

RANE (MADRAS) LIMITED

CIN L65993TN2004PLC052856

Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086

visit us at: www.ranegroup.com



Statement of Audited Standalone and Consolidated Financial Results for the Quarter and Year Ended March 31, 2020

(Rs. Lakhs)

Particulars	Standalone					Consolidated				
	Quarter ended		Year ended			Quarter ended		Year ended		
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited
1. Income										
(a) Revenue from operations	24,629.04	26,381.78	32,387.35	1,05,559.32	1,32,732.29	28,200.09	30,365.36	36,550.02	1,22,834.59	1,50,615.66
(b) Other operating income	291.14	1,151.62	977.58	4,493.44	4,292.87	375.98	1,255.46	1,142.45	4,872.97	4,845.93
(c) Other income	1,024.17	489.14	216.71	1,870.65	1,057.07	787.22	425.58	246.76	1,444.41	994.97
Total Income	25,944.35	28,022.54	33,581.64	1,11,923.41	1,38,082.23	29,363.29	32,046.40	37,939.23	1,29,151.97	1,56,456.56
2. Expenses										
(a) Cost of materials consumed	16,433.92	16,117.73	20,623.93	68,303.93	86,496.80	17,674.00	17,373.87	22,174.33	74,423.07	93,049.79
(b) Purchase of stock-in-trade	-	-	-	-	-	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress	(810.26)	1,260.51	619.52	1,416.19	110.80	(770.42)	1,095.79	795.34	1,129.36	43.88
(d) Excise duty	-	-	-	-	-	-	-	-	-	-
(e) Employee benefits expense	3,325.73	3,616.19	3,444.18	14,193.67	14,851.02	5,533.86	5,814.24	5,583.97	23,388.37	23,022.85
(f) Finance costs	718.66	822.20	742.99	3,194.79	2,835.15	894.63	945.18	897.87	3,728.22	3,428.98
(g) Depreciation and amortisation expense	1,382.37	1,295.99	1,385.78	5,242.49	5,302.87	1,758.45	1,619.66	1,711.06	6,562.54	6,595.01
(h) Other expenses	4,578.06	4,564.83	5,232.39	18,159.50	21,449.23	5,839.02	5,942.82	6,911.18	24,176.77	27,752.74
Total expenses	25,628.48	27,677.45	32,048.79	1,10,510.57	1,31,045.87	30,929.54	32,791.56	38,073.75	1,33,408.33	1,53,893.25
3. Profit before exceptional items (1-2)	315.87	345.09	1,532.85	1,412.84	7,036.36	(1,566.25)	(745.16)	(134.52)	(4,256.36)	2,563.31
4. Exceptional Items (Refer note 6)	(3,757.54)	-	-	(3,757.54)	-	(196.40)	-	-	(196.40)	-
5. Profit before tax (3 ± 4)	(3,441.67)	345.09	1,532.85	(2,344.70)	7,036.36	(1,762.65)	(745.16)	(134.52)	(4,452.76)	2,563.31
6. Tax expense										
Current tax (Net of MAT Credit)	(55.94)	29.71	526.87	369.03	2,523.00	(55.74)	29.70	536.08	369.07	2,532.21
Deferred tax	24.17	(57.43)	108.41	(270.70)	(210.79)	24.17	(57.43)	108.41	(270.70)	(210.79)
Total tax expenses	(31.77)	(27.72)	635.28	98.33	2,312.21	(31.57)	(27.73)	644.49	98.37	2,321.42
7. Profit/ (loss) for the period/ year (5-6)	(3,409.90)	372.81	897.57	(2,443.03)	4,724.15	(1,731.08)	(717.43)	(779.01)	(4,551.13)	241.89
8. Other comprehensive income (Net of tax expenses)	(365.36)	(37.79)	(6.85)	(441.08)	(114.25)	(1,443.88)	(448.73)	99.64	(1,931.84)	(69.03)
A. (i) Items that will not be reclassified to profit or loss	(130.50)	(37.75)	5.27	(249.08)	(81.69)	(698.30)	(37.75)	(121.75)	(816.88)	(292.96)
(ii) Income tax relating to items that will not be reclassified to profit or loss	45.60	13.19	(1.38)	87.04	29.01	45.60	13.19	(1.38)	87.04	29.01
B. (i) Items that will be reclassified to profit or loss	(431.11)	(20.34)	(16.51)	(428.93)	(79.27)	(941.83)	(431.28)	217.00	(1,351.89)	177.22
(ii) Income tax relating to items that will be reclassified to profit or loss	150.65	7.11	5.77	149.89	17.70	150.65	7.11	5.77	149.89	17.70
9. Total comprehensive income for the period/ year (7+8)	(3,775.26)	335.02	890.72	(2,884.11)	4,609.90	(3,174.96)	(1,166.16)	(679.37)	(6,482.97)	172.86
10. Details of equity share capital										
Paid-up equity share capital (Face Value of Rs.10/- per share)	1,255.39	1,197.32	1,197.32	1,255.39	1,197.32	1,255.39	1,197.32	1,197.32	1,255.39	1,197.32
11. Other equity excluding revaluation reserves				28,837.93	29,929.78				17,131.49	21,823.45
12. Earnings per share (EPS) (of Rs.10/- each) (Amount in Rs.)										
(a) Basic	(28.30)	3.11	7.50	(20.37)	40.38	(14.37)	(5.99)	(6.51)	(37.95)	2.07
(b) Diluted	(24.86)	3.05	7.50	(19.59)	40.38	(12.62)	(5.86)	(6.51)	(36.49)	2.07

