

Rane (Madras) Limited



//Online Submission//

RML / SE / 56 / 2017-18

January 23, 2018

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

Sub: Outcome of Board Meeting held on January 23, 2018 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RML / SE / 50 / 2017-18 dated December 28, 2017

This is to inform you that the Board of Directors have, inter alia, approved the standalone un-audited financial results (Ind AS compliant) of the Company for the quarter and nine months ended December 31, 2017, based on the recommendations of the Audit Committee, at their respective meeting(s) held today, i.e. **January 23, 2018**.

The standalone un-audited financial results of the Company for the quarter and nine months ended December 31, 2017, is enclosed along with the Limited Review Report issued by M/s. Deloitte Haskins & Sells, Chartered Accountants, Statutory Auditors (**Regulation 33**).

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

The extract of the standalone 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 13:15 hrs (IST).

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

Thanking you.

Yours faithfully,

For **Rane (Madras) Limited**

S Subha Shree
Secretary



Encl: a/a

1. Standalone un-audited financial results for the quarter & nine months ended December 31, 2017.
2. Extract of the standalone un-audited financial results for Newspaper publication.
3. Limited Review Report for the quarter & nine months ended December 31, 2017.
4. Earnings release for the quarter & nine months ended December 31, 2017.

RANE (MADRAS) LIMITED

CIN L65993TN2004PLC052856

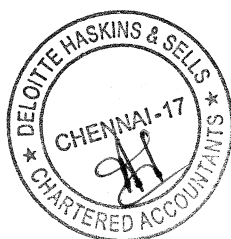
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Statement of Unaudited Standalone Financial Results for the Quarter and Nine months Ended December 31, 2017

(Rs. in Lakhs)

Particulars	Standalone			Standalone	
	Quarter ended			Nine months ended	
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
	Unaudited			Unaudited	
1. Revenue					
(a) Revenue from operations (Refer Note 4)	30,892.99	28,972.13	25,624.07	86,242.33	75,863.22
(b) Other Operating Income	895.20	683.34	880.37	2,689.14	3,030.65
(c) Other Income	76.01	78.88	59.37	247.37	167.00
Total Revenue	31,864.20	29,734.35	26,563.81	89,178.84	79,060.87
2. Expenses					
(a) Cost of materials consumed	20,492.15	17,780.95	15,250.99	54,306.31	43,785.09
(b) Purchase of stock-in-trade	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress	(1,367.63)	363.63	(1,431.08)	(1,368.83)	(1,582.87)
(d) Excise Duty (Refer Note 4)	-	-	2,371.80	2,541.63	6,833.40
(e) Employee benefits expense	3,534.40	3,422.34	3,059.04	10,046.75	8,610.51
(f) Finance costs	633.41	767.18	713.29	2,234.33	2,115.33
(g) Depreciation and amortisation expense	1,240.70	1,214.94	1,105.81	3,660.57	3,285.84
(h) Other expenses	5,355.15	4,914.77	5,206.29	14,185.72	14,377.12
Total Expenses	29,888.18	28,463.81	26,276.14	85,606.48	77,424.42
3. Profit / (Loss) before Exceptional items (1-2)	1,976.02	1,270.54	287.67	3,572.36	1,636.45
4. Exceptional Items (Refer note 6)	-	-	-	-	-
5. Profit / (Loss) before tax (3 ± 4)	1,976.02	1,270.54	287.67	3,572.36	1,636.45
6. Tax expense					
Current Tax (Net of Mat Credit)	596.14	494.72	(74.27)	1,165.83	126.77
Deferred Tax	(42.36)	(63.78)	21.29	(127.63)	142.89
Total Tax Expenses	553.78	430.94	(52.98)	1,038.20	269.66
7. Profit / (Loss) for the period (5-6)	1,422.24	839.60	340.65	2,534.16	1,366.79
8. Other Comprehensive Income (Net of Tax Expenses)	(28.59)	(27.37)	(31.40)	(25.25)	(30.87)
9. Total Comprehensive Income for the period (7+8) (Comprising profit / (loss) and other comprehensive income for the period)	1,393.65	812.23	309.25	2,508.91	1,335.92
10. Details of equity share capital					
Paid-up equity share capital (Face Value of Rs.10 /- per share)	1,160.75	1,160.75	1,051.07	1,160.75	1,051.07
11. Earnings per share (EPS) (of Rs.10/- each) (Amount in Rs.)					
(a) Basic	12.25	7.90	3.24	23.21	13.00
(b) Diluted	11.88	7.87	3.24	22.93	13.00



