

Rane Brake Lining Limited



//Online Submission//

RBL / SE / 43 / 2018-19

January 28, 2019

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 January 28, 2019 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RBL / SE / 39 / 2018-19 dated December 31, 2018

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results of the Company for the quarter and nine months ended December 31, 2018 as recommended by the audit committee at their respective meeting(s) held today (January 28, 2019).

The un-audited financial results of the Company for the quarter and nine months ended December 31, 2018 is enclosed along with the Limited Review Report issued by M/s. Varma & Varma, Chartered Accountants, Statutory Auditors. **(Regulation 33)**.

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

The extract of the un-audited financial results will be published in newspapers, i.e., 'Business Standard' and 'Dinamani' in the format prescribed **(Regulation 47)**. An 'earnings release' for the above results is also enclosed **(Regulation 30)**.

The meeting of the Board of Directors commenced at 11:00 hrs (IST) and concluded at 12:55hrs (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 nine months ended December 31, 2018.
2. Extract of the un-audited financial results for Newspaper publication.
3. Limited Review Report for the quarter and nine months ended December 31, 2018.
4. Earnings release for the quarter and nine months ended December 31, 2018.



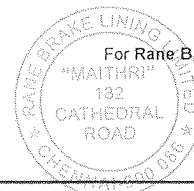
Statement of Unaudited Results for the Quarter and Nine months ended December 31, 2018

Particulars	Quarter ended			Nine Months ended		Financial Year ended
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
	(Unaudited)			(Unaudited)		(Audited)
1 Income						
(a) Revenue from operations (refer note 4)	13,213.08	11,974.48	12,813.69	37,400.31	35,386.99	49,531.93
(b) Other Operating Income	33.89	23.07	13.33	73.48	34.94	55.64
(c) Other Income	202.91	129.40	27.00	420.00	99.00	474.33
Total Income	13,449.88	12,126.95	12,854.02	37,893.79	35,520.93	50,061.90
2 Expenses :						
(a) Cost of materials consumed	7,164.74	6,023.77	6,191.97	19,749.12	16,993.61	23,545.18
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(292.73)	111.31	(225.41)	(649.85)	(495.93)	10.98
(c) Excise duty (refer note 4)	-	-	-	-	1,341.39	1,341.39
(d) Employee benefits expenses	1,828.00	1,838.76	1,595.33	5,497.56	4,716.83	6,534.57
(e) Finance costs	5.87	5.23	11.09	16.24	29.03	37.13
(f) Depreciation and amortisation expense	555.55	566.58	545.10	1,676.61	1,602.74	2,370.95
(g) Other expenses	2,694.06	2,844.56	2,769.04	8,378.01	6,936.95	10,569.38
Total Expenses	11,955.49	11,390.21	10,887.12	34,667.69	31,124.62	44,409.58
3 Profit (+)/Loss (-) before Exceptional Items (1-2)	1,494.39	736.74	1,966.90	3,226.10	4,396.31	5,652.32
4 Exceptional Items (Refer Note 5)	-	-	-	-	-	163.56
5 Profit (+)/ Loss (-) before tax (3+4)	1,494.39	736.74	1,966.90	3,226.10	4,396.31	5,488.76
6 Tax expense						
Current Tax	376.59	327.44	749.28	1,028.85	1,571.11	2,305.91
Tax relating to earlier years	-	-	(15.14)	-	(15.14)	80.94
Deferred Tax	61.86	(121.28)	(85.79)	(47.10)	(143.76)	(472.81)
7 Profit / (Loss) for the period (5-6)	1,055.94	530.58	1,318.55	2,244.35	2,984.10	3,574.72
8 Other Comprehensive Income (Net of Tax Expenses)	(74.62)	35.09	56.17	(38.10)	39.50	45.59
(a) Items that will not be reclassified subsequently to Profit or loss						
i) Remeasurement of net defined benefit Liability / Asset	(114.70)	55.12	85.91	(57.38)	60.41	69.72
ii) Income tax relating to items that will not be classified to profit or loss	40.08	(20.03)	(29.74)	19.28	(20.91)	(24.13)
9 Total Comprehensive income for the Period (7+8)	981.32	565.67	1,374.72	2,206.25	3,023.60	3,620.31
(Comprising profit / (loss) and other comprehensive income for the period)						
10 Details of equity share capital						
Paid-up equity share capital (Face Value of Rs. 10/- per Share)	791.50	791.50	791.50	791.50	791.50	791.50
11 Other Equity excluding revaluation reserves						18,030.54
12 Earnings Per Share (EPS) (of Rs.10/- each) (not annualised) (Amount Rs.)						
(a) Basic	13.34	6.70	16.66	28.36	37.70	45.16
(b) Diluted	13.34	6.70	16.66	28.36	37.70	45.16

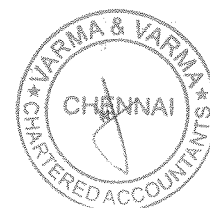
Note:

