



Expanding Horizons

# RANE ENGINE VALVE LIMITED

## Q1FY21 Earnings Release



**Chennai, India, August 06, 2020** – Rane Engine Valve Limited (NSE: RANEENGINE; BSE Code:532988), a leading manufacturer of Engine Valves, Guides and Tappets today announced financial performance for the first quarter (Q1 FY21) ended June 30<sup>th</sup>, 2020.

During the Quarter (Q1 FY21), the entire month of April and half of May were lost owing to the lockdown imposed due to COVID-19 pandemic. As such, the results for Q1 FY21 are not comparable to the corresponding period of the previous year due to the truncated period of operations during the current quarter.

### Q1 FY21 Performance

- Total Net Revenue was ₹30.5 Crore for Q1 FY21 as compared to ₹104.1 Crore in Q1 FY20
- EBITDA stood at ₹-16.5 Crore as compared to ₹3.3 Crore during Q1 FY20
- Net Loss of ₹16.3 Crore for Q1 FY21 as compared to a Loss of ₹4.2 Crore in Q1 FY20

### Operating Highlights for Q1 FY21

- The plants resumed operations safely and started supplying to customers as the market re-opened gradually.
- The company prioritized on health and safety of the employees, provided necessary support to the suppliers and worked on cost reduction initiatives.
- The company continued to see traction on the business development efforts and order book remains healthy.
- The company availed moratorium facility offered by banks to restrict cash outflow and do not foresee major challenges in meeting its financial obligations.

### MANAGEMENT COMMENT

“Q1FY21 was not a typical quarter due to Covid-19 related shutdown of operations. The company took several measures to restart production safely and addressed the customer demand. We are experiencing positive momentum in the demand environment. However we remain cautious on the recovery to Pre-Covid levels given the partial lockdown measures continuing in several places. We continue to execute the cost reduction and operational improvement initiatives to reduce the impact of lower volume.” – **L. Ganesh, Chairman, Rane Group**

### BUSINESS HIGHLIGHTS

#### Financial Performance

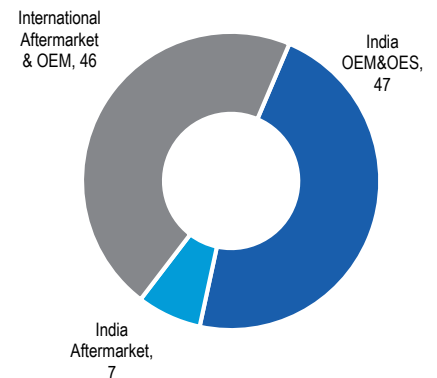
Particulars	Q1 FY 21	Q1 FY 20
Total Net Revenue	30.5	104.1
EBITDA	-16.5	3.3
PAT	-16.3	-4.2

(In ₹ Crore, unless otherwise mentioned)

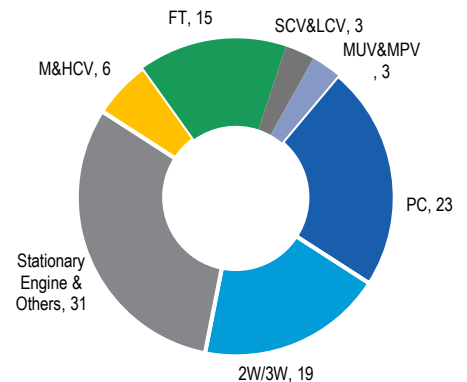
Note: Changes in percentage terms have not been mentioned as the current quarter (Q1FY21) is not comparable with Q1FY20 owing to truncated period of operation in the current quarter because of lockdown imposed due to COVID-19 pandemic.

### BUSINESS SPLIT (Q1 FY21)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



## PROFIT AND LOSS ACCOUNT

Particulars	Q1FY21	Q4FY20	Q1FY20
Income from Operations	29.6	75.5	100.8
Other Operating Income	0.6	1.9	2.2
Other Income	0.2	-0.8	1.0
<b>Total Revenue</b>	<b>30.5</b>	<b>76.6</b>	<b>104.1</b>
<b>Expenses</b>			
-Cost of Material Consumed	8.2	29.1	40.0
-Purchase of stock-in-trade	0.3	1.3	2.1
-Changes in inventories	8.1	-0.0	3.6
-Employee Benefit Expense	19.8	22.9	28.8
-Finance Cost	2.3	2.4	2.5
-Depreciation & Amortization	6.3	6.9	7.3
-Other Expenditure	10.6	19.6	26.4
<b>Total Expenses</b>	<b>55.6</b>	<b>82.1</b>	<b>110.6</b>
<b>PBT before Exceptional Items</b>	<b>-25.1</b>	<b>-5.5</b>	<b>-6.5</b>
Exceptional Item	-	-	-
<b>PBT</b>	<b>-25.1</b>	<b>-5.5</b>	<b>-6.5</b>
Tax Expense	-8.8	-2.1	-2.3
<b>PAT</b>	<b>-16.3</b>	<b>-3.4</b>	<b>-4.2</b>

(In ₹ Crore, unless otherwise mentioned. The sum of sub-segment amounts may not equal the total amounts due to rounding off)

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## 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,  
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