



Expanding Horizons

# RANE HOLDINGS LIMITED

## Q3 FY22 Earnings Release



**Chennai, India, February 08, 2022 – Rane Holdings Limited** (NSE: RANEHOLDIN; BSE Code: 505800), the holding Company of Rane group today announced financial performance for the third quarter (Q3FY22) and nine months (9MFY22) ended December 31st, 2021.

### Group Aggregate Performance – Q3 FY22

- Total Revenue was ₹1,392.4 Crore in Q3 FY22 compared to ₹1,368.4 Crore in Q3 FY21, an increase of 1.8%
- EBITDA stood at ₹94.0 Crore compared to ₹149.8 Crore during Q3 FY21, a decrease of 37.3%
- EBITDA Margin at 6.7% for Q3 FY22 against 10.9% in Q3 FY21
- Loss before tax stood at ₹15.7 Crore for Q3 FY22 compared to PBT of ₹58.9 Crore in Q3 FY21, a decrease of 126.6%

### Consolidated Financials – Q3 FY22

- Total Revenue was ₹703.2 Crore in Q3 FY22 compared to ₹673.6 Crore in Q3 FY21, an increase of 4.4%
- EBITDA stood at ₹58.5 Crore compared to ₹77.7 Crore during Q3 FY21, a decrease of 24.7%
- EBITDA Margin at 8.3% for Q3 FY22 against 11.5% in Q3 FY21
- PBT stood at ₹18.5 Crore for Q3 FY22 compared to ₹64.3 Crore in Q3 FY21, a decrease of 71.3%

### Group's Operational Performance – Q3 FY22

- Revenue from Indian OE customers grew 2%. Sales volume declined in passenger vehicle, farm tractor and two wheeler segments and cost recovery through price increase helped to achieve marginal revenue growth.
- Revenues from International customers increased 2%. The demand was partially impacted due to semiconductor shortages.
- Revenue from Indian aftermarket segment grew 7% supported by strong demand across pan India
- Material cost increase and higher employee cost resulted in drop in EBITDA margin by 420 bps
- There was an exceptional expense of ₹ 46 crores made by Rane NSK towards estimated warranty provision in Q3FY22 as against ₹ 49.3 crores in Q3FY21
- PBT includes an exceptional income of ₹9.5 Cr on account of US Federal stimulus benefit received by RML (LMCA) and Voluntary Retirement Expenditure of ₹ 2.7 Cr incurred by REVL

### MANAGEMENT COMMENT

“Q3 was a challenging quarter with semiconductor shortage impacting the supply chain and elevated commodity prices reducing the profitability. The Group companies are working on cost reduction initiatives to mitigate the inflationary pressures. We hope the third wave of coronavirus in India does not adversely impact the demand environment.”

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

### BUSINESS HIGHLIGHTS

#### GROUP AGGREGATE FINANCIAL PERFORMANCE

Particulars	Q3 FY22	Q3 FY21	YOY%
Total Revenue	1,392.4	1,368.4	1.8%
EBITDA	94.0	149.8	-37.3%
Margin (%)	6.7%	10.9%	-420 bps
PBT*	-15.7	58.9	-126.6%

\* PBT includes Exceptional items

#### CONSOLIDATED FINANCIAL PERFORMANCE

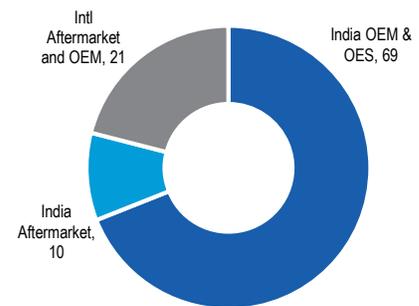
Particulars	Q3 FY22	Q3 FY21	YOY%
Total Revenue	703.2	673.6	4.4%
EBITDA	58.5	77.7	-24.7%
Margin (%)	8.3%	11.5%	-322 bps
PBT*	18.5	64.3	-71.3%

