



Expanding Horizons

RANE HOLDINGS LIMITED

Q2 FY21 Earnings Release



Chennai, India, November 11, 2020 – Rane Holdings Limited (NSE: RANEHOLDIN; BSE Code: 505800), the holding Company of Rane group today announced financial performance for the second quarter (Q2 FY21) and six months (H1 FY21) ended September 30th, 2020.

Group Aggregate Performance – Q2 FY21

- Total Revenue was ₹1,072.9 Crore in Q2 FY21 as compared to ₹1,087.4 Crore in Q2 FY20, a decrease of 1.3%
- EBITDA stood at ₹100.3 Crore as compared to ₹84.2 Crore during Q2 FY20, an increase of 19.1%
- EBITDA Margin at 9.4% for Q2 FY21 as against 7.7% in Q2 FY20, an increase of 166 basis points (bps)
- PBT stood at a profit of ₹14.8 Crore for Q2 FY21 as compared to a loss of ₹34.3 Crore in Q2 FY20, an increase of 143.1%

Consolidated Financials – Q2 FY21

- Total Revenue was ₹524.0 Crore in Q2 FY21 as compared to ₹551.7 Crore in Q2 FY20, a decrease of 5.0%
- EBITDA stood at ₹50.3 Crore as compared to ₹41.6 Crore during Q2 FY20, an increase of 20.9%
- EBITDA Margin at 9.6% for Q2 FY21 as against 7.5% in Q2 FY20, an increase of 206 basis points (bps)
- PBT stood at a profit of ₹13.2 Crore for Q2 FY21 as compared to a loss of ₹15.5 Crore in Q2 FY20, an increase of 185.1%

Group's Performance - Q2 FY21

- Revenue from Indian OE customers grew 1%
- Revenues from International customers declined 9% due to drop in Hydraulic steering products and Valve train components
- Revenue from Indian aftermarket segment grew 9%
- Lower employee cost and fixed cost control helped improve EBITDA margin by 166 bps

MANAGEMENT COMMENT

"We saw gradual improvement in the demand environment with the opening of the economy. The plant operations team effectively handled the production ramp up despite the supply chain and labour availability challenges. The group companies continue to focus on cost savings to improve margin. We remain cautiously optimistic about sustenance of the demand post festive season."

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

BUSINESS HIGHLIGHTS

GROUP AGGREGATE FINANCIAL PERFORMANCE

Particulars	Q2 FY 21	Q2 FY 20	YOY%
Total Revenue	1,072.9	1,087.4	-1.3%
EBITDA	100.3	84.2	19.1%
Margin (%)	9.4%	7.7%	166 bps
PBT	14.8	-34.3	143.1%

CONSOLIDATED FINANCIAL PERFORMANCE

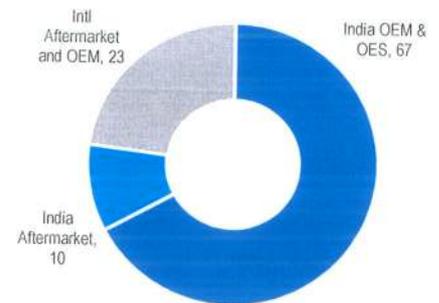
Particulars	Q2 FY 21	Q2 FY 20	YOY%
Total Revenue	524.0	551.7	-5.0%
EBITDA	50.3	41.6	20.9%
Margin (%)	9.6%	7.5%	206 bps
PBT*	13.2	-15.5	185.1%

* PBT includes net profit from JV

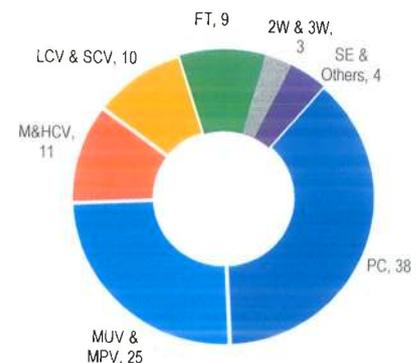
(In ₹ Crore, unless otherwise mentioned)

GROUP AGGREGATE SALES (Q2 FY21)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Particulars	Q2FY21	Q1FY21	QoQ%	Q2FY20	YoY%	H1FY21	H1FY20
Revenue from Operations	507.1	181.3	179.7%	520.0	-2.5%	688.5	1,086.9
Other Operating Income	8.9	3.8	135.9%	25.8	-65.7%	12.6	37.4
Other Income	7.9	9.0	-12.0%	5.9	34.9%	17.0	10.9
Total Revenue	524.0	194.1	169.9%	551.7	-5.0%	718.1	1,135.2
Expenses							
-Cost of Material Consumed	258.6	72.3	257.8%	280.6	-7.8%	330.9	576.5
-Purchase of stock-in-trade	1.2	0.7	71.7%	2.3	-46.6%	1.9	5.2
-Changes in inventories	14.2	28.5	-50.3%	5.1	176.3%	42.7	12.0
-Employee Benefit Expense	98.9	86.1	14.9%	112.8	-12.3%	185.0	230.1
-Finance Cost	11.4	11.6	-1.7%	13.4	-14.8%	23.1	26.0
-Depreciation & Amortization	28.9	30.3	-4.8%	31.2	-7.5%	59.2	62.3
-Professional Charges	4.2	4.4	-4.8%	7.5	-44.1%	8.6	14.3
-Information Systems expenses	2.9	2.2	28.8%	2.4	22.5%	5.1	4.3
-Other Expenditure	93.7	46.1	103.0%	99.5	-5.9%	139.8	207.5
Total Expenses	514.0	282.3	82.1%	554.8	-7.4%	796.3	1,138.2
PBT before share of profit / (loss) of Joint ventures and Exceptional Items	10.0	-88.2	111.3%	-3.0	428.4%	-78.2	-3.0
Share of Profit / (loss) of Joint ventures (includes share of exceptional items, net of taxes)	4.0	-17.9	122.3%	-12.4	132.2%	-13.9	1.8
PBT before Exceptional items	14.0	-106.1	113.2%	-15.5	190.3%	-92.1	-1.1
Exceptional Item	-0.8	-	-	-	-	-0.8	-
PBT	13.2	-106.1	112.4%	-15.5	185.1%	-93.0	-1.1
Tax Expense	8.5	-22.1	138.4%	-4.6	285.9%	-13.6	2.4
PAT	4.7	-84.0	105.6%	-10.9	143.0%	-79.4	-3.5

KEY CONSOLIDATED BALANCE SHEET ITEMS

Particulars	As at 30.09.2020
Non-current assets	1,382.1
-Property, Plant and Equipment	682.1
-Financial Assets	420.4
Current assets	741.6
-Inventories	248.6
-Trade receivables	370.7
-Cash and cash equivalents	71.3
Total Assets	2,123.7
Shareholders Fund	759.3
Non-Controlling Interest	197.5
Non-current liabilities	334.6
-Long-term borrowings	251.8
Current liabilities	832.3
-Short-term borrowings	248.2
-Trade payables	331.7
Total Liabilities	1,167.0
Total Equity and Liabilities	2,123.7

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

Note: The business operations were partly suspended during Q1 FY21 on account of the lockdown announced by the Government of India consequent to the outbreak of COVID-19 pandemic. Hence 6M FY21 results are not comparable to the corresponding period of the previous year.

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, 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 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 governmental 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 undertake no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.