

Rane Brake Lining Limited



//Online Submission//

RBL/SE/031/2023-24

November 02, 2023

| | |
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| BSE Limited Listing Centre Scrip Code: 532987 | National Stock Exchange of India Limited NEAPS Symbol: RBL |
|---|--|

Dear Sir / Madam

Sub: Outcome of Board Meeting held on November 02, 2023 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RBL/SE/027/2023-24 dated September 29, 2023

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results of the Company for the quarter and half year ended September 30, 2023 along with Cash Flow Statement of the Company for the half year ended September 30, 2023 as recommended by the audit committee, at their respective meeting(s) held today (**November 02, 2023**).

The un-audited financial results of the Company for the quarter and half year ended September 30, 2023 is enclosed along with the Limited Review Report issued by M/s. BSR & Co., LLP, Chartered Accountants, Statutory Auditors. (**Regulation 33**). An 'earnings release' for the above results is also enclosed. (**Regulation 30**).

The un-audited financial results along with Cash Flow Statement 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 meeting of the Board of Directors commenced at 11:15 hrs (IST) and concluded at 12:43 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 and half year ended September 30, 2023.
2. Limited Review Report for the quarter and half year ended September 30, 2023.
3. Earnings release for the quarter and half year ended September 30, 2023.

Rane Brake Lining Limited
CIN : L63011TN2004PLC054948
Registered Office : "Maithiri", 132 Cathedral Road, Chennai 600 086
Visit us at : <http://www.ranegroup.com>
Statement of unaudited financial results for the quarter and half year ended September 30, 2023



| in INR Crores | | | | | | |
|---|--------------------|---------------|--------------------|--------------------|--------------------|----------------|
| Particulars | Quarter ended | | | Half year ended | | Year ended |
| | September 30, 2023 | June 30, 2023 | September 30, 2022 | September 30, 2023 | September 30, 2022 | March 31, 2023 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 Income | | | | | | |
| Revenue from operations | 158.03 | 152.33 | 141.15 | 310.36 | 280.48 | 598.80 |
| Other income | 0.20 | 0.73 | 3.57 | 0.93 | 6.13 | 8.27 |
| Total income | 158.23 | 153.06 | 144.72 | 311.29 | 286.61 | 607.07 |
| 2 Expenses | | | | | | |
| Cost of materials consumed | 90.69 | 83.28 | 88.39 | 173.97 | 172.06 | 345.06 |
| Purchase of stock-in-trade | - | - | - | - | - | 0.04 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | (3.00) | 1.87 | (10.98) | (1.13) | (16.39) | (15.37) |
| Employee benefits expense | 17.41 | 22.97 | 21.43 | 40.38 | 41.67 | 83.50 |
| Finance costs | - | - | - | - | 0.00 | 0.05 |
| Depreciation and amortisation expense | 5.16 | 5.13 | 4.89 | 10.29 | 9.72 | 20.00 |
| Other expenses | 35.35 | 32.61 | 32.11 | 67.96 | 63.01 | 129.21 |
| Total expenses | 145.61 | 145.86 | 135.84 | 291.47 | 270.07 | 562.49 |
| 3 Profit before tax (1-2) | 12.62 | 7.20 | 8.88 | 19.82 | 16.54 | 44.58 |
| 4 Tax expense | | | | | | |
| (i) Current tax | 2.71 | 1.90 | 2.67 | 4.61 | 4.70 | 12.19 |
| (ii) Deferred tax | 0.32 | 0.12 | (0.27) | 0.44 | (0.43) | (1.07) |
| Total tax expense | 3.03 | 2.02 | 2.40 | 5.05 | 4.27 | 11.12 |
| 5 Profit for the period (3-4) | 9.59 | 5.18 | 6.48 | 14.77 | 12.27 | 33.46 |
| 6 Other comprehensive income | | | | | | |
| Items that will not be reclassified subsequently to profit or loss | | | | | | |
| (i) Re-measurement gains / (losses) on defined benefit plans | 0.42 | (0.72) | (0.37) | (0.30) | 0.08 | 0.45 |
| (ii) Income tax effect on above | (0.10) | 0.18 | 0.09 | 0.08 | (0.02) | (0.11) |
| Other comprehensive income / (loss) for the period | 0.32 | (0.54) | (0.28) | (0.22) | 0.06 | 0.34 |
| 7 Total comprehensive income for the period (5+6) (Comprising profit and other comprehensive income for the period) | 9.91 | 4.64 | 6.20 | 14.55 | 12.33 | 33.80 |
| 8 Paid-up equity share capital (face value of ₹10/- each fully paid up) | 7.73 | 7.73 | 7.73 | 7.73 | 7.73 | 7.73 |
| 9 Other equity | - | - | - | - | - | 253.45 |
| 10 Earnings per share (EPS) (face value of ₹10/- each) (not annualised for quarters and year to date periods) | | | | | | |
| (a) Basic (in ₹) | 12.41 | 6.70 | 8.38 | 19.11 | 15.87 | 43.29 |
| (b) Diluted (in ₹) | 12.41 | 6.70 | 8.38 | 19.11 | 15.87 | 43.29 |

