

Registered Office: Tel : 91 44 2811 2472  
"Maithri"  
132, Cathedral Road, URL : www.ranegroup.com  
Chennai 600 086.  
India.  
CIN : L65993TN2004PLC052856

## Rane (Madras) Limited



//Online Submission//

RML / SE / 48 / 2021-22

January 24, 2022

<b>BSE Limited</b> Listing Centre Scrip Code: <b>532661</b>	<b>National Stock Exchange of India Limited</b> NEAPS Symbol: <b>RML</b>
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Dear Sir / Madam,

**Sub: Outcome of Board Meeting held on January 24, 2022 - under Regulation 30 of SEBI LODR**

**Ref: Our letter no. RML/SE/39/2021-22 dated December 30, 2021**

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results (standalone & consolidated) of the Company for the quarter and nine months ended December 31, 2021 as recommended by the audit committee at their respective meeting(s) held today (**January 24, 2022**).

The un-audited financial results (standalone & consolidated) of the Company for the quarter ended December 31, 2021 is enclosed along with the Limited Review Report on both standalone & consolidated results issued by M/s. BSR & Co, LLP, Chartered Accountants, Statutory Auditors. (**Regulation 33**).

The un-audited financial results (standalone & consolidated) will be uploaded on the website of the company at [www.ranegroup.com](http://www.ranegroup.com) and stock exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) (**Regulation 46**). An 'earnings release' for the above results is also enclosed (**Regulation 30**).

The extract of the un-audited financial results (standalone & consolidated) will be published in newspapers, i.e., 'Business Standard' and 'Dinamani' in the format prescribed (**Regulation 47**).



The meeting of the Board of Directors commenced at **11 : 00** hrs (IST) and concluded at **12 : 20** hrs (IST).

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

Thanking you,

Yours faithfully,

For **Rane (Madras) Limited**

  
Subha Shree  
**Secretary**  


Encl: a/a

1. Un-audited financial results (standalone & consolidated) for the quarter and nine months ended December 31, 2021.
2. Extract of the un-audited financial results (standalone & consolidated) for Newspaper publication.
3. Limited Review Report (standalone & consolidated) for the quarter and nine months ended December 31, 2021.
4. Earnings release for the quarter and nine months ended December 31, 2021.

**RANE (MADRAS) LIMITED**  
CIN L65993TN2004PLC052856

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**Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2021**

(Rs. Crores)

