



Expanding Horizons

# RANE BRAKE LINING LIMITED

## Q3 FY20 Earnings Release



**Puducherry, India, January 23, 2020** – Rane Brake Lining Limited (NSE: RBL; BSE Code:532987), a leading manufacturer of Brake Linings, Disc Pads and Clutch Facings today announced financial performance for the third quarter (Q3FY20) and nine months (9M FY20) ended December 31<sup>st</sup>, 2019

### Q3 FY20 Performance

- Total Net Revenue was ₹130.6 Crore for Q3 FY20 as compared to ₹134.5 Crore in the Q3 FY19, a decrease of 2.9%
- EBITDA stood at ₹18.2 Crore as compared to ₹20.5 Crore during Q3 FY19, a decrease of 11.1%
- EBITDA Margin at 13.9% for Q3 FY20 as against 15.2% in Q3 FY19
- Net profit (PAT) stood at ₹10.2 Crore for Q3 FY20 as compared to ₹10.6 Crore in Q3 FY19, a decrease of 3.1%

### 9M FY20 Performance

- Total Net Revenue was ₹361.6 Crore for 9M FY20 as compared to ₹378.9 Crore in the 9M FY19, a decrease of 4.6%
- EBITDA stood at ₹49.2 Crore as compared to ₹49.0 Crore during 9M FY19, an increase of 0.3%
- EBITDA Margin at 13.6% for 9M FY20 as against 12.9% in 9M FY19
- Net profit (PAT) stood at ₹25.0 Crore for 9M FY20 as compared to ₹22.4 Crore in 9M FY19, an increase of 11.5%

### Corporate Action

- An interim dividend of ₹6/- per equity share has been declared by the Board of Directors on the paid-up equity share capital of 79,14,980 shares of ₹10/- each. The record date for payment of interim dividend is February 04, 2020

### Operating Highlights for Q3 FY20

- Sales to Indian OE customer declined 10% due to drop in volumes across segments. Revenue from two-wheeler segment grew 5%.
- Sales to Aftermarket customers declined 1%.
- EBITDA margin declined 129 bps
  - Favourable product mix helped offset higher employee cost

### MANAGEMENT COMMENT

"Despite the challenging market environment, RBL managed to minimize the sales drop with the support of Aftermarket segment. Management continue to work on cost reduction initiatives and operational performance to navigate the near-term uncertain demand environment" – **L. Ganesh, Chairman, Rane Group**

### BUSINESS HIGHLIGHTS

#### Financial Performance

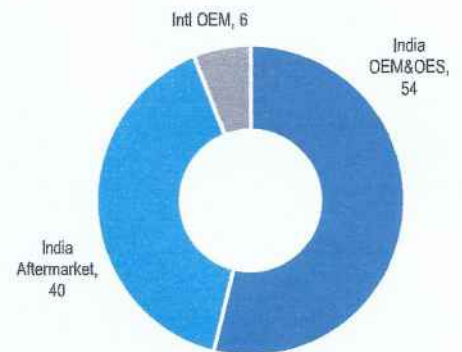
Particulars	Q3 FY 20	Q3 FY 19	YOY%
Total Net Revenue	130.6	134.5	-2.9%
EBITDA	18.2	20.5	-11.1%
Margin (%)	13.9%	15.2%	-129 bps
PAT	10.2	10.6	-3.1%

Particulars	9M FY 20	9M FY 19	YOY%
Total Net Revenue	361.6	378.9	-4.6%
EBITDA	49.2	49.0	0.3%
Margin (%)	13.6%	12.9%	66 bps
PAT	25.0	22.4	11.5%

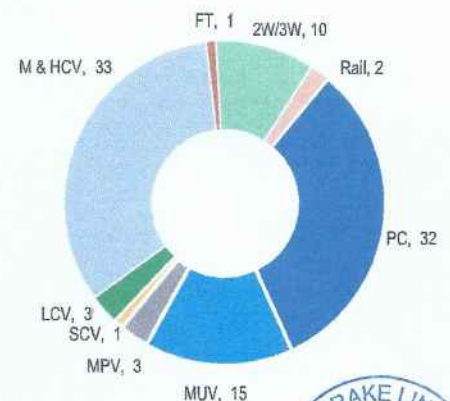
In ₹ Crore, unless otherwise mentioned

### BUSINESS SPLIT (Q3 FY20)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)





## PROFIT AND LOSS ACCOUNT

Particulars	Q3FY20	Q2FY20	QoQ%	Q3FY19	YoY%	9MFY20	9MFY19	YoY%
Income from Operations	126.3	109.1	16%	132.1	-4%	351.5	373.9	-6%
Other Operating Income	0.3	0.3	0%	0.3	-3%	0.8	0.7	8%
Other Income	4.0	2.6	54%	2.1	96%	9.3	4.3	117%
<b>Total Revenue</b>	<b>130.6</b>	<b>112.1</b>	<b>17%</b>	<b>134.5</b>	<b>-3%</b>	<b>361.6</b>	<b>378.9</b>	<b>-5%</b>
<b>Expenses</b>								
-Cost of Material Consumed	60.7	52.8	15%	71.6	-15%	171.1	197.5	-13%
-Purchase of stock-in-trade	-	-	-	-	-	-	-	-
-Changes in inventories	1.3	1.2	7%	-2.9	144%	1.1	-6.5	116%
-Employee Benefit Expense	18.7	19.4	-4%	18.4	2%	58.4	55.4	5%
-Finance Cost	0.0	0.0	189%	0.0	153%	0.0	0.0	95%
-Depreciation & Amortization	6.2	6.3	-1%	5.6	12%	18.8	16.8	12%
-Other Expenditure	31.7	23.4	36%	26.8	18%	81.9	83.5	-2%
<b>Total Expenses</b>	<b>118.6</b>	<b>103.1</b>	<b>15%</b>	<b>119.6</b>	<b>-1%</b>	<b>331.3</b>	<b>346.7</b>	<b>-4%</b>
<b>PBT before Exceptional Items</b>	<b>12.0</b>	<b>8.9</b>	<b>34%</b>	<b>14.9</b>	<b>-20%</b>	<b>30.3</b>	<b>32.3</b>	<b>-6%</b>
Exceptional Item	-	-	-	-	-	-	-	-
<b>PBT</b>	<b>12.0</b>	<b>8.9</b>	<b>34%</b>	<b>14.9</b>	<b>-20%</b>	<b>30.3</b>	<b>32.3</b>	<b>-6%</b>
Tax Expense	1.8	1.5	20%	4.4	-59%	5.3	9.8	-46%
<b>PAT</b>	<b>10.2</b>	<b>7.5</b>	<b>37%</b>	<b>10.6</b>	<b>-3%</b>	<b>25.0</b>	<b>22.4</b>	<b>11%</b>

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

## ABOUT RANE BRAKE LINING LIMITED

Established in 1964, Rane Brake Lining Limited (RBL) is part of the Rane Group of Companies, a leading auto component group based out of Chennai. RBL manufactures friction material products such as Brake linings, Disc pads, Clutch facings, Clutch buttons, Brake Shoes and Railway brake blocks. RBL is market leader in India and global player in friction material. It has technical collaboration with Nisshinbo Brakes Inc., Japan for know-how in brake linings, disc pads & clutch facings. RBL products have application in every segment of automobile industry such as PV, CV and 2W/3W.

## 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,  
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