Registered Office:
" Maithri "
132, Cathedral Road,
Chennai 600 086.
India.
CIN : L63011TN2004PLC054948

Tel : 91 44 2811 2472
Fax : 91 44 2811 2449
URL : www.rane.co.in

Rane Brake Lining Limited

RBL /SE/35/ 2016-17

December 7, 2016

BSE Limited (BSE) 25th Floor, P.J. Towers, Dalal Street, Fort, **Mumbai – 400 001**	Listing Department **National Stock Exchange of India Ltd. (NSE)** Exchange Plaza, 5th Floor, Plot No.C/1, 'G' Block, Bandra Kurla Complex Bandra (E), **Mumbai – 400 051**.
Code No. 532987	**Code : RBL**

Dear Sirs,

Sub: Performance for the half year ended 30th September 2016

We enclose herewith the copy of the communication being sent to shareholders, regarding the performance of the Company for the half year ended September 30, 2016.

Please take this on record as compliance with regulation 27(1) and other relevant regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you.

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

"MAITHRI" 132 CATHEDRAL ROAD CHENNAI-600 086

Venkatraman
Secretary

Encl : a/a

RANE BRAKE LINING LIMITED

Half Yearly Performance Review (H1 FY17)

Expanding Horizons

Dear Shareholders,

On behalf of Rane Brake Lining Limited(RBL), I am pleased to share with you the key highlights of the performance of your Company in the first six months (H1 FY17) of fiscal 2017(April 1, 2016, to September 30, 2016). Let me take you through the highlights of the industry, followed by the Company's performance vis-à-vis industry.

INDUSTRY HIGHLIGHTS

In the first half of the current year, there was broad based growth across vehicle segments. The passenger vehicle segment has registered a healthy growth driven by Utility Vehicles in the first half of the current year, and the commercial vehicle segment continued its positive trend driven by LCV and SCV segment and though overall half year growth for medium and heavy commercial segment is positive, it was volatile during this period. Two wheelers and farm tractors registered good growth with fair monsoon and demand pick-up in the rural economy. Your Company capitalized on the growth in major segments namely passenger vehicle and commercial vehicles. The business was not satisfactory in the locomotives market where your company has its presence.

KEY OPERATING HIGHLIGHTS

- Strengthened position in India Aftermarket with new product launches
- Continued to focus on material cost reduction initiatives coupled with operational efficiencies
- Completed post DGP review by JUSE team
- Received Certificate of Performance Award in Friction Material category by BIPL
- Bronze Award for HR Excellence in 'Large' Category by ACMA
- Enhanced R&D facility with investments on validation capability

SALES PERFORMANCE BY MARKET AND VEHICLE SEGMENT

Sales by Market	Percentage
India- OEM and OES	56%
India- Aftermarket	39%
International- Aftermarket	5%
Total	**100%**

Sales by Vehicle Segment	Percentage
M&HCV	37%
Passenger Car	33%
MUV & MPV	14%
Two wheelers and three wheelers	5%
SCV, LCV	3%
Rail & others	8%

RBL'S STANDALONE H1 FY17 PERFORMANCE

The first six months for the company were significant from the earnings perspective. While your Company grew 10% at the revenue level, it registered a robust improvement in the margins as well as the net profits. The Company is pleased to share

that its specific cost reduction initiatives have contributed in controlling the inflationary trends of operational expenses. We also got benefitted by the trends in commodity prices which further helped us manage the impact of JPY currency movement.

From a financial perspective, your company registered a total operating income of ₹234.5 Crore for H1 FY17 as compared to ₹213.0 Crore in the H1 FY16 which is an increase of 10% led by growth in our sales to Indian OE and Aftermarket customers. At the operational level, we expanded our EBITDA by 53% from ₹23.0 Crore in H1 FY16 to ₹35.1 Crore during H1 FY17. This performance translates to EBITDA margins of 15.0% up against 10.8% in the same period of the previous fiscal. We also managed to reduce our borrowings by way of efficient working capital management and this activity resulted in a reduction of overall financial cost of the Company. We closed H1 FY17 with 133% higher net profit of ₹20.3 Crore in comparison to ₹8.7 Crore in H1 FY16.

