

Rane (Madras) Limited



//Online Submission//

RML / SE / 24 / 2019-20

July 24, 2019

BSE Limited Listing Centre Scrip Code: 532661	National Stock Exchange of India Limited NEAPS Symbol: RML
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Dear Sir / Madam,

Sub: Outcome of Board Meeting held on July 24, 2019 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RML/SE/17/2019-20 dated June 28, 2019

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results (standalone & consolidated) of the Company for the quarter ended June 30, 2019 as recommended by the audit committee at their respective meeting(s) held today (July 24, 2019).

The un-audited financial results (standalone & consolidated) of the Company for the quarter ended June 30, 2019 is enclosed along with the Limited Review Report on both standalone & consolidated results issued by M/s. Deloitte Haskins & Sells, Chartered Accountants, Statutory Auditors. **(Regulation 33).**

The un-audited financial results (standalone & consolidated) will be uploaded on the website of the company at www.ranegroup.com and stock exchanges at www.bseindia.com and www.nseindia.com **(Regulation 46)**. An 'earnings release' for the above results is also enclosed **(Regulation 30)**.

The extract of the un-audited financial results (standalone & consolidated) will be published in newspapers, i.e., 'Business Standard' and 'Dinamani' in the format prescribed **(Regulation 47)**.

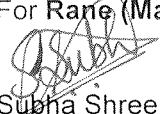
The meeting of the Board of Directors commenced at 13 : 45 hrs (IST) and concluded at 15 : 45 hrs (IST).

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


Subha Shree S
Secretary



Encl: a/a

1. Un-audited financial results (standalone & consolidated) for the quarter ended June 30, 2019.
2. Extract of the un-audited financial results (standalone & consolidated) for Newspaper publication.
3. Limited Review Report (standalone & consolidated) for the quarter ended June 30, 2019.
4. Earnings release for the quarter ended June 30, 2019.

RANE (MADRAS) LIMITED

CIN L65993TN2004PLC052856

Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086

visit us at: www.ranegroup.com


Statement of Unaudited Standalone and Consolidated Financial Results for the Quarter Ended June 30, 2019

(Rs. Lakhs)

Particulars	Standalone				Consolidated			
	Quarter ended		Year ended		Quarter ended		Year ended	
	30.06.2019	31.03.2019	30.06.2018	31.03.2019	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
1. Income								
(a) Revenue from operations	28,771.19	32,387.35	32,897.68	1,32,732.29	33,563.57	36,550.02	37,705.00	1,50,615.66
(b) Other operating income	819.18	977.58	1,125.15	4,292.87	921.95	1,142.45	1,352.72	4,845.93
(c) Other income	130.61	216.71	729.27	1,057.07	132.03	246.76	614.86	994.97
Total Income	29,720.98	33,581.64	34,752.10	1,38,082.23	34,617.55	37,939.23	39,672.58	1,56,456.56
2. Expenses								
(a) Cost of materials consumed	18,241.95	20,623.93	21,962.51	86,496.80	20,050.22	22,175.86	23,801.38	93,049.79
(b) Purchase of stock-in-trade	-	-	-	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress	475.45	619.52	(238.29)	110.80	443.78	795.34	(457.34)	43.88
(d) Excise duty	-	-	-	-	-	-	-	-
(e) Employee benefits expense	3,735.30	3,444.18	3,768.34	14,851.02	6,062.48	5,583.97	5,993.21	23,022.85
(f) Finance costs	781.18	742.99	644.98	2,835.15	928.03	897.87	773.85	3,428.98
(g) Depreciation and amortisation expense	1,280.38	1,385.78	1,229.08	5,302.87	1,584.27	1,711.06	1,531.00	6,595.01
(h) Other expenses	4,716.39	5,232.39	5,354.27	21,449.23	6,409.66	6,909.65	6,935.26	27,752.74
Total expenses	29,230.65	32,048.79	32,720.89	1,31,045.87	35,478.44	38,073.75	38,577.36	1,53,893.25
3. Profit before exceptional items (1-2)	490.33	1,532.85	2,031.21	7,036.36	(860.89)	(134.52)	1,095.22	2,563.31
4. Exceptional Items	-	-	-	-	-	-	-	-
5. Profit before tax (3 ± 4)	490.33	1,532.85	2,031.21	7,036.36	(860.89)	(134.52)	1,095.22	2,563.31
6. Tax expense								
Current tax (Net of MAT Credit)	166.52	526.87	689.76	2,523.00	166.52	536.08	689.76	2,532.21
Deferred tax	(0.59)	108.41	(2.37)	(210.79)	(0.59)	108.41	(2.37)	(210.79)
Total tax expenses	165.93	635.28	687.39	2,312.21	165.93	644.49	687.39	2,321.42
7. Profit/ (loss) for the period/ year (5-6)	324.40	897.57	1,343.82	4,724.15	(1,026.82)	(779.01)	407.83	241.89
8. Other comprehensive income (Net of tax expenses)	(12.88)	(6.85)	(53.77)	(114.25)	(97.75)	99.64	(34.44)	(69.03)
9. Total comprehensive income for the period/ year (7+8)	311.52	890.72	1,290.05	4,609.90	(1,124.57)	(679.37)	373.39	172.86
10. Details of equity share capital								
Paid-up equity share capital (Refer Note 4)	1,197.32	1,197.32	1,160.75	1,197.32	1,197.32	1,197.32	1,160.75	1,197.32
(Face Value of Rs.10/- per share)								
11. Other equity excluding revaluation reserves				29,929.78				21,823.45
12. Earnings per share (EPS) (of Rs.10/- each) (Amount in Rs.)								
(a) Basic	2.71	7.50	11.58	40.38	(8.58)	(6.51)	3.51	2.07
(b) Diluted	2.71	7.50	11.22	40.38	(8.58)	(6.51)	3.41	2.07