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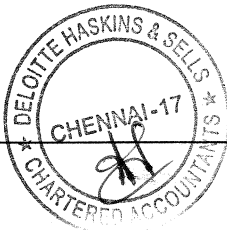
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**Statement of Unaudited Standalone Financial Results for the Quarter and Nine months Ended December 31, 2017****Notes:-**

- The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 23, 2018 and have been subjected to Limited Review by the Statutory auditors.
- The company has adopted Indian Accounting Standards (Ind AS) from April 1, 2017 and the above financial results have been prepared in accordance with the recognition and measurement principles laid down in the said standards. The date of transition to Ind AS is April 1, 2016.
- The Company is engaged in the manufacture of components for Transportation industry, which in the context of Indian Accounting Standard (Ind AS) 108 – Operating Segments, is considered as the only operating segment of the Company.
- Consequent to introduction of Goods and Services Tax (GST) w.e.f July 2017, revenue from operations for the quarter ended December 31, 2017 and September 30, 2017 are presented net of GST of Rs.6737.78 Lakhs and Rs.6,535.93 Lakhs respectively in compliance with Indian Accounting Standard (Ind AS) 18 -"Revenue". The revenue from operations for the Quarter ended December 31, 2016 and Nine months ended December 31, 2016 are inclusive of excise duty, and are not comparable with the revenue from operations for the quarter ended December 31, 2017 and nine months ended December 31, 2017 to that extent.
- Reconciliation of net profit reported under Indian GAAP for the Quarter and Nine Months ended December 31, 2016 with Ind AS is furnished below:
(Rs. in lakhs)

Particulars	Quarter Ended 31.12.2016	Nine Months Ended 31.12.2016
Net Profit as per Indian GAAP	272.12	1,199.97
Add:		
Actuarial Loss on Employee defined benefit plans reclassified in Other Comprehensive Income	27.66	69.88
Reversal of Goodwill amortised under Indian GAAP	50.75	152.25
Fair valuation of financial assets and liabilities	16.31	18.48
Amortisation of deferred Income relating to Government Grant (EPCG License) - Net of related depreciation on amounts capitalised	11.19	33.56
Deferred tax impact on fair value of financial assets and liabilities, amortisation of deferred income and on reversal of Goodwill amortisation	(21.64)	(51.31)
Sub-total	356.39	1,422.83
Less:		
Fair valuation of financial assets and liabilities	15.74	56.04
Net Profit under Ind AS (A)	340.65	1,366.79
Other Comprehensive income (net of tax)		
Actuarial loss on employee defined benefit plans	(27.66)	(69.88)
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge reclassified in Other Comprehensive Income	(3.74)	39.01
Other Comprehensive income, net of income tax (B)	(31.40)	(30.87)
Total Comprehensive Income for the period under Ind AS (A+B)	309.25	1,335.92

- During the previous quarter ended September 30, 2017, the Company had recorded an aggregate claim of Rs.1,008 Lakhs from a customer towards certain product quality issues. The Company has an insurance policy to cover product recall/ guarantee claims/ costs. The claim has been intimated to the insurer and has been considered as insurance claim receivable as the Company is confident of recovering this sum under the insurance policy.
- The Company has opted to publish only standalone financial results
- An Interim Dividend of Rs. 4.50/- per equity share has been declared by the Board of Directors on the paid-up capital of 1,16,07,541 equity shares of Rs.10 each fully paid up. The Record date to determine eligible shareholders for payment of dividend is February 3, 2018. The Interim dividend would be paid to all eligible shareholders on February 13, 2018.
- The standalone financial results for the Quarter and Nine months ended December 31, 2017 are being published in the newspaper as per the format prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The standalone financial results are also available on the Stock Exchange websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) and on the Company's website viz., www.ranegroup.com

Chennai
January 23, 2018

For Rane (Madras) Limited

L Ganesh
Chairman

RANE (MADRAS) LIMITED

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 visit us at: www.ranegroup.com CIN L65993TN2004PLC052856

**Extract of Standalone Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2017**

(Rs. in Lakhs
 except per share data)

S.No	Particulars	Quarter ended			Nine Months ended	
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
1	Total Income from Operations	31,788.19	29,655.47	26,504.44	88,931.47	78,893.87
2	Net Profit / (Loss) for the period (before Tax, Exceptional items)	1,976.02	1,270.54	287.67	3,572.36	1,636.45
3	Net Profit / (Loss) for the period before tax (after Exceptional items)	1,976.02	1,270.54	287.67	3,572.36	1,636.45
4	Net Profit / (Loss) for the period after tax (after Exceptional items)	1,422.24	839.60	340.65	2,534.16	1,366.79
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	1,393.65	812.23	309.25	2,508.91	1,335.92
6	Equity Share Capital	1,160.75	1,160.75	1,051.07	1,160.75	1,051.07
7	Earnings Per Share (of Rs. 10/- each) -					
	1. Basic:	12.25	7.90	3.24	23.21	13.00
	2. Diluted:	11.88	7.87	3.24	22.93	13.00

