

Welcomes You All

Rane Group - Analyst Meet Agenda

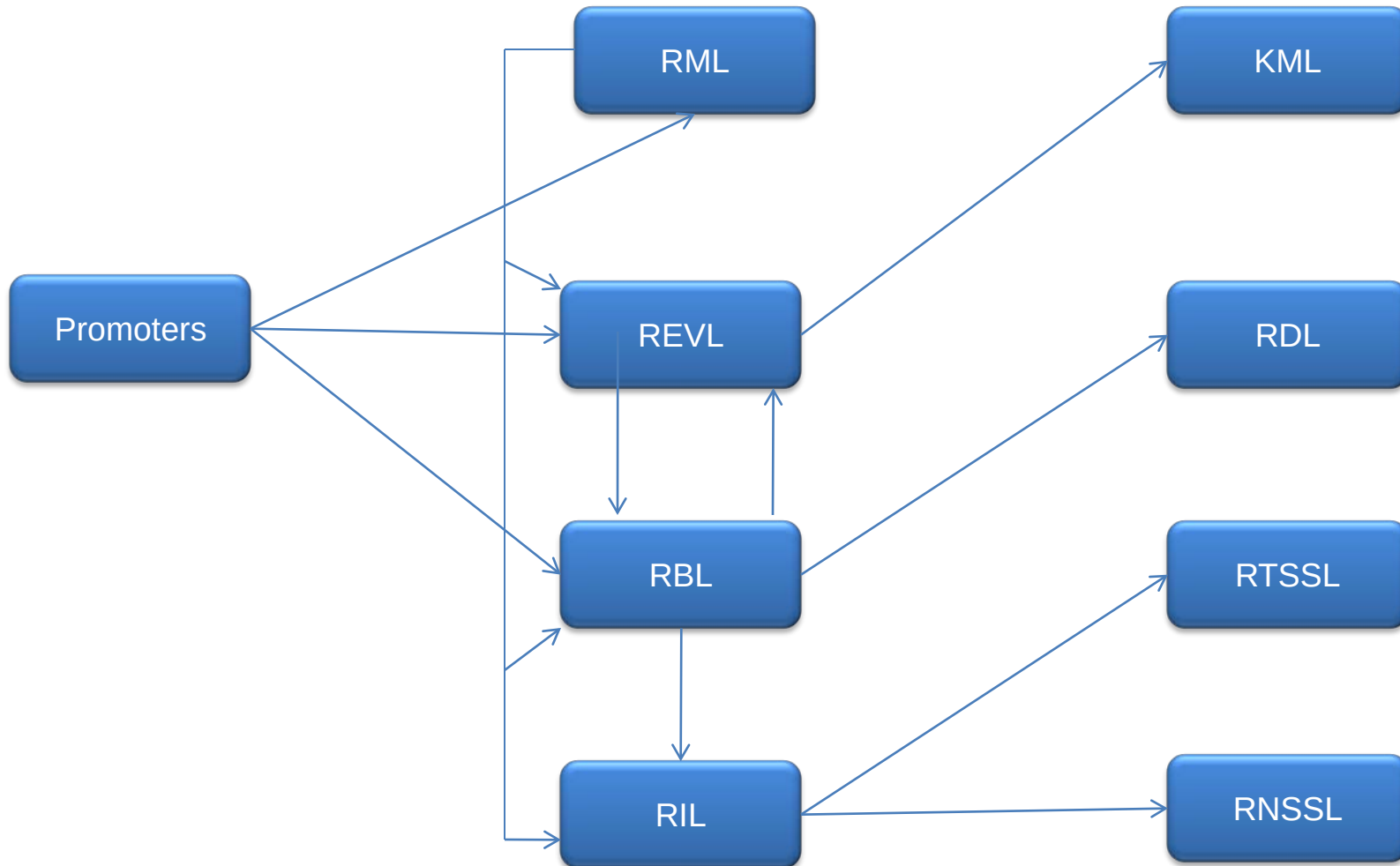


- 1. Rane Group Structure.**
- 2. Mission & Value.**
- 3. Group Initiatives – TQM, Human Resources, Information Technology, Corporate Social Responsibility.**
- 4. Technology , Quality, Customers & Markets.**
- 5. Group Companies.**
- 6. Future**
- 7. Q & A**