Notes:-

1. Balance Sheet as on

Rs. Lakhs

Particulars	Standalone		Consolidated	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
	Audited	Audited	Audited	Audited
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	32,557.14	33,640.77	37,139.28	37,858.73
(b) Capital Work-In-Progress	1,014.78	1,212.53	4,982.70	1,561.81
(c) Investment property	-	-	-	-
(d) Goodwill	406.43	406.43	406.43	602.83
(e) Right to use asset	368.49	-	454.09	-
(f) Other Intangible Assets	58.72	138.64	58.72	138.64
(g) Financial Assets				
(i) Investments	70.99	75.00	60.00	60.00
(ii) Loans Receivable	11,312.73	4,469.89	-	-
(iii) Other Financial Assets	5,014.36	3,974.49	4,945.65	3,729.61
(h) Deferred tax assets (net)	-	-	-	-
(i) Income Tax Asset (Net of Provision)	1,446.00	995.00	1,446.00	995.00
(j) Other non-current assets	752.87	966.50	3,433.29	1,451.13
Total Non-Current Assets	53,002.51	45,879.25	52,926.16	46,397.75
Current Assets				
(a) Inventories	13,343.64	15,471.38	15,683.83	17,179.37
(b) Financial Assets				
(i) Investments	-	-	-	-
(ii) Trade Receivables	16,290.62	21,888.43	19,079.60	24,586.70
(iii) Cash and cash equivalents	1,652.41	1,053.30	1,835.16	1,781.44
(iv) Bank balances other than (iii) above	17.54	18.33	17.54	18.34
(v) Loans receivable	23.15	24.16	33.24	25.35
(vi) Other Financial Assets	189.04	522.05	189.04	522.05
(c) Other Current Assets	2,088.83	2,991.38	2,417.33	3,218.53
Total Current Assets	33,605.23	41,969.03	39,255.74	47,331.78
TOTAL ASSETS	86,607.74	87,848.28	92,181.90	93,729.53
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	1,255.39	1,197.32	1,255.39	1,197.32
(b) Other Equity	28,837.93	29,929.78	17,131.49	21,823.45
Total Equity	30,093.32	31,127.10	18,386.88	23,020.77
Liabilities				
(1) Non-Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	13,981.73	11,229.21	19,990.65	14,132.47
(ii) Trade payables	-	-	-	-
(iii) Other financial liabilities	533.16	841.26	575.55	818.42
(b) Provisions	609.16	620.66	609.16	620.66
(c) Deferred tax liabilities (net)	169.25	676.87	169.25	676.87
(d) Other non-current liabilities	248.30	398.13	2,371.67	1,937.74
(e) Non-current Tax Liabilities (Net)	-	-	-	-
Total Non-Current Liabilities	15,541.60	13,766.13	23,716.28	18,186.16
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15,895.05	17,114.44	19,665.55	22,302.94
(ii) Trade Payables				
Total outstanding dues of Micro enterprises and Small enterprises	902.74	1,153.77	902.74	1,153.77
Total outstanding dues of creditors other than Micro enterprises and	14,535.42	17,923.02	18,042.01	20,435.60
(iii) Other Financial Liabilities	7,481.52	4,733.08	9,269.27	6,554.14
(b) Other Current Liabilities	1,492.26	1,199.41	1,533.34	1,244.82
(c) Provisions	665.83	831.33	665.83	831.33
(d) Current Tax Liabilities	-	-	-	-
Total Current Liabilities	40,972.82	42,955.05	50,078.74	52,522.60
Total Liabilities	56,514.42	56,721.18	73,795.02	70,708.76
TOTAL EQUITY AND LIABILITIES	86,607.74	87,848.28	92,181.90	93,729.53

