

Rane (Madras) Limited

Rane

//Online Submission//

RML / SE / 35 / 2020-21

October 21, 2020

BSE Limited Listing Centre Scrip Code: 532661	National Stock Exchange of India Limited NEAPS Symbol: RML
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Dear Sir / Madam,

Sub: Outcome of Board Meeting held on October 21, 2020 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RML/SE/31/2020-21 dated September 29, 2020

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results (standalone & consolidated) along with Cash Flow statement of the Company for the quarter and half year ended September 30, 2020 as recommended by the audit committee at their respective meeting(s) held today (**October 21, 2020**).

The un-audited financial results (standalone & consolidated) of the Company for the quarter and half-year ended September 30, 2020 is enclosed along with the Limited Review Report on both standalone & consolidated results issued by M/s. BSR & Co, LLP 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 financial results (standalone & consolidated) 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 10:55 hrs (IST) and concluded at 13:26 hrs (IST).

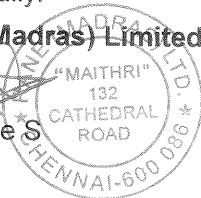
We request you to take the above on record and note the compliance with the above referred regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

Thanking you,

Yours faithfully,

For Rane (Madras) Limited

Subha Shree S
Secretary



Encl: a/a

1. Un-audited financial results (standalone & consolidated) for the quarter and half year ended September 30, 2020.
2. Extract of the un-audited financial results (standalone & consolidated) for Newspaper publication.
3. Limited Review Report (standalone & consolidated) for the quarter and half year ended September 30, 2020.
4. Earnings release for the quarter and half year ended September 30, 2020.



Chennai, India, October 21, 2020 – Rane (Madras) Limited (NSE: RML; BSE Code:532661), a leading manufacturer of steering and suspension products and light metal casting components today announced its standalone and consolidated financial performance for the second quarter (Q2FY21) and six months (H1FY21) ended September 30th, 2020.

Standalone Q2 FY21 Performance

- Total Revenue was ₹285.7 Crore for Q2 FY21 as compared to ₹282.4 Crore in the Q2 FY20, an increase of 1.2%
- EBITDA stood at ₹29.3 Crore as compared to ₹24.2 Crore during Q2 FY20, an increase of 21.0%
- EBITDA Margin at 10.2% for Q2 FY21 as against 8.6% in Q2 FY20, an increase of 168 basis points (bps)
- Net profit (PAT) stood at ₹6.4 Crore for Q2 FY21 as compared to ₹2.7 Crore in Q2 FY20, an increase of 137.4%

Consolidated Q2 FY21 Performance

- Total Revenue was ₹322.1 Crore for Q2 FY21 as compared to ₹331.2 Crore in the Q2 FY20, a decrease of 2.8%
- EBITDA stood at ₹16.4 Crore as compared to ₹14.8 Crore during Q2 FY20, an increase of 10.8%
- EBITDA Margin at 5.1% for Q2 FY21 as against 4.5% in Q2 FY20
- Net Loss stood at ₹10.0 Crore for Q2 FY21 as compared to Loss of ₹10.8 Crore in Q2 FY20

Operating Highlights for Q2 FY21 – Standalone

- Sales to Indian OE customers grew by 5%. Experienced strong demand from farm tractor segment
- Sales to International customers increased by 6% supported by increase in schedules for Steering products
- Sales to Indian Aftermarket customers increased by 29%
- Fixed cost reduction resulted in 168 bps improvement in EBITDA margin

Operating Highlights for Q2 FY21 – Consolidated

- The US subsidiary experienced 36% drop in sales impacted by lower vehicle demand in US due to Covid-19 and lower volumes from key customers
- Significant drop in sales and under absorption of semi variable manufacturing cost resulted in higher loss

MANAGEMENT COMMENT

“We saw recovery in the demand environment with the gradual opening of the economy in Q2. Aided by strong operational performance by the plants we were able to effectively handle the production ramp up despite the supply chain and labour availability challenges. Strong cost control measures helped in margin improvement. We remain cautiously optimistic about sustenance of the demand post festive season.” – **L. Ganesh, Chairman, Rane Group**

BUSINESS HIGHLIGHTS

Financial Performance

Standalone	Q2 FY 21	Q2 FY 20	YOY%
Total Revenue	285.7	282.4	1.2%
EBITDA	29.3	24.2	21.0%
Margin (%)	10.2%	8.6%	168 bps
PAT	6.4	2.7	137.4%

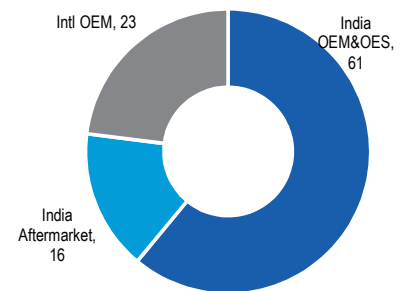
Consolidated	Q2 FY 21	Q2 FY 20	YOY%
Total Revenue	322.1	331.2	-2.8%
EBITDA	16.4	14.8	10.8%
Margin (%)	5.1%	4.5%	62 bps
PAT	-10.0	-10.8	NM