Rane Group - Holding Structure



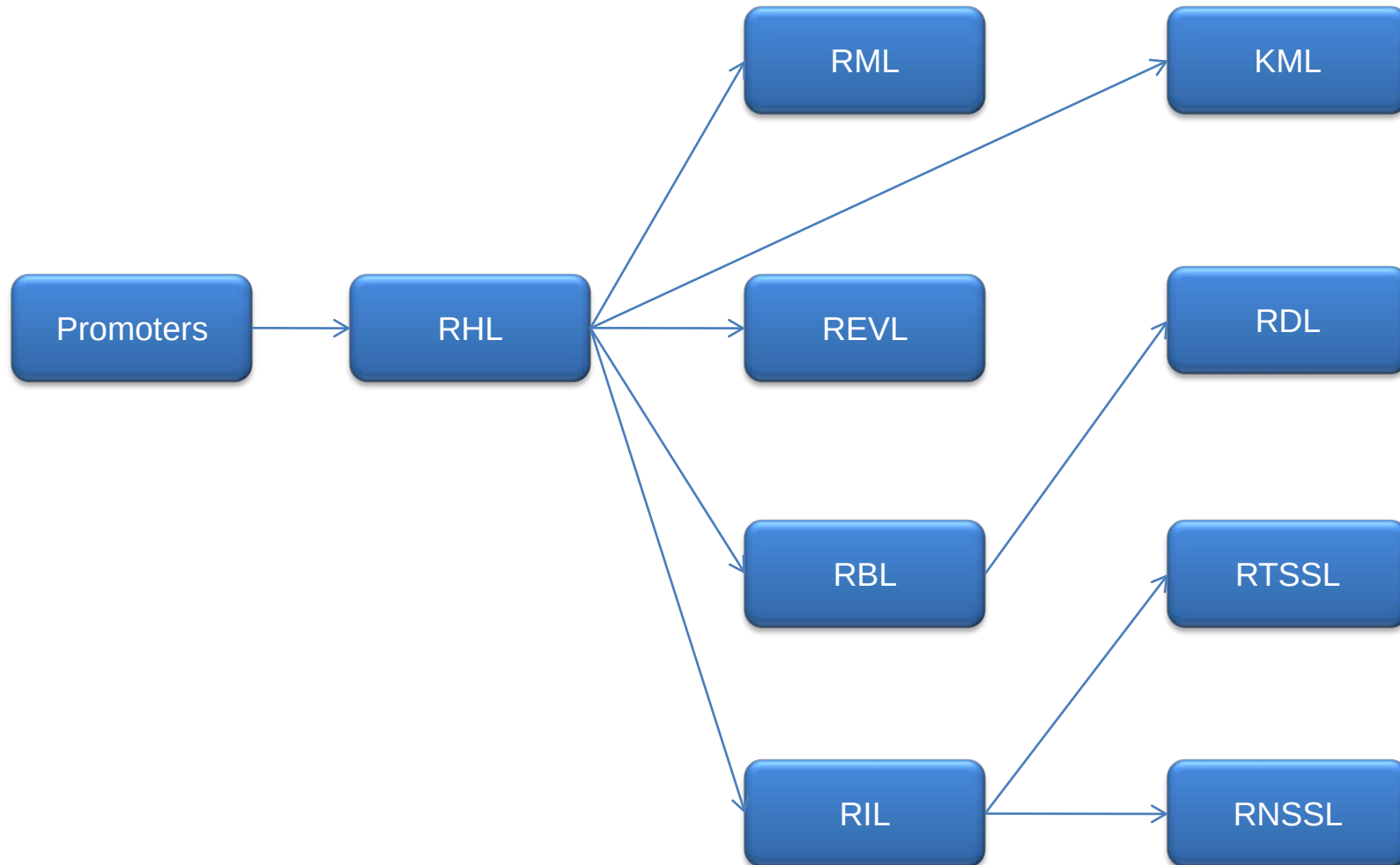
Prior to 2005



Rane Group - Holding Structure



2007



Rane Group - Holding Structure



Promoters

Rane Holdings Limited

Subsidiaries

- Rane Madras Limited – 54%
- Rane Engine Valve Limited – 54%
- Rane Diecast Limited – 79%
- Rane Brake Lining Limited – 42%

Joint Ventures

- Rane TRW Steering Systems Limited – 50%
- Rane NSK Steering Systems Limited – 50%
- JMA Rane Marketing Limited – 49%

Associates

- Kar Mobiles Limited – 37%



Provide superior products and services to our customers and maintain market leadership.



