

Rane (Madras) Limited



RML / SE/ 29 / 2016-17

October 24, 2016

BSE Limited Corporate Relationship Department, 1st Floor, New Trading Ring, P J Towers, Dalal Street, Mumbai 400 001	National Stock Exchange of India Ltd. Listing Department Exchange Plaza, 5 th Floor, Plot No.C/1, 'G' Block, Bandra Kurla Complex Bandra (E), Mumbai - 400 051.
Code No. 532661	Code : RML

Dear Sir / Madam,

Sub: Outcome of Board Meeting held on October 24, 2016- under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)

Ref: Our letter no. RML/SE/ 23/ 2016-17 dated September 9, 2016

This is to inform that the Board of Directors at the meeting held today inter alia approved the unaudited standalone financial results of the Company for the quarter and half year ended September 30, 2016 as recommended by the audit committee at their respective meeting(s) held today (**October 24, 2016**).

The unaudited standalone financial results of the Company for the quarter & half year ended September 30, 2016 is enclosed herewith along with the Limited Review Report issued by M/s. Deloitte Haskins & Sells, Statutory Auditors (**Regulation 33**).

The extract of the unaudited financial results will be published in newspapers, i.e., 'Business Standard' and 'Dinamani' in the format prescribed (**Regulation 47**). An earnings release for the quarter and half year ended September 30, 2016 is also enclosed. (**Regulation 30**).

The meeting of the Board of Directors commenced at 11:30 a.m. and concluded at 01:40 p.m.

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**


Siva Chandrasekaran
Executive Vice President – Secretarial & Legal



Encl: a/a

1. Un- audited financial results for the quarter & half year ended September 30, 2016
2. Limited Review Report for the quarter & half year ended September 30, 2016
3. Earnings release for the quarter & half year ended September 30, 2016

RANE (MADRAS) LIMITED

Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086
visit us at: www.rane.co.in CIN-L65993TN2004PLC052856



Statement of Standalone Unaudited Financial Results for the Quarter and Six Months ended September 30, 2016

(Rs. In lakhs)

S.No	Particulars	Quarter ended			Six Months ended		Financial year ended
		30-Sep-16	30-Jun-16	30-Sep-15	30-Sep-16	30-Sep-15	31-Mar-16
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	(Refer Notes Below)						
1	Revenue From Operations						
(a)	Net Sales/Income from Operations (net of excise duty)	24,228.08	22,203.06	21,084.80	46,431.14	40,896.06	82,936.72
(b)	Other operating income	1,523.17	553.43	564.90	2,076.60	1,010.27	3,154.12
	Total Income from operations (net)	25,751.25	22,756.49	21,649.70	48,507.74	41,906.33	86,090.84
2	Expenses						
(a)	Cost of materials consumed	14,727.66	13,806.44	13,290.40	28,534.10	25,699.22	51,415.98
(b)	Changes in inventories of finished goods and work-in-progress	745.40	(897.19)	(432.62)	(151.79)	(695.36)	(740.65)
(c)	Employee benefit expense	2,862.39	2,753.66	2,415.60	5,616.05	4,738.21	9,825.22
(d)	Depreciation and amortisation expense	1,150.11	1,098.10	996.49	2,248.21	1,885.15	3,937.88
(e)	Other Expenses	4,767.64	4,975.91	4,280.80	9,743.55	8,270.68	17,779.09
	Total expenses	24,253.20	21,736.92	20,550.67	45,990.12	39,897.90	82,217.52
3	Profit / (loss) from operations before other income, finance costs and exceptional items (1-2)	1,498.05	1,019.57	1,099.03	2,517.62	2,008.43	3,873.32
4	Other income	20.03	25.49	39.92	45.52	70.84	158.10
5	Profit / (loss) from ordinary activities before finance costs and exceptional items (3+4)	1,518.08	1,045.06	1,138.95	2,563.14	2,079.27	4,031.42
6	Finance costs	702.95	661.73	409.67	1,364.68	854.70	1,896.10
7	Profit / (loss) from ordinary activities after finance costs but before exceptional items(5-6)	815.13	383.33	729.28	1,198.46	1,224.57	2,135.32
8	Exceptional items (Refer note 3)	-	-	-	-	(269.62)	(269.62)
9	Profit / (loss) from ordinary activities before tax (7+8)	815.13	383.33	729.28	1,198.46	954.95	1,865.70
10	Tax Expense	153.00	117.61	213.13	270.61	273.72	457.06
11	Net Profit / (loss) from ordinary activities after tax (9-10)	662.13	265.72	516.15	927.85	681.23	1,408.64
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net Profit / loss for the period (11-12)	662.13	265.72	516.15	927.85	681.23	1,408.64
14	Details of equity share capital						
	Paid-up equity share capital						
	Face value of Rs.10 per equity share	1,051.06	1,051.06	1,051.06	1,051.06	1,051.06	1,051.06
15	Reserves excluding revaluation reserve as per balance sheet of previous accounting year						14,187.76
16	Earnings per share						
i	Earnings per share before extraordinary items						
	Basic	6.30	2.53	4.75	8.83	6.16	12.77
	Diluted	6.30	2.53	4.75	8.83	6.16	12.77
ii	Earnings per share after extraordinary items						
(a)	Basic	6.30	2.53	4.75	8.83	6.16	12.77
	Diluted	6.30	2.53	4.75	8.83	6.16	12.77