- 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 28, 2019. The statutory auditors have carried out a limited review of these financial results.
- The Company operates only in one segment, namely, manufacture and marketing of components for Transportation industry.
- The previous period figures have been regrouped wherever necessary to conform to current period's presentation.
- The revenue from operations for the Nine-months ended December 31, 2017 and year ended March 31, 2018 are inclusive of excise duty upto the period June 30, 2017 and are not comparable with the revenue from operations of other periods which are presented net of GST consequent to introduction of Goods and Services Tax (GST) w.e.f July 2017 and are in compliance with relevant Indian Accounting Standards.
- Exceptional item represents the amount paid to 11 employees who have opted for early retirement in terms of a Voluntary Retirement Scheme introduced by the Company during the financial year ended March 31, 2018.
- An interim dividend of Rs.6.50/- per equity share has been declared by the Board of Directors on the paid up capital of 79,14,980 equity shares of Rs.10 each, fully paid up. The record date to determine eligible shareholders for payment of dividend is February 07, 2019. The interim dividend would be paid to all eligible shareholders on February 15, 2019.
- The financial results for the quarter and Nine-months ended December 31, 2018 are being published in the newspaper as per the format prescribed under Regulation 33 of 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.

Chennai
January 28, 2019



For Rane Brake Lining Limited
L Ganesh
Chairman



Rane Brake Lining Limited

Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086
visit us at: www.ranegroup.com CIN No.L63011TN2004PLC054948



Extract of Unaudited Financial Results for the Quarter & Nine months ended December 31, 2018

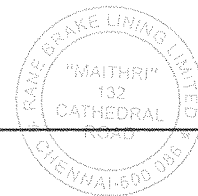
Rs. in Lakhs

S.No	Particulars	Quarter ended		Nine Months Ended	
		31.12.2018	31.12.2017	31.12.2018	31.12.2017
		Unaudited	Unaudited	Unaudited	Unaudited
1	Total income from operations	13,449.88	12,854.02	37,893.79	35,520.93
2	Net Profit / (Loss) for the period (before Tax and Exceptional items)	1,494.39	1,966.90	3,226.10	4,396.31
3	Net Profit / (Loss) for the period before tax (after Exceptional items)	1,494.39	1,966.90	3,226.10	4,396.31
4	Net Profit / (Loss) for the period after tax (after Exceptional items)	1,055.94	1,318.55	2,244.35	2,984.10
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	981.32	1,374.72	2,206.25	3,023.60
6	Equity Share Capital	791.50	791.50	791.50	791.50
7	Earnings Per Share (of Rs.10/- each)				
	(a) Basic :	13.34	16.66	28.36	37.70
	(b) Diluted:	13.34	16.66	28.36	37.70

- Note:**
- The above is an extract of the detailed format of Unaudited Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015. The full format of the 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
 - The unaudited financial results have been recommended by the Audit committee and approved by the Board of Directors at their respective meetings held on January 28, 2019.
 - The revenue from operations for the Nine Months ended December 31, 2017 is inclusive of excise duty upto the period June 30, 2017 and are not comparable with the revenue from operations of other periods which are presented net of GST consequent to introduction of Goods and Services Tax (GST) w.e.f July 2017 and are in compliance with relevant Indian Accounting Standards.
 - An interim dividend of Rs.6.50/- per equity share has been declared by the Board of Directors on the paid up capital of 79,14,980 equity shares of Rs.10 each, fully paid up. The record date to determine eligible shareholders for payment of dividend is February 07, 2019. The interim dividend would be paid to all eligible shareholders on February 15, 2019.

January 28, 2019
Chennai

For Rane Brake Lining Limited



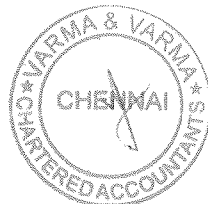
L Ganesh
Chairman

Limited Review Report


To
The Board of Directors
Rane Brake Lining Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of Rane Brake Lining Limited ("the Company") for the quarter and nine months ended 31stDecember, 2018, attached herewith being submitted by the company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations,2015"), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on this statement based on our review
3. We conducted our review 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 this 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 provide 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 of unaudited standalone financial results prepared in all material respects in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015,read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Chennai
Date : 28thJanuary, 2019



For Varma & Varma
Chartered Accountants
F.R.N. 004532S


Arjun R
Partner
M No. 226775



Chennai, India, January 28, 2019 – 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 third quarter (Q3FY19) and nine months (9M FY19) ended December 31st, 2018

Q3 FY19 Performance

- Total Net Revenue was ₹134.5 Crore for Q3 FY19 as compared to ₹128.5 Crore in the Q3 FY18, an increase of 4.6%
- EBITDA stood at ₹20.6 Crore as compared to ₹25.2 Crore during Q3 FY18, a decrease of 18.5%
- EBITDA Margin at 15.3% for Q3 FY19 as against 19.6% in Q3 FY18
- Net profit (PAT) stood at ₹10.6 Crore for Q3 FY19 as compared to ₹13.2 Crore in Q3 FY18, a decrease of 19.9%

9M FY19 Performance

- Total Net Revenue was ₹378.9 Crore for 9M FY19 as compared to ₹341.8 Crore in the 9M FY18, an increase of 10.9%
- EBITDA stood at ₹49.2 Crore as compared to ₹60.3 Crore during 9M FY18, a decrease of 18.4%
- EBITDA Margin at 13.0% for 9M FY19 as against 17.6% in 9M FY18
- Net profit (PAT) stood at ₹22.4 Crore for 9M FY19 as compared to ₹29.8 Crore in 9M FY18, a decrease of 24.8%

Corporate Action

- An interim dividend of ₹6.50/- per equity share has been declared by the Board of Directors on the paid-up capital of 79,14,980 of ₹10/- each. The record date for payment of interim dividend is February 07, 2019.