Notes:-

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 24, 2019. The Statutory auditors have carried out a limited review of these financial results.
- The Company is engaged in the manufacture of components for Transportation industry, which in the context of Indian Accounting Standard (Ind AS) 108 – Operating Segments, is considered as the only operating segment of the Company.
- During the quarter ended June 30, 2019, the Company received the surveyor's report with regard to the insurance claim of Rs.1,008 Lakhs lodged in 2017-18. While the admissibility of Rs.242 lakhs out of the total claim of Rs.1,008 lakhs, is still under consideration, the Company is confident of recovering this sum under the insurance policy.
- During the year 2018-19, 3,65,630 equity shares of Rs. 10/- each were issued and allotted to the holding company (Rane Holdings Limited), pursuant to conversion of 3,65,630 warrants held by the holding Company. Consequently, the issued and paid-up share capital of the Company as on March 31, 2019 stands increased to Rs. 1,197.32 lakhs.
- The Company has adopted Ind AS 116 Leases with a modified retrospective approach effective April 01, 2019. The adoption of this standard resulted in recognition of right-of-use assets and lease liabilities of Rs. 204 lakhs as on the transition date. The effect of the same on the financial results for the quarter ended June 30, 2019 is not material.
- With respect to standalone and Consolidated results the figures for the quarter ended March 31, 2019 are the balancing figures in respect of full financial year and the published year to date figures upto the third quarter of financial year 2018-19. The previous period figures have been re-grouped wherever necessary to conform to current period's presentation.
- The standalone and Consolidated financial results for the Quarter ended June 30, 2019 are being published in the newspaper as per the format prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The standalone and Consolidated financial results are also available on the Stock Exchange websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) and on the Company's website viz., www.ranegroup.com.

Chennai
July 24, 2019


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RANE (MADRAS) LIMITED

Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086

visit us at: www.ranegroup.com CIN L65993TN2004PLC052856



Extract of Unaudited Standalone and Consolidated Financial Results for the Quarter Ended June 30, 2019

(Rs. in Lakhs except per share data)

S.No	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
		30.06.2019	31.03.2019	30.06.2018	31.03.2019	30.06.2019	31.03.2019	30.06.2018	31.03.2019
1	Total Income from Operations	29,590.37	33,364.93	34,022.83	1,37,025.16	34,485.52	37,692.47	39,057.72	1,55,461.59
2	Net Profit / (Loss) for the period (before Tax, Exceptional items)	490.33	1,532.85	2,031.21	7,036.36	(860.89)	(134.52)	1,095.22	2,563.31
3	Net Profit / (Loss) for the period before tax (after Exceptional items)	490.33	1,532.85	2,031.21	7,036.36	(860.89)	(134.52)	1,095.22	2,563.31
4	Net Profit / (Loss) for the period after tax (after Exceptional items)	324.40	897.57	1,343.82	4,724.15	(1,026.82)	(779.01)	407.83	241.89
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	311.52	890.72	1,290.05	4,609.90	(1,124.57)	(679.37)	373.39	172.86
6	Equity Share Capital	1,197.32	1,197.32	1,160.75	1,197.32	1,197.32	1,197.32	1,160.75	1,197.32
7	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year				29,929.78				21,823.45
8	Earnings Per Share (of Rs. 10/- each) -								
	1. Basic:	2.71	7.50	11.58	40.38	(8.58)	(6.51)	3.51	2.07
	2. Diluted:	2.71	7.50	11.22	40.38	(8.58)	(6.51)	3.41	2.07

