

# PROPEL

ISSUE 26 | JULY 2021

Memorable Moments and  
Learnings from

**L. Lakshman's**  
5 Decades at Rane Group





# *The World of Rane*

*Rane Holdings Limited (RHL)*

*Rane Brake Lining Limited (RBL)*

*Rane Engine Valve Limited (REVL)*

*Rane (Madras) Limited (RML)*

*- Steering & Linkages Division (SLD)*

*- Light Metal Casting India (LMCI)*

*- Rane Auto Parts (RAP)*

*- Rane Light Metal Castings Inc (LMCA)*

*Rane NSK Steering Systems Private Limited (RNSS)*

*Rane TRW Steering Systems Private Limited (RTSS)*

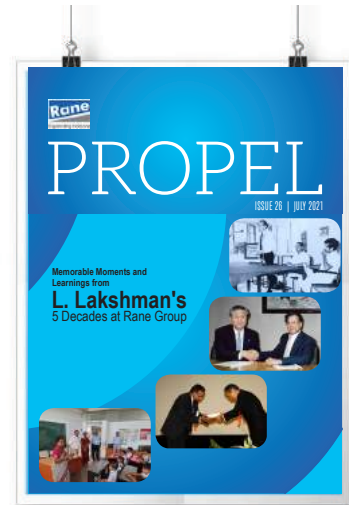
*-Occupant Safety Division (OSD)*

*- Steering Gear Division (SGD)*

*Rane Holdings America Inc. (RHA)*

*Rane Holdings Europe GmbH (RHEG)*

*Rane t4u Private Limited*



Please send in your feedback and queries to  
[corporate.communications@ranegroup.com](mailto:corporate.communications@ranegroup.com)

Copyright 2021  
Rane Holdings Limited  
All Rights Reserved

Content Partner  
Growth Mechanics  
Infomedia, which also  
publishes The Smart CEO  
magazine

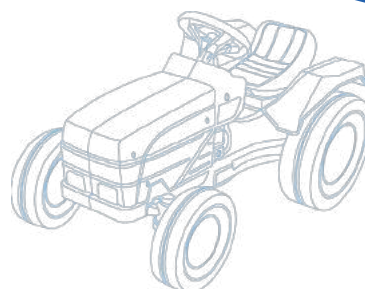
# TABLE OF CONTENTS



- 4** **Chairman's Message**  
Growth Amidst Uncertainty



- 6** **Cover Story**  
Memorable Moments and Learnings by L. Lakshman



- 17** **Rane Profile**  
Rane's presence in Farm Tractors segment



- 18** **Rane for Good**  
Achievements of Rane Vidyalaya and Rane Polytechnic College

- 21** **News @ Rane**  
Updates on awards won and Board level changes



# GROWTH AMIDST UNCERTAINTY

The financial year 2020-21 was effectively a 10-month year business-wise due to the lockdown following the Covid-19 pandemic in the first quarter. There was a nationwide lockdown for nearly two months and it was eased gradually. Staggered working became the norm, and even in the post-lockdown period, some employees continued to work from home unless it was essential to go to the office. For a manufacturing operation like Rane, this is not the best but we had to do it to ensure adequate social distancing at the workplace.

After a disastrous Q1, demand picked up well, exceeding expectations, in Q2 of last year and sustained in Q3 and Q4 as

well. Rane Group posted satisfactory results, though the revenues were lower than that of the previous year.

The group's international pursuits, which contribute 22-23% of the revenues, bore good results and Rane won a few good contracts. This has created a healthy pipeline, which augurs well for the coming year as well.

### Dealing with the Pandemic

To cope with the requirement for physical distancing, sanitization and wearing masks to protect our employees, all our plants and offices implemented and diligently followed safety protocols.

Across the board, significant cost reduction projects were initiated to align the cost to the lower volumes. Customer engagement, as well as internal interactions, were conducted leveraging the technologies for virtual meetings, and this continues due to the second wave of the pandemic.

Another important development was the formation of Rane Aftermarket Business, which will be responsible for further driving growth and enabling synergies across the entire Aftermarket portfolio of the Group. A matrix organization structure has been created to achieve this objective.

### FY 21-22

The vaccination drive began nationwide sometime around March of this year and it seemed as if the worst was over. But, the second wave of the pandemic hit us hard and spread fast, severely affecting the demand environment.

In the first wave, though we had challenges on supply, demand came back quicker than anticipated. Inventory levels were low due to BS6 migration and it provided some headroom for production growth. In the second wave, however, the impact on lives has been more severe. While there had been a complete lockdown across the country last year, this time, allowing the states to decide has led to a lot of uncertainty. Factories remained operational in the second wave but the auto industry is highly interconnected and networked, with supply chain and customers spread across. The varying lockdown in different states is therefore impacting the availability of components and goods between states. Employee availability and movement are a big challenge. Export demand remained largely unaffected barring the effect of the global chip shortage. Despite these setbacks, we expect that the demand will continue to be strong from July onwards.

Last year, the farm tractor segment experienced an unprecedented demand. This year it may not grow at

the same pace considering last year's peak volume. The passenger vehicle segment is expected to see an increase in demand due to a preference for personal mobility and an increase in first-time buyers. The overall demand environment is expected to be favourable though demand in the commercial vehicle segment may take some time to pick up. The two-wheeler segment also needs to be watched closely.

Commodity prices are a challenge for the year. Though we have budgeted our CAPEX outlay based on a robust 2021-22 as we saw in March, the second wave is going to affect the plan and the recovery from Q2 will have to be carefully monitored before we commit the same.

### Mr. L. Lakshman's Retirement

In a very turbulent year, Rane is also going to see a transition as Mr. L. Lakshman, who steered the group during a very challenging and exciting phase in the automobile industry's evolution and transformation in India, retires from the board. He started the conversion of Rane into a professional organisation, believed in training for all and introduced Japanese TQM. He evolved the Corporate and Company structure where accountability and responsibility were clearly defined. Many of the good HR policies and PADS were introduced by him. He nurtured many JVs with companies such as Nisshinbo, TRW and NSK, all three of who are valuable partners for us today. Launching the Japanese TQM in the group in 2000 was also his initiative.

After handing over active responsibilities as the chairman of operating companies in 2006, he continued to be involved with the group by pursuing social projects and established Rane Polytechnic College (2008) and Rane Vidyalaya (2018).

The most important legacy he contributed to Rane is the belief that the institution is always more important than the individual.

### Message to Employees

Vaccination is the only way to manage our lives and livelihood with Covid-19. At Rane, we organised camps to vaccinate employees above 45 years of age and have covered 80% in that age group. The younger group is also being facilitated with the availability of vaccines. Without a doubt, we are seeing that those who got vaccinated were only mildly affected even if they were infected by Covid-19. Therefore, I urge all employees and family members to get vaccinated as soon as possible. The HR in our companies are also working with the Primary Health Centres near our locations to make vaccines available to all. Be safe and follow protocols at work and wherever you are.



