



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% |

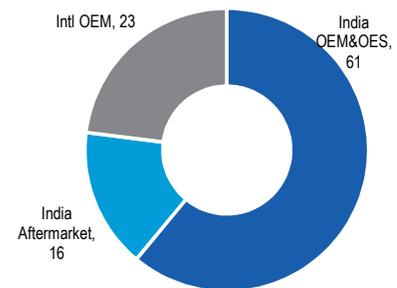
| Consolidated | Q2 FY 21 | Q2 FY 20 | YOY% |
|---------------|----------|----------|--------|
| Total Revenue | 322.1 | 331.2 | -2.8% |
| EBITDA | 16.4 | 14.8 | 10.8% |
| Margin (%) | 5.1% | 4.5% | 62 bps |
| PAT | -10.0 | -10.8 | NM |

(In ₹ Crore, unless otherwise mentioned)

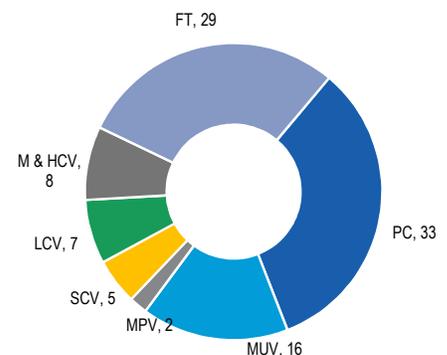
BUSINESS SPLIT (Q2 FY21)

(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.