

Rane Holdings Limited



//Online Submission//

RHL / SE / 38 / 2019-20

November 8, 2019

BSE Limited Listing Centre Scrip Code: 505800	National Stock Exchange of India Ltd. NEAPS Symbol: RANEHOLDIN
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Dear Sir / Madam,

Sub: Outcome of Board Meeting held on November 8, 2019 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RHL / SE / 32 / 2019-20 dated September 30, 2019

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results (standalone & consolidated) for the quarter and half year ended September 30, 2019 along with Cash Flow Statement for the half year ended September 30, 2019 of the Company as recommended by the audit committee at their respective meeting(s) held today (**November 8, 2019**).

The un-audited financial results (standalone & consolidated) of the Company for the quarter and half year ended September 30, 2019 is enclosed along with the Limited Review Report on both standalone & consolidated results issued by M/s. Deloitte Haskins & Sells, Chartered Accountants, Statutory Auditors. (**Regulation 33**).

The un-audited financial results (standalone & consolidated) along with cash flow statement will be uploaded on the website of the company at www.ranegroup.com and stock exchanges at www.bseindia.com and www.nseindia.com (**Regulation 46**). An 'earnings release' for the above results is also enclosed (**Regulation 30**).

The extract of the un-audited consolidated financial results will be published in newspapers, i.e., 'Business Standard' and 'Dinamani' in the format prescribed (**Regulation 47**).

The meeting of the Board of Directors commenced at 10:30 hrs (IST) and concluded at 13:10 hrs (IST).

We request you to take the above on record and note the compliance under above referred regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

Thanking you,

Yours faithfully,

For **Rane Holdings Limited**

Siva Chandrasekaran
Secretary

Encl: a/a

1. Un-audited financial results (standalone & consolidated) for the quarter and half year ended September 30, 2019.
2. Extract of the un-audited consolidated financial results for Newspaper publication.
3. Limited Review Report (standalone & consolidated) for the quarter and half year ended September 30, 2019.
4. Earnings release for the quarter and half year ended September 30, 2019.

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4.



Chennai, India, November 8, 2019 – Rane Holdings Limited (NSE: RANEHOLDIN; BSE Code: 505800), the holding Company of Rane group today announced financial performance for the second quarter (Q2 FY20) ended September 30th, 2019.

Group Aggregate Performance – Q2 FY20

- Total Net Revenue decreased by 20.7% to ₹1,087.4 Crore in Q2 FY20 from ₹1,371.6 Crore in Q2 FY19
- EBITDA stood at ₹84.6 Crore as compared to ₹150.1 Crore during Q2 FY19, a decrease of 43.6%
- EBITDA Margin at 7.8% for Q2 FY20 as against 10.9% in Q2 FY19
- PBT stood at ₹14.5 Crore for Q2 FY20 as compared to ₹85.9 Crore in Q2 FY19, a decrease of 83.1%

Consolidated Financials – Q2 FY20

- Total Net Revenue decreased by 14.8% to ₹551.7 Crore in Q2 FY20 from ₹647.9 Cr in Q2 FY19
- EBITDA stood at ₹41.6 Crore as compared to ₹61.9 Crore during Q2 FY19, a decrease of 32.8%
- EBITDA Margin at 7.5% for Q2 FY20 as against 9.6% in Q2 FY19
- PBT stood at ₹8.5 Crore for Q2 FY20 as compared to ₹55.3 Crore in Q2 FY19, a decrease of 84.7%

Group's Key Business Highlights for Q2 FY20

- Revenue from Indian OE customers declined by 33%. Volume dropped across vehicle segments.
- Revenues from International customers grew 9% driven by commencement of new businesses for occupant safety products.
- Revenue from Indian aftermarket segment declined 10% (comparable basis)
- EBITDA margin declined by 316 bps on account of higher employee cost and lower fixed cost absorption
- There was an exceptional expenses of Rs. 48.8 Cr pertaining to Rane NSK for incremental provision towards product warranty claim

MANAGEMENT COMMENT

"Q2 FY20 saw steeper decline in volume in the domestic automotive sector resulting in 21% drop in the group aggregate sales. The impact of volume drop on the margin was partially mitigated by cost savings initiatives and operational performance improvements. Given the current subdued market environment, the group companies continue to manage plant utilization optimally and drive cost savings."