The above is an extract of the detailed format of Quarterly Standalone 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 Standalone 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

Note:

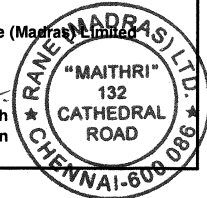
- The above Standalone unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on January 23, 2018.
- The company has adopted Indian Accounting Standards (Ind AS) from April 1, 2017 and the above financial results have been prepared in accordance with the recognition and measurement principles laid down in the said standards. The date of transition to Ind AS is April 1, 2016.
- During the previous quarter ended September 30, 2017, the Company had recorded an aggregate claim of Rs. 1,008 Lakhs from a customer towards certain product quality issues. The Company has an insurance policy to cover product recall/ guarantee claims/ costs. The claim has been intimated to the insurer and has been considered as insurance claim receivable as the Company is confident of recovering this sum under the insurance policy.
- Consequent to introduction of Goods and Services Tax (GST) w.e.f July 2017, revenue from operations for the quarter ended December 31, 2017 and September 30, 2017 are presented net of GST of Rs.6737.78 Lakhs and Rs.6,535.93 Lakhs respectively in compliance with Indian Accounting Standard (Ind AS) 18 - "Revenue". The revenue from operations for the Quarter ended December 31, 2016 and Nine months ended December 31, 2016 are inclusive of excise duty, and are not comparable with the revenue from operations for the quarter ended December 31, 2017 and nine months ended December 31, 2017 to that extent.
- An Interim Dividend of Rs. 4.50/- per equity share has been declared by the Board of Directors on the paid-up capital of 1,16,07,541 equity shares of Rs.10 each fully paid up. The Record date to determine eligible shareholders for payment of dividend is February 3, 2018. The Interim dividend would be paid to all eligible shareholders on February 13, 2018.

Chennai
 January 23, 2018



For Rane (Madras) Limited

L Ganesh
 Chairman



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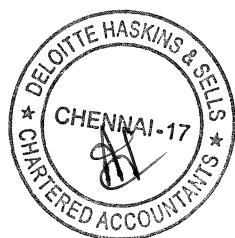
INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

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 nine months ended December 31, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), 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 Indian 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, as modified by 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.



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Deloitte Haskins & Sells

4. We draw attention to the following matter:

We draw attention to Note 6 to the Statement regarding recognition of insurance claim recoverable of Rs. 1008 Lakhs during the nine month period ended December 31, 2017 based on management's assessment of the certainty of recoverability of insurance claim, the settlement of which is subject to survey and admission by the Insurance Company.

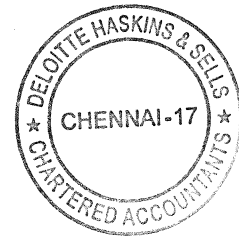
Our report is not modified in respect of this matter.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)



Ananthi Amarnath
Partner
(Membership No. 209252)

Chennai, January 23, 2018





Expanding Horizons

RANE (MADRAS) LIMITED

Q3FY18 Earnings Release



Chennai, India, January 23, 2018 – 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 third quarter (Q3 FY18) and nine months (9M FY18) ended December 31st, 2017.

Standalone Q3 FY18 Performance

- Total Net Revenue was ₹318.6 Crore for Q3 FY18 as compared to ₹241.9 Crore in Q3 FY17, an increase of 31.7%
- EBITDA stood at ₹38.5 Crore as compared to ₹21.1 Crore during Q3 FY17, an increase of 82.8%
- EBITDA Margin at 12.1% for Q3 FY18 as against 8.7% in Q3 FY17, an improvement of 337 basis point (bps)
- Net profit (PAT) stood at ₹14.2 Crore for Q3 FY18 as compared to ₹3.4 Crore in Q3 FY17, an increase of 317.5%

Standalone 9M FY18 Performance

- Total Net Revenue was ₹866.4 Crore for 9M FY18 as compared to ₹722.3 Crore in the 9M FY17, an increase of 20.0%
- EBITDA stood at ₹94.7 Crore as compared to ₹70.4 Crore during 9M FY17, an increase of 34.5%
- EBITDA Margin at 10.9% for 9M FY18 as against 9.7% in 9M FY17, an improvement of 118 bps
- Net profit (PAT) stood at ₹25.3 Crore for 9M FY18 as compared to ₹13.7 Crore in 9M FY17, an increase of 85.4%

Corporate Action

- An interim dividend of ₹4.50/- per equity share has been declared by the Board of Directors on the paid-up capital of 1,16,07,541 equity shares of ₹10/- each fully paid up. The record date for payment of interim dividend is February 03, 2018.

