

Rane Brake Lining Limited



RBL / 2012-13

May 23, 2012

Madras Stock Exchange Limited
Exchange Building
Second Line Beach,
Chennai 600 001.

Fax No. 25244897
25224352

Stock Code : RANEBRAKE

Dear Sir,

Sub : Decisions taken at the Board Meeting held today

This is to inform you that at the Board meeting of the Company held today, the Board of Director has:-

- (a) Adopted the audited accounts for the year ended March 31, 2012. The audited financial results for the year ended March 31, 2012 and statement of assets and liabilities is enclosed herewith. We wish to confirm that the results will be published in News Papers, i.e., 'Business Standard' and 'Dinamani'. [Clause 41].
- (b) Recommended to the shareholders a **final dividend of Rs.3/- per equity share** on the paid up equity capital of Rs.7,91,49,800 comprising of 79,14,980 equity shares of Rs.10/- each fully paid-up. [Clause 20]

In this connection, we wish to inform that, subject to approval of the shareholders at the ensuing Annual General Meeting (AGM) to be held on July 13, 2012 :-

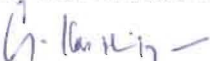
- (i) The final dividend will be paid to the shareholders whose name appear in the Register of Members as on **July 13, 2012** and in respect of shares in electronic form to those beneficial owners of the shares as at the end of business hours on **July 6, 2012** as per the details furnished by the Depositories. For this purpose, the Register of Members will be closed from **July 7, 2012 to July 13, 2012** (both days inclusive). [Clause 16] ; and
- (ii) The final dividend will be paid / dispatched to the eligible shareholders on **July 19, 2012**. [Clause 20]
- (c) Recommended to the shareholders the **appointment of M/s. Varma & Varma, Chartered Accountants as Statutory Auditors** of the Company, at the ensuing AGM, **in the place of the retiring auditors viz., M/s Price Waterhouse & Co., Chartered Accountants, who are not seeking re-appointment.** [Clause 30]

We have also enclosed herewith, **a press release relating to the audited financial results** for the year ended March 31, 2012 [Clause 36].

Please treat this intimation as compliance with the provisions of the Listing Agreement.

Kindly acknowledge receipt.

Yours faithfully,
For **Rane Brake Lining Limited**


G Karthikeyan
Secretary
Encl: as above

Copy to : **National Stock Exchange of India Limited (Stock code : RBL)**

Bombay Stock Exchange Limited (Stock code : 532987)



Part I

(Rs. in lakhs)