Notes:

1. Statement of Assets and Liabilities

(Rs. In lakhs)

Particulars	Standalone Financial statements	
	As at 30.09.2016	As at 31.03.2016
	(Unaudited)	(Audited)
I. EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Share Capital	1,874.29	1,874.29
(b) Reserves and surplus	15,181.07	14,187.76
Sub-total - Shareholders' funds	17,055.36	16,062.05
Non-current liabilities		
(a) Long-term borrowings	12,379.06	12,407.27
(b) Deferred tax liabilities (Net)	892.44	800.61
(c) Other long term liabilities	10.50	14.00
(d) Long-term provisions	832.84	745.21
Sub-total - Non-current liabilities	14,114.84	13,967.09
Current liabilities		
(a) Short-term borrowings	14,406.02	11,093.69
(b) Trade payables	13,535.70	12,527.12
(c) Due to Micro and Small Enterprises	1,151.09	1,142.01
(d) Other current liabilities	6,828.61	6,205.16
(e) Short-term provisions	246.87	298.50
Sub-total - Current liabilities	36,168.29	31,266.48
TOTAL EQUITY AND LIABILITIES	67,338.49	61,295.62
II. ASSETS		
Non-current assets		
(a) Fixed assets	32,024.91	31,347.35
(b) Non current Investment	14.97	15.00
(c) Long-term loans and advances	3,564.12	2,983.69
Sub-total - Non-current assets	35,604.00	34,346.04
Current assets		
(a) Inventories	9,977.79	9,335.18
(b) Trade receivables	13,381.16	12,180.10
(c) Cash and cash equivalents	671.58	278.17
(d) Short-term loans and advances	6,226.88	4,079.18
(e) Other current assets	1,477.08	1,076.95
Sub-total - Current assets	31,734.49	26,949.58
TOTAL ASSETS	67,338.49	61,295.62

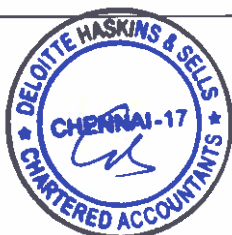
- The above unaudited financial results and the statement of assets and liabilities were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 24, 2016 and have been subjected to Limited Review by the statutory auditors.
- Exceptional item represent amount paid to employees who opted for Voluntary Retirement Scheme extended to employees during the year ended March 31, 2016.
- The above results have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- The Company has opted to publish only Standalone financial results
- The Company operates only in one segment, namely, components for transportation industry.
- Previous period / year figures have been regrouped/rearranged wherever necessary, to conform to the current period/ year presentation.
- The unaudited financial results are available on the website of the company at www.rane.co.in and the stock exchanges at www.bseindia.com and www.nseindia.com

Varanavasi, Kanchipuram
October 24, 2016



For Rane (Madras) Limited

[Signature]
L. Ganesh
Chairman



Rane (Madras) Limited
CIN-L65993TN2004PLC052856



Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086

visit us at: www.rane.co.in

(Rs. In lakhs)

Extract of Standalone Unaudited Financial Results for the Quarter and Six Months ended September 30, 2016