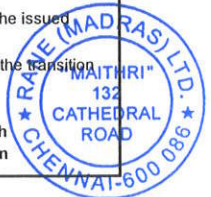
The above is an extract of the detailed format of Quarterly Standalone and Consolidated Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015. The full format of the Standalone and Consolidated unaudited Financial Results are available on the Stock Exchange websites: www.bseindia.com and www.nseindia.com and on the company's website-www.ranegroup.com

Note:

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 24, 2019. The Statutory auditors have carried out a limited review of these financial results
- During the quarter ended June 30, 2019, the Company received the surveyor's report with regard to the insurance claim of Rs.1,008 Lakhs lodged in 2017-18. While the admissibility of Rs.242 lakhs out of the total claim of Rs.1,008 lakhs, is still under consideration, the Company is confident of recovering this sum under the insurance policy.
- During the year 2018-19, 3,65,630 equity shares of Rs. 10/- each were issued and allotted to the holding company (Rane Holdings Limited), pursuant to conversion of 3,65,630 warrants held by the holding Company. Consequently, the issued and paid-up share capital of the Company as on March 31, 2019 stands increased to Rs. 1,197.32 lakhs.
- The Company has adopted Ind AS 116 Leases with a modified retrospective approach effective April 01, 2019. The adoption of this standard resulted in recognition of right-of-use assets and lease liabilities of Rs. 204 lakhs as on the transition date. The effect of the same on the financial results for the quarter ended June 30, 2019 is not material.

Chennai
July 24, 2019

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
RANE (MADRAS) LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **RANE (MADRAS) LIMITED** ("the Company"), for the quarter ended June 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)



Ananthi Amarnath
Partner
(Membership No. 209252)

UDIN: 19209252AAAAAZ2507

Place: Chennai
Date: July 24, 2019



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
RANE (MADRAS) LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **RANE (MADRAS) LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2019 being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities:
 - a. Rane (Madras) Limited (RML) – Parent
 - b. Rane (Madras) International Holdings B.V (RMIH) – Subsidiary
 - c. Rane Precision Diecasting Inc. (RPDC) – Subsidiary of RMIH



5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)



Ananthi Amarnath
Partner

(Membership No.209252)

UDIN: 19209252 AAAABA 4034

Place: Chennai

Date: July 24, 2019





Expanding Horizons

RANE (MADRAS) LIMITED

Q1 FY20 Earnings Release



Chennai, India, July 24, 2019 – Rane (Madras) Limited (NSE: RML; BSE Code:532661), a leading manufacturer of steering and suspension products and die casting components today announced its standalone and consolidated financial performance for the first quarter (Q1 FY20) ended June 30, 2019

Standalone Q1 FY20 Performance

- Total Net Revenue was ₹297.2 Crore for Q1 FY20 as compared to ₹347.5 Crore in Q1 FY19, a decrease of 14.5%
- EBITDA stood at ₹25.5 Crore as compared to ₹39.1 Crore during Q1 FY19, a decrease of 34.7%
- EBITDA Margin at 8.6% for Q1 FY20 as against 11.2% in Q1 FY19, a decline of 265 basis points (bps)
- Net profit (PAT) stood at ₹3.2 Crore for Q1 FY20 as compared to ₹13.4 Crore in Q1 FY19, a decrease of 75.9%

Consolidated Q1 FY20 Performance

- Total Net Revenue was ₹346.2 Crore for Q1 FY20 as compared to ₹396.7 Crore in Q1 FY19, a decrease of 12.7%
- EBITDA stood at ₹16.5 Crore as compared to ₹34.0 Crore during Q1 FY19, a decrease of 51.4%
- EBITDA Margin at 4.8% for Q1 FY20 as against 8.6% in Q1 FY19, a decline of 380 basis points (bps)
- Net loss stood at ₹10.3 Crore for Q1 FY20 as compared to Net Profit of ₹4.1 Crore in Q1 FY19, a decrease of 351.8%

Operating Highlights for Q1 FY20 – Standalone

- Sales to Indian OE customers declined 18%. Volume drop across segments particularly Farm Tractors and Commercial Vehicles
- Sales to International customers declined 11% driven by drop in volume for Die casting products
- Sales to Indian Aftermarket customers grew 6%
- Lower volume and unfavourable mix resulted in 265 bps drop in EBITDA margin

Operating Highlights for Q1 FY20 – Consolidated

- Rane Precision Die Casting (RPDC) commenced supplies on new programs. This compensated for drop in volume with few existing customers.
- EBITDA loss widened on account of
 - Change in product mix resulting in higher material cost.
 - Higher cost on repairs and maintenance.