Particulars	Standalone					
	Quarter ended			Nine months ended		Year ended
	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Income</b>						
(a) Revenue from operations	391.08	412.27	391.82	1,103.14	768.80	1,147.15
(b) Other income	2.87	0.88	7.03	4.48	12.02	3.90
<b>Total income</b>	<b>393.95</b>	<b>413.15</b>	<b>398.85</b>	<b>1,107.62</b>	<b>780.82</b>	<b>1,151.05</b>
<b>2. Expenses</b>						
(a) Cost of materials consumed	271.87	285.09	249.48	759.57	473.43	728.48
(b) Changes in inventories of finished goods and work-in-progress	(18.47)	(19.36)	0.19	(50.77)	16.72	4.24
(c) Employee benefits expense	42.40	41.99	39.11	124.00	97.77	133.99
(d) Finance costs	5.53	4.83	5.73	14.43	20.41	23.46
(e) Depreciation and amortisation expense	15.40	15.16	13.31	45.11	38.13	52.30
(f) Other expenses	67.01	74.20	59.27	188.91	125.31	191.12
<b>Total expenses</b>	<b>383.74</b>	<b>401.91</b>	<b>367.09</b>	<b>1,081.25</b>	<b>771.77</b>	<b>1,133.59</b>
<b>3. Profit / (Loss) before exceptional items (1-2)</b>	<b>10.21</b>	<b>11.24</b>	<b>31.76</b>	<b>26.37</b>	<b>9.05</b>	<b>17.46</b>
4. Exceptional Items (Refer note 4)	-	-	-	-	-	(62.50)
<b>5. Profit / (Loss) before tax (3 ± 4)</b>	<b>10.21</b>	<b>11.24</b>	<b>31.76</b>	<b>26.37</b>	<b>9.05</b>	<b>(45.04)</b>
<b>6. Tax expense</b>						
Current tax	4.13	3.98	14.56	9.81	2.53	7.16
Deferred tax	(1.63)	(1.22)	(4.27)	(3.35)	0.55	(1.51)
<b>Total tax expenses</b>	<b>2.50</b>	<b>2.76</b>	<b>10.29</b>	<b>6.46</b>	<b>3.08</b>	<b>5.65</b>
<b>7. Profit / (loss) for the period/ year (5-6)</b>	<b>7.71</b>	<b>8.48</b>	<b>21.47</b>	<b>19.91</b>	<b>5.97</b>	<b>(50.69)</b>
A. (i) Items that will not be reclassified to profit or loss	0.29	(0.03)	0.35	(0.03)	(0.30)	0.32
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.06)	-	(0.10)	0.01	0.10	(0.08)
<b>Subtotal - A</b>	<b>0.23</b>	<b>(0.03)</b>	<b>0.25</b>	<b>(0.02)</b>	<b>(0.20)</b>	<b>0.24</b>
B. (i) Items that will be reclassified to profit or loss	-	-	0.48	-	4.36	4.29
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	(0.26)	-	(1.48)	(1.50)
<b>Subtotal - B</b>	<b>-</b>	<b>-</b>	<b>0.22</b>	<b>-</b>	<b>2.88</b>	<b>2.79</b>
<b>8. Other comprehensive income</b>	<b>0.23</b>	<b>(0.03)</b>	<b>0.47</b>	<b>(0.02)</b>	<b>2.68</b>	<b>3.03</b>
<b>9. Total comprehensive income for the period/ year (7+8)</b>	<b>7.94</b>	<b>8.45</b>	<b>21.94</b>	<b>19.89</b>	<b>8.65</b>	<b>(47.66)</b>
10. Details of equity share capital						
Paid-up equity share capital (Face Value of Rs.10 /- per share )	15.42	15.42	12.55	15.42	12.55	14.57
<b>11. Other equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>293.70</b>
12. Earnings per share (EPS) (of Rs.10/- each) (Amount in Rs.) (Not annualised for the quarters)						
(a) Basic	5.00	5.64	17.10	13.27	4.75	(39.51)
(b) Diluted	4.90	5.52	17.10	13.00	4.75	(39.51)

**RANE (MADRAS) LIMITED**

CIN L65993TN2004PLC052856

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visit us at: www.ranegroup.com



**Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2021**

Particulars	Consolidated					
	Quarter ended			Nine months ended		Year ended
	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Income</b>						
(a) Revenue from operations	437.79	458.41	427.23	1,236.49	855.60	1,267.39
(b) Other income	2.71	1.04	7.98	4.43	16.00	6.87
<b>Total income</b>	<b>440.50</b>	<b>459.45</b>	<b>435.21</b>	<b>1,240.92</b>	<b>871.60</b>	<b>1,274.26</b>
<b>2. Expenses</b>						
(a) Cost of materials consumed	291.54	303.57	261.68	815.02	501.80	770.58
(b) Changes in inventories of finished goods and work-in-progress	(17.31)	(17.90)	(0.43)	(47.77)	14.87	2.42
(c) Employee benefits expense	68.28	65.42	62.71	196.05	164.01	219.53
(d) Finance costs	5.78	5.67	6.68	15.14	22.98	27.04
(e) Depreciation and amortisation expense	20.39	20.02	16.86	59.67	48.13	66.12
(f) Other expenses	83.13	86.77	71.93	229.86	163.17	244.04
<b>Total expenses</b>	<b>451.81</b>	<b>463.55</b>	<b>419.43</b>	<b>1,267.97</b>	<b>914.96</b>	<b>1,329.73</b>
<b>3. Profit / (Loss) before exceptional items (1-2)</b>	<b>(11.31)</b>	<b>(4.10)</b>	<b>15.78</b>	<b>(27.05)</b>	<b>(43.36)</b>	<b>(55.47)</b>
4. Exceptional Items (Refer note 5)	9.50	9.14	-	46.71	-	-
<b>5. Profit / (Loss) before tax (3 ± 4)</b>	<b>(1.81)</b>	<b>5.04</b>	<b>15.78</b>	<b>19.66</b>	<b>(43.36)</b>	<b>(55.47)</b>
<b>6. Tax expense</b>						
Current tax	4.13	3.98	14.56	9.81	2.53	7.18
Deferred tax	(1.63)	(1.22)	(4.27)	(3.35)	0.55	(1.51)
<b>Total tax expenses</b>	<b>2.50</b>	<b>2.76</b>	<b>10.29</b>	<b>6.46</b>	<b>3.08</b>	<b>5.67</b>
<b>7. Profit / (loss) for the period/ year (5-6)</b>	<b>(4.31)</b>	<b>2.28</b>	<b>5.49</b>	<b>13.20</b>	<b>(46.44)</b>	<b>(61.14)</b>
A. (i) Items that will not be reclassified to profit or loss	0.29	(0.03)	0.35	(0.03)	(0.30)	5.58
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.06)	-	(0.10)	0.01	0.10	(0.08)
<b>Subtotal - A</b>	<b>0.23</b>	<b>(0.03)</b>	<b>0.25</b>	<b>(0.02)</b>	<b>(0.20)</b>	<b>5.50</b>
B. (i) Items that will be reclassified to profit or loss	6.59	6.49	(6.66)	5.49	(10.32)	0.17
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	(0.26)	-	(1.48)	(1.50)
<b>Subtotal - B</b>	<b>6.59</b>	<b>6.49</b>	<b>(6.92)</b>	<b>5.49</b>	<b>(11.80)</b>	<b>(1.33)</b>
<b>8. Other comprehensive income</b>	<b>6.82</b>	<b>6.46</b>	<b>(6.67)</b>	<b>5.47</b>	<b>(12.00)</b>	<b>4.17</b>
<b>9. Total comprehensive income for the period/ year (7+8)</b>	<b>2.51</b>	<b>8.74</b>	<b>(1.18)</b>	<b>18.67</b>	<b>(58.44)</b>	<b>(56.97)</b>
10. Details of equity share capital						
Paid-up equity share capital (Face Value of Rs.10/- per share )	15.42	15.42	12.55	15.42	12.55	14.57
<b>11. Other equity</b>	-	-	-	-	-	167.32
12. Earnings per share (EPS) (of Rs.10/- each) (Amount in Rs.) (Not annualised for the quarters)						
(a) Basic	(2.80)	1.52	4.38	8.80	(36.99)	(47.66)
(b) Diluted	(2.80)	1.48	4.38	8.62	(36.99)	(47.66)

**Notes to the Unaudited Standalone and Consolidated Financial Results for the quarter ended December 31, 2021**

- 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 January 24, 2022.
- 2 The above 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 Rane (Madras) Limited ('the Company') and its subsidiaries (collectively referred to as 'the Group') are 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 Group.
- 4 During the year ended March 31, 2021, the Company had assessed the carrying value of its investments in a subsidiary and considered the fair value changes thereto resulting in a reduction in the carrying value aggregating to Rs. 62.50 crores being shown as an exceptional item for the year ended March 31, 2021. In order to carry out the above assessment, projections of future cash flows of the operating step-down subsidiary 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 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.
- 5 The Company's subsidiary in the U.S., Rane Light Metal Castings Inc., ('LMCA') was entitled to certain economic relief provided by the U.S. government in order to manage the impact of COVID-19 pandemic. Pursuant to such economic relief schemes, during the nine months ended December 31, 2021, LMCA received an approval for forgiveness of the paycheck protection program loan ('PPP Loan') from the U.S. Small Business Administration (SBA) for an amount of USD 2.63 million (INR 19.45 crores). Further, LMCA was eligible for employee retention credit (ERC), from the U.S. Internal Revenue Service during the nine months ended December 31, 2021 for an amount of USD 3.66 million (INR 27.26 crores) (including USD 1.26 million (INR 9.50 crores) for the quarter ended December 31, 2021 and USD 1.23 million (INR 9.14 crores) for the quarter ended September 30, 2021). The aggregate amounts of such relief have been recorded as an exceptional income in the consolidated results for the quarter ended September 30, 2021 and for the quarter and nine months ended December 31, 2021.
- 6 Pursuant to the Business transfer agreement dated October 11, 2021, the Company acquired the Steering Components Business ('SCB') of Yagachi Technologies Private Limited ('YTPL') for an aggregate consideration of INR 23.19 crores on a slump sale basis effective from October 31, 2021. Pursuant to such acquisition, the Property, plant and equipment, Intangibles, Inventories and other net current assets relating to SCB have been transferred to the Company.
- 7 COVID-19 pandemic has rapidly spread throughout the world, including India. Governments have taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions on activities. Consequently, the Company's/ Group's manufacturing plants and offices had to operate under restrictions for a period of time during the nine months ended December 31, 2021. These measures have an impact on matters relating to commodity prices, supply chain matters, customer demand, personnel available for work and for being available to access offices etc.  
  