Evolve as an institution that serves the best interests of all stakeholders.



Pursue excellence through total quality management.



Ensure the highest standards of ethics and integrity in all our actions

Rane Group - Milestones



1929

Rane was founded as a distributor of automobiles & parts.

1959

Diversified into manufacturing and established plant for IC Engine Valves.

1960

Established facility to make Tie Rod Ends.

1964

Started manufacture of Friction Material.

Rane Group - Milestones



1974

Established Kar Mobiles Limited to manufacture Automotive and Large Valves.

1975

Started manufacture of Manual Steering Gears

1987

Established JV with TRW for Power Steering Systems.

1991

Established JV with JMA for distribution of auto parts.

Rane Group - Milestones



1995

- TRW JV also commenced manufacture of occupant restraints.
- Established JV with NSK for Energy Absorbing Steering Columns.
- Founded Rane Institute for Employee Development.

2000

TQM launched under guidance of JUSE, Japan 2000.

2003

Rane Brake Lining Limited wins Deming prize.

Rane Group - Milestones



2005

- Rane Engine Valve Limited wins Deming prize.
- Rane TRW Steering Systems Limited (SGD) wins Deming prize.
- Invested in High Pressure Die Casting products

2007

Rane (Madras) Limited wins Deming Prize.

2008

Rane NSK Steering Systems Limited commenced manufacturing of Electric Power Steering

2010

Rane Data Centre is awarded the ISO 27001 ISMS Certification by TUV.

❖ **HR Vision:-**

To stimulate and nurture the intrinsic desire in people to **learn, grow and enhance performance** to achieve success and growth.

❖ **HR Initiatives:-**

- ❏ Talent Management focus to build organizational competencies aligned with current and future business needs.
- ❏ Rane Advanced Management Program (RAMP) to develop a robust leadership bench.

Rane Institute of Employment Development – RIED is Rane's Corporate University.

RIED delivered 5,300 man days of training during the year.

RIED engages with the group companies in building organizational capability in select areas such as Lean Production system, TRIZ, Low Cost Automation (LCA), Advanced Statistical Process Control (SPC)

Rane is closely working with IIM Bangalore and XLRI Jamshedpur to build long term organisational capacity for leadership and innovation.

- ❏ The PSG-Rane Centre for Manufacturing Systems at the PSG College of Technology, Coimbatore.

Rane group provided financial and technical assistance to set up the centre.

- ❏ Another key initiative during the year has been towards making Rane a **Great Place to Work**. We rolled out our '**Employer Brand Promise**', crafted through a process of organization wide involvement.

- Global Auto major's entry into India in the 90's, necessitated achieving global standards on quality, cost, delivery, technology and services.
- In Rane, we responded to this by adopting TQM principles namely :-
 - Customer Focus
 - Process Orientation
 - Continuous improvement
 - Systematic structured way of identifying and solving problems
 - Company wise involvement of all employees

We use these as a holistic input to achieve global standards.

- The first step in our TQM Journey was taken in 2000 end, then onwards there has been no looking back. This has resulted in the Rane Companies becoming preferred suppliers to OEMs.
- Our relentless pursuit of TQM has translated into four of our Companies achieving the coveted **Deming Award**. These companies are now working towards the next level namely **Japanese Quality Medal (JQM)**.



- ❖ Rane has deployed SAP with the latest upgrade across all Group Companies.
- ❖ Rane's Information Security Management Systems (ISMS) has been awarded ISO 27001 – signifying information security and explicit management control.

