

Rane (Madras) Limited



RML / 2012-13

May 22, 2012

Listing Department

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No.C/1,

'G' Block, Bandra Kurla Complex

Bandra (E)

Mumbai 400 051.

**Fax No. 2659 8237 / 38
2659 8247 / 48**

Code : RML

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.4/- per equity share** on the paid up equity capital of Rs.101,641,450 comprising of 10,164,145 equity shares of Rs.10/- each. [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 11, 2012 :-

- (i) The final dividend will be paid to the shareholders whose name appear in the Register of Members as on **July 11, 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 11, 2012** (both days inclusive). [Clause 16] ; and
- (ii) The final dividend will be paid / dispatched to the eligible shareholders on **July 16, 2012**. [Clause 20]
- (c) Recommended to the shareholders the **appointment of M/s. Deloitte, Haskins & Sells, 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.

Thanking you,

Yours faithfully,

For Rane (Madras) Limited

C Siva

Vice President – Secretarial & Legal

Encl: a/a

Copy to

Bombay Stock Exchange Limited

(Stock Code No.532661)

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2012

(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)	
PART I						
1	Income from Operations					
	(a) Net Sales / Income from operations (Net of excise duty)	17,886.53	16,783.43	15,738.03	65,722.47	57,438.46
	(b) Other Operating Income	283.01	384.13	265.62	1,327.49	960.24
	Total Income from operations (net)	18,169.54	17,167.56	16,003.65	67,049.96	58,398.70
2	Expenses:					
	(a) Cost of materials consumed	11,576.18	11,230.20	9,942.48	44,694.83	38,254.84
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	267.70	32.71	773.95	(770.17)	(43.87)
	(c) Employee benefit expenses	1,693.24	1,622.30	1,433.21	6,332.71	5,452.18
	(d) Depreciation and amortisation expense	386.54	364.57	232.32	1,384.34	933.89
	(e) Other expenses	2,912.30	2,716.09	2,444.30	10,755.34	9,842.88
	Total expenses	16,835.96	15,965.87	14,826.26	62,397.05	54,439.92
3	Profit (+) / Loss (-) from Operations before Other Income, finance costs and Exceptional items (1-2)	1,333.58	1,201.69	1,177.39	4,652.91	3,958.78
4	Other Income	146.54	43.69	51.90	261.73	147.83
5	Profit (+) / Loss (-) from ordinary activities before finance costs Exceptional items (3+4)	1,480.12	1,245.38	1,229.29	4,914.64	4,106.61
6	Finance costs	343.78	309.43	198.03	1,178.18	573.49
7	Profit (+) / Loss (-) from ordinary activities after finance costs but before Exceptional Items (5-6)	1,136.34	935.95	1,031.26	3,736.46	3,533.12
8	Exceptional Items	(19.20)	-	(449.47)	(19.20)	(449.47)
9	Profit (+) / Loss (-) from ordinary activities before Tax (7+8)	1,117.14	935.95	581.79	3,717.26	3,083.65
10	Tax Expense					
	(a) Current Tax	303.25	131.75	63.35	765.00	744.35
	(b) Deferred tax charge / (credit)	65.80	91.20	20.65	212.00	(118.35)
11	Net Profit (+) / Loss (-) from ordinary activities after tax (9-10)	748.09	713.00	497.79	2,740.26	2,457.65
12	Extraordinary Item (net of tax expense)	-	-	-	-	-
13	Net Profit (+) / Loss (-) for the period (11-12)	748.09	713.00	497.79	2,740.26	2,457.65
14	Paid-up Equity Share Capital (Face Value of Rs 10/- per share)	1,016.41	1,016.41	1,016.41	1,016.41	1,016.41
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	10,489.30	8,841.20
16	Earnings per share (EPS) (of Rs.10/- each) (not annualised) (Amount in Rs.)					
	(a) Basic	7.35	7.01	4.90	26.95	24.18
	(b) Diluted	7.35	7.01	4.90	26.95	24.18

PART II						
	Particulars					
A	Particulars of Shareholding					
1	Public shareholding					
	- Number of shares	45,37,741	45,37,741	45,65,435	45,37,741	45,65,435
	- Percentage of shareholding	44.64%	44.64%	44.91%	44.64%	44.91%
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	56,26,404	56,26,404	55,98,710	56,26,404	55,98,710
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	55.36%	55.36%	55.09%	55.36%	55.09%
	Particulars	3 months ended 31.03.2012				
B	Investor compliants :					
	Pending at the beginning of the quarter	Nil				
	Received during the quarter	Nil				
	Disposed of during the quarter	Nil				
	Remaining unresolved at the end of the quarter	Nil				

Notes:

(Rs. in lakhs)