Notes:-

- 3 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on June 18, 2020.
- 4 The Company is engaged in the manufacture of components for Transportation industry, which in the context of Indian Accounting Standard (Ind AS) 108 – Operating Segments, is considered as the only operating segment of the Company.
- 5 Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method which has resulted in recognition of Right-of-Use asset (ROU) of Rs. 455.08 Lakhs (Rs.588.78 Lakhs at Consolidated level) and a lease liability of Rs. 455.08 Lakhs (Rs.588.78 Lakhs at Consolidated level) as on the transition date. The effect of this adoption is insignificant on the profit for the period and earnings per share.
- 6 The company / group has assessed the recoverable value of its total investment, loans and other financial assets/ net assets in an operating wholly owned step down subsidiary (either directly or through the intermediate subsidiary) and provided for an impairment aggregating to Rs. 3757.54 Lakhs being shown as an exceptional charge for the Quarter and Year ended March 31, 2020. In order to carry out the above assessment, projections of future cash flows based on the most recent long-term forecasts, including selling price as well as volumes are estimated over the next five years. The estimation of sales volumes is based on management's assessment of probability of securing the new businesses in the future, adverse business impact and uncertainties arising due to COVID-19 pandemic to the extent known.
The impact of Covid 19 on the Company's financial results/statements may differ from that estimated as at the date of approval of these financial results/statements dependent on circumstances that evolve in the future.
- 7 During the quarter ended December 31, 2019, 17,42,160 warrants convertible into equity shares of Rs. 10/- each were issued and allotted on preferential basis to the holding company (Rane Holdings Limited) out of which 580,720 warrants were converted into equity shares in March, 2020
- 8 Pursuant to The Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, corporate assessee have been given an option to apply a lower income tax rate with effect from April 01, 2019, subject to certain conditions specified therein. The company is in the process of evaluating the impact of availment of the said option, and accordingly, no effect in this regard has presently been considered in the measurement of tax expense for the quarter and Year ended March 31, 2020 and the consequent impact in the deferred tax as on that date.
- 9 The financial results for the year ended March 31, 2020 have been audited and for the quarter ended March 31, 2020 have been reviewed by the statutory auditors of the Company. The figures for the quarters ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures for the years ended March 31, 2020 and March 31, 2019. The unaudited year to date figures for the nine months ended December 31, 2019 and December 31, 2018, respectively, which were subject to limited review by the Statutory Auditor. The Statutory Auditors did not issue a limited review conclusion for quarter ended March 31, 2019.
- 10 The previous period figures have been re-grouped wherever necessary to conform to current period's presentation.
- 11 The company / group has assessed the impact of COVID-19 on its financial statement based on the internal and external information, to the extent known and available, up to the date of approval of these financial statements and expects to recover the carrying amounts of investments, loans, intangible assets, trade receivable, inventories and other financial assets.
- 12 The Standalone and Consolidated financial results for the Year ended March 31, 2020 are being published in the newspaper as per the format prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The Standalone and Consolidated financial results are also available on the Stock Exchange websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) and on the Company's website viz., www.ranegroup.com.

For Rane (Madras) Limited

**Chennai
June 18, 2020**

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Chairman**

RANE (MADRAS) LIMITED

CIN L65993TN2004PLC052856

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Statement of Audited Standalone and Consolidated Financial Results for the Year Ended March 31, 2020