\* PBT includes net profit/(loss) from JV and Exceptional items

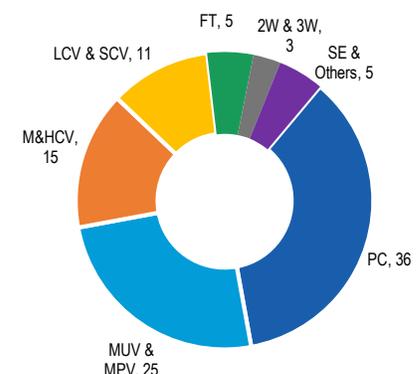
(In ₹ Crore, unless otherwise mentioned)

### GROUP AGGREGATE SALES (Q3 FY22)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Particulars	Q3FY22	Q2FY22	QoQ%	Q3FY21	YoY%	9MFY22	9MFY21	YoY%
Revenue from Operations	681.4	691.8	-1.5%	663.6	2.7%	1,893.9	1,364.7	38.8%
Other Income	21.8	5.5	296.7%	10.0	117.8%	32.4	27.0	20.0%
<b>Total Revenue</b>	<b>703.2</b>	<b>697.3</b>	<b>0.8%</b>	<b>673.6</b>	<b>4.4%</b>	<b>1,926.3</b>	<b>1,391.7</b>	<b>38.4%</b>
<b>Expenses</b>								
-Cost of Material Consumed	400.0	407.8	-1.9%	358.8	11.5%	1,116.4	689.7	62%
-Purchase of stock-in-trade	2.5	2.3	11.4%	2.1	23.9%	6.3	4.0	57.0%
-Changes in inventories	-18.3	-20.0	8.5%	-0.3		-66.5	42.4	
-Employee Benefit Expense	122.7	120.1	2.2%	112.8	8.9%	358.2	297.7	20.3%
-Finance Cost	9.6	9.4	2.7%	9.6	0.0%	26.0	32.7	-20.4%
-Depreciation & Amortization	32.2	32.0	0.7%	29.9	8.0%	95.4	89.0	7.2%
-Other Expenditure	137.8	139.9	-1.5%	122.6	12.3%	382.9	276.1	38.7%
<b>Total Expenses</b>	<b>686.5</b>	<b>691.4</b>	<b>-0.7%</b>	<b>635.4</b>	<b>8.1%</b>	<b>1,918.6</b>	<b>1,431.7</b>	<b>34.0%</b>
<b>PBT before share of profit / (loss) of JV &amp; associates</b>	<b>16.7</b>	<b>5.9</b>	<b>184.6%</b>	<b>38.3</b>	<b>-56.4%</b>	<b>7.7</b>	<b>-39.9</b>	<b>119.2%</b>
Share of Profit / (loss) of JV and Associate (includes share	-3.4	13.0		2.6		16.0	-11.4	
<b>PBT before Exceptional items</b>	<b>13.2</b>	<b>18.9</b>	<b>-29.9%</b>	<b>40.9</b>	<b>-67.6%</b>	<b>23.6</b>	<b>-51.3</b>	<b>146.1%</b>
Exceptional Item	5.2	8.2	-37%	23.5	-78%	41.5	22.7	83.2%
<b>PBT</b>	<b>18.5</b>	<b>27.1</b>	<b>-31.9%</b>	<b>64.3</b>	<b>-71.3%</b>	<b>65.2</b>	<b>-28.6</b>	<b>327.9%</b>
Tax Expense	7.9	10.6	-25.4%	25.0	-68.4%	17.4	11.4	52.1%
<b>PAT</b>	<b>10.6</b>	<b>16.5</b>	<b>-36.1%</b>	<b>39.3</b>	<b>-73.2%</b>	<b>47.8</b>	<b>-40.0</b>	<b>219.5%</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, 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](mailto:INVESTORSERVICES@RANEGROUP.COM) OR [DPINGLE@CHRISTENSENIR.COM](mailto:DPINGLE@CHRISTENSENIR.COM)**

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