The Company/Group has considered the possible effects that may result from the continued effect of the pandemic on the carrying amounts of assets (net of impairment losses), capital and financial resources, profitability, liquidity position, internal financial controls etc. In developing the assumptions relating to the possible future uncertainties, the company/ Group, 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 Company's/Group's 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/Group will continue to closely monitor any material changes to future economic conditions.
- 8 The Company's operations for the quarter ended June 30, 2020 were suspended for part of the quarter on account of the lockdown announced by the Government of India consequent to the outbreak of COVID-19 pandemic. The results for the nine months ended December 31, 2021 are, therefore, not comparable with the nine months ended December 31, 2020.
- 9 Subsequent to the quarter ended December 31, 2021, the Company has received Rs.15 crores from Rane Holdings Limited as warrant exercise price towards conversion of the outstanding 8,49,979 warrants issued on preferential basis and has allotted equivalent equity shares of Rs.10 each fully paid up on January 11, 2022. Consequently, the issued and paid up capital stands increased by 8,49,979 equity shares of Rs.10 each fully paid-up towards which listing approvals were received on January 18, 2022 from NSE/BSE & trading approvals are awaited from BSE and NSE.
- 10 The Standalone and Consolidated financial results for the quarter and nine months ended December 31, 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 Standalone and Consolidated financial results are also available on the Stock Exchange websites of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)) and on the Company's website viz., [www.ranegroup.com](http://www.ranegroup.com).

Chennai  
January 24, 2022

**For Rane (Madras) Limited**

LAKSHMINARA  
YAN GANESH

**L Ganesh**  
Chairman

**RANE (MADRAS) LIMITED**

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visit us at: www.ranegroup.com CIN L65993TN2004PLC052856



**Extract of Unaudited Standalone and Consolidated Financial Results for the quarter and nine months ended December 31, 2021**

(Rs. Crores except per share data)

S.No	Particulars	Standalone				Consolidated			
		Quarter ended		Nine months ended		Quarter ended		Nine months ended	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
		31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020
1	Total Income from Operations	391.08	391.82	1,103.14	768.80	437.79	427.23	1,236.49	855.60
2	Net Profit / (Loss) for the period (before Tax, Exceptional Items)	10.21	31.76	26.37	9.05	(11.31)	15.78	(27.05)	(43.36)
3	Net Profit / (Loss) for the period before tax (after Exceptional Items)	10.21	31.76	26.37	9.05	(1.81)	15.78	19.66	(43.36)
4	Net Profit / (Loss) for the period after tax (after Exceptional Items)	7.71	21.47	19.91	5.97	(4.31)	5.49	13.20	(46.44)
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	7.94	21.94	19.89	8.65	2.51	(1.18)	18.67	(58.44)
6	Equity Share Capital	15.42	12.55	15.42	12.55	15.42	12.55	15.42	12.55
7	Earnings Per Share (of Rs. 10/- each) - (Not annualised for the quarters)								
	1. Basic:	5.00	17.10	13.27	4.75	(2.80)	4.38	8.80	(36.99)
	2. Diluted:	4.90	17.10	13.00	4.75	(2.80)	4.38	8.62	(36.99)

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 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

