



Chennai, India, October 20, 2021 – 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 (Q2FY22) and six months (H1FY22) ended September 30th, 2021.

Standalone Q2 FY22 Performance

- Total Revenue was ₹413.2 Crore for Q2 FY22 compared to ₹285.7 Crore in the Q2 FY21, an increase of 44.6%
- EBITDA stood at ₹31.2 Crore compared to ₹29.3 Crore during Q2 FY21, an increase of 6.7%
- EBITDA Margin at 7.6% for Q2 FY22 against 10.2% in Q2 FY21
- Net Profit stood at ₹8.5 Crore for Q2 FY22 compared to ₹6.4 Crore in Q2 FY21, an increase of 32.5%

Consolidated Q2 FY22 Performance

- Total Revenue was ₹459.5 Crore for Q2 FY22 compared to ₹322.1 Crore in the Q2 FY21, an increase of 42.6%
- EBITDA stood at ₹21.6 Crore compared to ₹16.4 Crore during Q2 FY21, an increase of 32.0%
- EBITDA Margin at 4.7% for Q2 FY22 against 5.1% in Q2 FY21
- Net Profit stood at ₹2.3 Crore for Q2 FY22 compared to Loss of ₹10 Crore in Q2 FY21, an increase of 122.8%

Operating Highlights for Q2 FY22 – Standalone

- Sales to OE customers grew 34%. Experienced strong demand from passenger vehicle and commercial vehicle segment.
- Sales to International customers increased by 78%. This was due to commencement of supplies of steering products to new program in Q3FY21. However the schedules for Light Metal Castings product was affected due to semiconductor shortage.
- Sales to Aftermarket customers grew 44% supported by new product introductions.
- Significant increase in all raw material and other costs has resulted in a drop in EBITDA margin by 268 bps
- Net profit includes forex reinstatement loss of ₹ 8.10 Crore on the investments in overseas subsidiary

Operating Highlights for Q2 FY22 – Consolidated

- Sales of the US subsidiary grew with strong demand on the served models and ramp-up in volumes on new programs. However, the chip shortage is beginning to impact sales.
- Improved operational performance sustained on quality, productivity and customer delivery.
- There was an exceptional income of USD 1.2 Mn on account of US Federal stimulus benefits.

MANAGEMENT COMMENT

“RML experienced strong growth across market segments. Inflationary pressures on material cost impacted the profitability of India business. The overseas subsidiary experienced favourable demand and ramp up in the new programs. Demand revival continues to be strong however the supply constraints due to semiconductor shortage remains a concern.”

– **L. Ganesh, Chairman, Rane Group**

BUSINESS HIGHLIGHTS

Financial Performance

Standalone	Q2 FY 22	Q2 FY 21	YOY%
Total Revenue	413.2	285.7	44.6%
EBITDA	31.2	29.3	6.7%
Margin (%)	7.6%	10.2%	-268 bps
PAT	8.5	6.4	32.5%

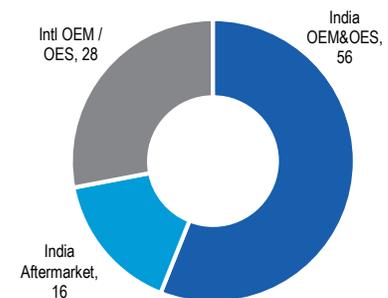
Consolidated	Q2 FY 22	Q2 FY 21	YOY%
Total Revenue	459.5	322.1	42.6%
EBITDA	21.6	16.4	32.0%
Margin (%)	4.7%	5.1%	-38 bps
PAT	2.3	-10.0	122.8%

(In ₹ Crore, unless otherwise mentioned)

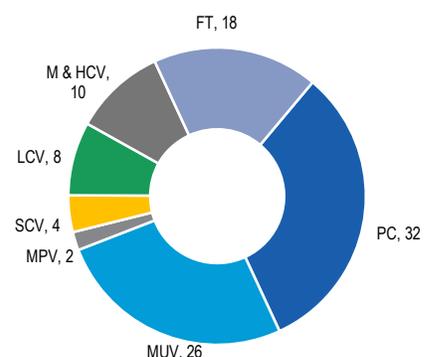
BUSINESS SPLIT (Q2 FY22)

(STANDALONE)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Standalone						Consolidated					
	Q2 FY22	Q2 FY21	YoY%	H1 FY22	H1 FY21	YoY%	Q2 FY22	Q2 FY21	YoY%	H1 FY22	H1 FY21	YoY%
Income from Operations	412.3	284.3	45%	712.1	377.0	89%	458.4	318.4	44%	798.7	428.4	86%
Other Income	0.9	1.4	-36%	1.6	5.0	-68%	1.0	3.7	-72%	1.7	8.0	-79%
Total Revenue	413.2	285.7	45%	713.7	382.0	87%	459.5	322.1	43%	800.4	436.4	83%
Expenses												
-Cost of Material Consumed	285.1	175.6	62%	487.7	224.0	118%	303.6	185.2	64%	523.5	240.1	118%
-Changes in inventories	-19.4	3.2	-711%	-32.3	16.5	-295%	-17.9	5.3	-440%	-30.5	15.3	-299%
-Employee Benefit Expense	42.0	32.1	31%	81.6	58.7	39%	65.4	55.3	18%	127.8	101.3	26%
-Finance Cost	4.8	7.2	-32%	8.9	14.7	-39%	5.7	8.0	-29%	9.4	16.3	-43%
-Depreciation & Amortization	15.2	12.7	19%	29.7	24.8	20%	20.0	15.4	30%	39.3	31.3	26%
-Other Expenditure	74.2	45.6	63%	121.9	66.0	85%	86.8	60.1	44%	146.7	91.2	61%
Total Expenses	401.9	276.3	45%	697.5	404.7	72%	463.6	329.2	41%	816.2	495.5	65%
PBT before Exceptional Items	11.2	9.4	20%	16.2	-22.7	171%	-4.1	-7.0	42%	-15.7	-59.1	73%
Exceptional Item	-	-	-	-	-	-	9.1	-	-	37.2	-	-
PBT	11.2	9.4	20%	16.2	-22.7	171%	5.0	-7.0	172%	21.5	-59.1	136%
Tax Expense	2.8	3.0	-7%	4.0	-7.2	155%	2.8	3.0	-7%	4.0	-7.2	155%
PAT	8.5	6.4	32%	12.2	-15.5	179%	2.3	-10.0	123%	17.5	-51.9	134%

KEY BALANCE SHEET ITEMS

Particulars	Standalone	Consolidated
	As at 30.09.2021	As at 30.09.2021
Non-current assets	599.3	557.3
-Property, Plant and Equipment	313.1	413.9
-Financial Assets	212.6	48.2
Current assets	509.5	587.2
- Inventories	175.2	201.1
-Trade receivables	270.9	300.9
-Cash and cash equivalents	21.3	31.0
Total Assets	1,108.9	1,144.5
Shareholders Fund	335.3	213.1
Non-current liabilities	136.6	239.7
-Long-term borrowings	113.8	200.0
Current liabilities	637.0	691.7
-Short-term borrowings	306.7	320.5
-Trade payables	277.3	305.2
Total Liabilities	773.6	931.4
Total Equity and Liabilities	1,108.9	1,144.5

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

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.

LAKSHMIN ARAYAN GANESH
Digitally signed by LAKSHMINARAYAN GANESH
Date: 2021.10.20 11:38:24 +05'30"

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.