

Rane Brake Lining Limited



//Online Submission//

RBL/SE/40/2021-22

July 26, 2021

BSE Limited Listing Centre Scrip Code: 532987	National Stock Exchange of India Limited NEAPS Symbol: RBL
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Dear Sir / Madam,

Sub: Outcome of Board Meeting held on July 26, 2021 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RBL/SE/31/2021-22 dated June 29, 2021

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results of the Company for the quarter ended June 30, 2021 as recommended by the audit committee at their respective meeting(s) held today (**July 26, 2021**).

The un-audited financial results of the Company for the quarter ended June 30, 2021 is enclosed along with the Limited Review Report issued by M/s. Varma & Varma, Chartered Accountants, Statutory Auditors. (**Regulation 33**).

The financial results 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**).

The extract of the un-audited financial results will be published in newspapers, i.e., 'Business Standard' and 'Dinamani' in the format prescribed (**Regulation 47**). An 'earnings release' for the above results is also enclosed (**Regulation 30**).

The meeting of the Board of Directors commenced at 10:15 hrs (IST) and concluded at 11:20 hrs (IST).

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

Thanking you.

Yours faithfully

For **Rane Brake Lining Limited**


Venkatraman
Secretary



Encl: a/a

1. Un-audited financial results for the quarter ended June 30, 2021.
2. Extract of the un-audited financial results for Newspaper publication.
3. Limited Review Report for the quarter ended June 30, 2021.
4. Earnings release for the quarter ended June 30, 2021.

Rane Brake Lining Limited
CIN L63011TN2004PLC054948
Regd Office: "Maithri", 132 Cathedral Road, Chennai 600 086
visit us at <http://www.ranegroup.com>
Statement of Unaudited Financial Results for the Quarter ended June 30, 2021



₹ Crores

	Particulars	Quarter ended			Financial year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Revenue				
	(a) Revenue from operations	94.28	148.66	36.86	423.88
	(b) Other Income	3.65	3.71	4.32	10.93
	Total Revenue	97.93	152.37	41.18	434.81
2	Expenses :				
	(a) Cost of materials consumed	55.51	73.42	9.26	194.50
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7.84)	(0.47)	10.38	7.60
	(c) Employee benefits expenses	19.65	18.21	14.21	65.73
	(d) Finance costs	0.00	0.24	0.00	0.25
	(e) Depreciation and amortisation expense	5.26	6.29	6.33	24.42
	(f) Other expenses	23.40	33.52	10.95	95.37
	Total Expenses	95.98	131.21	51.13	387.87
3	Profit (+)/Loss (-) before Exceptional Items (1-2)	1.95	21.16	(9.95)	46.94
4	Exceptional Items	-	-	-	-
5	Profit (+)/ Loss (-) before tax (3+4)	1.95	21.16	(9.95)	46.94
6	Tax expense				
	Current Tax (Refer Note-6)	0.22	7.44	-	16.44
	Deferred Tax	(0.00)	(0.56)	(3.06)	(1.30)
7	Profit / (Loss) for the period (5-6)	1.73	14.28	(6.89)	31.80
8	Other Comprehensive Income (Net of Tax Expense)	(0.63)	0.39	0.15	0.68
	(a) Items that will not be reclassified subsequently to Profit or loss				
	i) Remeasurement of net defined benefit Liability / Asset	(0.96)	0.60	0.23	1.04
	ii) Income tax relating to items that will not be classified to profit or loss	0.33	(0.21)	(0.08)	(0.36)
9	Total Comprehensive income for the Period (7+8) (Comprising profit / (loss) and other comprehensive income for the period)	1.10	14.67	(6.74)	32.48
10	Details of equity share capital				
	Paid-up equity share capital (Face Value of ₹ 10/- per Share)	7.73	7.75	7.91	7.75
11	Other Equity excluding revaluation reserves	-	-	-	229.91
12	Earnings Per Share (EPS) (of ₹10/- each) (not annualised) (Amount ₹)				
	(a) Basic	2.23	18.39	(8.71)	40.45
	(b) Diluted	2.23	18.39	(8.71)	40.45