# L. Lakshman: Five Decades at Rane



L. Lakshman has been associated with the Rane group of companies for over five decades, since joining as a Trainee in 1970. He served in various capacities on the boards of Rane Group companies since 1992. He retired as Chairman of the operating companies of the group in October 2006.

Lakshman served as an Executive Chairman of RHL till March 31, 2017. The board unanimously approved the continuation of Lakshman as Non-Executive Director in the board meeting held on March 31, 2017.

Lakshman retired from his position as a non-executive director as per the retirement policy of the company applicable to the board of directors on May 27, 2021.

Lakshman has made significant contributions to the success of the Rane Group. Considering his tremendous experience and wisdom, and in order for the Group to continue to benefit from his advice and mentorship, the board has approved the appointment of Lakshman as Chairman Emeritus of the company for a further term of five years with effect from May 28, 2021. Lakshman currently spearheads the CSR initiatives of the Group and is also the Managing Trustee of Rane Foundation, a public charitable trust.

On that occasion, we requested him to share some of his learnings and experiences.

We present this as a cover story, split into three sections:

**Memorable moments and learnings from five decades at Rane**

**Q&A with Lakshman, for which we requested people from across the group to ask questions**

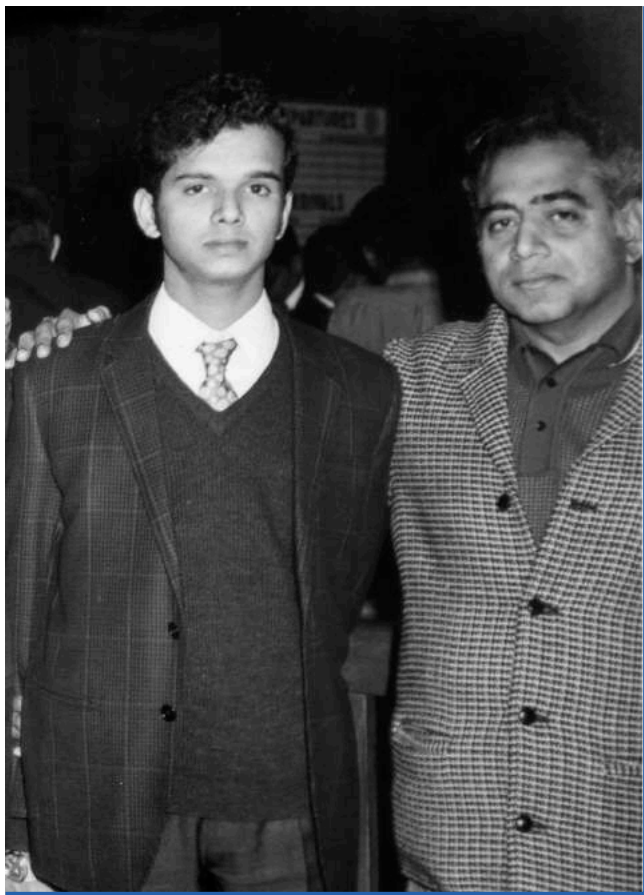
**A note by Lakshman titled "If I Knew Then..."**

# Memorable Moments and Learnings

*Over the last five decades, L. Lakshman has led the group to where it is today. He launched the group's TQM journey, foray into global markets like the U.S. and Germany and spearheaded our technology partnerships with companies like Nisshinbo, TRW and NSK.*

*For this very special edition of Rane Propel, we requested Lakshman to narrate a first-person account of some of his most memorable anecdotes.*

*Read on...*



L. Lakshman with TGK Raman

## My First "Official" Day at Rane

I recall my day one at Rane which was at RBL. Having had the benefit of working there during vacations, at the end of my official day one, I was full of questions without answers. The quality problem of "End lift" and "Centre lift", a geometrical non-conformance issue that could result in problems of brake grabbing, hot spotting, uneven wear and noise. I remember squatting on the floor of the factory with a piece of chalk and drawing schematics. This was in 1970. The Managing Director of our partner company Small & Parkes (S&P), F.P. Parkes, was soon impressed by my curiosity and questions. Right away he asked me to go to Manchester to work in their plant for about a year. Later in life, he was instrumental in my going to the London Business School for an Executive MBA Program.

## A Dilemma too Soon

On my return, I assumed broader responsibilities, which included sales and marketing. At that time, 1974, the OEM sales was insignificant. Most of our replacement sales were channeled through Goodyear, the famous tyre company, under their private label brand. They pushed us to no end on pricing and policy. We spent days and months agonising over this. I recall the discussions I had with the late E. Whitley (EW), our sales and marketing manager. Our major competitor was Ferodo, another MNC.

EW and I were both proud individuals who refused to succumb to pressure. We decided to gamble and walked away from the arrangement with Goodyear. The first tranche of sleepless nights at Rane began! We soon created our own channels and the first pleasant shock came from the dealers, who wondered why we had not taken this step earlier! A stronger and gentler soul than EW, I am yet to meet. Every time we reflected in private over the wisdom of our move, the pious person that he was used to say everything will turn out fine – 'God is great'. I never stopped to ask him why God should back two reckless gamblers!

## Matka Chai and Cucumber

I used to travel quite a lot in those days. I remember the peak as 140 days in a year for a few years. The trip which I will always remember is, EW and I coming back from Jamshedpur to Calcutta and our car broke down. The temperature was 47.2°C. The only option was to jump on a cycle rickshaw and ride about 10 to 12 kms to the nearest station. Our lunch that day was Matka chai and cucumber



**Relationships with foreign partners has been a key success factor in Rane history**

slices. Although much elder to me, EW made me out to be the hero of the trip. Perhaps because, without the limited Hindi that I spoke, we would still be stuck there!

In many ways sales and marketing in those days was more about “who you know” rather than “what you know”. Goodwill, network and the values of Rane were the winning formulae. With the tremendous reputation that Rane had, my job was rendered easy.

### Collaborations and Partnerships

Come the mid 70s I got involved in the businesses of RML. As is my wont, product technology was the first priority and I knew we were ready for the introduction of the next generation products and technology. We had already signed up with Burman & Sons for manual steering gears and the project was under implementation. For the ball joint and linkage, our association of the 1960s with TRW was revived. However, for the Maruti Suzuki project, we needed a Japanese connection and we signed an agreement with Ishikawa Tekko of Hamamatsu, Japan. With regard to Friction Materials, we had already established a Japanese partnership with Nisshinbo through our connections with S&P. All of these new associations got the attention of the customers and made our passage easier.