2. Cash flow statement

Particulars	Rs. Lakhs			
	Standalone		Consolidated	
	Audited Year ended 31.03.2020	Audited Year ended 31.03.2019	Audited Year ended 31.03.2020	Audited Year ended 31.03.2019
A. Cash flow from operating activities				
Profit for the year	(2,443.03)	4,724.15	(4,551.13)	241.89
Adjustments for :				
Income tax expense recognised in profit and loss	98.33	2,312.21	98.37	2,321.42
Finance costs recognised in profit and loss	3,194.79	2,835.15	3,728.22	3,428.98
Interest income recognised in profit and loss	(223.40)	(149.56)	(43.85)	(44.77)
Net loss/(gain) on disposal of property, plant and equipment	(14.86)	(13.89)	(5.52)	(6.38)
Government grant income	(154.41)	(191.00)	(154.41)	(191.00)
Guarantee Commission	(36.50)	(44.00)	-	-
Unrealised Exchange Loss/(Gain)	(807.72)	117.00	(150.92)	9.00
Foreign Currency translation Gain / (Loss)	-	-	(922.96)	256.49
Translation Gain on Property, Plant and Equipment	-	-	(421.20)	(467.37)
Provision for doubtful trade receivables and advances (net of write back)	(361.10)	128.72	(281.72)	128.72
Impairment of Financial Assets / Goodwill	3,757.54	-	196.40	-
Depreciation and amortisation of non-current assets	5,242.49	5,302.87	6,562.54	6,595.01
	8,252.13	15,021.65	4,053.82	12,271.99
Movements in working capital :				
(Increase) / decrease in trade and other receivables	6,131.50	(749.57)	5,961.41	(291.84)
(Increase) / decrease in inventories	2,127.74	(1,894.21)	1,495.54	(1,924.93)
(Increase) / decrease in other non current assets	5.26	(90.26)	(590.90)	(76.20)
(Increase) / decrease in other non current financial assets	(980.61)	(503.39)	(1,216.04)	(535.45)
(Increase) / decrease in other current financial assets	343.17	636.07	343.17	635.07
(Increase) / decrease in other current assets	902.56	765.55	801.20	588.10
(Increase) / decrease in loans receivable	1.00	(3.19)	(7.90)	(4.12)
Increase / (decrease) in trade payables	(3,644.16)	(4,258.36)	(2,651.27)	(3,994.93)
Increase / (decrease) in long term provisions	(11.50)	74.73	(11.50)	74.73
Increase / (decrease) in short term provisions	(165.50)	238.84	(165.50)	238.84
Increase / (decrease) in other non current financial liabilities	(597.34)	(130.48)	(597.34)	(251.08)
Increase / (decrease) in other current financial liabilities	48.52	3.27	260.97	(220.70)
Increase / (decrease) in other non current liabilities	-	53.93	583.76	247.06
Increase / (decrease) in other current liabilities	47.85	(24.89)	(524.27)	(211.52)
Cash generated from operations	12,460.62	9,139.69	7,735.15	6,545.02
Income tax paid	(819.90)	(2,087.14)	(819.94)	(2,076.58)
Net cash (used in) / generated by operating activities	11,640.72	7,052.55	6,915.21	4,468.44
B. Cash flow from investing activities				
Interest received	(9.15)	46.43	33.70	46.43
Non current Investments	-	(60.00)	-	(60.00)
Loans/investment to subsidiary	(9,776.44)	(3,730.55)	-	-
Payments for property, plant and equipment	(3,770.26)	(5,069.62)	(10,447.44)	(6,133.33)
Proceeds from disposal of property, plant and equipment	105.63	162.45	160.08	163.54
Bank Balances not considered as cash and cash equivalents	0.79	(2.36)	0.79	(2.36)
Net cash (used in) / generated by investing activities	(13,449.43)	(8,653.65)	(10,252.87)	(5,985.72)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	58.07	36.56	58.07	36.56
Proceeds from Share premium on equity shares	1,608.59	1,963.43	1,608.59	1,963.43
Money Received against Share warrant	833.33	(500.00)	833.33	(500.00)
Proceeds from long term borrowings	10,636.00	3,000.00	15,065.00	3,858.00
Repayment of long term borrowings	(5,660.26)	(1,324.33)	(7,093.76)	(1,474.73)
Proceeds from short term borrowings	-	3,314.94	-	3,680.86
Repayment of short term borrowings	(1,250.05)	-	(2,668.05)	-
Dividend paid	(538.79)	(1,349.49)	(538.79)	(1,349.49)
Tax on dividend	(110.75)	(277.40)	(110.75)	(277.40)
Interest paid	(3,181.90)	(2,783.44)	(3,775.84)	(3,340.93)
Net cash (used in)/ generated by financing activities	2,394.24	2,080.27	3,377.80	2,596.30
Net increase in cash and cash equivalents	585.53	479.17	40.14	1,079.02
Cash and cash equivalents at the beginning of the year	1,061.30	582.13	1,789.44	710.42
Cash and Cash equivalents at the end of the year	1,646.83	1,061.30	1,829.58	1,789.44

Reconciliation of cash and cash equivalents to Balance sheet

Particulars	Rs. Lakhs			
	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2020	Year ended 31.03.2019
Cash and cash equivalents as per Balance sheet	1,652.41	1,053.30	1,835.16	1,781.44
Exchange loss/(Gain) on EEFC account	(5.58)	8.00	(5.58)	8.00
Cash and cash equivalents as above	1,646.83	1,061.30	1,829.58	1,789.44

RANE (MADRAS) LIMITED

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Extract of Audited Standalone and Consolidated Financial Results for the Quarter and Year Ended March 31, 2020