Notes:

1 Statement of assets and liabilities

| Particulars | in INR Crores | |
|--|-----------------------------|-------------------------|
| | As at September 30, 2023 | As at March 31, 2023 |
| | Unaudited | Audited |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 115.11 | 117.56 |
| Capital work-in-progress | 13.70 | 4.38 |
| Right-of-use assets | 0.68 | 0.15 |
| Other intangible assets | 0.49 | 0.51 |
| Financial assets | | |
| - Investments | 1.90 | 1.35 |
| - Other financial assets | 4.27 | 4.04 |
| Income-tax assets, net | 6.83 | 4.95 |
| Other non-current assets | 3.12 | 3.55 |
| Total non-current assets | 146.10 | 136.49 |
| Current assets | | |
| Inventories | 92.81 | 90.78 |
| Financial assets | | |
| - Investments | 0.01 | 22.72 |
| - Trade receivables | 120.32 | 109.80 |
| - Cash and cash equivalents | 4.30 | 6.75 |
| - Bank balances other than cash and cash equivalents above | 0.32 | 0.36 |
| - Other financial assets | 0.55 | 0.75 |
| Other current assets | 8.42 | 6.50 |
| Total current assets | 226.73 | 237.66 |
| TOTAL ASSETS | 372.83 | 374.15 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 7.73 | 7.73 |
| Other equity | 248.68 | 253.45 |
| TOTAL EQUITY | 256.41 | 261.18 |
| Liabilities | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| - Lease liabilities | 0.65 | 0.08 |
| - Other financial liabilities | 0.59 | 0.59 |
| Provisions | 4.16 | 3.91 |
| Deferred tax liabilities, net | 0.70 | 0.34 |
| Other non-current liabilities | 0.44 | 0.44 |
| Total non-current liabilities | 6.54 | 5.36 |
| Current liabilities | | |
| Financial liabilities | | |
| - Lease liabilities | 0.08 | 0.11 |
| - Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises; | 21.44 | 15.13 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 44.74 | 48.72 |
| - Other financial liabilities | 23.37 | 31.51 |
| Other current liabilities | 14.44 | 9.38 |
| Provisions | 5.81 | 2.76 |
| Total current liabilities | 109.88 | 107.61 |
| TOTAL LIABILITIES | 116.42 | 112.97 |
| TOTAL EQUITY AND LIABILITIES | 372.83 | 374.15 |

Notes:

2 Statement of cash flows

in INR Crores

| Particulars | Half year ended | |
|--|--------------------|--------------------|
| | September 30, 2023 | September 30, 2022 |
| | Unaudited | Unaudited |
| Cash flow from operating activities | | |
| Profit before tax | 19.82 | 16.54 |
| Adjustments for: | | |
| Depreciation and amortization expense | 10.29 | 9.72 |
| Unrealised foreign exchange loss / (gain), net | 0.04 | 0.43 |
| Mark to market loss on derivative instruments | 0.21 | 0.64 |
| Finance costs | - | 0.00 |
| Interest income | (0.83) | (0.24) |
| Loss allowance on trade receivables | 0.24 | 1.07 |
| | 29.77 | 28.16 |
| Working capital adjustments: | | |
| Increase in inventories | (2.03) | (17.51) |
| (Increase) / decrease in financial assets | (10.89) | 27.27 |
| Increase in other assets | (1.75) | (0.44) |
| Decrease in financial liabilities | (5.39) | (16.32) |
| Increase / (decrease) in other liabilities and provisions | 8.06 | (1.65) |
| Cash generated from operating activities | 17.77 | 19.51 |
| Income taxes paid, net | (6.49) | (6.18) |
| Net cash generated from operating activities (A) | 11.28 | 13.33 |
| Cash flow from investing activities | | |
| Acquisition of property, plant and equipment, capital work-in-progress and other intangible assets | (17.37) | (15.09) |
| Acquisition of non-current investments | (0.55) | - |
| Redemption of mutual fund investments | 22.71 | 9.01 |
| Interest received | 0.88 | 0.37 |
| Net cash generated from / (used in) investing activities (B) | 5.67 | (5.71) |
| Cash flow from financing activities | | |
| Payment of lease liabilities | (0.08) | (0.08) |
| Dividend paid | (19.32) | (15.46) |
| Net cash used in financing activities (C) | (19.40) | (15.54) |
| D. Net decrease in cash and cash equivalents during the period (A + B + C) | (2.45) | (7.92) |
| E. Cash and cash equivalents at the beginning of the period | 6.75 | 12.00 |
| F. Cash and cash equivalents at the end of the period (D + E) | 4.30 | 4.08 |