The next dream for RML was Hydraulic Power Steering. The prevailing view was India was not ready for this technology. But there was this urge in us to be the first mover. Dialogues with TRW started in earnest. They agreed reluctantly to license technology and participate in the equity with 26%. The

*Goodwill, network and the values of Rane were the winning formulae.*



**Rane's TQM journey started in April 2001. In April 2003, we went on to win the first Deming Prize recognition.**

agreements were signed in 1987. The early years were very tough. As expected, India was not ready for the technology and it was not really until the late 1990s the product found acceptance. What must be said to Rane's credit is despite struggles with the business, TRW saw in us a good and honest partner. This led to the launch of another joint venture for the manufacture of seat belts. Although today we enjoy huge success with both these product lines, the early years were extremely difficult. Yet another example of the strong relationship with TRW. We even started discussion for manufacture of air bags in early 2000s, another product well ahead of its times in those days. The project came to fruition much later.

Steering column was the next product identified. We started discussions with Torrington, also a leading manufacturer of bearings based in Connecticut, USA. I recall Jeff Petrey, the President of Torrington, as a man with a strong desire for presence in India. As we progressed, we realized that the Torrington partnership with NSK can also be leveraged. One thing led to another and soon we ended up with a three-way partnership for manufacture of steering columns in India. I remember the Japanese representative, Akashi San, a keen golfer, insist that I meet him in San Diego where he was playing golf to sign the agreement. The best wining and dining experience I remember was at a seafront restaurant in San Diego. The good times ended there. The steering column business went through many difficulties in the early years. But once again, a great relationship had been built up and NSK was inclined to start discussions for a Joint Venture for manufacture of EPS and jointly buy out





**L. Lakshman address at Rane Polytechnic in 2013**

Torrington's interest in the JV. The EPS project was launched in November, 2010.

### **Trust and Self-Esteem and a Snake in the Washroom!**

Relationships with foreign partners have been a key success factor in Rane history. An unforgettable story is a license agreement for Railway Brakes with S&P. Indian Railways was a user of cast iron brakes and we were making a pioneering effort to convert them to organic brake blocks. There was no certainty they would. The Government approval was "know-how" fees to the partners will be paid in three instalments, first on signing, second on transfer of know-how and the third on commercialization. Based on the excellent relationship with our partners, we agreed that the payments for Phase II and III will be waived if we did not obtain the railway letter of intent for supply. But we could use their know-how for prototyping and field testing. Such was the level of trust!

Would you believe it? The Government did not

accept our terms even though they favored India and Rane. They wanted us to stick to the boiler plate terms of the three phased payment.

We made a representation to the Ministry. The Industry Secretary, S.M.Ghosh (considered the right-hand man of Smt. Indira Gandhi), had a good laugh at our plight and his, I think! He asked us to re-apply and steered our application through.

The railway brake business started booming by the end of the 1990s. On a lighter side the high point in the development stage were visits to Lucknow. Driving straight from the airport at 0700 am to the bazaar area for breakfast of poori, aloo and jelabi! The other was riding time and again in the EMU train motor coach from Dombivili to the Churchgate station, measuring brake deceleration, temperatures, smoke and smell.

Another example of dogged bureaucracy – In 1991, RBL applied to the BIFR to acquire a

sick friction material company in Gajwel, Hyderabad, a God forsaken place. (On my first visit to this plant, I was greeted by a snake in the washroom!) The judge (it was a Court) suggested that Rane was making this move merely for tax savings and despite written commitment will find ways to dispense with the employees. That was the trigger for me to offer to withdraw our application. And that was the trigger for the judge to understand Rane will not take slight. He asked that I sit down and within a few minutes approved the scheme.

### Dr. Washio and the Simplicity of TQM

It was around that time I personally got involved in Industry associations - ACMA, MCC and Assocham. In the early 90s India's policy towards globalization and liberalization changed. The hitherto cocooned Indian Industry had to stand up to global majors. The Fords, Toyotas and their suppliers were at our doorsteps.

I still cannot help thinking, if only we had liberalized in the 1970s and globalized in the 90s where Indian Industry would be today. For sure we would be ahead of China and in strong and equal partnerships with many others.

Rane, like many others, found itself in a precarious position. Although we had tried a couple of major improvement interventions, like Lean Production Systems and Strategic Planning, we did not make much headway. So, we said to ourselves, let us look at Japan. The cultural similarity and their worldwide success with TQM were the major attractions. Soon, we invited Dr. Washio, a leader in this discipline, to be our sensei. The simplicity, of the learnings shocked us.

- Customer first
- Decisions must be driven by facts and not opinions
- Seek total employee involvement

From here on, we moved to elements such as Standard Operating Procedures (SOP), Daily Routine Management (DRM), policy deployment, 7 QC Tools, and progressively to higher order learnings such as the design of experiments, multiple regression analysis and affinity diagrams. The initiatives were launched in April 2001 and in April 2003, RBL dared to apply for the Deming Prize recognition. We passed with flying colours and there was no looking back. Dr. Washio has been a game changer for the group.

The Deming provided the impetus to pursue TQM with even greater vigor across Rane. At RML, we had made the cardinal mistake. Ambitious expansion in a market that softened overnight. Given the weak operations, the net



LL with his wife Pushpa Lakshman at a Bhoomi Pooja at RTSS-SGD, Guduvanchery

*Soon we invited Dr. Washio, a leader in this discipline, to be our sensei for TQM. The simplicity of TQM in the very first learnings shocked us.*

result was chaos. We faced all the classical management problems of poor performance, bad IR relations and weak equipment maintenance standards. TQM practices came in handy to not only turn the situation around, but also totally revamp the organizational culture. It took us about three years to restore normalcy, but we could see the green shoots, even within twelve to fifteen months of the launch of TQM.

By 2005, we felt we were ready to seek international business in the US and Germany, the bastions of the automobile industry. This increased the confidence and self-esteem within the organization enormously. I am proud to say Rane today is a household name in the automotive industry.

The employees at all levels felt empowered, their ability to self-manage the day-to-day affairs, solve problems and get to be customer-centric were breakthroughs we experienced. Management at all levels found themselves with more time on their hands to engage in strategic issues. The problem-solving skills within the organization multiplied by a factor of 20/25 times. Rane was a

transformed organization. I consider this a Eureka moment in the history of Rane.

Here is a summary of learnings from the TQM journey:

- Focus
- Drilldown
- Look for facts
- Be Paranoid

These do not guarantee success at all times but certainly create a safety net for bad times.

## Rane Foundation

Rane has always had a reputation for being a socially and environmentally conscious organization. But all the effort that went into social consciousness resulted in “Charity by Cheque”. We kept a distance from the live action on the field. This was unlike some of the leading groups in Chennai such as TVS and Murugappa. We said to ourselves, the time has come to engage more actively. Education was chosen as a priority. This was around the year 2009. After much research, we zeroed in on polytechnic education as our chosen field. In 2011, we launched the Rane Polytechnic Technical Campus in Sethurapatti village near Trichy. The vision was to create learning opportunities and enhance employability for rural youth.