(In ₹ Crore, unless otherwise mentioned)

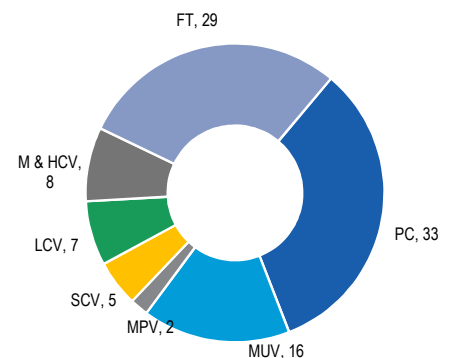
BUSINESS SPLIT (Q2 FY21)

(STANDALONE)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Standalone						Consolidated					
	Q2 FY21	Q2 FY20	YoY%	H1 FY21	H1 FY20	YoY%	Q2 FY21	Q2 FY20	YoY%	H1 FY21	H1 FY20	YoY%
Income from Operations	277.3	257.8	8%	367.2	545.5	-33%	311.2	307.1	1%	418.1	642.7	-35%
Other Operating Income	7.0	22.3	-69%	9.8	30.5	-68%	7.2	23.2	-69%	10.3	32.4	-68%
Other Income	1.4	2.3	-39%	5.0	3.6	40%	3.7	1.0	270%	8.0	2.3	246%
Total Revenue	285.7	282.4	1%	382.0	579.6	-34%	322.1	331.2	-3%	436.4	677.4	-36%
Expenses												
-Cost of Material Consumed	175.6	175.1	0%	224.0	357.5	-37%	185.2	193.2	-4%	240.1	393.8	-39%
-Purchase of stock-in-trade	-	-	-	-	-	-	-	-	-	-	-	-
-Changes in inventories	3.2	4.9	-35%	16.5	9.7	71%	5.3	3.6	46%	15.3	8.0	90%
-Employee Benefit Expense	32.1	35.2	-9%	58.7	72.5	-19%	55.3	59.8	-8%	101.3	120.4	-16%
-Finance Cost	7.2	8.7	-18%	14.7	16.5	-11%	8.0	9.6	-17%	16.3	18.9	-14%
-Depreciation & Amortization	12.7	12.8	-1%	24.8	25.6	-3%	15.4	16.0	-4%	31.3	31.8	-2%
-Other Expenditure	45.6	43.0	6%	66.0	90.2	-27%	60.1	59.9	0%	91.2	123.9	-26%
Total Expenses	276.3	279.7	-1%	404.7	572.0	-29%	329.2	342.1	-4%	495.5	696.9	-29%
PBT before Exceptional Items	9.4	2.6	259%	-22.7	7.5	-402%	-7.0	-10.8	35%	-59.1	-19.4	-204%
Exceptional Item	-	-	-	-	-	-	-	-	-	-	-	-
PBT	9.4	2.6	259%	-22.7	7.5	-402%	-7.0	-10.8	35%	-59.1	-19.4	-204%
Tax Expense	3.0	-0.1	3772%	-7.2	1.6	-557%	3.0	-0.1	3705%	-7.2	1.6	-558%
PAT	6.4	2.7	137%	-15.5	5.9	-361%	-10.0	-10.8	7%	-51.9	-21.0	-147%

KEY BALANCE SHEET ITEMS

Particulars	Standalone	Consolidated
	As at 30.09.2020	As at 30.09.2020
Non-current assets	563.5	544.9
-Property, Plant and Equipment	310.5	361.1
-Financial Assets	194.3	53.9
Current assets	337.0	399.3
- Inventories	117.0	142.8
-Trade receivables	188.3	216.0
-Cash and cash equivalents	5.8	11.1
Total Assets	900.5	944.3
Shareholders Fund	287.6	126.6
Non-current liabilities	140.6	262.8
-Long-term borrowings	105.1	203.9
Current liabilities	472.3	554.9
-Short-term borrowings	176.3	176.3
-Trade payables	182.1	205.1
Total Liabilities	612.9	817.6
Total Equity and Liabilities	900.5	944.3

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

Note: The H1 FY21 results are not comparable to the corresponding period of the previous year due to the truncated period of operations due to lockdown in the Q1 FY21 impacting overall H1 FY21

ABOUT RANE (MADRAS) LIMITED

Established in 1960, Rane (Madras) Limited (RML) is part of the Rane Group of Companies, a leading auto component group based out of Chennai. RML has two divisions namely Steering and Linkages Division (SLD) and Light Metal Casting India Division (LMCI). SLD manufactures mechanical steering gears, hydrostatic steering systems and steering and suspension linkage products. LMCI manufactures low porosity, high-quality light metal casting such as steering housings and engine case covers. Through its overseas subsidiary Rane Light Metal Castings Inc. (RLMCA), RML manufactures high pressure light metal casting components from its facility in Kentucky, USA.

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 components 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.