

Rane (Madras) Limited



//Online Submission//

RML / SE / 45 / 2016-17

January 23, 2017

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, 2017 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RML / SE / 34 / 2016-17 dated December 08, 2016

This is to inform that the Board of Directors inter alia approved the un-audited financial results (standalone) of the Company for the quarter and nine months ended December 31, 2016 as recommended by the audit committee at their respective meeting(s) held today (January 23, 2017).

The un-audited financial results (standalone) of the Company for the quarter and nine months ended December 31, 2016 is enclosed herewith along with the Limited Review Report issued by M/s. Deloitte Haskins & Sells, Chartered Accountants, Statutory Auditors (Regulation 33).

The extract of the un-audited financial results (standalone) 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).

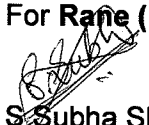
The meeting of the Board of Directors commenced at 10:30 hrs. and concluded at 13:15 hrs. (IST).

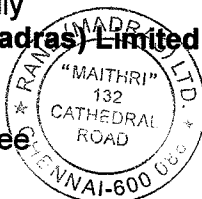
We request you to take the above on record and note the compliance under above referred regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

Thanking you.

Yours faithfully

For **Rane (Madras) Limited**


S. Subha Shree
Secretary



Encl: a/a

1. Un- audited financial results (standalone) for the quarter & nine months ended December 31, 2016.
2. Extract of Un-audited financial results for Newspaper publication.
3. Limited Review Report for the quarter & nine months ended December 31, 2016.
4. Earnings release for the quarter & nine months ended December 31, 2016.



Expanding Horizons

RANE (MADRAS) LIMITED

Q3FY17 Earnings Release



Chennai, India, January 23, 2017 – 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 (Q3FY17) and nine months (9MFY17) ended December 31st, 2016

Standalone Q3 FY17 Performance

- Total Operating Income was ₹244.66 Crore for Q3 FY17 as compared to ₹204.52 Crore in the Q3 FY16, an increase of 20%
- EBITDA stood at ₹20.17 Crore as compared to ₹17.83 Crore during Q3 FY16, an increase of 13%
- EBITDA Margin at 8.2% for Q3 FY17 as against 8.7% in Q3 FY16
- Net profit (PAT) stood at ₹2.72 Crore for Q3 FY17 as compared to ₹3.20 Crore in Q3 FY16, a decline of 15%

Standalone 9M FY17 Performance

- Total Operating Income was ₹729.74 Crore for 9M FY17 as compared to ₹623.58 Crore in the 9M FY16, an increase of 17%
- EBITDA stood at ₹68.29 Crore as compared to ₹57.09 Crore during 9M FY16, an increase of 20%
- EBITDA Margin at 9.4% for 9M FY17 as against 9.2% in 9M FY16
- Net profit (PAT) stood at ₹12.00 Crore for 9M FY17 as compared to ₹10.01 Crore in 9M FY16, an increase of 20%

Corporate Action

- An interim dividend of ₹2/- per equity share has been declared by the Board of Directors on the paid-up capital of 1,05,10,649 equity shares of ₹10/- each fully paid up. The record date for payment of interim dividend is February 03, 2017.

Operating Highlights for Q3 FY17

- Strong demand from Passenger Car and Commercial Vehicle segments for the Steering and Linkages Division
- Performance in the Farm Tractors segment is subdued mainly due to superior growth in unserved markets
- Indian Aftermarket business was impacted by demonetization
- Continued traction in die-cast division supported by ramp up in production volumes at the new unit. However, continued to experience delivery issues and higher rejections in the new program launches. This neutralized the benefits of volume growth.
- Drop in PBT margin also due to higher finance cost and depreciation in the new die-casting plant.

MANAGEMENT COMMENT

"The performance in this quarter was mixed as the auto-industry felt some undercurrents from the demonetization drive. The strong supplies to OEM customers was offset by the suppressed demand in the aftermarkets. We expect RML to benefit from the anticipated recovery in the Indian market. 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

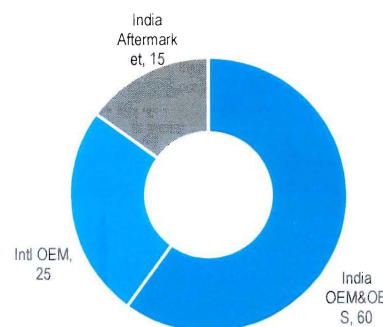
Particulars	Q3FY16	Q3FY17	YoY%
Total Operating Income	204.52	244.66	20%
EBITDA	17.83	20.17	13%
EBITDA Margins	8.7%	8.2%	-47bps
PAT	3.20	2.72	-15%

Particulars	9MFY16	9MFY17	YoY%
Total Operating Income	623.58	729.74	17%
EBITDA	57.09	68.29	20%
EBITDA Margins	9.2%	9.4%	20 bps
PAT	10.01	12.00	20%

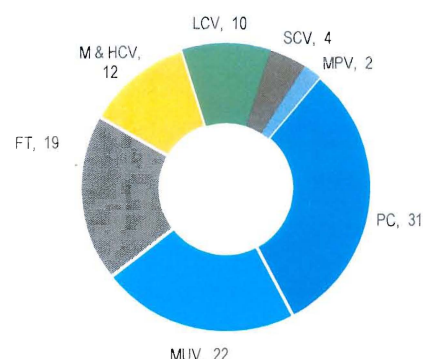
(In ₹ Crore, unless otherwise mentioned, pertain to standalone financials)

BUSINESS SPLIT (Q3 FY17)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



4.

[Signature]



PROFIT AND LOSS ACCOUNT

Particulars	Q3 FY17	Q2 FY17	QoQ%	Q3 FY16	YoY%	9M FY17	9M FY16	YoY %
Income from Operations	236.47	242.28	-2%	200.65	18%	700.78	609.61	15%
Other Operating Income	8.19	15.23	-46%	3.87	112%	28.96	13.97	107%
Total Operating Income	244.66	257.51	-5%	204.52	20%	729.74	623.58	17%
Expenses								
-Cost of Material Consumed	152.51	147.28	4%	118.77	28%	437.85	375.76	17%
-Changes in inventories	-14.31	7.45	-292%	0.93	-1639%	-15.83	-6.02	-163%
-Employee Benefit Expense	31.01	28.62	8%	25.34	22%	87.17	72.72	20%
-Depreciation & Amortization	11.40	11.50	-1%	9.43	21%	33.88	27.89	21%
-Other Expenditure	55.47	47.68	16%	41.84	33%	152.90	124.94	22%
Total Expenses	236.08	242.53	-3%	196.32	20%	695.98	595.30	17%
EBIT Before Other Income	8.58	14.98	-43%	8.20	5%	33.76	28.29	19%
Other Income	0.19	0.20	-5%	0.20	-5%	0.65	0.91	-29%
Finance Costs	6.95	7.03	-1%	4.35	60%	20.59	12.89	60%
Exceptional Item							-2.70	
PBT	1.83	8.15	-78%	4.05	-55%	13.81	13.60	2%
Tax Expense	-0.89	1.53	-158%	0.85	-205%	1.81	3.59	-50%
PAT	2.72	6.62	-59%	3.20	-16%	12.00	10.01	20%

(In ₹ Crore, unless otherwise mentioned, pertain to standalone financials, the sum of the 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 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 and Die-casting products. 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
ANKITGUPTA@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.