On the back of the success we had with the polytechnic, in 2018 we launched a school in Manachanallur village near Trichy. Rane Vidyalaya was born. Today both the institutions deliver high quality education at non-profit costs. Late N. Krishnamoorthy, Deputy General Manager – Finance of Rane Holdings Limited, played a major role in the desk research and execution of these initiatives. He was a walking encyclopedia - at home with Keynesian Economics, asset pricing models as with the polytechnic curriculum.

## Strong and Sensitised Boards

Professionalization of the Boards of Rane was yet another milestone. We became aware of this need long before the compulsions of SEBI. We had an Independent Woman Director on the Board as early as 2012. Given the goodwill and networking Rane had, I am proud to say it was easy to acquire skillful Board members. Their contributions have been immeasurable.

## Mentors

Over the years I have had the benefit of many mentors, ranging from Colleagues, to Directors, Partners and even some Customers. It is a long list. But those at the top I will mention. I start with my father LL Narayan (LLN), known



*Collate facts. Think linear and lateral. Use intuition. Consider downsides and consequences. Never give up*

for his ethical values, hard work and risk-taking abilities.

He managed with his heart but in the changing competitive landscape I had to go by my head! Therefore, now and then, we had our differences. But most times we were on the same page and I learnt much from him. My uncle TGK Raman, who unfortunately died young, was a huge source of encouragement. He and I were more friends than uncle and nephew.

From outside the family, a great source of inspiration has been F.P. Parkes, the then Managing Director of S&P. I have much to thank him for, particularly my formal business education and international exposure. It would take several pages to write about him. He lives in Australia these days and just completed his 89th Birthday.

Another name that needs mention is R.V.R. Thathachari. A brilliant lawyer, a good friend of my father, a Director on Rane Boards and several others. He was a powerhouse of knowledge. A strong-minded person but a clear thinker. I was fortunate that he adopted me as a reliable and ardent student.

As I look ahead I believe the businesses are in safe and competent hands. Family and non-family members at various levels. I believe they have the capacity to steer Rane forward through thick and thin.

I look back at my journey with a great sense of satisfaction. There have been ups and downs. I must acknowledge the support and encouragement of my wife and family. My long and irritable days and exhausting travel must have been a source of anxiety and worry. Pushpa handled it well. Therefore, so could I.

## Conclusion

My life lessons have been work is all about people, data and processes. Kaizen from shop floor to Board processes should be the way of life, lest institutions decay. Collate facts. Think linear and lateral. Use intuition. Consider downsides and consequences. Never give up.

Complexity yields to simplicity.

# In Conversation with L. Lakshman

**Makesh A**

President – RTSS-SGD

**Q** **Inspiration for Rane's Educational Initiatives:**  
**Education for an empowered future has always been your dream. What is your inspiration for Rane Vidyalaya School and Rane Polytechnic?**

**A** Soon after retiring from operational responsibilities, I started giving thought to ways of giving back to the society. The first choice was quality polytechnic education. RPTC was launched in 2011 and was successful. A CBSE curriculum school in rural Tamil Nadu was an automatic next. The underlying philosophy was about 100 students graduating every year from each of these institutions would make a big difference to the local community. Hopefully, they will become solid citizens and torch bearers.

**Q** **Situational Leadership:**  
**While there are many leadership theories, I have always seen you adopting a situational leadership role - when the company is doing very well - you raise the bar and while the company is facing turbulence you modify your expectations - how do you calibrate both?**

**A** That is easy. It is only in good times that a Company can afford the cost of experimentation. Even if we do not achieve the desired goals, we always learn and that keeps the organisational momentum. In difficult times, firefighting becomes the priority and we cannot afford the costs of experimentation. The idea is to keep ourselves challenged at all times. Never get complacent and let your guard down.

*Several people from across Rane Group companies quiz LL on various aspects of leadership and management.*

**Murugapandian A**

SVP-Engineering, RML-SLD

**Q** **The Post-Pandemic Future of Automotive Industry:**  
**In the digital world, developments in the automotive industry like electric vehicles, connected vehicles, autonomous vehicles and shared mobility are in full swing. With the onset of the pandemic, what would be the future of the automotive industry?**

**A** I have been reading about the likely structural changes to demand that the pandemic will bring about. I am not so sure. Indeed, electric vehicle mobility will gain traction as technology improves and there is a greater drive for cleaner environment. The connected and autonomous vehicles will be subsets.

In my view, the debate misses the point that a pre-requisite to successful shift to electric vehicles is about putting an end to fossil fuel generated power. This will take a long time and is yet another reason why electric vehicles are far away in India.



## Ayyappan B

President, RTSS-OSD

**Q** **Discipline & Time Management:** I have been observing you for the past three decades; One aspect I have been trying to emulate is your way of managing time - whether it is a plant visit, meetings, other work -- you always maintain time. When did you pick up this trait? Also, please share a few other simple yet important aspects that leaders of the future need to inculcate into their lives.

**A** Time and Timeline management are both vital to an organisation.

My respect and value for time is something that I learnt from the West and Japan. This is a pre-condition for smooth functioning of organisations. When a leader does not adhere to time, it causes irreparable domino effects across the organisation. It makes the plans of many in the organisation go awry. It can also impact suppliers and customers. Meeting Timelines are just as important. Promises made, resources expended -- all have tangible and intangible costs attached. Both internal and external.

I look at Time and Timeline management in efficiency terms. Get your things done on time and let other people do theirs.

Potential leaders will make measured promises. They will not break them.

## Rajkumar S

SVP-Operations, REVL

**Q** **Implementing change:** In an organisation which has been in existence for 4 to 5 decades, there are certain things done in a particular way. But over a period of time, we need to change and this change becomes difficult as we need the buy-in of all. Can you share from your experience, how this can be put across successfully?

## Sridhar Kumar MAP

SVP-Finance, RBL

**Q** **Becoming Successful:** What is the key to building a successful organization, while becoming individually successful at the same time?

**A** I believe the institutionalisation and sustenance of TQM is the answer. Pursue excellence at work and in life. Results will follow. The Bhagavad Gita also says so.

## Rajesh Raghavan

President, RNSS

**Q** **Choosing Between Two Good Hires!:** What are the qualities / attributes you look for when deciding in a hiring situation. Also in case you find two candidates equally suitable as per above, what criteria is used for selecting the candidate.

**A** Inclination to learn and improve is what I look for. All other things being equal, I would prefer the better listener amongst the two. To me listening is a sign of an uncluttered and open mind and they provide strong bias for action.

**A** The only way is for leaders in the organisation to walk the talk and demonstrate through low hanging fruits. People would see the results and change. Those that do not must be encouraged to leave the system.

