

Registered Office: Tel . 91 44 2811 2472
" Maithri "
132. Cathedral Road. URL : www.ranegroup.com
Chennai 600 086.
India.
CIN : L63011TN2004PLC054948

Rane Brake Lining Limited



//Online Submission//

RBL/SE/023/2022-23

July 26, 2022

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, 2022 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RBL/SE/019/2022-23 dated June 29, 2022

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, 2022 as recommended by the audit committee at their respective meeting(s) held today (**July 26, 2022**).

The un-audited financial results of the Company for the quarter ended June 30, 2022 is enclosed along with the Limited Review Report issued by M/s. BSR & Co., LLP, Chartered Accountants, Statutory Auditors. (**Regulation 33**).

The un-audited 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**). An 'earnings release' for the above results is also enclosed (**Regulation 30**).

The meeting of the Board of Directors commenced at 13:15 hrs (IST) and concluded at 14 :30 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, 2022.
2. Limited Review Report for the quarter ended June 30, 2022.
3. Earnings release for the quarter ended June 30, 2022.

3.

Rane Brake Lining Limited
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Visit us at : <http://www.ranegroup.com>
Statement of unaudited financial results for the quarter ended June 30, 2022



₹ Crores

Particulars	Quarter ended			Year ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	Unaudited	Audited (refer note 4)	Unaudited	Audited
1 Income				
Revenue from operations	139.33	154.31	94.28	505.55
Other income	2.56	2.64	3.65	12.64
Total income	141.89	156.95	97.93	518.19
2 Expenses				
Cost of materials consumed	83.67	84.09	55.51	271.70
Purchase of stock-in-trade	-	0.05	-	0.05
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(5.41)	(0.19)	(7.84)	(2.83)
Employee benefits expense	20.24	19.87	19.35	78.77
Finance costs	0.00	0.02	0.00	0.02
Depreciation and amortisation expense	4.83	5.52	5.26	21.42
Other expenses	30.90	31.23	23.70	113.73
Total expenses	134.23	140.59	95.98	482.86
3 Profit before exceptional items and tax (1-2)	7.66	16.36	1.95	35.33
4 Exceptional item (Refer note 5)	-	0.66	-	0.66
5 Profit before tax (3-4)	7.66	15.70	1.95	34.67
6 Tax expense (Refer note 6)				
(i) Current tax	2.03	4.14	0.22	9.52
(ii) Deferred tax	(0.16)	(1.51)	(0.00)	(1.92)
Total tax expense	1.87	2.63	0.22	7.60
7 Profit for the period (5-6)	5.79	13.07	1.73	27.07
8 Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
(i) Re-measurement gains / (losses) on defined benefit plans	0.45	1.03	(0.96)	(0.44)
(ii) Income tax effect on above	(0.11)	(0.40)	0.33	0.11
Total other comprehensive income	0.34	0.63	(0.63)	(0.33)
9 Total comprehensive income for the period (7+8) (Comprising profit and other comprehensive income for the period)	6.13	13.70	1.10	26.74
10 Paid-up equity share capital (face value of ₹10/- each fully paid up)	7.73	7.73	7.73	7.73
11 Other equity	-	-	-	235.11
12 Earnings per share (EPS) (face value of ₹10/- each) (not annualised for quarters)				
(a) Basic (in ₹)	7.49	16.91	2.23	35.03
(b) Diluted (in ₹)	7.49	16.91	2.23	35.03

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Statement of unaudited financial results for the quarter ended June 30, 2022



Notes:

- 1 The above financial results were reviewed and recommended by the Audit Committee and thereafter approved by the Board of Directors of Rane Brake Lining Limited ('the Company') at their respective meetings held on July 26, 2022. The Statutory auditors have carried out a limited review for the quarter ended June 30, 2022.
- 2 The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The Company is primarily engaged in manufacture of brake linings, disc pads, clutch facings, clutch buttons, brake shoes and railway brake blocks for transportation industry, which in the context of Indian Accounting Standard (Ind AS) 108 Operating Segments, is considered as the only operating segment.
- 4 The figures for the quarter ended March 31, 2022 as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the published unaudited year to date figures upto the third quarter of the relevant financial year, which were subject to limited review.
- 5 Exceptional item represents the amount paid to certain employees during the year ended March 31, 2022, who opted for early retirement in terms of a Voluntary retirement scheme introduced by the Company.
- 6 Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, which is effective from April 01, 2019, domestic companies have the option to apply a lower income tax rate with effect from April 01, 2019 subject to certain conditions specified therein. The Company had exercised the above option during the quarter and year ended March 31, 2022 and had recognized provision for income tax and re-measured its deferred tax liabilities for the year ended March 31, 2022 based on the lower income tax rate.
- 7 The Company has considered the possible effects that may result from the continued effect of the COVID-19 pandemic on the carrying amounts of assets, capital and financial resources, profitability, liquidity position, internal financial controls etc. In developing the assumptions relating to the possible future uncertainties, the Company, as at the date of approval of these financial results has used internal and external sources of information and based on current estimates expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the financial results may differ from that estimated as at the date of approval of these financial results depending on the circumstances that may evolve in the future. The Company will continue to closely monitor any material changes to future economic conditions.
- 8 The financial results for the quarter ended June 30, 2022 are being published in the newspaper as per the format prescribed under 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.