**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 January 24, 2022.
- During the year ended March 31, 2021, the Company had assessed the carrying value of its investments in a subsidiary and considered the fair value changes thereto resulting in a reduction in the carrying value aggregating to Rs. 62.50 crores being shown as an exceptional item for the year ended March 31, 2021. In order to carry out the above assessment, projections of future cash flows of the operating step-down subsidiary 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 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's subsidiary in the U.S., Rane Light Metal Castings Inc. ("LMCA") was entitled to certain economic relief provided by the U.S. government in order to manage the impact of COVID-19 pandemic. Pursuant to such economic relief schemes, during the nine months ended December 31, 2021, LMCA received an approval for forgiveness of the paycheck protection program loan ("PPP Loan") from the U.S. Small Business Administration (SBA) for an amount of USD 2.63 million (INR 19.45 crores). Further, LMCA was eligible for employee retention credit (ERC), from the U.S. Internal Revenue Service during the nine months ended December 31, 2021 for an amount of USD 3.68 million (INR 27.26 crores) (including USD 1.26 million (INR 9.50 crores) for the quarter ended December 31, 2021 and USD 1.23 million (INR 9.14 crores) for the quarter ended September 30, 2021). The aggregate amounts of such relief have been recorded as an exceptional income in the consolidated results for the quarter ended September 30, 2021 and for the quarter and nine months ended December 31, 2021.
- Pursuant to the Business transfer agreement dated October 11, 2021, the Company acquired the Steering Components Business ("SCB") of Yagachi Technologies Private Limited ("YTPL") for an aggregate consideration of INR 23.19 crores on a slump sale basis effective from October 31, 2021. Pursuant to such acquisition, the Property, plant and equipment, Intangibles, Inventories and other net current assets relating to SCB have been transferred to the Company.
- COVID-19 pandemic has rapidly spread throughout the world, including India. Governments have taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions on activities. Consequently, the Company's Group's manufacturing plants and offices had to operate under restrictions for a period of time during the half year ended September 30, 2021. These measures have an impact on matters relating to commodity prices, supply chain matters, customer demand, personnel available for work and for being available to access offices etc. The Group has considered the possible effects that may result from the continued effect of the pandemic on the carrying amounts of assets (net of impairment losses), capital and financial resources, profitability, liquidity position, internal financial controls etc. In developing the assumptions relating to the possible future uncertainties, the Group, 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 Company's/Group's 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/Group will continue to closely monitor any material changes to future economic conditions.
- The Company's operations for the quarter ended June 30, 2020 were suspended for part of the quarter on account of the lockdown announced by the Government of India consequent to the outbreak of COVID-19 pandemic. The results for the nine months ended December 31, 2021 are, therefore, not comparable with the nine months ended December 31, 2020.
- Subsequent to the quarter ended December 31, 2021, the Company has received Rs.15 crores from Rane Holdings Limited as warrant exercise price towards conversion of the outstanding 8,49,979 warrants issued on preferential basis and has allotted equivalent equity shares of Rs.10 each fully paid up on January 11, 2022. Consequently, the issued and paid up capital stands increased by 8,49,979 equity shares of Rs.10 each fully paid-up towards which listing & trading approvals are awaited from BSE and NSE.

Chennai  
January 24, 2022

**For Rane (Madras) Limited**  
LAKSHMINARA  
YAN GANESH  
L Ganesh  
Chairman

# B S R & Co. LLP

Chartered Accountants

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

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## Limited Review Report on unaudited standalone financial results of Rane (Madras) Limited for the quarter ended 31 December 21 and year-to-date results for the period from 1 April 2021 to 31 December 2021 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 (Madras) Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Rane (Madras) Limited ("the Company") for the quarter ended 31 December 2021 and year-to-date results for the period from 1 April 2021 to 31 December 2021 ("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. 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.
5. We draw attention to Note 7 to the unaudited standalone financial results, which describes the economic and social consequences / disruption the entity is facing as a result of COVID-19 which is impacting supply chain, consumer demand, commodity prices, personnel available for work etc.

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

SIVARAMAKRISHN

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SIVARAMAKRISHNAN  
SETHURAMAN

AN SETHURAMAN

Date: 2022.01.24 12:38:32 +05'30'

**S Sethuraman**

*Partner*

Membership No.: 203491

UDIN:22203491AAAAAF6214

Chennai  
24 January 2022

Registered Office:

# B S R & Co. LLP

Chartered Accountants

KRM Tower, 1<sup>st</sup> & 2<sup>nd</sup> Floors,  
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## Limited Review Report on unaudited consolidated financial results of Rane (Madras) Limited for the quarter ended 31 December 2021 and year-to-date results for the period from 1 April 2021 to 31 December 21 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

### To the Board of Directors of Rane (Madras) Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Rane (Madras) Limited (“the Parent”), and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the quarter ended 31 December 2021 and year-to-date results for the period from 1 April 2021 to 31 December 2021 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s 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 Listing Regulations. Our responsibility is to express a conclusion 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities: Rane (Madras) Limited, Rane (Madras) International Holdings, B.V. and Rane Light Metal Castings Inc.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 7 to the unaudited consolidated financial results, which describes the economic and social consequences / disruption the Group is facing as a result of COVID-19 which is impacting supply chain, consumer demand, commodity prices, personnel available for work etc.