There will be instances of frustration. But not many! Most people are waiting to be shown the right way!

**Rajalakshmi B**

AVP - Educational Initiatives, RHL

**Q** **CSR Role Model:**  
**Have there been any role models for the CSR activities that Rane Foundation pursues? What has been the most satisfying moment for you in the Rane Foundation journey so far?**

**A** I cannot think of role models. All things have to start at zero. I have come across corporates who have built successful educational institutions and they have inspired me. In India, the quality of public sector led education has left much to be desired. Aspirational leadership from the private sector for providing low cost but quality education can make a big difference in nation building.

We need to proliferate vocational education. Government efforts have not given us adequate results. India needs to keep working at this.

It has been matter of huge satisfaction that we have realised some of our goals at the polytechnic and the school. Our ultimate goal must be that the Rane institutions become centres of excellence.

**Prasad S**

GM – Corporate Planning, RHL

**Q** **Playbook for Indian Auto component companies to take advantage of future opportunities:**  
**With increased electronics content and emergence of newer technology players in the automotive space, what should be playbook for Indian Auto component players to navigate the next decade?**

**A** Unlike in China, the policy environment has never been supportive of investment in technologies. We have missed opportunities in not only electric vehicles but also in subsystems. Given this background it is difficult to be prescriptive. Risk taking abilities will be a determinant.

My view is we should just hang in there and keep looking high and low and invest in small opportunities here and there. The time will come when we can aggregate all this knowledge and become a meaningful player in emergent technologies. Fortunately, time is on our side. We have another 15/20 years.

# Quick Take

**Book that has had the most impact on you:**

Zen and the Art of Motorcycle Maintenance

**Your most prized possession...**

My collection of books

**Best advice ever received and from whom**

"Top line is Vanity and bottom line is Sanity." I quote this from A. R. Lakshmanan, a member of the Board of Kar Mobiles Limited.



Mr. Maira, Member - Planning Commission, presenting Jamsetji Tata Award on November 2012

# If I Knew Then...

*Born with the good fortune of a silver spoon, soon after graduation in 1970 as Mechanical Engineer, I joined Rane as a technical trainee. No other option was even considered. It seemed that I had to just change hats and get on in a Rane role. Although academically not a great student in my early years, later I transformed. In fact, I had quite an academic bent of mind and in retrospect should have chosen higher education and teaching as career. Regrettable, I did not discover this early on.*

It has been a great passion of mine to acquire knowledge and transmit onward. I had a penchant for data analysis and observing patterns. Converting them into information and sharing has been a singular passion.

Often times in meetings I would repeat myself. Perhaps I was thought of as a bore. My goal was to ensure even the weakest member in the meeting takes away a crystal-clear message and is able to participate effectively in execution.

So, I missed the academic and teaching bus but would like to think I have succeeded. Rane of today is known to be a learning organization.

TQM as a movement at Rane started in the year 2000. It coincided with Y2K. It has transformed Rane into a dynamic high performing internationally well-known automotive component manufacturer. Not only has TQM given us a sense of purpose, but also the skills sets and tool kits to achieve our goals. Above all, it has enhanced the self-esteem of the employees and inspired them. One can make so many excuses for having waited until 2000 to launch the TQM movement. But none of them would be tenable.

I turn next to R & D capability. The Indian automotive industry is not known for its derring-do until very recent times. Rane was also a member of that club. Granted the industrial environment driven by Government policies were neither challenging nor supportive and the volumes were abysmal. Also the Indian psyche did not have a passion for engineering.

In these circumstances merely obtaining technical know-how and copy paste was the goal. There was no vision beyond this.

When I look back, I cannot help feeling that investing in testing capabilities and engineering manpower albeit with limited goals would have served us well. Even if there would have been no short term commercial benefits, it would have placed us in a better position when the globalization and liberalization race started.

I cannot help but parrot the experience of the Japanese, Koreans and Chinese. India could have done better. Rane could have done better.

*TQM as a movement at Rane started in the year 2000. It coincided with Y2K. It has transformed Rane into a dynamic high performing internationally well-known automotive component manufacturer.*

The HRD function at Rane commenced in 1991. Scarcity of competencies was a major handicap. We did our best by focusing on training and improving employability. We were one of the earliest to implement a policy of at least 2% of the working time for training. We also developed the system of Performance Assessment and Development System (PADS). Another first was psychometric profiling and structured interview processes in recruitment.

Looking back, many of these initiatives could have been put in place years earlier. Unfortunately, our focus was excessively on Industrial Relations (IR). There was nothing to stop us from breaking away and moving ahead. The only upside to this was the rapport I built with Union leaders like Chinthan and Kuchelan. I learnt to see things from their perspective too.

There must be other regrets. Perhaps in the domain of marketing and operations. Maybe they were not so significant and hence do not come to mind readily.

## NOW THAT I KNOW . . .

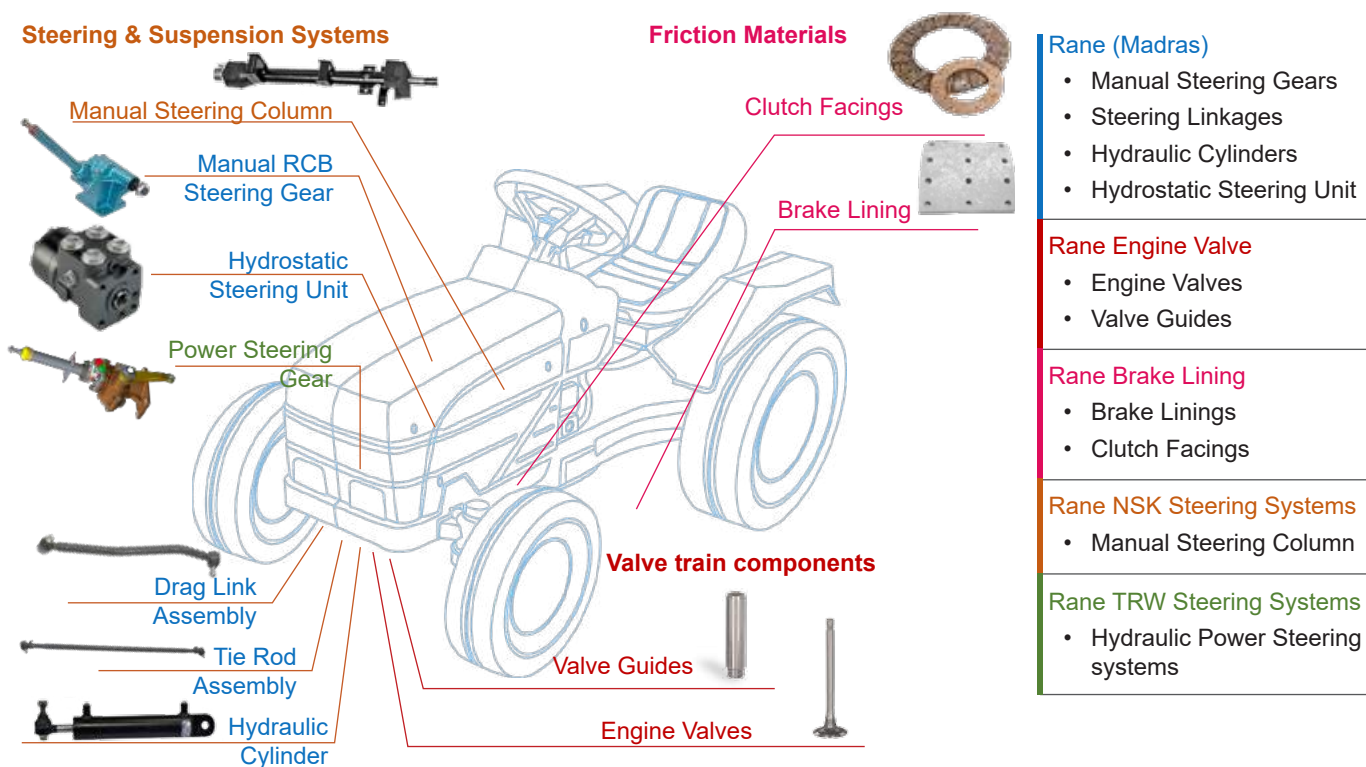
Hindsight is a great thing. Particularly when it is of the 20/20 variety. If I could turn the clock back we would have