Operating Highlights for Q3 FY19

- Sales to Indian OE customers grew 7% supported particularly by M&HCV and Two Wheeler segment
- Sales to Aftermarket dropped 2% on the high base in Q3FY18 which had 28% growth owing to post GST stock alignment
- EBITDA margin declined by 434 bps
 - Adverse forex movement, unfavourable product mix, increase in raw material resulted in the EBITDA margin drop

MANAGEMENT COMMENT

“RBL had favourable growth with OE customers. On aftermarket segment, the sales improved on QoQ basis and demand environment remains positive. The forex and material cost pressure led to drop in margins. We expect the raw material prices to stabilize in the upcoming quarter. Management is focusing on various initiatives to mitigate cost escalation.” – **L. Ganesh, Chairman, Rane Group**

BUSINESS HIGHLIGHTS

Financial Performance

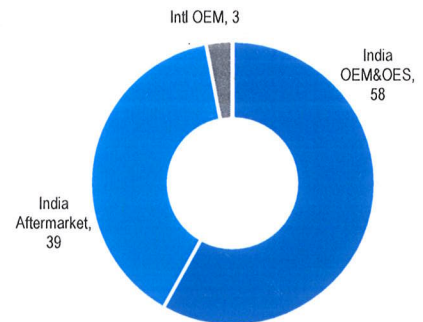
Particulars	Q3 FY 19	Q3 FY 18	YOY%
Total Net Revenue*	134.5	128.5	4.6%
EBITDA	20.6	25.2	-18.5%
Margin (%)	15.3%	19.6%	-434 bps
PAT	10.6	13.2	-19.9%

Particulars	9M FY 19	9M FY 18	YOY%
Total Net Revenue*	378.9	341.8	10.9%
EBITDA	49.2	60.3	-18.4%
Margin (%)	13.0%	17.6%	-466 bps
PAT	22.4	29.8	-24.8%

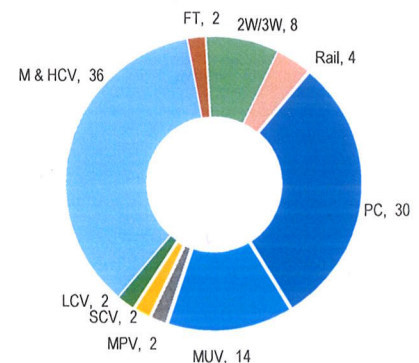
* Revenue excludes excise duty wherever applicable
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q3 FY19)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



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PROFIT AND LOSS ACCOUNT

Particulars	Q3FY19	Q2FY19	QoQ%	Q3FY18	YoY%	9MFY19	9MFY18	YoY%
Income from Operations	132.1	119.7	10%	128.1	3%	374.0	353.9	6%
Other Operating Income	0.3	0.2	47%	0.1	154%	0.7	0.3	110%
Other Income	2.0	1.3	57%	0.3	652%	4.2	1.0	324%
Total Revenue	134.5	121.3	11%	128.5	5%	378.9	355.2	7%
Expenses								
-Cost of Material Consumed	71.6	60.2	19%	61.9	16%	197.5	169.9	16%
-Purchase of stock-in-trade	-	-	-	-	-	-	-	-
-Changes in inventories	-2.9	1.1	-363%	-2.3	-30%	-6.5	-5.0	-31%
-Excise Duty	-	-	-	-	-	-	13.4	-
-Employee Benefit Expense	18.3	18.4	-1%	16.0	15%	55.0	47.2	17%
-Finance Cost	0.1	0.1	12%	0.1	-47%	0.2	0.3	-44%
-Depreciation & Amortization	5.6	5.7	-2%	5.5	2%	16.8	16.0	5%
-Other Expenditure	26.9	28.4	-5%	27.7	-3%	83.8	69.4	21%
Total Expenses	119.6	113.9	5%	108.9	10%	346.7	311.2	11%
PBT before Exceptional Items	14.9	7.4	103%	19.7	-24%	32.3	44.0	-27%
Exceptional Item	-	-	-	-	-	-	-	-
PBT	14.9	7.4	103%	19.7	-24%	32.3	44.0	-27%
Tax Expense	4.4	2.1	113%	6.5	-32%	9.8	14.1	-30%
PAT	10.6	5.3	99%	13.2	-20%	22.4	29.8	-25%

(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 Stationery 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.



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