OUTLOOK FOR H2 FY17

As we entered the 2nd half of the year in early October, we expected the Indian automotive industry to continue its positive growth. This was based on reasonable monsoon and also expected good performance in the medium and heavy commercial vehicles in Q4 of this year. Our focus for the coming period would be on:

- Volume ramp-up on supplies to new programs of OE customer and cost competitive new products in AM to drive sales in H2
- Continue emphasis on strategic initiatives to drive cost efficiencies and mitigate adverse currency impact
- R&D capability enhancement with the addition of new global standard machine having advanced features of hydraulic and pneumatic brake system validation

However, the sudden move of the Government on de-monetization has caused a very severe negative impact on sales especially in the aftermarket. It is too early to predict how long this will last. However, we are hoping that it will be purely temporary and business will come back to normal in Q4 of this year.

In the end, I would like to thank you for reposing your faith in the Company and its growth outlook for the future. I attach a copy of financial results of Rane Brake Lining Limited for your reference. A detailed presentation highlighting the half-yearly performance of Rane Group made to investors and analysts is available at our website: http://www.ranegroup.com

Thanking you,
Sincerely,
L Ganesh
Chairman

November 28th,2016

If you have any questions or require further information, please feel free to contact us at investorservices@ranegroup.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 hazards, 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

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Unaudited Financial Results for the Quarter and Half year ended September 30, 2016

(Rs. in lakhs)

	Particulars	Quarter Ended			Half Year Ended		Financial Year Ended
		30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015	31.03.2016
		(Unaudited)			(Unaudited)		(Audited)
1	**Income from Operations**						
	(a) Net Sales (Net of excise duty)	11,274.03	12,130.30	10,922.15	23,404.33	21,274.76	44,790.71
	(b) Other Operating Income	32.80	15.45	11.59	48.25	20.99	51.45
	Total Income from operations (net)	**11,306.83**	**12,145.75**	**10,933.74**	**23,452.58**	**21,295.75**	**44,842.16**
2	**Expenses :**						
	a. Cost of materials consumed	5,357.89	5,834.61	5,166.33	11,192.50	10,320.22	20,978.90
	b.Changes in inventories of finished goods,work-in-progress and stock-in-trade	(230.08)	(103.78)	268.96	(333.86)	(86.46)	(232.02)
	c. Employee benefits expenses	1,663.54	1,567.23	1,646.18	3,230.77	3,249.54	7,007.29
	d. Depreciation and amortisation expense	479.98	492.78	474.52	972.76	942.47	1,890.90
	e. Other expenses	3,008.64	3,067.15	2,770.60	6,075.79	5,618.52	11,645.06
	f Total Expenses	**10,279.97**	**10,857.99**	**10,326.59**	**21,137.96**	**20,044.29**	**41,290.13**
3	Profit (+)/Loss (-) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	1,026.86	1,287.76	607.15	2,314.62	1,251.46	3,552.03
4	Other Income	181.00	52.00	42.55	233.00	108.00	322.00
5	Profit (+)/Loss (-) from ordinary activities before Finance Costs and Exceptional Items (3+4)	**1,207.86**	**1,339.76**	**649.70**	**2,547.62**	**1,359.46**	**3,874.03**
6	Finance costs	24.99	38.15	108.72	63.14	210.37	326.05
7	Profit (+)/Loss (-) from ordinary activities after Finance Costs but before Exceptional Items (5-6)	**1,182.87**	**1,301.61**	**540.98**	**2,484.48**	**1,149.09**	**3,547.98**
8	Exceptional Items	-	-	-	-	-	-
9	Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	**1,182.87**	**1,301.61**	**540.98**	**2,484.48**	**1,149.09**	**3,547.98**
10	Tax expense						
	a) Current Tax	264.69	291.27	192.67	555.96	305.66	1,395.19
	b) Minimum Alternate Tax Credit	(246.04)	(69.26)	-	(315.30)	-	-
	c) Deferred Tax	181.72	30.19	(41.13)	211.91	(28.22)	(415.67)
	d) Tax relating to earlier year	-	-	-	-	-	(7.23)
11	Net Profit (+) / Loss(-) from Ordinary Activities after tax (9-10)	**982.50**	**1,049.41**	**389.44**	**2,031.91**	**871.65**	**2,575.69**
12	Extraordinary Item	-	-	-	-	-	-
13	Net Profit (+) / Loss (-) for the period (11-12)	**982.50**	**1,049.41**	**389.44**	**2,031.91**	**871.65**	**2,575.69**
14	Paid-up equity share capital (Face Value of Rs. 10/- per Share)	791.50	791.50	791.50	791.50	791.50	791.50
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						13,001.90
16	Earnings Per Share (EPS) (of Rs.10/- each) (not annualised) (Amount Rs.)						
	I. Earning per Share before extraordinary items						
	(a) Basic	12.41	13.26	4.92	25.67	11.01	32.54
	(b) Diluted	12.41	13.26	4.92	25.67	11.01	32.54
	II. Earning per Share after extraordinary items						
	(a) Basic	12.41	13.26	4.92	25.67	11.01	32.54
	(b) Diluted	12.41	13.26	4.92	25.67	11.01	32.54

