



Rane (Madras) Limited

Registered Office: "Maithri",
No. 132, Cathedral Road,
Chennai - 600 086

+91-44-2811 2472

www.ranegroup.com

CIN: L65993TN2004PLC052856

//Online Submission//

RML/SE/025/2026-27

June 30, 2026

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| BSE Limited Listing Centre Scrip Code: 532661 | National Stock Exchange of India Ltd. NEAPS Symbol: RML |
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Dear Sir / Madam,

Sub: Acquisition - Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR')

This is to inform that pursuant to the approval of the Board of Directors of the Company, at their meeting held on June 30, 2026, the Company has entered into a Business Transfer Agreement ('BTA') with M/s. Hindustan Composites Limited ('HCL') for acquisition of its friction business along with the assets, liabilities, contracts, licenses, employees etc., as a going concern on a slump sale basis, which is subject to fulfilment of customary closing conditions, including receipt of necessary approval(s), consent(s), as specified in the BTA.

The details as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated January 30, 2026 are furnished in **Annexure – A & B**.

A detailed press release in this regard is also enclosed.

The meeting of the Board of Directors commenced at 17:30 hrs and concluded at 18 : 22 hrs. (IST).

We request you to take the above on record and note the compliance under above referred regulations of SEBI LODR.

Thanking you,

Yours faithfully,

For **Rane (Madras) Limited**

Venkatraman
Secretary

Encl: a/a

Annexure A to our letter no. RML/SE/025/2026-27 dated June 30, 2026

| Acquisition of Friction business of Hindustan Composites Limited: | | | | | | | | | | | | | |
|--|---|--------|--------|------|------|------------------|--------|--------|--------|----------------------------|--------|--------|--------|
| Particulars | Details | | | | | | | | | | | | |
| a) name of the target entity, details in brief such as size, turnover etc.; | The Company proposes to acquire the friction business of Hindustan Composites Limited ('HCL') as a going concern on a Slump Sale basis as per the terms and conditions laid down in the Business Transfer Agreement ('BTA'). | | | | | | | | | | | | |
| b) whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"; | No | | | | | | | | | | | | |
| c) industry to which the entity being acquired belongs; | Automotive components | | | | | | | | | | | | |
| d) objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity); | Building on the Company's established leadership in the friction business, this acquisition establishes the Company as market leader across all major segments. The acquisition is expected to unlock substantial operational synergies through manufacturing scale, an expanded distribution network and enhanced R&D capabilities. The Company also acquires the brand "COMPO" and reinforces Rane's leadership position by expanding its reach across distributors, fleet operators and aftermarket channels. | | | | | | | | | | | | |
| e) brief details of any governmental or regulatory approvals required for the acquisition; | Not Applicable | | | | | | | | | | | | |
| f) indicative time period for completion of the acquisition; | September 30, 2026, subject to fulfilment of customary closing conditions, including receipt of necessary approval(s), consent(s), as specified in the BTA. | | | | | | | | | | | | |
| g) consideration - whether cash consideration or share swap or any other form and details of the same; | Cash | | | | | | | | | | | | |
| h) cost of acquisition and/or the price at which the shares are acquired; | Lumpsum consideration of Rs.370 crores on a cash-free debt-free basis, payable on closing, subject to adjustments in accordance with the terms and conditions set out in the BTA. | | | | | | | | | | | | |
| i) percentage of shareholding / control acquired and / or number of shares acquired; | Not Applicable. | | | | | | | | | | | | |
| j) brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief); | <p>Business: Friction business of HCL includes business of manufacturing and marketing of fibre-based friction material, consisting of Brake Liners, Roll Lining, Brake Block, Clutch Facing etc.</p> <p>Date of Incorporation: July 01, 1964</p> <p>Turnover of HCL for last three years (Rs. in cr.):</p> <table border="1"> <thead> <tr> <th></th> <th>2026</th> <th>2025</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Overall Turnover</td> <td>375.01</td> <td>325.08</td> <td>297.68</td> </tr> <tr> <td>Friction Business turnover</td> <td>315.04</td> <td>284.27</td> <td>250.69</td> </tr> </tbody> </table> <p>Country of presence: India.</p> | | 2026 | 2025 | 2024 | Overall Turnover | 375.01 | 325.08 | 297.68 | Friction Business turnover | 315.04 | 284.27 | 250.69 |
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| Overall Turnover | 375.01 | 325.08 | 297.68 | | | | | | | | | | |
| Friction Business turnover | 315.04 | 284.27 | 250.69 | | | | | | | | | | |