Place : Chennai
Date : July 26, 2022

For Rane Brake Lining Limited

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L Ganesh
Chairman

B S R & Co. LLP

Chartered Accountants

KRM Tower, 1st & 2nd Floors,
No.1, Harrington Road, Chetpet,
Chennai – 600 031, India

Telephone: +91 44 4608 3100
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Limited Review Report on unaudited financial results of Rane Brake Lining Limited for the quarter ended 30 June 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Rane Brake Lining Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Rane Brake Lining Limited (“the Company”) for the quarter ended 30 June 2022 (“the Statement”).
2. This Statement, which is the responsibility of the Company’s management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement 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 Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the three months ended 31 March 2022 as reported in these unaudited financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The financial statements of the Company for the year ended 31 March 2022 have been audited by the predecessor auditor whose report dated 18 May 2022 had expressed an unmodified opinion. The financial information of the Company for the corresponding quarter ended 30 June 2021 has been reviewed by the predecessor auditor whose report dated 26 July 2021 had expressed an unmodified opinion.

Registered Office:

B S R & Co. LLP

Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

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Partner

Chennai

26 July 2022

Membership No.: 203491

UDIN:22203491ANQHSM3116



Chennai, India, July 26, 2022 – 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 (Q1FY23) ended June 30th, 2022.

Q1 FY23 Performance

- Total Revenue was ₹141.9 Crore for Q1 FY23 compared to ₹97.9 Crore in the Q1 FY22, an increase of 44.9%
- EBITDA stood at ₹12.5 Crore compared to ₹7.2 Crore during Q1 FY22, an increase of 73.4%
- EBITDA Margin at 8.8% for Q1 FY23 against 7.4% in Q1 FY22
- PAT stood at ₹5.8 Crore for Q1 FY23 compared to ₹1.7 Crore in Q1 FY22

Q1 FY23 numbers are strictly not comparable with Q1 FY22.

Operating Highlights for Q1 FY23

- Sales to OE customer grew 36% supported by strong demand across vehicle segments
- Sales to Aftermarket customers grew 93%
- EBITDA margin increased 145 bps supported by higher volumes and improved operational performance. Commodity price increase limited the profitability improvement.

MANAGEMENT COMMENT

“RBL benefited from the favourable demand environment across the market segments. Higher volumes and improved operational performance helped drive profitability. Demand environment in India looks encouraging for the upcoming quarter. We remain cautiously optimistic given the evolving economic situation globally.”

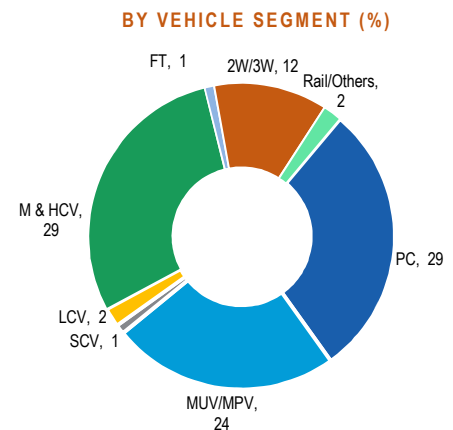
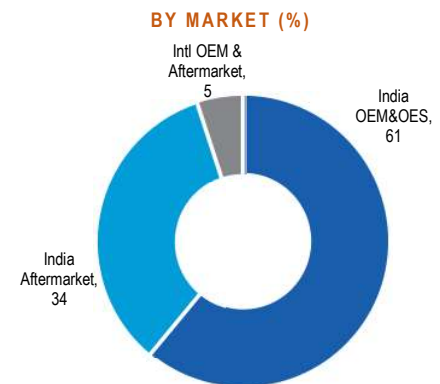
– **L. Ganesh, Chairman, Rane Group**

BUSINESS HIGHLIGHTS

Particulars	Q1 FY23	Q1 FY22	YOY%
Total Revenue	141.9	97.9	44.9%
EBITDA	12.5	7.2	73.4%
Margin (%)	8.8%	7.4%	145 bps
PAT	5.8	1.7	235.7%

(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q1 FY23)



PROFIT AND LOSS ACCOUNT

Particulars	Q1FY23	Q4FY22	QoQ%	Q1FY22	YoY%
Income from Operations	139.3	154.3	-10%	94.3	48%
Other Income	2.6	2.6	-3%	3.6	-30%
Total Revenue	141.9	157.0	-10%	97.9	45%
Expenses					
-Cost of Material Consumed	83.7	84.1	-1%	55.5	51%
-Purchase of stock-in-trade	-	0.1	-	-	-
-Changes in inventories	-5.4	-0.2	-	-7.8	-
-Employee Benefit Expense	20.2	19.9	2%	19.3	5%
-Finance Cost	0.0	0.0	-	0.0	-
-Depreciation & Amortization	4.8	5.5	-13%	5.3	-8%
-Other Expenditure	30.9	31.2	-1%	23.7	30%
Total Expenses	134.2	140.6	-5%	96.0	40%
PBT before Exceptional Items	7.7	16.4	-53%	1.9	294%
Exceptional Item	-	-0.7	-	-	-
PBT	7.7	15.7	-51%	1.9	294%
Tax Expense	1.9	2.6	-29%	0.2	754%
PAT	5.8	13.1	-56%	1.7	236%

(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.

IF YOU HAVE ANY QUESTIONS OR REQUIRE FURTHER INFORMATION,
PLEASE FEEL FREE TO CONTACT: INVESTORSERVICES@RANEGROUP.COM OR DIWAKAR.PINGLE@IN.EY.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.