CSR Vision

*To be a socially and environmentally
responsive organization
committed to improve quality of life
within and outside*

Initiatives in the areas of

Social

➤ **Education**

- ✓ Promotion of Education at all levels within organisation
- ✓ Regular and ongoing interaction with Educational institutions
- ✓ Engineering Polytechnic
- ✓ High School for Girls
- ✓ Rural Education at plant locations

➤ **Health**

- ✓ Occupational health & safety
- ✓ Promotion of health consciousness within organisation
- ✓ Promotion of Rural health at Plant locations

Initiatives in the areas of

Social

➤ **Empowerment of Women**

- ✓ Promotion of Women employment
- ✓ Promotion of Women Self Help Groups (SHG) at Plant locations

➤ **Environmental**

- Water Conservation and Harvesting
 - ✓ Rain water harvesting at Plants
 - ✓ Water Conservation
 - ✓ Promotion of Watershed development
 - Percolation / Irrigation tanks
 - Check / stop dams
 - Farm ponds.

Rane Group - Technology Alliance



***TRW Automotive US LLC
Power Steering Systems, Ball Joints,
Seat Belt Systems.***



***NSK, Japan
Energy Absorbing Steering Columns and
Electric Power Steering.***



***Nisshinbo Brake Inc., Japan
Brake Linings, Disc Pads, Clutch Facings.***

Rane Group - Quality Certifications



Four Companies awarded Deming prize for Quality.



Seven Companies (23 Plants) have TS 16949 Certifications.



Six Companies (20 Plants) are ISO 14001 Certified.



Two Companies (5 Plants) are ISO 9000 Certified. Two Plants ISO 9001 Certified.



Eight Plants OHSAS 18001 Certified.

Rane Group - Customer Accreditations



Rane Engine Valve Limited – Volkswagen Group Award



Rane Madras Limited – Maruti Suzuki Warranty Improvement Award

- M & M FES Outstanding Performance



Rane TRW Steering Systems Limited

- Tata Motors – Gold Award – Excellence in Cost Efficiency.
- Ashok Leyland – Best Supplier Award.



Rane NSK Steering Systems Limited

- Toyota Kirloskar – Best Cost Improved Supplier.
- Maruti Suzuki – Kaizen Award.



Rane Brake Lining Limited

- Brakes India Limited Award – Technology Upgradation.

- 1. Passenger Cars (PC)**
- 2. Small Commercial Vehicles (SCV) Light Commercial Vehicles (LCV), Medium Commercial Vehicles (MCV)**
- 3. Heavy Commercial Vehicles (HCV)**
- 4. Two Wheelers, Three Wheelers**
- 5. Stationary Engines**
- 6. Tractors.**