- 1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 26, 2021.
- 2 The Company operates only in one segment, namely, manufacture and marketing of components for Transportation industry.
- 3 The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of full financial year and published unaudited year to date figures upto the third quarter of the respective financial year. The previous period figures have been regrouped wherever necessary to conform to current period's presentation.
- 4 The results for the quarter ended June 30, 2021 are not comparable as such with that of the quarter ended June 30, 2020 as the Company's operations for the quarter ended June 30, 2020 were partially suspended on account of the lockdown announced by the Government of India consequent to the outbreak of COVID-19 pandemic.
- 5 The company, based on the internal and external information available up to the date of approval of these unaudited financial results, has concluded that no adjustments are required in the carrying amounts of property, plant and equipment, inventories, trade receivables and other financial assets. However, given the uncertainties associated with the nature and duration of the pandemic, actual results may differ from those estimated as at the date of approval of the unaudited financial statements. The company will continue to monitor future economic conditions and update its assessment.
- 6 Current tax for the quarter ended June 30, 2021, includes reversal of income tax provision of ₹0.43 crores being tax related to earlier years arising out of settlement of pending income tax disputes by opting under the Vivad-Se-Vishwas scheme notified by the Government through "The Direct tax Vivad Se Vishwas Act, 2020".
- 7 a) The company has approved the Buy back of the Company's fully paid up equity share as on October 15, 2020. During the year ended March 31, 2021, the Company bought back 1,62,621 Equity shares of ₹10/- each for an aggregate amount of ₹11.88 crores. The Company has transferred ₹0.16 crores to the Capital redemption reserve representing the face value of equity shares bought back.
b) During the quarter ended June 30, 2021, the Company further bought back 22,488 Equity shares of ₹ 10/- each for an aggregate amount of ₹1.83 crores. The Company has transferred ₹0.02 crores to the Capital redemption reserve during the quarter ended June 30,2021 representing the face value of equity shares bought back.
c) Buy back period ended as on April 26, 2021.
- 8 The financial results for the quarter ended June 30, 2021 are being published in the newspaper as per the format prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The financial results are also available on the Stock Exchange websites: www.bseindia.com and www.nseindia.com and on the company's website- www.ranegroup.com.

For Rane Brake Lining Limited

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L Ganesh
Chairman

Place : Chennai
Date : July 26, 2021

Rane Brake Lining Limited

Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086
visit us at: www.ranegroup.com CIN No.L63011TN2004PLC054948



Extract of Unaudited Financial Results for the quarter ended June 30, 2021

₹ Crores

S.No	Particulars	Quarter ended		Financial year ended
		30.06.2021	30.06.2020	31.03.2021
		(Unaudited)	(Unaudited)	(Audited)
1	Total income from operations (net)	97.93	41.18	434.81
2	Net Profit / (Loss) for the period (before Tax and Exceptional items)	1.95	(9.95)	46.94
3	Net Profit / (Loss) for the period before tax (after Exceptional items)	1.95	(9.95)	46.94
4	Net Profit / (Loss) for the period after tax (after Exceptional items)	1.73	(6.89)	31.80
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	1.10	(6.74)	32.48
6	Equity Share Capital	7.73	7.91	7.75
7	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of previous year	-	-	229.91
8	Earnings Per Share (of ₹ 10/- each)			
	(a) Basic :	2.23	(8.71)	40.45
	(b) Diluted:	2.23	(8.71)	40.45

Note:

- 1 The above is an extract of the detailed format of unaudited Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015. The full format of the unaudited 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
- 2 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 26, 2021.
- 3 The results for the quarter ended June 30, 2021 are not comparable as such with that of the quarter ended June 30, 2020 as the Company's operations for the quarter ended June 30, 2020 were partially suspended on account of the lockdown announced by the Government of India consequent to the outbreak of COVID-19 pandemic.
- 4 The company, based on the internal and external information available up to the date of approval of these unaudited financial results, has concluded that no adjustments are required in the carrying amounts of property, plant and equipment, inventories, trade receivables and other financial assets. However, given the uncertainties associated with the nature and duration of the pandemic, actual results may differ from those estimated as at the date of approval of the unaudited financial statements. The company will continue to monitor future economic conditions and update its assessment.
- 5
 - a) The company has approved the Buy back of the Company's fully paid up equity share as on October 15, 2020. During the year ended March 31, 2021, the Company bought back 1,62,621 Equity shares of ₹ 10/- each for an aggregate amount of ₹11.88 crores. The Company has transferred ₹0.16 crores to the Capital redemption reserve representing the face value of equity shares bought back.
 - b) During the quarter ended June 30, 2021, the Company further bought back 22,488 Equity shares of ₹ 10/- each for an aggregate amount of ₹1.83 crores. The Company has transferred ₹0.02 crores to the Capital redemption reserve during the quarter ended June 30,2021 representing the face value of equity shares bought back.
 - c) Buy back period ended as on April 26, 2021.

For Rane Brake Lining Limited

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Chairman**

Place : Chennai
Date : July 26, 2021

Limited Review Report

To
The Board of Directors
Rane Brake Lining Limited

We have reviewed the accompanying statement of unaudited standalone financial results of Rane Brake Lining Limited ("the Company") for the quarter ended 30th June 2021 ("the Statement"). The statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations,2015").

The preparation of this Statement in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34, ('Ind AS 34'), "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other Accounting Principles generally accepted in India, is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410,"Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results has not been prepared in all material respects in accordance with applicable accounting standards and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Chartered Accountants

We draw attention to Note 5 to the Statement, which describes the impact due to the COVID-19 pandemic situation on the Company's financial results, as assessed by the management, and the uncertainties associated with it considering the nature and duration of the pandemic. Our conclusion is not modified in respect of the above matter.