Annexure B to our letter no. RML/SE/025/2026-27 dated June 30, 2026

| Business Transfer Agreement: | |
|--|---|
| Particulars | Details |
| i) name(s) of parties with whom the agreement is entered; | Hindustan Composites Limited ('HCL') |
| ii) purpose of entering into the agreement; | Proposed acquisition of friction business of HCL as a going concern on a slump sale basis ('Business Transfer') |
| iii) shareholding, if any, in the entity with whom the agreement is executed; | Nil |
| iv) significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.; | <p>The BTA envisages the mutually agreed process and manner of completion of the Business Transfer and contains details including:</p> <p>(i) The details of assets, receivables, IPRs, books, movables, contracts, employees, all such other assets, liabilities that are utilized or held or developed for exclusive use in the conduct of the friction business of HCL to be taken over / acquired by the Company from the HCL pursuant to the Business Transfer;</p> <p>(ii) Actions precedent to completion of the Business Transfer and closing actions by the both the parties.</p> <p>(iii) Certain non-compete and non-solicit restrictions on the parties after the closing of the Business Transfer.</p> |
| v) whether, the said parties are related to promoter / promoter group / group companies in any manner. If yes, nature of relationship; | No |
| vi) whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"; | No |
| vii) in case of issuance of shares to the parties, details of issue price, class of shares issued; | Not applicable |
| viii) any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.; | Nil |
| ix) in case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): i. name of parties to the agreement; ii. nature of the agreement; iii. date of execution of the agreement; iv. details of amendment and impact thereof or reasons of termination and impact thereof. | Not applicable |



Rane (Madras) Limited to Acquire Friction Business of Hindustan Composites to Create India's Leading Friction Solutions Platform

Chennai, India, June 30, 2026 –

Rane (Madras) Limited (RML), today entered into an agreement with Hindustan Composites Limited (HCL) to acquire the Friction Business, as going concern, on slump sale basis for an enterprise value of INR 370 Crore (Rupees Three hundred and seventy crore), subject to the terms of the Agreement.

HCL's Friction Business is a leading supplier of friction materials, with over six decades of experience across the automotive, railway, farm tractor, and industrial sectors. Its product portfolio includes brake linings, brake pads, brake blocks, clutch facings, and industrial friction products, backed by in-house R&D and a pan-India distribution network. It operates two manufacturing facilities in Paithan and Bhandara, Maharashtra. Based on the latest audited financial results, Friction Business reported revenue of INR 315.04 crore and PBT of INR 40.29 crore in FY26.

As part of the acquisition, RML also acquires the brand "COMPO", which reinforces Rane's leadership position by expanding its reach across segments, distributors, fleet operators and aftermarket channels.

Strategic Rationale:

- **Unrivalled Platform Scale:** Building on RML's established leadership in the friction business—spanning passenger vehicles, two-wheelers, aftermarket and railways, alongside an export business aggregating revenue of over ₹700 crore—this transaction marks a transformative milestone. Upon completion, the acquisition will create a ₹1,000+ crore friction materials business, establishing RML as the market leader across all major segments.
- **Scale & Synergy:** The transaction is expected to unlock substantial operational synergies through manufacturing scale, an expanded distribution network and enhanced R&D capabilities. The expanded footprint is expected to serve as critical launchpad for future business expansion.



Commenting on the acquisition, **Mr. Harish Lakshman, Chairman, Rane Group** said: "This acquisition leverages Rane's ability to create a market-leading friction solutions platform. By integrating these complementary businesses, we are uniquely positioned to address the evolving needs of India's transportation needs while driving operational excellence and long-term value for our stakeholders."

The transaction, executed through a Business Transfer Agreement, remains subject to customary regulatory approvals and closing conditions. It is expected to be completed by the end of the second quarter.

About Rane (Madras) Limited

Rane (Madras) Limited (RML) is part of the Rane Group of Companies, a leading auto component group based out of Chennai. RML is a preferred supplier to major OEMs and Aftermarket in India and abroad. RML manufactures various automotive products, viz. Steering and Suspension systems, Brake components, Engine components 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.

For media queries, please contact:

Ms. Pavithra Lakshmanan - rane@brand-comm.com

Disclaimer: 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.