(Rs. in Lakhs except per share data)

S.No	Particulars	Standalone					Consolidated				
		Quarter ended		Year ended			Quarter ended		Year ended		
		Audited	Unaudited	Audited	Audited	Audited	Audited	Unaudited	Audited	Audited	Audited
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1	Total Income from Operations	24,920.18	27,533.40	33,364.93	1,10,052.76	1,37,025.16	28,576.07	31,620.82	37,692.47	1,27,707.56	1,55,461.59
2	Net Profit / (Loss) for the period (before Tax, Exceptional items)	315.87	345.09	1,532.85	1,412.84	7,036.36	(1,566.25)	(745.16)	(134.52)	(4,256.36)	2,563.31
3	Net Profit / (Loss) for the period before tax (after Exceptional items)	(3,441.67)	345.09	1,532.85	(2,344.70)	7,036.36	(1,762.65)	(745.16)	(134.52)	(4,452.76)	2,563.31
4	Net Profit / (Loss) for the period after tax (after Exceptional items)	(3,409.90)	372.81	897.57	(2,443.03)	4,724.15	(1,731.08)	(717.43)	(779.01)	(4,551.13)	241.89
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(3,775.26)	335.02	890.72	(2,884.11)	4,609.90	(3,174.96)	(1,166.16)	(679.37)	(6,482.97)	172.86
6	Equity Share Capital	1,255.39	1,197.32	1,197.32	1,255.39	1,197.32	1,255.39	1,197.32	1,197.32	1,255.39	1,197.32
7	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year				28,837.93	29,929.78				17,131.49	21,823.45
8	Earnings Per Share (of Rs. 10/- each) -										
	1. Basic:	(28.30)	3.11	7.50	(20.37)	40.38	(14.37)	(5.99)	(6.51)	(37.95)	2.07
	2. Diluted:	(24.86)	3.05	7.50	(19.59)	40.38	(12.62)	(5.86)	(6.51)	(36.49)	2.07

The above is an extract of the detailed format of Quarterly Standalone and Consolidated Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015. The full format of the Standalone and Consolidated Audited Financial Results are available on the Stock Exchange websites: www.bseindia.com and www.nseindia.com and on the company's website-www.ranegroup.com

Note:

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 20, 2020.
- Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method which has resulted in recognition of Right-of-Use asset (ROU) of Rs. 455.08 Lakhs (Rs.588.78 Lakhs at Consolidated level) and a lease liability of Rs. 455.08 Lakhs (Rs.588.78 Lakhs at Consolidated level) as on the transition date. The effect of this adoption is insignificant on the profit for the period and earnings per share.

Pursuant to The Taxation Laws (Amendment) Ordinance, 2019 issued on 20th September, 2019, corporate assesses have been given an option to apply a lower income tax rate with effect from 1st April, 2019, subject to certain conditions specified therein. The company is in the process of evaluating the impact of availment of the said option, and accordingly, no effect in this regard has presently been considered in the measurement of tax expense for the quarter and Year ended 31st March, 2020 and the consequent impact in the deferred tax as on that date.

During the quarter ended December 31, 2019, 17,42,160 warrants convertible into equity shares of Rs. 10/- each were issued and allotted on preferential basis to the holding company (Rane Holdings Limited) out of which 580,720 warrants were converted into equity shares in March, 2020

The company / group has assessed the recoverable value of its total investment, loans and other financial assets/ net assets in an operating wholly owned step down subsidiary (either directly or through the intermediate subsidiary) and provided for an impairment aggregating to Rs. 3757.54 Lakhs being shown as an exceptional charge for the Quarter and Year ended March 31, 2020. In order to carry out the above assessment, projections of future cash flows based on the most recent long-term forecasts, including selling price as well as volumes are estimated over the next five years. The estimation of sales volumes is based on management's assessment of probability of securing the new businesses in the future, adverse business impact and uncertainties arising due to COVID-19 pandemic to the extent known. The impact of Covid 19 on the Company's financial results/statements may differ from that estimated as at the date of approval of these financial results/statements dependent on circumstances that evolve in the future.

The company / group has assessed the impact of COVID-19 on its financial statement based on the internal and external information, to the extent known and available, up to the date of approval of these financial statements and expects to recover the carrying amounts of investments, loans, intangible assets, trade receivable, inventories and other financial assets.

For Rane (Madras) Limited

Chennai
June 18, 2020

L Ganesh
Chairman

L GANESH

Digitally signed by L
GANESH
Date: 2020.06.18
13:09:49 +05'30'