Particulars	Quarter Ended			Financial year ended	
	31.03.2012	31.12.2011	31.03.2011	31.03.2012	31.03.2011
	(Unaudited)			(Audited)	
1 (a) Net Sales (Net of excise duty)	10,106.17	8,369.30	8,333.13	35,822.65	30,472.76
(b) Other Operating Income	18.70	17.41	42.83	94.43	111.34
Total Income from operations (net)	10,124.87	8,386.71	8,375.96	35,917.08	30,584.10
2 Expenses :					
a. Cost of materials consumed	5,273.15	4,388.36	4,427.47	18,988.98	15,752.59
b. Changes in inventories of finished goods, work-in-progress and stock-in-trade	70.59	174.20	96.56	(148.83)	(2.88)
c. Employee benefits expenses	1,268.94	1,087.95	1,032.56	4,614.64	3,876.69
d. Depreciation and amortisation expense	408.74	405.33	357.18	1,511.11	1,239.94
e. Other expenditure	2,314.85	1,970.54	1,942.73	8,520.70	7,556.22
f Total	9,336.27	8,026.38	7,856.50	33,486.60	28,422.56
3 Profit (+)/Loss (-) from Operations before Other Income, finance costs and Exceptional Items (1-2)	788.60	360.33	519.46	2,430.48	2,161.54
4 Other Income	83.07	157.02	66.35	434.88	247.58
5 Profit (+)/Loss (-) from ordinary activities before finance costs and Exceptional Items (3+4)	871.67	517.35	585.81	2,865.36	2,409.12
6 Finance costs	168.76	208.48	127.07	676.94	442.53
7 Profit (+)/Loss (-) from ordinary activities after finance costs but before Exceptional Items (5-6)	702.91	308.87	458.74	2,188.42	1,966.59
8 Exceptional Items	-	-	-	-	-
9 Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	702.91	308.87	458.74	2,188.42	1,966.59
10 Tax expense					
a) Current Tax	185.82	26.42	26.00	502.54	405.00
b) Minimum Alternate Tax Credit	(37.19)	-	-	(37.19)	-
c) Deferred Tax	33.34	26.10	9.76	105.10	33.35
11 Net Profit (+) / Loss(-) from Ordinary Activities after tax (9-10)	520.94	256.35	422.98	1,617.97	1,528.24
12 Extraordinary Items	-	-	-	-	-
13 Net Profit (+) / Loss (-) for the period (11-12)	520.94	256.35	422.98	1,617.97	1,528.24
14 Paid-up equity share capital (Face Value of Rs. 10/- per Share)	791.50	791.50	791.50	791.50	791.50
15 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				8,866.27	7,891.82
16 Earnings Per Share (of Rs.10/- each) (not annualised) (Amount in Rs.)					
(a) Basic	6.58	3.24	5.34	20.45	19.31
(b) Diluted	6.58	3.24	5.34	20.45	19.31

Part II

A Particulars of Shareholding					
1 Public shareholding					
- Number of shares	30,07,168	30,07,168	30,07,168	30,07,168	30,07,168
- Percentage of shareholding	37.99%	37.99%	37.99%	37.99%	37.99%
2 Promoters and Promoter Group shareholding					
(a) Pledged / encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
(b) Non - encumbered					
- Number of shares	49,07,812	49,07,812	49,07,812	49,07,812	49,07,812
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	62.01%	62.01%	62.01%	62.01%	62.01%

Particulars	3 months ended 31.03.2012
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	Nil
Received during the quarter	5
Disposed during the quarter	5
Remaining unresolved at the end of the quarter	Nil

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Statement of Assets and Liabilities as at March, 2012

(Rs. in lakhs)

	Particulars	As at	As at
		31.03.2012	31.03.2011
		Audited	
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds:		
	(a) Share Capital	791.50	791.50
	(b) Reserves & Surplus	8,866.27	7,892.74
	Sub-Total Shareholders funds	9,657.77	8,684.24
2	Non-current liabilities		
	(a) Long-term borrowings	4,767.93	3,776.67
	(b) Deferred tax liabilities(Net)	937.00	832.07
	(c) Other Long-term liabilities	21.21	15.66
	(d) Long-term provisions	74.49	53.57
	Sub-Total Non-current liabilities	5,800.63	4,677.97
3	Current liabilities		
	(a) Short-term borrowings	1,588.59	1,647.38
	(b) Trade payables	2,573.46	1,681.21
	(c) Other current liabilities	4,850.03	3,545.69
	(d) Short term provisions	702.55	448.06
	Sub-Total -Current liabilities	9,714.63	7,322.34
	TOTAL -EQUITY AND LIABILITIES	25,173.03	20,684.55
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets		
	(i) Tangible assets	12,116.64	10,331.00
	(ii) Intangible assets	12.75	8.07
	(iii) Capital work-in-progress	268.00	489.00
	(b) Long term loans and advances	799.61	608.69
	(c) Other non-current assets	90.07	75.85
	Sub-total -Non-current assets	13,287.07	11,512.61
2	Current assets		
	(a) Inventories	2,820.42	2,476.45
	(b) Trade receivables	6,947.33	6,188.36
	(c) Cash and Bank balances	1,065.33	167.24
	(d) Short-term loans and advances	805.00	322.76
	(e) Other current assets	247.88	17.13
	Sub-total -Current assets	11,885.96	9,171.94
	TOTAL- ASSETS	25,173.03	20,684.55