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

SIVARAMAKRISHN

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SIVARAMAKRISHNAN

AN SETHURAMAN

SETHURAMAN  
Date: 2022.01.24 12:37:37 +05'30'

**S Sethuraman**

*Partner*

Membership No.: 203491

UDIN:22203491AAAAAG7686

Chennai  
24 January 2022





**Chennai, India, January 24, 2022** – 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 third quarter (Q3FY22) and nine months (9MFY22) ended December 31<sup>st</sup>, 2021.

### Standalone Q3 FY22 Performance

- Total Revenue was ₹394.0 Crore for Q3 FY22 compared to ₹398.8 Crore in the Q3 FY21, a decrease of 1.2%
- EBITDA stood at ₹31.1 Crore compared to ₹50.8 Crore during Q3 FY21, a decrease of 38.7%
- EBITDA Margin at 7.9% for Q3 FY22 against 12.7% in Q3 FY21
- Net Profit stood at ₹7.7 Crore for Q3 FY22 compared to ₹21.5 Crore in Q3 FY21, a decrease of 64.1%

### Consolidated Q3 FY22 Performance

- Total Revenue was ₹440.5 Crore for Q3 FY22 compared to ₹435.2 Crore in the Q3 FY21, an increase of 1.2%
- EBITDA stood at ₹14.9 Crore compared to ₹39.3 Crore during Q3 FY21, a decrease of 62.2%
- EBITDA Margin at 3.4% for Q3 FY22 against 9.0% in Q3 FY21
- Net Loss stood at ₹4.3 Crore for Q3 FY22 compared to Profit of ₹5.5 Crore in Q3 FY21, a decrease of 178.5%

### Operating Highlights for Q3 FY22 – Standalone

- Sale volume to OE customers declined by 4% mainly due to significant drop in sales to the Farm Tractor segment on account of unseasonal rains and higher dealer inventory. However OE sales revenue registered a growth of around 5% on account of inflationary impact in the selling price realization.
- Sales to International customers decreased by 10%. The demand was affected due to semiconductor shortage.
- Sales to Aftermarket customers grew 9% supported by demand across pan India.
- Significant increase in all raw material and other costs has resulted in a drop in EBITDA margin by 483 bps

### Operating Highlights for Q3 FY22 – Consolidated

- Sales of the US subsidiary grew with ramp-up in volumes on new programs. However semiconductor shortage resulted in drop in momentum
- Improved operational performance sustained on quality, productivity and customer delivery.
- There was an exceptional income of USD 1.3 Mn on account of US Federal stimulus benefits.

### MANAGEMENT COMMENT

“Q3 was a challenging quarter with semiconductor shortage impacting the supply chain across served customers and geographies. Also commodity prices remained at elevated levels impacting profitability. The US subsidiary sustained the improved operational performance. We hope the third wave of coronavirus in India does not adversely impact the demand environment.”

– L. Ganesh, Chairman, Rane Group

### BUSINESS HIGHLIGHTS

#### Financial Performance

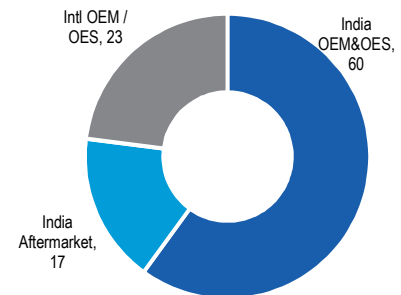
Standalone	Q3 FY 22	Q3 FY 21	YOY%
Total Revenue	394.0	398.8	-1.2%
EBITDA	31.1	50.8	-38.7%
Margin (%)	7.9%	12.7%	-483 bps
PAT	7.7	21.5	-64.1%