Rane Group - Export Market

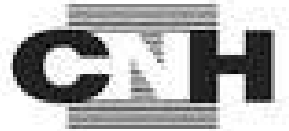


Rane Group - Domestic Customers



The logos mentioned herein are property of the respective companies

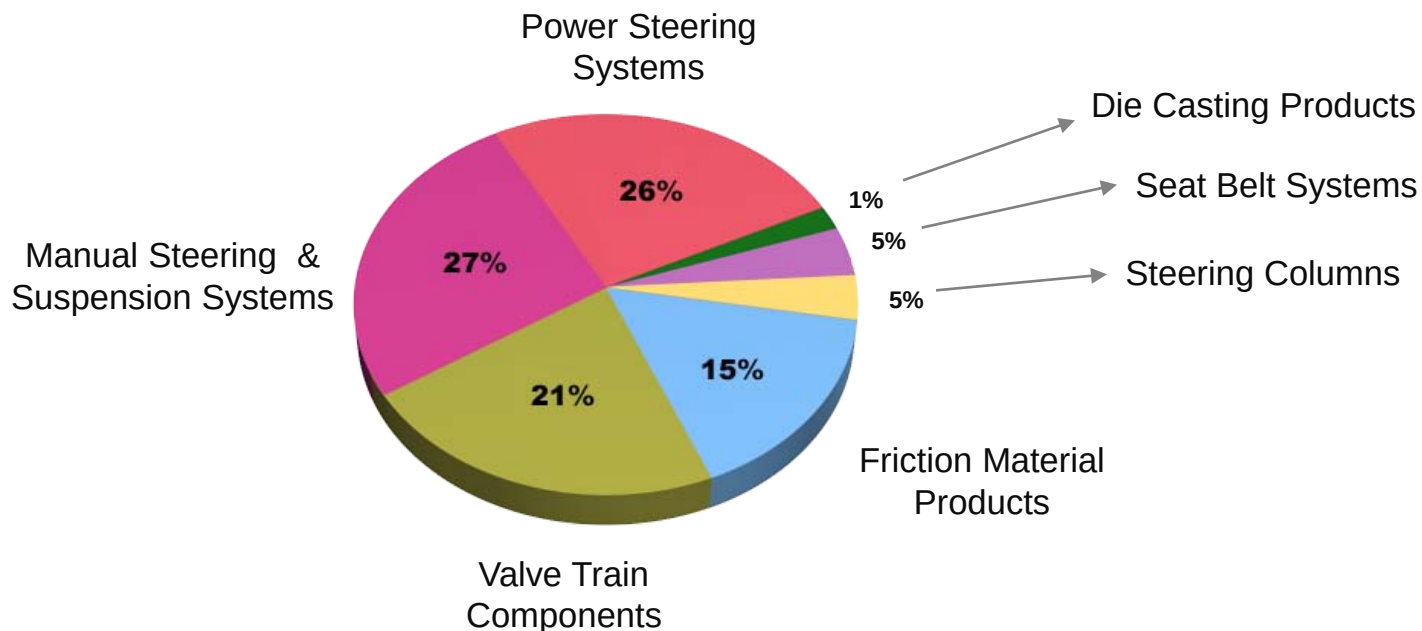
Rane Group - Overseas Customers



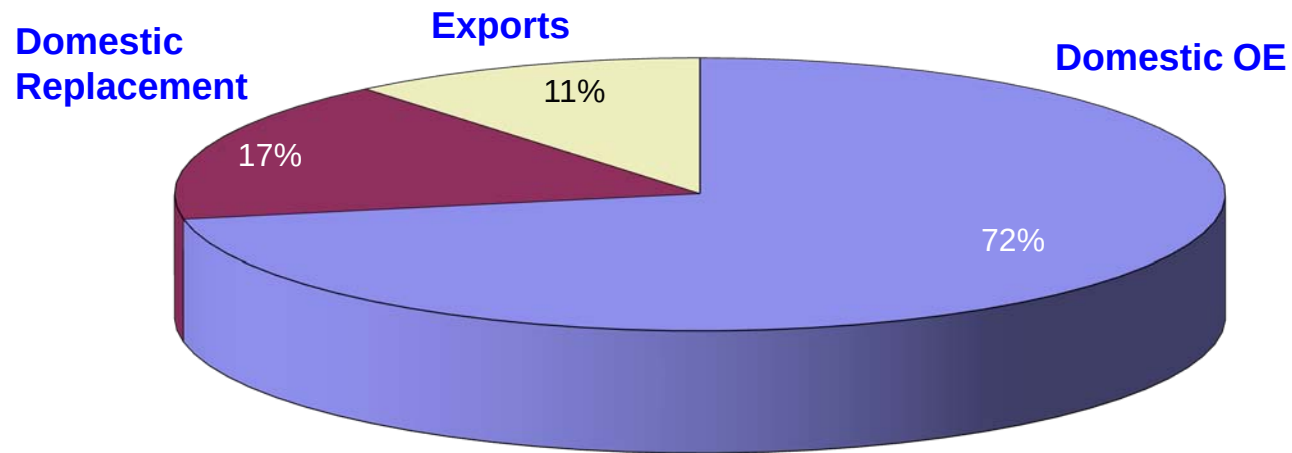
The logos mentioned herein are property of the respective companies

Gross Sales by Product Lines for year 2009 - 10

Rane Group sales for the year 2009 - 10 : INR 17,075 Million (USD 375 Mio)