- (a) Shed our conservatism - the profit margins in those times facilitated aggressive pricing, penetration and expansion strategies as viable options.
- (b) Doubled the training man days and improved problem-solving skills.
- (c) Launched TQM in the early 90s.
- (d) Invested ahead of time in electronic sub systems and waited for things to happen.



## A Snapshot of Rane's Farm Tractor Vehicle Segment

India, an agricultural economy, is the No. 1 farm tractor manufacturer in the world. Rane too has a significant presence in this segment, with the farm tractor business contributing 9% of the group revenue.



## CUSTOMERS SERVED

Rane supplies components to some of the leading national and international farm tractor manufacturers:

### INDIA



### INTERNATIONAL



# 100% of Batch 2020-21 of RPTC College Attract Excellent Placements

Despite all the challenges caused by the pandemic, Rane Polytechnic Technical Campus, a self-financed institution of Rane Foundation, has secured excellent placements for the students. The batch had a total of 242 students graduating this year, of which 25% have opted for higher studies. Of the 189 students who appeared for campus interviews, all (100%) have been offered jobs from companies like Schwing Shetter, Lakshmi Machine Works, Wheels India, Turbo Energy, IFB Industries, MM Forge, Saint Gobain, Asahi etc. The college aims to have 100% placements this year too.

Rane Polytechnic has helped the graduating students of its batch secure lucrative job positions during the current placement season. The Rane Polytechnic students made the most of this opportunity with their high-quality performance and have attracted great packages and many students have secured more than one offer.

three years which is beyond the prescribed curriculum and makes a huge difference to their students in their industry-readiness. Teachers at the college had included rigorous mock interview sessions, continuous interaction with corporate leaders and effective mentoring by the faculty members.

R. Venkatanarayanan, President (Corporate Services), Rane Group said, "The excellent performance of students during the placement drive speaks highly of teachers, who have worked tirelessly to secure a brighter future for the young students. I'm happy to see the young talent coming out of our institute who have been acknowledged and appreciated by the industry."

This year's placement season has reinforced the faith in the quality of talent by opening more of their desired roles, during such challenging times.

The college offers "The Finishing School Programme" during the





# Rane Vidyalaya

Featured Among 10 Innovative School Designs  
in Rural Areas Around The World



Rethinking the Future, a platform that encourages and promotes excellence in architecture on a global scale, has listed the Rane Vidyalaya school design by architects Shanmugam Associates among the top 10 innovative in rural areas globally.

Spanning 5000 m<sup>2</sup>, the school is located in Theerampalayam. Its smooth-walled structure is inspired by those in Thirunallar temple and merges with the cross houses of the region. Reflecting the values of Rane, it has a series of open spaces supported by windows over lintel heightened walls for cross-ventilation.

Local materials such as red solid bricks, baked earth tiles, terracotta jali, and grey fly ash bricks, were used as they help provide thermal comfort. The central courtyard, similar to the spaces in ancient south Indian temples, offers a meaningful space to perform several activities. The project with contextual values responded perfectly to cater to the need for natural daylight and airflow.



<https://qrgo.page.link/MRZ5i>

## Rane Vidyalaya Teacher Bags Excellence Award



A Rane Vidyalaya teacher, Suriya R., bagged the Excellence Award in the "Share Your Best" Lesson Plan competition conducted at the national level by IISER (Indian Institutes of Science Education and Research), Pune. She won the award in the English Contest for Std. 7-9 in the contest conducted by IISER and DAV Chennai along with the OpenLinks Foundation. Out of 1600 submissions from across the country, 20 submissions were selected for an Excellence Award.



To watch her interaction with OpenLinks Foundation, visit: <https://tinyurl.com/u282se8n>

## Rane Group Contributes Rs. 1 Crore for Covid-19 Fund

Rane Group contributed Rs. 1 Crore to the Tamil Nadu Government for the fight against COVID-19. Rane Group's Vice Chairman Harish Lakshman and senior officials handed over the cheque personally to the chief minister.

Rane Group companies contributed Rs. 50 lakhs towards the Chief Minister's Public Relief Fund and Rs. 50 Lakhs towards the Tamil Nadu State Disaster Management Authority.

In addition to the above, Rane Group companies spent an aggregate amount of Rs. 1.80 Crores towards various COVID-19 relief measures. The group supported several primary healthcare centres and hospitals towards supply of critical medical equipment such as ventilator supported ICU beds, oxygen cylinders and medical supplies including masks, gloves, sanitisers, etc. The group companies are also working closely with various government agencies and NGOs to spend an additional support up to Rs. 1 Crore.



**Rane Group Vice Chairman Harish Lakshman and senior officials handing over the cheque for Rs. 1 Crore to the Hon'ble Chief Minister personally**



# Retiring Board Members



*Mr. M Lakshminarayan, Independent Director, retired from the Board of Rane (Madras) Limited (RML) on May 21, 2021, as per the retirement policy of the Board.*

Mr. Lakshminarayan joined the Board of Directors of RML on July 21, 2008, and served as an Independent Director of RML for two terms. With his 50 plus years of experience in the field of science and technology, he had contributed significantly to the board's discussions and decisions on various strategic matters.