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

BUSINESS HIGHLIGHTS

GROUP AGGREGATE FINANCIAL PERFORMANCE

Particulars	Q2 FY 20	Q2 FY 19	YOY%
Total Net Revenue	1,087.4	1,371.6	-20.7%
EBITDA	84.6	150.1	-43.6%
Margin (%)	7.8%	10.9%	-316 bps
PBT (Before exceptional items)	14.5	85.9	-83.1%

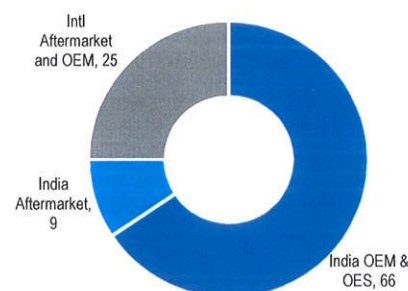
CONSOLIDATED FINANCIAL PERFORMANCE

Particulars	Q2 FY 20	Q2 FY 19	YOY%
Total Net Revenue	551.7	647.9	-14.8%
EBITDA	41.6	61.9	-32.8%
Margin (%)	7.5%	9.6%	-202 bps
PBT (Before exceptional items)	8.5	55.3	-84.7%

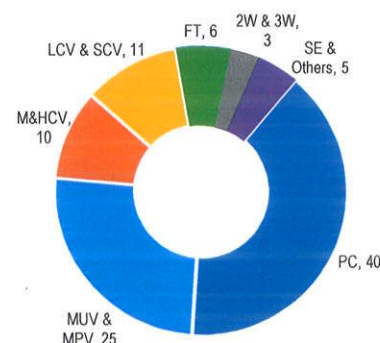
(In ₹ Crore, unless otherwise mentioned)

GROUP AGGREGATE SALES (Q2 FY20)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



CONSOLIDATED PROFIT AND LOSS ACCOUNT

Particulars	Q2FY20	Q1FY20	QoQ%	Q2FY19	YoY%	H1FY20	H1FY19	YoY%
Income from Operations	506.1	551.9	-8.3%	617.8	-18.1%	1,058.0	1,219.2	-13.2%
Dividend Income	-	-	-	-	-	-	-	-
Other Operating Income	39.7	26.6	49.6%	26.9	47.4%	66.3	60.5	9.6%
Other Income	5.9	5.0	16.6%	3.1	88.1%	10.9	10.9	0.0%
Total Revenue	551.7	583.5	-5.4%	647.9	-14.8%	1,135.2	1,290.6	-12.0%
Expenses								
-Cost of Material Consumed	280.6	295.9	-5.2%	344.5	-18.5%	576.5	693.7	-16.9%
-Purchase of stock-in-trade	2.3	2.9	-21.0%	6.3	-63.2%	5.2	12.0	-56.6%
-Changes in inventories	5.1	6.9	-25.3%	-3.2	261.1%	12.0	-15.5	177.3%
-Employee Benefit Expense	112.8	117.3	-3.8%	110.4	2.2%	230.1	223.3	3.0%
-Finance Cost	13.4	12.6	6.8%	11.7	14.9%	26.0	22.9	13.5%
-Depreciation & Amortization	31.2	31.1	0.3%	31.2	0.1%	62.3	60.9	2.2%
-Professional Charges	7.5	6.8	9.7%	7.2	4.0%	14.3	12.8	12.2%
-Information Systems expenses	2.4	2.0	19.3%	2.4	-1.8%	4.3	5.1	-15.6%
-Other Expenditure	99.5	108.0	-7.8%	118.5	-16.0%	207.5	236.2	-12.2%
Total Expenses	554.8	583.4	-4.9%	628.8	-11.8%	1,138.2	1,251.4	-9.0%
PBT before share of profit / (loss) of JV & associates	-3.0	0.1		19.1	-115.9%	-3.0	39.1	-107.5%
Share of Profit / (loss) of JV and Associate	11.5	15.7	-26.9%	36.2	-68.3%	27.2	70.5	-61.4%
PBT before Exceptional items	8.5	15.8	-46.5%	55.3	-84.7%	24.2	109.7	-77.9%
Exceptional Item	-23.9	-1.5	-	-1.3	-	-25.4	-1.4	-
PBT	-15.5	14.3	-207.9%	54.0	-128.6%	-1.1	108.3	-101.0%
Tax Expense	-4.6	6.9	-165.9%	20.1	-122.7%	2.4	41.7	-94.3%
PAT	-10.9	7.4	-247.2%	33.9	-132.2%	-3.5	66.5	-105.3%
Other Comprehensive Income (Net of Tax Expenses)	-0.2	-1.7	89.1%	-2.2	91.4%	-1.9	-2.2	13.2%
Total Comprehensive Income for the period	-11.1	5.7	-295.6%	31.7	-135.0%	-5.4	64.3	-108.4%

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

KEY CONSOLIDATED BALANCE SHEET ITEMS

Particulars	As at 30.09.2019
Non-current assets	1,329.1
-Property, Plant and Equipment	699.6
-Financial Assets	403.5
Current assets	849.4
- Inventories	292.5
-Trade receivables	400.6
-Cash and cash equivalents	82.8
Total Assets	2,178.5
Shareholders Fund	844.8
Non-Controlling Interest	241.6
Non-current liabilities	212.8
-Long-term borrowings	178.8
Current liabilities	879.2
-Short-term borrowings	312.9
-Trade payables	320.4
Total Liabilities	1,092.0
Total Equity and Liabilities	2,178.5

(In ₹ Crore, unless otherwise mentioned)

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 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 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.