MANAGEMENT COMMENT

"Q1FY20 was a difficult quarter with significant drop in demand across vehicle segments in India. We expect this declining trend to continue in the near future. The management is working on various initiatives to reduce the impact of volume drop in RML India business. RPDC is working on ramping-up new businesses and improve the operational performance."

– L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

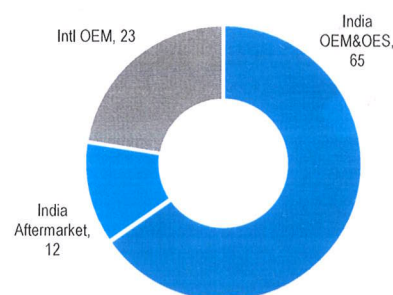
Financial Performance

Standalone	Q1 FY20	Q1 FY19	YOY%
Total Net Revenue	297.2	347.5	-14.5%
EBITDA	25.5	39.1	-34.7%
Margin (%)	8.6%	11.2%	-265 bps
PAT	3.2	13.4	-75.9%

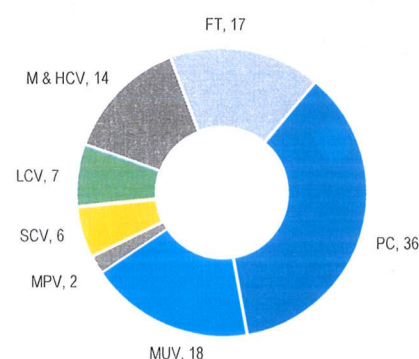
Consolidated	Q1 FY20	Q1 FY19	YOY%
Total Net Revenue	346.2	396.7	-12.7%
EBITDA	16.5	34.0	-51.4%
Margin (%)	4.8%	8.6%	-380 bps
PAT	-10.3	4.1	-351.8%

(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q1 FY20) (STANDALONE) BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Standalone			Consolidated		
	Q1 FY20	Q1 FY19	YoY%	Q1 FY20	Q1 FY19	YoY%
Income from Operations	287.7	329.0	-13%	335.6	377.1	-11%
Other Operating Income	8.2	11.3	-27%	9.2	13.5	-32%
Other Income	1.3	7.3	-82%	1.3	6.1	-79%
Total Revenue	297.2	347.5	-14%	346.2	396.7	-13%
Expenses						
-Cost of Material Consumed	182.4	219.6	-17%	200.5	238.0	-16%
-Purchase of stock-in-trade	-	-		-	-	
-Changes in inventories	4.8	-2.4	300%	4.4	-4.6	197%
-Employee Benefit Expense	37.4	37.7	-1%	60.6	59.9	1%
-Finance Cost	7.8	6.4	21%	9.3	7.7	20%
-Depreciation & Amortization	12.8	12.3	4%	15.8	15.3	3%
-Other Expenditure	47.2	53.5	-12%	64.1	69.4	-8%
Total Expenses	292.3	327.2	-11%	354.8	385.8	-8%
PBT before Exceptional Items	4.9	20.3	-76%	-8.6	11.0	-179%
Exceptional Item	-	-		-	-	
PBT	4.9	20.3	-76%	-8.6	11.0	-179%
Tax Expense	1.7	6.9	-76%	1.7	6.9	-76%
PAT	3.2	13.4	-76%	-10.3	4.1	-352%

(In ₹ Crore, unless otherwise mentioned. The sum of 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. RML has two divisions namely Steering and Linkages Division (SLD) and Die Casting Division (DCD). SLD manufactures mechanical steering gears, hydrostatic steering systems and steering and suspension linkage products. DCD manufactures low porosity, high-quality aluminum die-castings such as steering housings and engine case covers. Through its overseas subsidiary Rane Precision Die Casting Inc. (RPDC), RML manufactures high pressure aluminium die casting components from its facility in Kentucky, USA.

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 Stationery Engines.

IF YOU HAVE ANY QUESTIONS OR REQUIRE FURTHER INFORMATION,
PLEASE FEEL FREE TO CONTACT: INVESTORSERVICES@RANEGROUP.COM OR DPINGLE@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.