

Rane Brake Lining Limited



//Online Submission//

RBL / SE / 10 / 2020-21

June 17, 2020

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

Sub: Outcome of Board Meeting held on June 17, 2020 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RBL / SE / 02 / 2020-21 dated May 07, 2020

This is to inform that the Board of Directors, inter alia, approved the audited financial results of the Company for the quarter and year ended March 31, 2020 as recommended by the audit committee at their respective meeting(s) held today (**June 17, 2020**).

The audited financial results of the Company for the quarter and year ended March 31, 2020 is enclosed along with the Independent Auditor's Report on results issued by M/s. Varma & Varma, Chartered Accountants, Statutory Auditors. Further, declaration in respect of unmodified opinion on the audited financial results for the year ended March 31, 2020 is enclosed (**Regulation 33**).

The financial results will be uploaded on the website of the company at www.ranegroup.com (**Regulation 46**).

The extract of the audited financial results 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 and concluded at 13 : 45 hrs (IST).

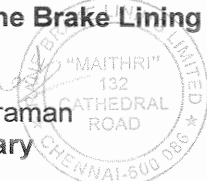
We request you to take the above on record and note the compliance under above referred regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

Thanking you.

Yours faithfully

For Rane Brake Lining Limited


Venkatraman
Secretary



Encl: a/a

1. Audited financial results for the quarter & year ended March 31, 2020.
2. Extract of the audited financial results for Newspaper publication.
3. Independent Auditor's Report for the quarter & year ended March 31, 2020.
4. Declaration under Reg 33(3)(d) of SEBI LODR.
5. Earnings release for the quarter & year ended March 31, 2020.



RANE BRAKE LINING LIMITED

FY20 Earnings Release



Chennai, India, June 17, 2020 – 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 financial year (FY20) ended March 31, 2020

FY20 Performance

- Total Net Revenue was ₹481.4 Crore for FY20 as compared to ₹521.0 Crore in the FY19, a decrease of 7.6%
- EBITDA stood at ₹71.0 Crore as compared to ₹74.9 Crore during FY19, a decrease of 5.2%
- EBITDA Margin at 14.7% for FY20 as against 14.4% in FY19
- Net profit (PAT) stood at ₹34.3 Crore for FY20 as compared to ₹36.5 Crore in FY19, a decrease of 6.0%

Corporate Action

- A final dividend of ₹11.0/- per equity share has been recommended by the Board of Directors on the paid-up capital of 79,14,980 of ₹10/- each. The total dividend for the year ending March 31, 2020 is ₹17.0/- per equity share including an interim dividend of ₹6.0/- per equity share declared on January 23, 2020 and paid on February 12, 2020.

Operating Highlights

- Sales to OE customer overall declined 13%. The market drop was partially mitigated through volume enhancement in Two Wheeler segment.
- Sales to Aftermarket customers declined 1%.
- EBITDA margin improved by 37 bps
 - Adverse forex movement, material price and inflationary pressure on employee cost were offset by favourable mix and various cost savings initiatives.

MANAGEMENT COMMENT

"The market environment remained challenging in FY20. RBL managed to partially offset the volume drop in OE segment by enhancing the market position in the aftermarket segment. Through the cost savings initiatives the company protected the operating margin despite the adverse movement on material and employee cost. Covid-19 is significantly impacting the performance of FY21 and the company is working on various cost savings initiatives to reduce the impact. This includes a management salary reduction of 10% to 35% from junior to senior level employees respectively." – L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

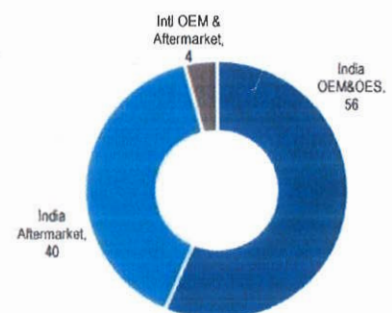
Financial Performance

Particulars	FY 20	FY 19	YOY%
Total Net Revenue	481.4	521.0	-7.6%
EBITDA	71.0	74.9	-5.2%
Margin (%)	14.7%	14.4%	37 bps
PAT	34.3	36.5	-6.0%

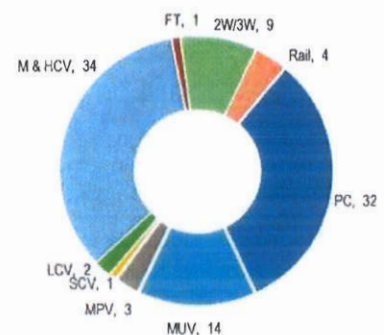
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (FY20)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	FY20	FY19	YoY%
Income from Operations	470.1	513.0	-8%
Other Operating Income	0.9	0.9	4%
Other Income	10.5	7.1	48%
Total Revenue	481.4	521.0	-8%
Expenses			
-Cost of Material Consumed	230.6	260.1	-11%
-Purchase of stock-in-trade	-	-	
-Changes in inventories	-5.9	-7.0	16%
-Employee Benefit Expense	76.6	75.2	2%
-Finance Cost	0.0	0.4	-95%
-Depreciation & Amortization	26.3	24.3	8%
-Other Expenditure	109.2	117.8	-7%
Total Expenses	436.7	470.7	-7%
PBT before Exceptional Items	44.7	50.2	-11%
Exceptional Item	-	-0.9	
PBT	44.7	49.3	-9%
Tax Expense	10.3	12.8	-19%
PAT	34.3	36.5	-6%

KEY BALANCE SHEET ITEMS

Particulars	FY20	FY19
Non-current assets	150.3	138.1
-PP&E	130.7	115.7
-Financial Assets	13.4	13.4
Current assets	209.1	217.7
- Inventories	63.0	50.9
-Trade receivables	97.4	140.4
-Cash & cash equivalents	37.5	13.9
Total Assets	359.4	355.8
Shareholders Fund	228.8	209.8
Non-current liabilities	3.7	2.9
-Long-term borrowings	-	-
Current liabilities	126.8	143.1
-Short-term borrowings	-	0.1
-Trade payables	93.1	111.5
Total Liabilities	130.5	146.0
Total Equity and Liabilities	359.4	355.8

(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, Die-casting products 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 Stationary Engines.

IF YOU HAVE ANY QUESTIONS OR REQUIRE FURTHER INFORMATION, PLEASE FEEL FREE TO CONTACT: INVESTORSERVICES@RANEGROUP.COM OR DPINGLE@CHRISTENSENIR.COM

Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.