I. Statement of Assets and Liabilities :		As at 31.03.2012	As at 31.03.2011
I. EQUITY AND LIABILITIES		Audited	
Shareholders' funds			
(a) Share Capital		1,016.41	1,016.41
(b) Reserves and surplus		10,489.30	8,841.20
Sub-total - Shareholders' funds		11,505.71	9,857.61
Non-current liabilities			
(a) Long-term borrowings		3,993.02	3,949.75
(b) Deferred tax liabilities (Net)		540.17	327.73
(c) Other Long term liabilities		59.84	93.86
(d) Long-term provisions		426.26	388.68
Sub-total - Non-current liabilities		5,019.29	4,760.02
Current liabilities			
(a) Short-term borrowings		5,710.90	3,024.56
(b) Trade payables		8,143.58	7,088.16
(c) Other current liabilities		2,846.37	2,386.65
(d) Short-term provisions		877.07	665.20
Sub-total - Current liabilities		17,577.92	13,164.57
TOTAL EQUITY AND LIABILITIES		34,102.92	27,782.20
II. ASSETS			
Non-current assets			
(a) Fixed assets		15,246.88	10,801.07
(d) Long-term loans and advances		581.40	1,639.52
Sub-total - Non-current assets		15,828.28	12,440.59
Current assets			
(b) Inventories		5,393.66	5,246.26
(c) Trade receivables		11,042.38	8,127.12
(d) Cash and cash equivalents		158.16	583.99
(e) Short-term loans and advances		1,660.89	1,367.17
(f) Other current assets		19.55	17.07
Sub-total - Current assets		18,274.64	15,341.61
TOTAL ASSETS		34,102.92	27,782.20

- 2 The above results and the statement of assets and liabilities were reviewed by the Audit Committee and approved by the Board of Directors at their respective meeting held on May 22, 2012
- 3 Exceptional items represent amount paid to employees who opted for Voluntary Retirement Scheme extended to employees in the year ended March 31, 2011.
- 4 Previous period figures have been regrouped/rearranged wherever necessary to conform to current period's presentation.
- 5 The statutory auditors have in their Audit Report, observed on (i) Non recognition of mark-to-market gain of Rs 448.86 lakhs relating to swap contracts on outstanding External Commercial Borrowings (ECB) at year end (ii) Non capitalisation of exchange loss amounting to Rs. 502.83 lakhs due to non-reinstatement of the ECB at exchange rate as at March 31, 2012 due to accounting treatment followed by the Company.
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 complaint with the accounting standards or to be reviewed by the company.
- 6 The Company operates only in one segment, namely, components for transportation industry.
- 7 Interim dividend of Rs.5.50 per equity share declared by the Board of Directors on January 27, 2012 for the year ended March 31, 2012 was paid on February 11, 2012. Further the Board of Directors has recommended a final dividend of Rs.4/- per equity share for the year ended March 31, 2012
- 8 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 (Madras) Limited


 L. Ganesh
 Chairman

 Chennai
 May 22, 2012



Press Release

For Immediate Publication

Chennai

22nd May, 2012

Rane (Madras) Limited (RML) income up 15% and net profit 12%YoY

Financial Highlights :-

- Sales & Operating Income at Rs.670.50 Crores up by 15% YoY
- EBIDTA margins at Rs.63 Crores up by 25% YoY
- Profit before Tax at Rs.37.17* Crores up by 21% YoY
- Earnings Per Share for the current year at Rs.26.95 as against Rs.24.18 for the previous year.

Rane (Madras) Limited, (National Stock Exchange of India Ltd, (listing Code RML), Bombay Stock Exchange Ltd (listing code 532661) leading auto components manufacturer of Steering and Suspension Linkage Products & Steering Gear Products 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.670.50 Crores for the current fiscal year as against Rs.583.98 Crores for the previous year ended 31st March 2011. This represents a growth of 15% on year on year basis. The total dividend for the year is 95% (including 55% interim dividend) as against 70% for last year.

Growth across all segments in domestic market and timely capacity additions enabled the company to service the demand. Sales of RML in the domestic OEM market grew by 14%, domestic after market grew by 40%. Due to reduction in the volumes of some of the customer programs, exports during the current year declined by 12% compared to the last year. Persistent focus on improving manufacturing efficiencies, innovative shop floor management practices, continuous emphasis on cost control and improved interest cost management have contributed to the increase in Profit before Tax.

The summary of financial performance is given below:-

(Rs. Crores)

	2011-12	2010-11
Sales and Operating Revenues	670.50	583.98
Other Income	2.62	1.48
Profit before Tax*	37.17	30.83
Provision for Tax	9.77	6.26
Profit after Tax	27.40	24.57
Surplus brought forward	27.49	13.65
Amount available for appropriation	54.89	38.22
Earnings per share (EPS)* (Rs.)	26.95	24.18

* Includes exceptional item of Rs.19.20 lakhs being the amount paid to employees under VRS Scheme.