



Expanding Horizons

# RANE HOLDINGS LIMITED

## Q1FY20 Earnings Release



Chennai, India, August 8, 2019 – Rane Holdings Limited (NSE: RANEHOLDIN; BSE Code: 505800), the holding Company of Rane group today announced financial performance for the first quarter (Q1 FY20) ended June 30<sup>th</sup>, 2019.

### Group Aggregate Performance – Q1 FY20

- Total Net Revenue decreased by 6.7% to ₹1,252.9 Crore in Q1 FY20 from ₹1,342.4 Crore in Q1 FY19
- EBITDA stood at ₹90.5 Crore as compared to ₹143.6 Crore during Q1 FY19, a decrease of 37.0%
- EBITDA Margin at 7.2% for Q1 FY20 as against 10.7% in Q1 FY19
- PBT stood at ₹21.8 Crore for Q1 FY20 as compared to ₹81.7 Crore in Q1 FY19, a decrease of 73.3%

### Consolidated Financials – Q1 FY20

- Total Net Revenue decreased by 8.7% to ₹583.5 Crore in Q1 FY20 from ₹639.0 Cr in Q1 FY19
- EBITDA stood at ₹43.8 Crore as compared to ₹61.0 Crore during Q1 FY19, a decrease of 28.3%
- EBITDA Margin at 7.5% for Q1 FY20 as against 9.6% in Q1 FY19
- PBT stood at ₹14.3 Crore for Q1 FY20 as compared to ₹54.3 Crore in Q1 FY19, a decrease of 73.6%

### Group's Key Business Highlights for Q1 FY20

- Revenue from Indian OE customers declined 13%. Volume dropped across vehicle segments
- Revenues from International customers grew 17% driven by commencement of new businesses for occupant safety products and higher offtake for valve train components
- Revenue from Indian aftermarket segment grew 2% (comparable basis)
- EBITDA margin declined by 347 bps
  - Adverse material cost movement, higher employee cost and lower fixed cost absorption resulted in drop in EBITDA margin

### MANAGEMENT COMMENT

"Q1FY20 was a difficult quarter for the group. The group sales declined 7% due to drop in volumes in the domestic automotive sector. We were able to partially mitigate sales drop with the support of higher sales to international customers and Indian aftermarket customers. We are closely observing the developments in the Indian market and focusing on cost reduction initiatives to minimize margin erosion."

L. Ganesh, Chairman & Managing Director, Rane Holdings Ltd.

### BUSINESS HIGHLIGHTS

#### GROUP AGGREGATE FINANCIAL PERFORMANCE

Particulars	Q1 FY 20	Q1 FY 19	YOY%
Total Net Revenue	1,252.9	1,342.4	-6.7%
EBITDA	90.5	143.6	-37.0%
Margin (%)	7.2%	10.7%	-347 bps
PBT (before exceptional items)	21.8	81.7	-73.3%

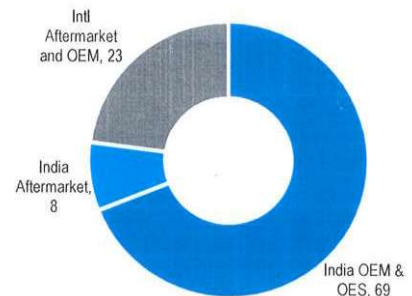
#### CONSOLIDATED FINANCIAL PERFORMANCE

Particulars	Q1 FY 20	Q1 FY 19	YOY%
Total Net Revenue	583.5	639.0	-8.7%
EBITDA	43.8	61.0	-28.3%
Margin (%)	7.5%	9.6%	-205 bps
PBT (before exceptional items)	14.3	54.3	-73.6%

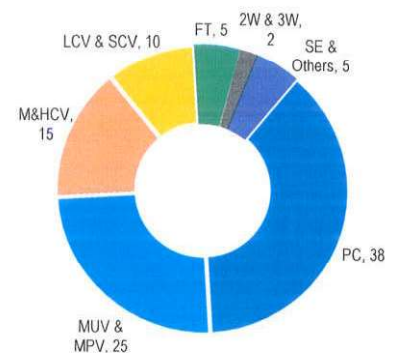
(In ₹ Crore, unless otherwise mentioned)

### GROUP AGGREGATE SALES (Q1 FY20)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



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## CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Q1 FY20	Q4 FY19	QoQ%	Q1 FY19	YoY%
Income from Operations	551.9	606.1	-8.9%	601.3	-8.2%
Dividend Income	-	-	-	-	-
Other Operating Income	26.6	28.8	-7.7%	29.9	-11.1%
Other Income	5.0	6.1	-17.2%	7.8	-35.3%
<b>Total Revenue</b>	<b>583.5</b>	<b>641.0</b>	<b>-9.0%</b>	<b>639.0</b>	<b>-8.7%</b>
<b>Expenses</b>					
-Cost of Material Consumed	295.9	327.0	-9.5%	345.9	-14.4%
-Purchase of stock-in-trade	2.9	3.5	-17.1%	5.7	-49.4%
-Changes in inventories	6.9	0.9	682.2%	-12.4	155.6%
-Employee Benefit Expense	117.3	109.8	6.8%	112.9	3.8%
-Finance Cost	12.6	12.6	-0.5%	11.2	12.4%
-Depreciation & Amortization	31.1	33.6	-7.5%	29.8	4.5%
-Professional Charges	6.8	11.5	-40.4%	5.6	22.9%
-Information Systems expenses	2.0	2.7	-27.2%	2.7	-27.7%
-Other Expenditure	108.0	121.1	-10.8%	117.5	-8.1%
<b>Total Expenses</b>	<b>583.4</b>	<b>622.6</b>	<b>-6.3%</b>	<b>618.9</b>	<b>-5.7%</b>
<b>PBT before share of profit / (loss) of JV &amp; associates and Exceptional Items</b>	<b>0.1</b>	<b>18.3</b>	<b>-99.6%</b>	<b>20.1</b>	<b>-99.6%</b>
Share of Profit / (loss) of JV and Associate	14.2	34.3	-58.5%	34.2	-58.4%
<b>PBT before Exceptional items</b>	<b>14.3</b>	<b>52.7</b>	<b>-72.8%</b>	<b>54.3</b>	<b>-73.6%</b>
Exceptional Item	-	-0.9	-	-	-
<b>PBT</b>	<b>14.3</b>	<b>51.7</b>	<b>-72.3%</b>	<b>54.3</b>	<b>-73.6%</b>
Tax Expense	6.9	22.4	-69.1%	21.6	-68.0%
<b>PAT</b>	<b>7.4</b>	<b>29.4</b>	<b>-74.8%</b>	<b>32.7</b>	<b>-77.3%</b>

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

## ABOUT RANE HOLDINGS LIMITED

Rane Holdings Limited (RHL) is the holding company of Rane Group. RHL owns the trademark in Rane and provides a wide range of services to group Companies. These include employee training, development, investor services, business development and information system support.

## 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, Die-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](mailto:INVESTORSERVICES@RANEGROUP.COM) OR [DPINGLE@CHRISTENSENIR.COM](mailto:DPINGLE@CHRISTENSENIR.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 publicly update these forward-looking statements to reflect subsequent events or circumstances.



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