	99.1	100.4	-1%	92.6	7%	275.5	206.5	33%
Expenses								
-Cost of Material Consumed	41.4	41.9	-1%	34.5	20%	117.0	69.0	70%
-Purchase of stock-in-trade	2.3	2.2	6%	1.9	25%	5.9	3.3	79%
-Changes in inventories	-6.1	-2.4		0.7		-16.2	19.6	
-Employee Benefit Expense	28.7	28.5	1%	26.2	10%	84.3	67.9	24%
-Finance Cost	2.2	2.0	10%	2.1	3%	5.8	6.9	-17%
-Depreciation & Amortization	5.0	5.1	-3%	5.5	-10%	15.1	17.6	-14%
-Other Expenditure	27.5	26.6	3%	23.8	16%	78.0	53.8	45%
Total Expenses	101.0	104.0	-3%	94.6	7%	289.8	238.1	22%
PBT before Exceptional Items	-1.9	-3.6	47%	-2.0	6%	-14.4	-31.6	55%
Exceptional Item	-2.7	-0.9		23.5		-3.6	22.7	
PBT	-4.6	-4.5	-2%	21.5	-121%	-17.9	-8.9	-101%
Tax Expense	-1.6	-1.4	-14%	7.3	-122%	-6.1	-3.3	-83%
PAT	-3.0	-3.1	4%	14.2	-121%	-11.9	-5.6	-111%

(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 DPINGLE@CHRISTENSENIR.COM

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