Operating Highlights for Q3 FY18

- Strong demand from Indian OE customers across vehicle segments
- Experienced robust demand in Indian Aftermarket segment with 46% YoY growth
- Improved operational performance of Die Casting Division despite muted growth
- EBITDA margin improved by 337 bps due to increased volume, favourable product mix and improved operational performance

MANAGEMENT COMMENT

"RML posted good set of numbers led by pickup in demand from Indian OE customers and improved operational performance. Though the Die Casting Division experienced lower pull from international customers, it continued to improve on operational performance. Higher volume provided operational leverage to improve the operating margin." - L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

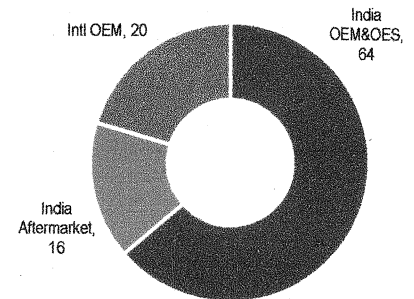
Particulars	Q3 FY18	Q3 FY17	YOY%
Total Net Revenue*	318.6	241.9	31.7%
EBITDA	38.5	21.1	82.8%
Margin (%)	12.1%	8.7%	337 bps
PAT	14.2	3.4	317.5%

Particulars	9M FY18	9M FY17	YOY%
Total Net Revenue*	866.4	722.3	20.0%
EBITDA	94.7	70.4	34.5%
Margin (%)	10.9%	9.7%	118 bps
PAT	25.3	13.7	85.4%

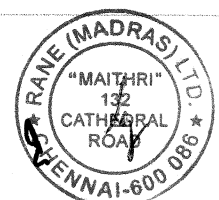
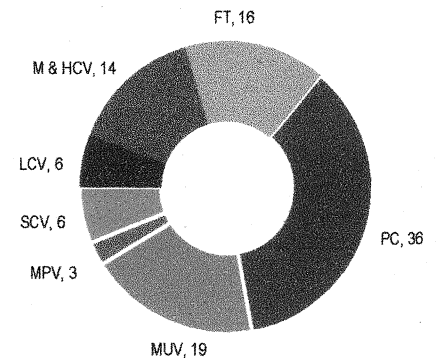
*Revenue excludes excise duty wherever applicable
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q3 FY18)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



Rane

PROFIT AND LOSS ACCOUNT

Particulars	Q3FY18	Q2FY18	QoQ%	Q3FY17	YoY%	9M FY18	9M FY17	YoY%
Income from Operations	308.9	289.7	7%	256.2	21%	862.4	758.6	14%
Other Operating Income	9.0	6.8	31%	8.8	2%	26.9	30.3	-11%
Other Income	0.8	0.8	-4%	0.6	28%	2.5	1.7	48%
Total Revenue	318.6	297.3	7%	265.6	20%	891.8	790.6	13%
Expenses								
-Cost of Material Consumed	204.9	177.8	15%	152.5	34%	543.1	437.9	24%
-Purchase of stock-in-trade	-	-	-	-	-	-	-	-
-Changes in inventories	-13.7	3.6	-476%	-14.3	4%	-13.7	-15.8	14%
-Excise Duty	-	-	-	23.7	-100%	25.4	68.3	-63%
-Employee Benefit Expense	35.3	34.2	3%	30.6	16%	100.5	86.1	17%
-Finance Cost	6.3	7.7	-17%	7.1	-11%	22.3	21.2	6%
-Depreciation & Amortization	12.4	12.1	2%	11.1	12%	36.6	32.9	11%
-Other Expenditure	53.6	49.1	9%	52.1	3%	141.9	143.8	-1%
Total Expenses	298.9	284.6	5%	262.8	14%	856.1	774.2	11%
PBT before Exceptional Items	19.8	12.7	56%	2.9	587%	35.7	16.4	118%
Exceptional Item	-	-	-	-	-	-	-	-
PBT	19.8	12.7	56%	2.9	587%	35.7	16.4	118%
Tax Expense	5.5	4.3	29%	-0.5	1145%	10.4	2.7	285%
PAT	14.2	8.4	69%	3.4	318%	25.3	13.7	85%

(In ₹ Crore, unless otherwise mentioned, pertain to standalone financials. The sum of sub-segment amounts may not equal the total amounts due to rounding off)



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 is a market leader in India in SGP and SSLP. The Die casting division manufactures low porosity, high-quality aluminum die-castings such as steering housings and 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 provides Steering and Suspension systems, Friction materials, Valve train components, Occupant safety systems, Die-casting products and Telematics 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.

Rane