Standalone				
S.No	Particulars	Quarter ended 30.09.2016	Quarter ended 30.09.2015	Six Months ended 30.09.2016
1	Total income from operations (net)	25,751.25	21,649.70	48,507.74
2	Net Profit / (Loss) from ordinary activities after tax	662.13	516.15	927.85
3	Net Profit / (Loss) for the period after tax (after Extraordinary items)	662.13	516.15	927.85
4	Equity Share Capital	1,051.06	1,051.06	1,051.06
5	Earnings Per Share (before extraordinary items) (of Rs.10/- each)			
	(a) Basic :	6.30	4.75	8.83
	(b) Diluted:	6.30	4.75	8.83
6	Earnings Per Share (after extraordinary items) (of Rs.10/- each)			
	(a) Basic :	6.30	4.75	8.83
	(b) Diluted:	6.30	4.75	8.83

Note:

- The financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 24, 2016 and have been subjected to Limited Review by the statutory auditors.
- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Financial Results are available on the Stock Exchange websites www.bseindia.com and www.nseindia.com and on the company's website-
www.rane.co.in.

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[Handwritten Signature]



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE BOARD OF DIRECTORS OF RANE (MADRAS) LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **RANE (MADRAS) LIMITED** ("the Company") for the Quarter and Six months ended 30 September 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 Accounting Standards for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 008072S)


Geetha Suryanarayanan
Partner
(Membership No. 29519)



Expanding Horizons

RANE (MADRAS) LIMITED

Q2FY17 Earnings Release



Chennai, India, October 24, 2016 – Rane (Madras) Limited (NSE: RML; BSE Code:532661), a leading manufacturer of steering and suspension products and die casting components today announced its standalone financial performance for the second quarter (Q2FY17) and six months (H1FY17) ended September 30th 2016

Standalone Q2 FY17 Performance

- Total Operating Income was ₹257.5 Crore for Q2 FY17 as compared to ₹216.5 Crore in the Q2 FY16, an increase of 19%
- EBITDA stood at ₹26.7 Crore as compared to ₹21.4 Crore during Q2 FY16, an increase of 25%
- EBITDA Margin at 10.3% for Q2 FY17 as against 9.9% in Q2 FY16, an improvement of 45 basis point (bps) due to stringent fixed cost controls however partly offset by increased operational cost.
- Net profit (PAT) stood at ₹6.6 Crore for Q2 FY17 as compared to ₹5.2 Crore in Q2 FY16, an increase of 28%

Standalone H1 FY17 Performance

- Total Operating Income was ₹485.1 Crore for H1 FY17 as compared to ₹419.0 Crore in the H1 FY16, an increase of 16%
- EBITDA stood at ₹48.2 Crore as compared to ₹39.6 Crore during H1 FY16, an increase of 22%
- EBITDA Margin at 9.9% for H1 FY17 as against 9.5% in H1 FY16
- Net profit (PAT) stood at ₹9.3 Crore for H1 FY17 as compared to ₹6.8 Crore in H1 FY16, an increase of 37%

Operating Highlights for Q2 FY17

- Strong demand from Passenger Car (PC), LCV & SCV segments in the Steering and Linkages Division.
- Performance in the Farm Tractors (FT) segment is subdued mainly due to growth in unserved markets.
- Steady growth in the Indian Aftermarket segment driven by new product and expansion of distribution network in Western and Northern region.
- Robust growth in Diecast division owing to higher demand from international as well as domestic market aided by ramp up in production volumes at our second Diecasting facility in Hyderabad. This steep ramp up in the new diecasting plant caused delivery and quality issues impacting the profitability.

MANAGEMENT COMMENT

"RML successfully ramped up production to capitalize on the strong order flow from select customers for Steering and Linkages division in PC and LCV segment along with international customers for Diecast division. We continue to work on several initiatives to improve our operational performance and drive margin expansion."- **L. Ganesh, Chairman, Rane Group**

BUSINESS HIGHLIGHTS

FINANCIAL PERFORMANCE

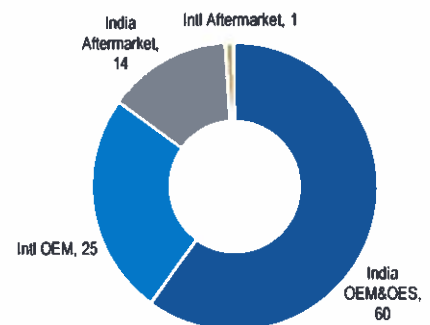
Particulars	Q2FY16	Q2FY17	YoY%
Total Operating Income	216.5	257.5	19%
EBITDA	21.4	26.7	25%
EBITDA Margins	9.9%	10.3%	45 bps
PAT	5.2	6.6	28%