Notes:

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 23, 2012.
- Previous period figures have been regrouped wherever necessary to conform to current period's presentation.
- The Company operates only in one segment, namely, components for transportation industry.
- Interim dividend of Rs.4/- per equity share declared by the Board of Directors on January 25, 2012 for the year ended March 31, 2012 was paid on February 10, 2012. Further the board of directors has recommended a final dividend of Rs.3/- per equity share for the year ended March 31, 2012
- The Statutory Auditors, have in their Audit Report drawn attention to long term foreign currency loans aggregating to Rs.51.20 Crores at the year end, which are stated at the exchange rate as per the related currency swap agreements instead of the spot rate of exchange at March 31, 2012, and that; had the foreign currency liability been restated as at the rate at March 31, 2012 the reported Profit for the year would have been lower by Rs.4.63 Crores and the term loan repayable within one year under other current liabilities as at March 31, 2012 would have been higher by Rs.4.63 Crores.

Management Response

The Statutory Auditors, have in their Audit Report referred to the long term foreign currency loans not being restated at the spot rate of exchange at the year end resulting in non-recognition of the exchange rate losses aggregating to Rs.4.63 Crores and other current liabilities stated lower by Rs.4.63 Crores. The Company has been consistently treating the ECB and associated swap contracts as a composite transaction since the ECB availed has been effectively hedged through the swap contracts. This accounting treatment has been consistently followed in the audited accounts in all the earlier years when the arrangements were entered into. There has been no change to the notified standards during the year which results in the treatment consistently followed by the company being non compliant with the accounting standards or to be reviewed by the company.

- The figures for the quarter ended March 31, 2012 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto December 31, 2011 of the financial year ended March 31, 2012.

For RANE BRAKE LINING LIMITED

Chennai
Dated: May 23, 2012

L. Ganesh
Chairman

Press Release

For Immediate Publication

Chennai

23rd May, 2012

Rane Brake Lining Limited income from operations up by 17% YoY.

Financial Highlights :-

- Sales & Operating Income at Rs.359.17 Crores up by 17% YoY
- EBIDTA margins at Rs.43.76 Crores up by 20% YoY
- Profit before Tax at Rs.21.89 Crores up by 11% YoY
- Earnings Per Share for the current year at Rs.20.45 as against Rs.19.31 for the previous year.

Rane Brake Lining Limited, (National Stock Exchange of India Ltd. Listing Code - RBL, Bombay Stock Exchange Ltd. listing code - 532987) leading auto components manufacturers of Brake Linings, Clutch Facings, Disk Pads and which is a part of Rane Group, announced its audited results today for the year ended 31st March 2012. The Company registered Sales & Operating Income of Rs.359.17 Crores for the current fiscal year as against Rs.305.84 Crores for the previous year ended 31st March 2011. This represents a growth of 17% on year on year basis. The total dividend for the year is 70% (including 40% interim dividend) as against 50% for last year.

Timely capacity enhancements enabled the company to service the increased demand and compared to the previous year, Sales in domestic OEM market grew by 18%, domestic after market grew by 24% and Export market grew by 24%. The Company pursued its efforts to achieve process efficiencies in manufacturing, productivity improvements and save costs through innovative shop floor practices. The Company managed the highly volatile foreign currency exchange rate movements by timely hedging its exposure and mitigated the adverse impact.

The summary of financial performance is given below:-

(Rs. Crores)

	2011-12	2010-11
Sales and Operating Revenues	359.17	305.84
Other Income	4.35	2.48
Profit before Tax	21.89	19.67
Provision for Tax	5.71	4.38
Profit after Tax	16.18	15.28
Surplus brought forward	25.26	16.13
Amount available for appropriation	41.44	31.41
Earnings per share (EPS)	20.45	19.31