Rane Brake Lining Limited
CIN : L63011TN2004PLC054948
Registered Office : "Maithri", 132 Cathedral Road, Chennai 600 086
Visit us at : <http://www.ranegroup.com>



Statement of unaudited financial results for the quarter and half year ended September 30, 2023

Notes:

- 3 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 November 02, 2023. The Statutory auditors have carried out a limited review for the quarter and half year ended September 30, 2023.
- 4 The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", 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, as amended.
- 5 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.
- 6 The financial results for the quarter and half year ended September 30, 2023, 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.

For Rane Brake Lining Limited

GANESH
LAKSHMI
NARAYAN

L Ganesh
Chairman

Place : Chennai

Date : November 02, 2023

Limited Review Report on unaudited financial results of Rane Brake Lining Limited for the quarter ended 30 September 2023 and year to date results for the period from 01 April 2023 to 30 September 2023 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 Brake Lining Limited**

1. We have reviewed the accompanying Statement of unaudited financial results of Rane Brake Lining Limited (hereinafter referred to as “the Company”) for the quarter ended 30 September 2023 and year to date results for the period from 01 April 2023 to 30 September 2023 (“the Statement”).
2. This Statement, which is the responsibility of the Company’s management and approved by its 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, as amended (“Listing Regulations”). 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. 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.
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 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.

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

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

**HARSH VARDHAN
LAKHOTIA**Digitally signed by HARSH
VARDHAN LAKHOTIADate: 2023.11.02 11:51:04
+05'30'**Harsh Vardhan Lakhotia***Partner*

Membership No.: 222432

UDIN:23222432BGYLCA2500

Chennai

02 November 2023



Expanding Horizons

RANE BRAKE LINING LIMITED

Q2 FY24 Earnings Release



Chennai, India, November 02, 2023 – 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 second quarter (Q2FY24) and half year (H1FY24) ended September 30th, 2023.

Q2 FY24 Performance

- Total Revenue was ₹158.2 Crore for Q2 FY24 compared to ₹144.7 Crore in the Q2 FY23, an increase of 9.3%
- EBITDA stood at ₹17.8 Crore for Q2 FY24 compared to ₹13.8 Crore during Q2 FY23, an increase of 29.1%
- EBITDA Margin at 11.2% for Q2 FY24 against 9.5% in Q2 FY23
- PAT stood at ₹9.6 Crore for Q2 FY24 compared to ₹6.5 Crore in Q2 FY23, an increase of 48.0%

H1 FY24 Performance

- Total Revenue was ₹311.3 Crore for H1 FY24 compared to ₹286.6 Crore in the H1 FY23, an increase of 8.6%
- EBITDA stood at ₹30.1 Crore for H1 FY24 compared to ₹26.3 Crore during H1 FY23, an increase of 14.7%
- EBITDA Margin at 9.7% for H1 FY24 against 9.2% in H1 FY23
- PAT stood at ₹14.8 Crore for H1 FY24 compared to ₹12.3 Crore in H1 FY23, an increase of 20.4%

Operating Highlights for Q2 FY24

- Sales to OE customer grew 13%. This was driven by strong sales to Two Wheeler segment.
- Sales to Aftermarket customers grew 4%.
- EBITDA margin improved by 172 bps on account of higher volume and one-off provision reversal during this quarter.

MANAGEMENT COMMENT

“RBL capitalized on the favourable demand environment to drive topline growth. Demand across vehicle segments remained strong. Though we remain positive about the demand environment, given the dynamic macro and geopolitical situation we are working closely with our customers and focusing on operational improvements.”