Gross Sales 2009 - 2010



- ❖ Rane Holdings Limited – Financials

Plants , Product offerings & Financials

- ❖ Rane (Madras) Limited

- ❖ Rane Engine Valve Limited

- ❖ Rane Brake Lining Limited

- ❖ Rane Diecast Limited

- ❖ Rane TRW Steering Systems Limited

- ❖ Rane NSK Steering Systems Limited

- ❖ JMA Rane Marketing Limited (not presented)

- ❖ Kar Mobiles Limited

Rane Holdings Limited - Financials



Elements	Consolidated		Rs. Million	
	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
Sales & Operating Revenue	5,772.00	8,005.81	11,719.90	42.49%
PBDIT	680.45	772.79	1,522.47	49.58%
Profit Before Tax	363.64	215.15	804.38	48.73%
Profit After Tax	127.98	153.27	542.37	105.86%
PBDIT %	11.79%	9.65%	12.99%	4.97%
PBT %	6.30%	2.69%	6.86%	4.37%

Note:- Results for year ended 31 Mar 2008 are exclusive of extraordinary Income

Rane Brake Lining was consolidated as an Associate in YE 31 Mar 2009, as a Subsidiary in YE 31 Mar 2010.

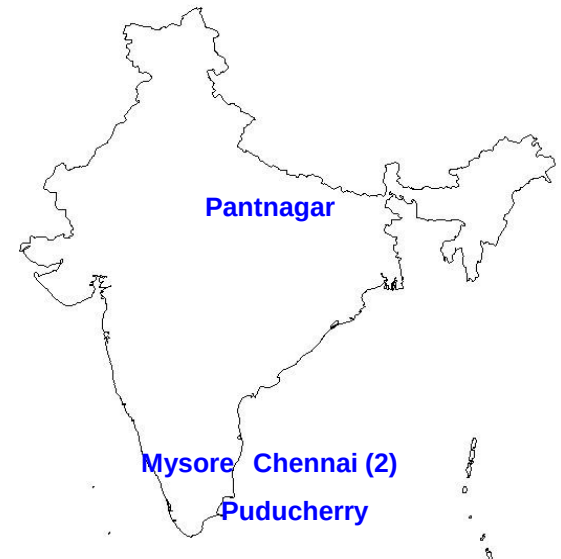
Rane Holdings Limited - Financials



Standalone

Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
ROCE	15.61%	10.04%	13.03%	-8.65%
Earnings Per Share	14.56	11.41	17.60	9.95%
Dividend %	60%	40%	80%	15.47%
PEx	11.56x	2.00x	9.43x	

- 1. First manufacturing facility established in 1960.**
- 2. Today the Company has five manufacturing facilities.**
 - I. Chennai (2) - Tamilnadu**
 - II. Puducherry – Puducherry**
 - III. Mysore – Karnakata**
 - IV. Pantnagar – Uttarakhand**





Rane (Madras) Limited - Financials



Rs. Million

Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
Gross Sales	3,938.14	3,875.88	4,487.26	6.74%
Net Sales	3,492.14	3,524.61	4,196.56	9.62%
PBDIT	131.50	192.47	348.35	62.76%
Profit Before Tax	(23.80)	12.01	200.41	224.21%
Profit After Tax	(2.34)	3.62	138.26	140.60%
PBDIT %	3.77%	5.46%	8.30%	48.47%
PBT %	-0.68%	0.34%	4.78%	5.46%

Note:- Results for year ended 31 Mar 2008 are exclusive of extraordinary Income

Rane (Madras) Limited - Financials



Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
ROCE	2.30%	6.98%	18.53%	183.62%
Earnings Per Share	(2.34)	0.36	13.59	15.93%
Dividend %	60%	0%	45%	-13.40%
PEx	-32.20x	38.54x	5.19x	

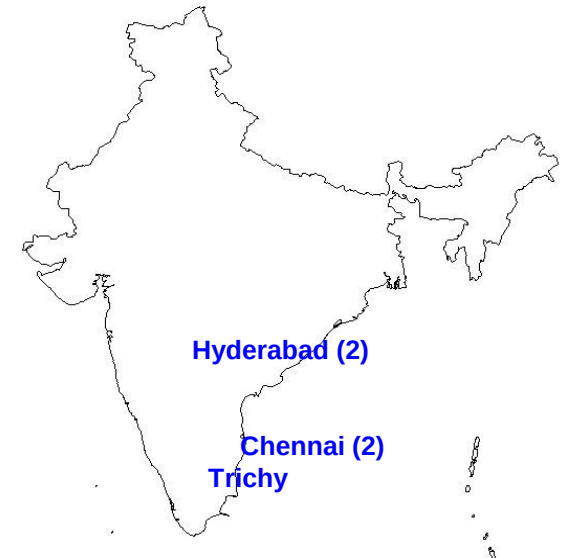
The company is extremely well positioned in all its product lines.