Particulars	H1FY16	H1FY17	YoY%
Total Operating Income	419.0	485.1	16%
EBITDA	39.6	48.2	22%
EBITDA Margins	9.5%	9.9%	47 bps
PAT	6.8	9.3	37%

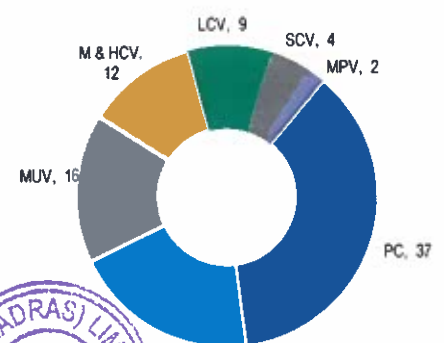
(In ₹ Crore, unless otherwise mentioned, pertain to standalone financials)

BUSINESS SPLIT (Q2 FY17)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

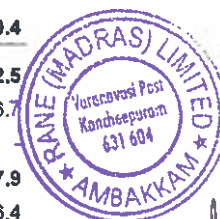
Particulars	Q2 FY17	Q1 FY17	QoQ%	Q2 FY16	YoY%	H1 FY17	H1 FY16	YoY %
Income from Operations	242.3	222.0	9%	210.8	15%	464.3	408.9	14%
Other Operating Income	15.2	5.5	176%	5.7	167%	20.8	10.1	106%
Total Operating Income	257.5	227.5	13%	216.5	19%	485.1	419.0	16%
Expenses								
-Cost of Material Consumed	147.3	138.1	7%	132.9	11%	285.3	257.0	11%
-Changes in inventories	7.5	-9.0	183%	-4.3	274%	-1.5	-7.0	79%
-Employee Benefit Expense	28.6	27.5	4%	24.2	18%	56.2	47.4	19%
-Depreciation & Amortization	11.5	11.0	5%	10.0	15%	22.5	18.9	19%
-Other Expenditure	47.7	49.8	-4%	42.7	12%	97.4	82.7	18%
Total Expenses	242.6	217.4	12%	205.5	18%	459.9	399.0	15%
EBIT Before Other Income	14.9	10.1	48%	11.0	36%	25.2	20.0	26%
Other Income	0.2	0.3	-33%	0.4	-50%	0.5	0.7	-36%
Finance Costs	7.0	6.6	6%	4.1	71%	13.7	8.5	61%
Exceptional Item						-	-2.7	
PBT	8.1	3.8	113%	7.3	12%	12.0	9.5	26%
Tax Expense	1.5	1.2	25%	2.1	-29%	2.7	2.7	0%
PAT	6.6	2.6	154%	5.2	28%	9.3	6.8	37%

(In ₹ Crore, unless otherwise mentioned, pertain to standalone financials)

KEY BALANCE SHEET ITEMS

Particulars	H1 FY17	FY16	Change
Shareholders Fund	170.6	160.6	10.0
Non-current liabilities	141.1	139.7	1.4
-Long-term borrowings	123.8	124.1	-0.3
Current liabilities	361.7	312.7	49.0
-Short-term borrowings	144.1	110.9	33.2
-Trade payables	135.4	125.3	10.1
Total Liabilities	673.4	613.0	60.4
Non-current assets	356.0	343.5	12.5
-Fixed assets	320.2	313.5	6.7
-Non-current investments	0.2	0.2	
Current assets	317.4	269.5	47.9
-Inventories	99.8	93.4	6.4
-Trade receivables	133.8	121.8	12.0
-Cash and cash equivalents	6.7	2.8	3.9
Total Assets	673.4	613.0	60.4

(In ₹ Crore, unless otherwise mentioned, pertain to standalone financials)



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. It has two divisions namely Steering gear (SGP), Steering and Suspension Linkage Products (SSLP) division and Die-casting Products division. The Steering division manufactures manual steering gears, hydrostatic steering systems and steering and suspension linkage products. RML holds 39% and 72% market share in India in SGP and SSLP. The Die casting division manufactures low porosity, high-quality aluminum die-castings such as steering housings, engine case covers.

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 manufactures Steering and Suspension systems, Friction materials, Valve train components, Occupant safety systems, Die-casting products and Aerospace -grade Wiring harnesses. 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.