

Rane Brake Lining Limited



//Online Submission//

RBL / SE / 07 / 2019-20

May 22, 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 May 22, 2019 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RBL / SE / 52 / 2018-19 dated March 29, 2019

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, 2019 as recommended by the audit committee at their respective meeting(s) held today (**May 22, 2019**).

The audited financial results of the Company for the quarter and year ended March 31, 2019 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, 2019 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 11:15 hrs and concluded at **14 : 00** 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, 2019.
2. Extract of the audited financial results for Newspaper publication.
3. Independent Auditor's Report for the quarter & year ended March 31, 2019.
4. Declaration under Reg 33(3)(d) of SEBI LODR.
5. Earnings release for the quarter & year ended March 31, 2019.



Expanding Horizons

RANE BRAKE LINING LIMITED

FY19 Earnings Release



Chennai, India, May 22, 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 financial year (FY19) ended March 31st, 2019

FY19 Performance

- Total Net Revenue was ₹521.0 Crore for FY19 as compared to ₹487.2 Crore in the FY18, an increase of 6.9%
- EBITDA stood at ₹74.9 Crore as compared to ₹80.4 Crore during FY18, a decrease of 6.9%
- EBITDA Margin at 14.4% for FY19 as against 16.5% in FY18
- Net profit (PAT) stood at ₹36.5 Crore for FY19 as compared to ₹35.7 Crore in FY18, an increase of 2.2%

Corporate Action

- A final dividend of ₹9.0/- 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, 2019 is ₹.15.5/- per equity share including an interim dividend of ₹.6.5/- per equity share declared on January 28, 2019 and paid on February 15, 2019.

Operating Highlights

- Sales to Indian OE customers grew 7% supported by offtake in utility vehicles, two wheelers and M&HCV segments
- Recorded 8% growth in the Indian aftermarket business. This was supported by new product launches and improved market reach
- EBITDA margin declined by 213 bps
 - Adverse forex movement, increase in raw material prices and employee cost resulted in the EBITDA margin drop

MANAGEMENT COMMENT

"RBL had moderate sales growth in FY19 supported by OE and Aftermarket segment. The forex and material cost pressure led to drop in margins. Management is focusing on various initiatives to mitigate cost escalations. We anticipate muted demand environment for next few months."

– L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

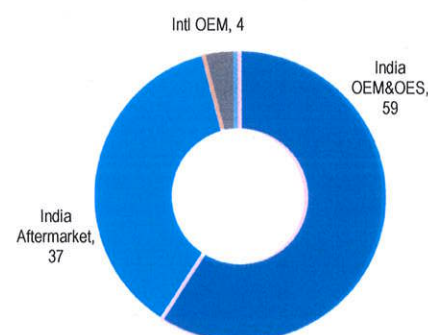
Particulars	FY19	FY18	YOY%
Total Net Revenue*	521.0	487.2	6.9%
EBITDA	74.9	80.4	-6.9%
Margin (%)	14.4%	16.5%	-213 bps
PAT	36.5	35.7	2.2%

* Revenue excludes excise duty wherever applicable

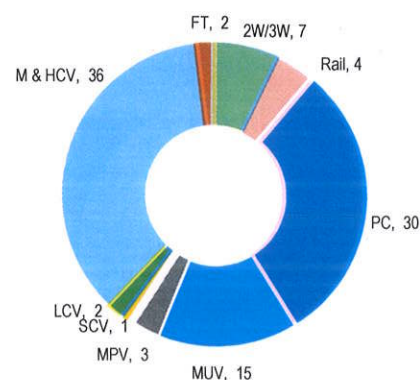
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (FY19)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	FY19	FY18	YoY%
Income from Operations	513.0	495.1	4%
Other Operating Income	0.9	0.6	57%
Other Income	7.1	4.9	44%
Total Revenue	521.0	500.6	4%
Expenses			
-Cost of Material Consumed	260.1	235.2	11%
-Changes in inventories	-7.0	0.1	-6505%
-Excise Duty	-	13.4	-100%
-Employee Benefit Expense	75.2	66.0	14%
-Finance Cost	0.4	0.2	144%
-Depreciation & Amortization	24.3	23.7	2%
-Other Expenditure	117.8	105.5	12%
Total Expenses	470.7	444.1	6%
PBT before Exceptional Items	50.2	56.5	-11%
Exceptional Item	0.9	1.6	
PBT	49.3	54.9	-10%
Tax Expense	12.8	19.1	-33%
PAT	36.5	35.7	2%

KEY BALANCE SHEET ITEMS

Particulars	FY19	FY18	Change
Non-current assets	138.1	131.6	6.5
-PP&E	115.7	110.3	5.4
-Financial Assets	13.4	12.3	1.1
Current assets	217.7	179.3	38.4
- Inventories	50.9	36.0	14.8
-Trade receivables	140.4	120.8	19.6
-Cash & cash equivalents	13.9	9.5	4.4
Total Assets	355.8	310.9	44.9
Shareholders Fund	209.8	188.2	21.6
Non-current liabilities	2.9	3.1	-0.2
-Long-term borrowings	-	-	-
Current liabilities	143.1	119.6	23.5
-Short-term borrowings	0.1	0.1	-0.0
-Trade payables	111.5	91.2	20.3
Total Liabilities	146.0	122.7	23.3
Total Equity and Liabilities	355.8	310.9	44.9

(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

Financial 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 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 periodically update these forward-looking statements to reflect subsequent events or circumstances.