Consolidated	Q3 FY 22	Q3 FY 21	YOY%
Total Revenue	440.5	435.2	1.2%
EBITDA	14.9	39.3	-62.2%
Margin (%)	3.4%	9.0%	-566 bps
PAT	-4.3	5.5	-178.5%

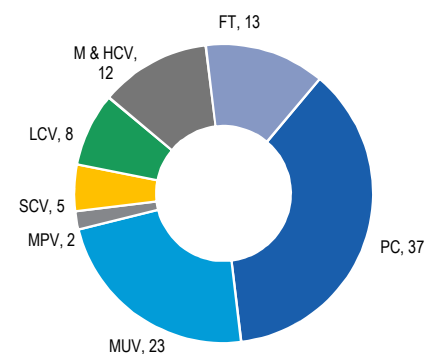
(In ₹ Crore, unless otherwise mentioned)

### BUSINESS SPLIT (Q3 FY22)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



## PROFIT AND LOSS ACCOUNT

Particulars	Standalone						Consolidated					
	Q3 FY22	Q3 FY21	YoY%	9M FY22	9M FY21	YoY%	Q3 FY22	Q3 FY21	YoY%	9M FY22	9M FY21	YoY%
Income from Operations	391.1	391.8	0%	1,103.1	768.8	43%	437.8	427.2	2%	1,236.5	855.6	45%
Other Income	2.9	7.0	-59%	4.5	12.0	-63%	2.7	8.0	-66%	4.4	16.0	-72%
<b>Total Revenue</b>	<b>394.0</b>	<b>398.9</b>	<b>-1%</b>	<b>1,107.6</b>	<b>780.8</b>	<b>42%</b>	<b>440.5</b>	<b>435.2</b>	<b>1%</b>	<b>1,240.9</b>	<b>871.6</b>	<b>42%</b>
<b>Expenses</b>												
-Cost of Material Consumed	271.9	249.5	9%	759.6	473.4	60%	291.5	261.7	11%	815.0	501.8	62%
-Changes in inventories	-18.5	0.2		-50.8	16.7		-17.3	-0.4		-47.8	14.9	
-Employee Benefit Expense	42.4	39.1	8%	124.0	97.8	27%	68.3	62.7	9%	196.1	164.0	20%
-Finance Cost	5.5	5.7	-3%	14.4	20.4	-29%	5.8	6.7	-13%	15.1	23.0	-34%
-Depreciation & Amortization	15.4	13.3	16%	45.1	38.1	18%	20.4	16.9	21%	59.7	48.1	24%
-Other Expenditure	67.0	59.3	13%	188.9	125.3	51%	83.1	71.9	16%	229.9	163.2	41%
<b>Total Expenses</b>	<b>383.7</b>	<b>367.1</b>	<b>5%</b>	<b>1,081.3</b>	<b>771.8</b>	<b>40%</b>	<b>451.8</b>	<b>419.4</b>	<b>8%</b>	<b>1,268.0</b>	<b>915.0</b>	<b>39%</b>
<b>PBT before Exceptional Items</b>	<b>10.2</b>	<b>31.8</b>	<b>-68%</b>	<b>26.4</b>	<b>9.1</b>	<b>191%</b>	<b>-11.3</b>	<b>15.8</b>	<b>-172%</b>	<b>-27.0</b>	<b>-43.4</b>	<b>38%</b>
Exceptional Item	-	-		-	-		9.5	-		46.7	-	
<b>PBT</b>	<b>10.2</b>	<b>31.8</b>	<b>-68%</b>	<b>26.4</b>	<b>9.1</b>	<b>191%</b>	<b>-1.8</b>	<b>15.8</b>	<b>-111%</b>	<b>19.7</b>	<b>-43.4</b>	<b>145%</b>
Tax Expense	2.5	10.3	-76%	6.5	3.1	110%	2.5	10.3	-76%	6.5	3.1	110%
<b>PAT</b>	<b>7.7</b>	<b>21.5</b>	<b>-64%</b>	<b>19.9</b>	<b>6.0</b>	<b>234%</b>	<b>-4.3</b>	<b>5.5</b>	<b>-179%</b>	<b>13.2</b>	<b>-46.4</b>	<b>128%</b>

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

## 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](mailto:INVESTORSERVICES@RANEGROUP.COM) OR [DPINGLE@CHRISTENSENIR.COM](mailto: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.