*Mr. Krishnakumar S, Independent Director, has retired from the Board of Rane Brake Lining Limited (RBL) and Rane Engine Valve Limited (REVL) on May 01, 2021, as per the retirement policy of the company.*

Mr. Krishnakumar S joined the Board of Directors of REVL on October 19, 2012, and on the Board of RBL on May 22, 2019. He had held a number of senior positions and had been closely associated with the Rane Group. With his 45 plus years of experience, he had contributed significantly to the board discussions and decisions on various strategic matters.

# New Inductions



*Mr. Ramesh Rajan Natarajan has been appointed as an Independent Director on the Board of Rane (Madras) Limited on May 21, 2021.*

Mr. Ramesh is a graduate in commerce and a fellow member of the Institute of Chartered Accountants of India. He is the Founder and Senior Partner of LeapRidge Advisors LLP. He has over 37 years of experience in the fields of finance, strategy and operations.

He was a member of PwC's India leadership team and was the engagement partner for several large domestic and multinational groups. He was the Chairman and Senior Partner at PwC India, responsible for overall strategy and operations of all PwC entities in India. As Chairman & Senior Partner, he had represented India on the Global Strategy Council of PwC International and served as a member on PwC's Central Cluster.

He is currently the Chairman of Indo National Ltd. and a director on the Board of TTK Healthcare Ltd., Cholamandalam Investment and Finance Company Ltd. and Kinco Ltd. (subsidiary of Indo National Ltd.).



*Mr. Anil Kumar Venkat Epur has been appointed as an Independent Director on the Board of Rane Engine Valve Limited on May 19, 2021.*

Mr. Anil holds a master's degree in electronics engineering and a master's degree in business administration from Cornell University, USA. He has over 42 years of experience and has worked

with MNCs as well as Indian companies both in the US and India.

He was a Government of India appointed member on the 'Prime Ministers Task Force on Agriculture', which identified strategies that were incorporated in the Agriculture Policy of the Central Government. He was also a member of many expert committees of the Government of Andhra Pradesh.

He was the past Chairman in the Confederation of Indian Industry (CII) (Southern Region) and has been on various task forces of CII. He has been associated with CII on various policy, Agriculture and Food Sectors related activities, for over 25 years.

He has been on the board of various leading companies in the auto components, software and logistics sectors and is presently on the Board of Rane Brake Lining Limited. He is also the Chairman of the Farm & Rural Science Foundation (FRSF) and Agri Horticultural Society of Hyderabad.

Mr. Anil is a trustee of the World Wide Fund for Nature (WWF), India, and Chairman of WWF- Hyderabad. He is also on various forest and wildlife committees of the Government of Andhra Pradesh and Telangana.



*Mr. S Sandilya has been appointed as an Independent Director on the Board of Rane (Madras) Limited on May 21, 2021.*

Mr. Sandilya holds a bachelor's degree in commerce from Madras University and master's degree in business administration from the Indian Institute of Management, Ahmedabad. He joined Eicher Group in 1975 and is presently the

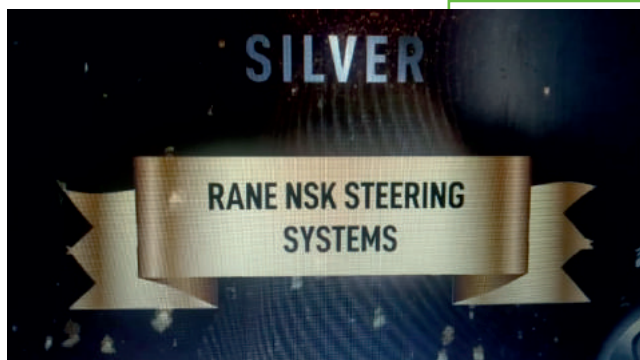
Non-Executive Chairman of Eicher Motors Ltd. since 2006.

He has over 52 years of experience and has held various positions in different business units in Eicher Group including the position of the Managing Director of Eicher

Motors Ltd., Vice Chairman and Chairman Designate before he took over as the Group Chairman and CEO in April 2000.

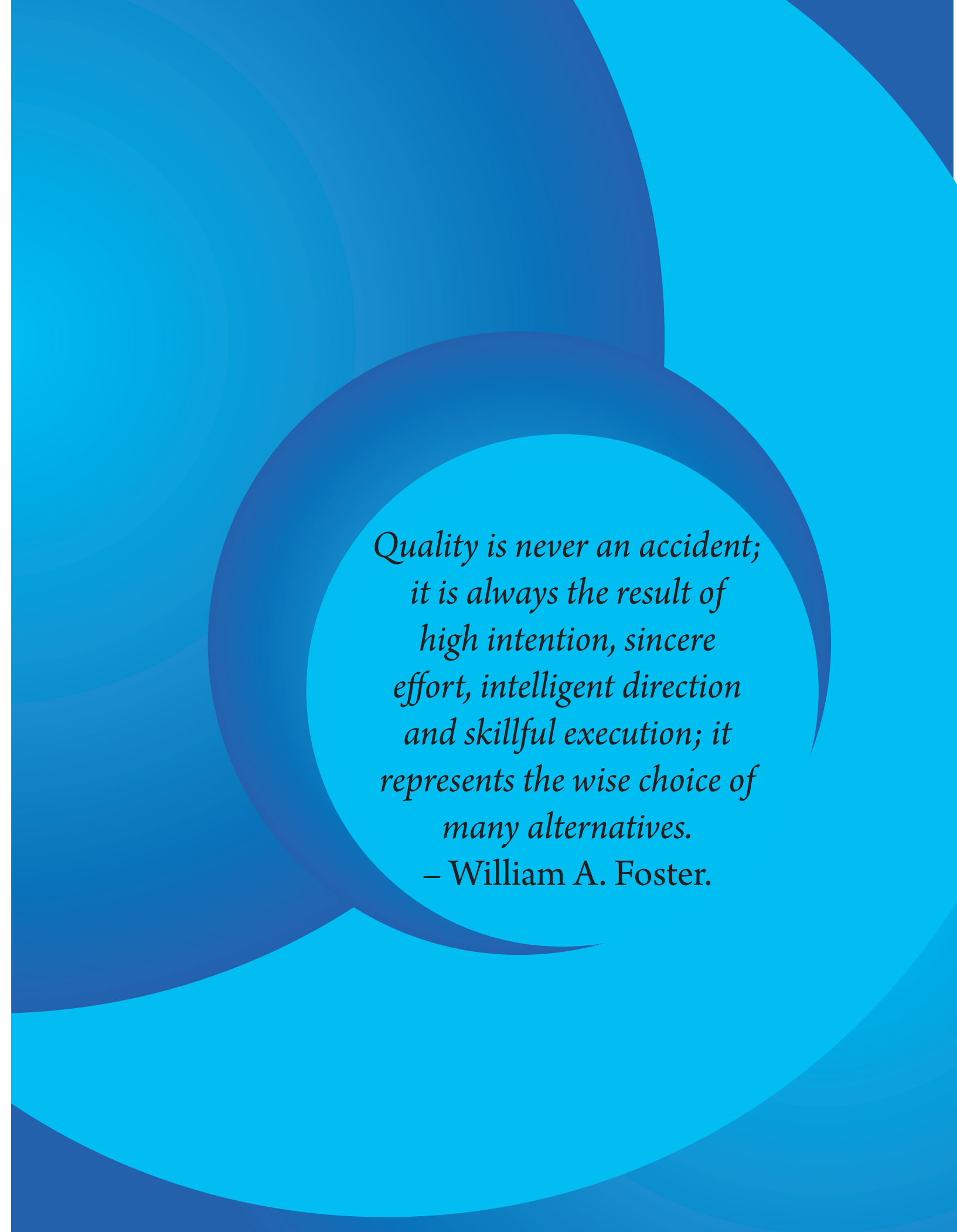
He is the Chairman and Independent Director of Mastek Ltd. and in addition, a member of the boards of reputed companies in the engineering and infrastructure sectors. He is also on the Board of Mastek UK Ltd. and is presently on the Board of Rane Brake Lining Limited.