– **L. Ganesh, Chairman, Rane Group**

BUSINESS HIGHLIGHTS

Financial Performance

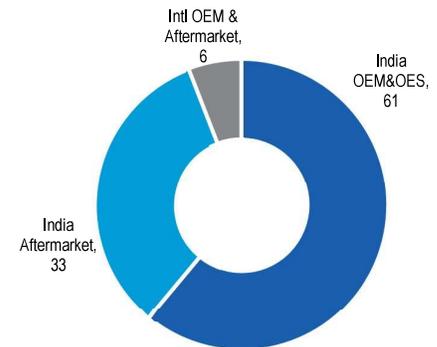
| Particulars | Q2FY24 | Q2FY23 | YOY% |
|---------------|--------|--------|---------|
| Total Revenue | 158.2 | 144.7 | 9.3% |
| EBITDA | 17.8 | 13.8 | 29.1% |
| Margin (%) | 11.2% | 9.5% | 172 bps |
| PAT | 9.6 | 6.5 | 48.0% |

| Particulars | H1FY24 | H1FY23 | YOY% |
|---------------|--------|--------|--------|
| Total Revenue | 311.3 | 286.6 | 8.6% |
| EBITDA | 30.1 | 26.3 | 14.7% |
| Margin (%) | 9.7% | 9.2% | 51 bps |
| PAT | 14.8 | 12.3 | 20.4% |

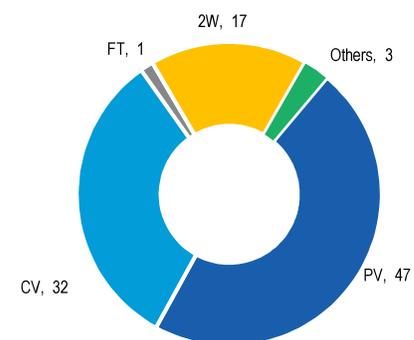
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q2 FY24)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



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PROFIT AND LOSS ACCOUNT

| Particulars | Q2FY24 | Q1FY24 | QoQ% | Q2FY23 | YoY% | H1FY24 | H1FY23 | YoY% |
|------------------------------|--------------|--------------|------------|--------------|------------|--------------|--------------|------------|
| Income from Operations | 158.0 | 152.3 | 4% | 141.2 | 12% | 310.4 | 280.5 | 11% |
| Other Income | 0.2 | 0.7 | -73% | 3.6 | -94% | 0.9 | 6.1 | -85% |
| Total Revenue | 158.2 | 153.1 | 3% | 144.7 | 9% | 311.3 | 286.6 | 9% |
| Expenses | | | | | | | | |
| -Cost of Material Consumed | 90.7 | 83.3 | 9% | 88.4 | 3% | 174.0 | 172.1 | 1% |
| -Changes in inventories | -3.0 | 1.9 | | -11.0 | | -1.1 | -16.4 | |
| -Employee Benefit Expense | 17.4 | 23.0 | -24% | 21.4 | -19% | 40.4 | 41.7 | -3% |
| -Finance Cost | - | - | | - | | - | 0.0 | |
| -Depreciation & Amortization | 5.2 | 5.1 | 1% | 4.9 | 6% | 10.3 | 9.7 | 6% |
| -Other Expenditure | 35.4 | 32.6 | 8% | 32.1 | 10% | 68.0 | 63.0 | 8% |
| Total Expenses | 145.6 | 145.9 | 0% | 135.8 | 7% | 291.5 | 270.1 | 8% |
| PBT | 12.6 | 7.2 | 75% | 8.9 | 42% | 19.8 | 16.5 | 20% |
| Tax Expense | 3.0 | 2.0 | 50% | 2.4 | 26% | 5.1 | 4.3 | 18% |
| PAT | 9.6 | 5.2 | 85% | 6.5 | 48% | 14.8 | 12.3 | 20% |

KEY BALANCE SHEET ITEMS

| Particulars | As at 30.09.2023 | As at 31.03.2023 |
|-------------------------------------|---------------------|---------------------|
| Non-current assets | 146.1 | 136.5 |
| -Property, Plant and Equipment | 115.1 | 117.6 |
| -Financial Assets | 6.2 | 5.4 |
| Current assets | 226.7 | 237.7 |
| - Inventories | 92.8 | 90.8 |
| -Trade receivables | 120.3 | 109.8 |
| -Cash and cash equivalents | 4.3 | 6.8 |
| Total Assets | 372.8 | 374.2 |
| Shareholders Fund | 256.4 | 261.2 |
| Non-current liabilities | 6.5 | 5.4 |
| -Long-term borrowings | - | - |
| Current liabilities | 109.9 | 107.6 |
| -Short-term borrowings | - | - |
| -Trade payables | 66.2 | 63.9 |
| Total Liabilities | 116.4 | 113.0 |
| Total Equity and Liabilities | 372.8 | 374.2 |

(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 and Light Metal casting components. 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

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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.