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Unaudited Financial Results for the Quarter and Half year ended September 30, 2016

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Notes:

1. Statement of Assets and Liabilities (Rs. in lakhs)

	Particulars	As at 30.09.2016 Unaudited	As at 31.03.2016 Audited
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' Funds:**		
	(a) Share Capital	791.50	791.50
	(b) Reserves & Surplus	15,034.23	13,001.90
	Sub-Total Shareholders funds	**15,825.73**	**13,793.40**
2	**Non-current liabilities**		
	(a) Long-term borrowings	-	465.75
	(b) Deferred tax liabilities(Net)	812.40	600.49
	(c) Other Long-term liabilities	40.64	40.64
	(d) Long-term provisons	372.54	327.14
	Sub-Total Non-current liabilities	**1,225.58**	**1,434.02**
3	**Current liabilites**		
	(a) Short-term borowings	23.61	1,682.69
	(b) Trade payables	7,104.96	7,070.73
	(c) Other current liabilites	843.45	1,217.35
	(d) Short term provisions	492.89	390.12
	Sub-Total -Current liabilities	**8,464.91**	**10,360.89**
	TOTAL -EQUITY AND LIABILITIES	**25,516.22**	**25,588.31**
B	**ASSETS**		
1	**Non-current assets**		
	(a) Fixed assets		
	(i) Tangible assets	9,792.11	10,413.65
	(ii) Intangible assets	13.53	18.46
	(iii) Capital work-in-progress	172.54	184.28
	(b) Non-current Investment	36.89	36.89
	(c) Long term loans and advances	1,375.68	685.84
	(d) Other non-current assets	52.10	45.41
	Sub-total -Non-current assets	**11,442.85**	**11,384.53**
2	**Current assets**		
	(a) Inventories	3,960.20	3,091.95
	(b) Trade receivables	7,935.68	9,943.61
	(c) Cash and Bank balances	1,324.83	193.04
	(d) Short-term loans and advances	820.99	937.76
	(e) Other current assets	31.67	37.42
	Sub-total -Current assets	**14,073.37**	**14,203.78**
	TOTAL- ASSETS	**25,516.22**	**25,588.31**

2. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 25, 2016 and have been subjected to limited review by statutory auditors.

3. The above results has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

4. Previous period figures have been regrouped wherever necessary to conform to current period's presentation.

5. The Company operates only in one segment, namely, components for transportation industry

For RANE BRAKE LINING LIMITED

Chennai

Dated: October 25, 2016

L. Ganesh
Chairman