Besides, Mr. Sandilya was also the president of SOS Children's Villages of India, a non-profit organisation looking after children in need of care, and is presently a Director in Lean Management Institute of India.



## Award from Ashok Leyland

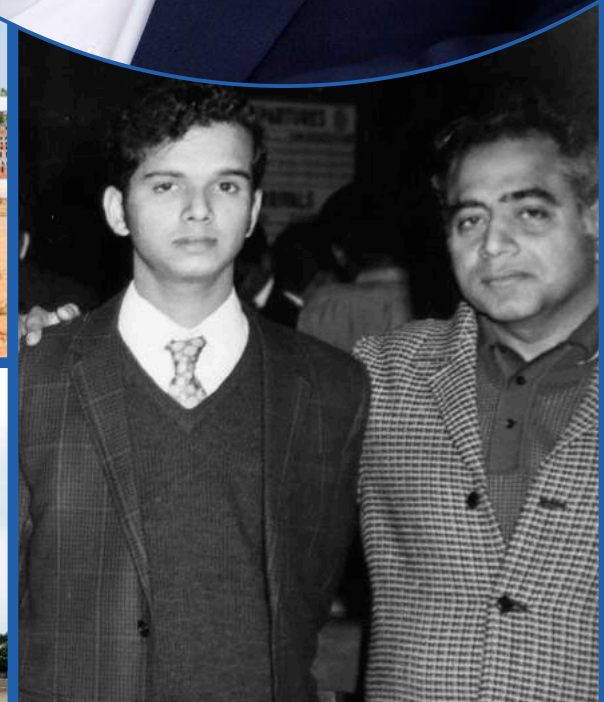
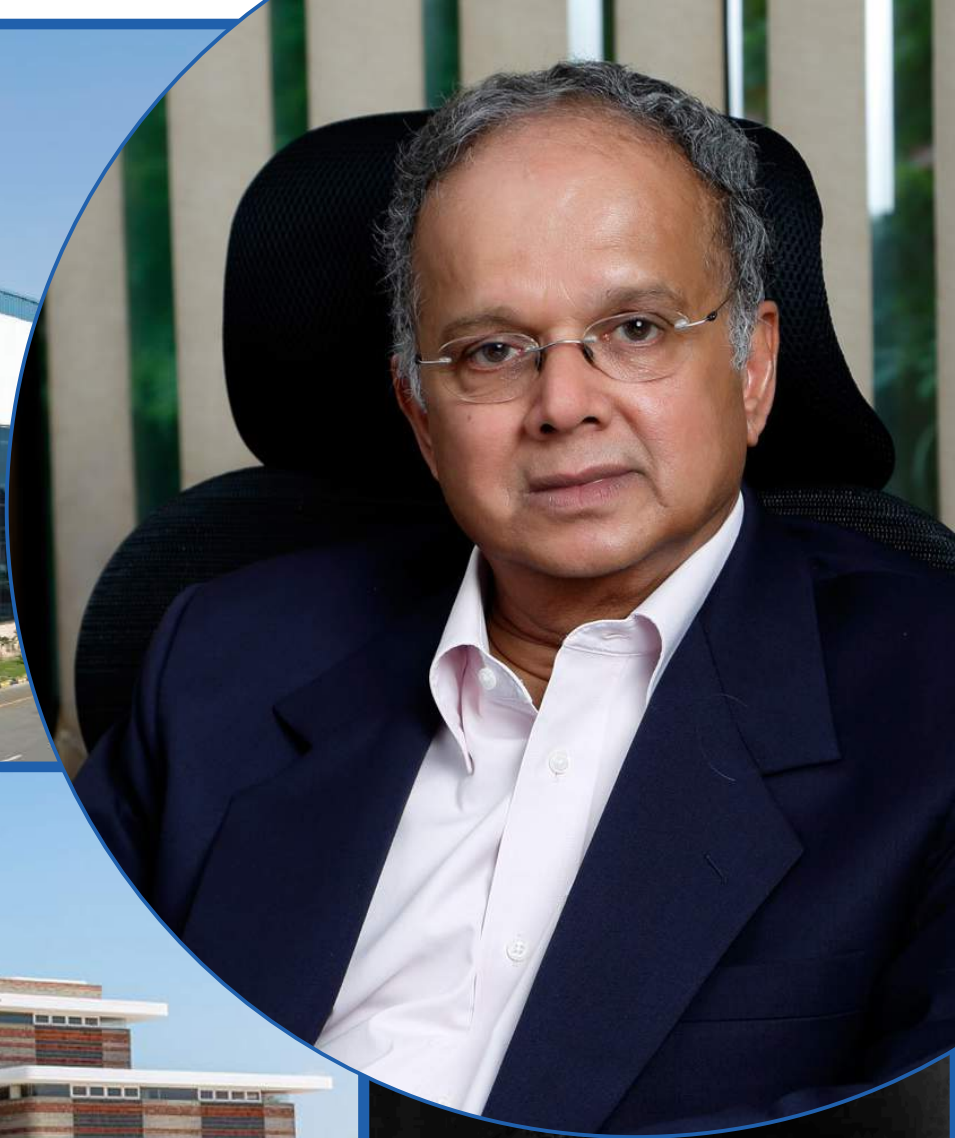
Rane NSK Steering Systems has won the LCV Business Silver Award from Ashok Leyland.



*Quality is never an accident;  
it is always the result of  
high intention, sincere  
effort, intelligent direction  
and skillful execution; it  
represents the wise choice of  
many alternatives.*

*– William A. Foster.*





**Rane Corporate Centre**

"Maithri" 132, Cathedral Road, Chennai - 600 086. India. Phone" +91-44-28112472/73 | Fax: +91-44-28112449