Place : Bangalore
Date : 26th July, 2021

For Varma & Varma
Chartered Accountants
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Expanding Horizons

RANE BRAKE LINING LIMITED

Q1 FY22 Earnings Release



Chennai, India, July 26, 2021 – Rane Brake Lining Limited (NSE: RBL; BSE

Code:532987), a leading manufacturer of Brake Linings, Disc Pads and Clutch Facings today announced financial performance for the first quarter (Q1FY22) ended June 30th, 2021.

Q1 FY22 Performance

- Total Revenue was ₹97.9 Crore for Q1 FY22 compared to ₹41.2 Crore in the Q1 FY21, an increase of 137.6%
- EBITDA stood at ₹7.2 Crore compared to ₹-3.6 Crore during Q1 FY21, an increase of 300.0%
- EBITDA Margin at 7.4% for Q1 FY22 against -8.8% in Q1 FY21
- Net profit (PAT) stood at ₹1.7 Crore for Q1 FY22 compared to Net Loss of ₹6.9 Crore in Q1 FY21, an increase of 124.6%

Q1 FY22 numbers are strictly not comparable with Q1 FY21.

Operating Performance for Q1 FY22

- Sales to Indian OE customers was impacted by coronavirus second wave's resultant lockdown and shutdown of OEMs production.
- Sales to Indian Aftermarket customers was affected due to lockdown in various parts of the country.
- Drop in EBITDA due to lower volumes, increase in material cost and unfavourable product mix.

MANAGEMENT COMMENT

"Q1FY22 was an eventful quarter with the country weathering the second wave of coronavirus. RBL plants operated during the quarter albeit at lower utilization levels. Demand environment in India looks encouraging for the upcoming quarter. The commodity price increase remains a concern. The management team continues to prioritize on employee safety and operational improvements."

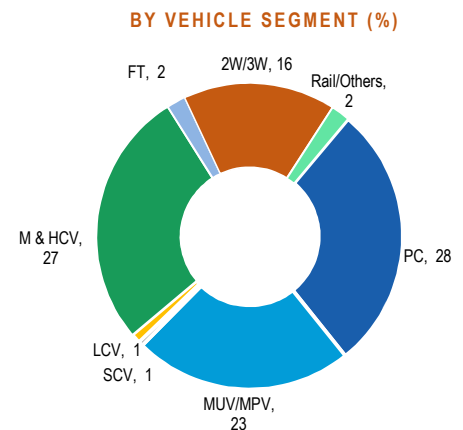
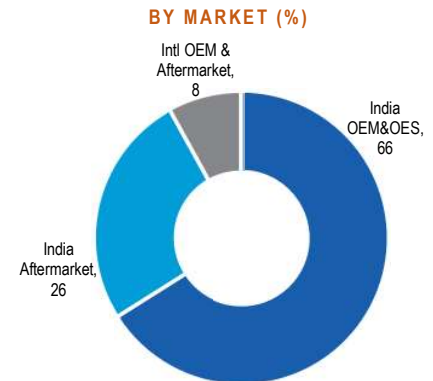
– L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Particulars	Q1 FY 22	Q1 FY 21	YOY%
Total Revenue	97.9	41.2	137.6%
EBITDA	7.2	-3.6	300.0%
Margin (%)	7.4%	-8.8%	1620 bps
PAT	1.7	-6.9	124.6%

(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q1 FY22)



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PROFIT AND LOSS ACCOUNT

Particulars	Q1FY22	Q4FY21	QoQ%	Q1FY21	YoY%
Income from Operations	94.0	148.4	-37%	36.8	156%
Other Operating Income	0.2	0.3	-19%	0.1	338%
Other Income	3.7	3.7	-2%	4.3	-16%
Total Revenue	97.9	152.4	-36%	41.2	138%
Expenses					
-Cost of Material Consumed	55.5	73.4	-24%	9.3	500%
-Purchase of stock-in-trade	-	-	-	-	-
-Changes in inventories	-7.8	-0.5	-1582%	10.4	-175%
-Employee Benefit Expense	19.6	18.2	8%	14.2	38%
-Finance Cost	0.0	0.2	-100%	0.0	-17%
-Depreciation & Amortization	5.3	6.3	-16%	6.3	-17%
-Other Expenditure	23.4	33.6	-30%	11.0	113%
Total Expenses	96.0	131.2	-27%	51.1	88%
PBT before Exceptional Items	1.9	21.2	-91%	-10.0	119%
Exceptional Item	-	-	-	-	-
PBT	1.9	21.2	-91%	-10.0	119%
Tax Expense	0.2	6.9	-97%	-3.1	107%
PAT	1.7	14.3	-88%	-6.9	125%

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

ABOUT RANE BRAKE LINING LIMITED

Established in 1964, Rane Brake Lining Limited (RBL) is part of the Rane Group of Companies, a leading auto component group based out of Chennai. RBL manufactures friction material products such as Brake linings, Disc pads, Clutch facings, Clutch buttons, Brake Shoes and Railway brake blocks. RBL is market leader in India and global player in friction material. It has technical collaboration with Nisshinbo Brakes Inc., Japan for know-how in brake linings, disc pads & clutch facings. RBL products have application in every segment of automobile industry such as PV, CV and 2W/3W.

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.

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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.