- a. Manual and Mechanical Rack and Pinion gears due to increasing share in MSIL and EPS growth in small Passenger Cars.**
- b. SSLP is growing**
- c. New businesses through LCA and HSS.**

Considering the above the company is planning a 15% CAGR in the next three years. The ROCE has come back in 2009 - 10 to 19% and we are hoping to improve this to 25% in the next three years.

- 1. First manufacturing facility established in 1959.**
- 2. Today the Company has five manufacturing facilities.**

- I. Chennai (2) – Tamilnadu**
- II. Trichy – Tamilnadu**
- III. Hyderabad (2) – Andhra Pradesh**





Engine Valves, Valve Guides & Tappets

Rane Engine Valve Limited – Financials



Rs. Million

Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
Gross Sales	2,194.52	2,401.30	2,509.42	6.93%
Net Sales	1,981.87	2,200.42	2,357.04	9.06%
PBDIT	187.92	242.45	290.99	24.44%
Profit Before Tax	41.04	39.13	70.01	30.61%
Profit After Tax	24.20	22.10	42.99	33.28%
PBDIT %	9.48%	11.02%	12.35%	14.11%
PBT %	2.07%	1.78%	2.97%	19.77%

Rane Engine Valve Limited – Financials



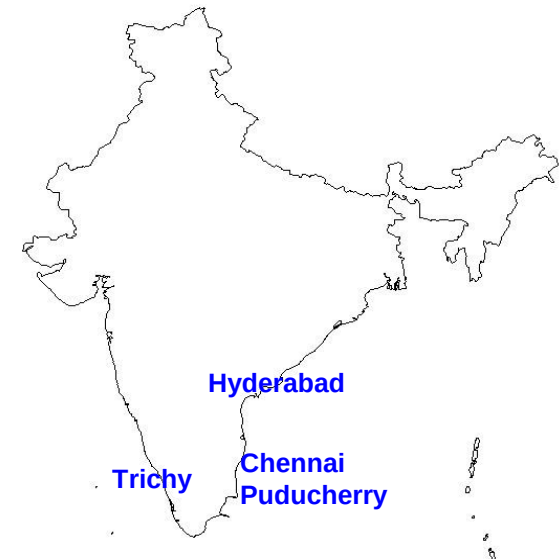
Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
ROCE	4.77%	6.15%	6.81%	19.54%
Earnings Per Share	4.70	4.29	8.35	33.29%
Dividend %	45%	20%	30%	-18.35%
PE _x	61.30x	5.04x	28.95x	

Considering our diversified presence in the domestic market and a good customer base in exports, the company is targeting a CAGR of 15% in the next three years. The main challenges which are being addressed are:-

- a. Some product rationalization**
- b. Increase of capacity in the lower cost plants and**
- c. Mitigation of foreign currency risks**

Considering the above the Company is expected to come back to the ROCE of around 20% in the next three years.

- 1. First manufacturing facility established in 1964.**
- 2. Today the Company has four manufacturing facilities.**
 - I. Chennai – Tamilnadu**
 - II. Trichy - Tamilnadu**
 - III. Puducherry – Puducherry**
 - IV. Hyderabad – Andhra Pradesh.**





**Brake Linings, Disc Pads, Clutch Facings, Composite Brake Blocks,
CV Brake pads and Sintered Brake Pads**

Rane Brake Lining Limited – Financials



Rs. Million

Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
Gross Sales	2,107.05	2,168.76	2,575.12	10.55%
Net Sales	1,810.23	1,913.48	2,363.00	14.25%
PBDIT	232.89	212.52	302.01	13.88%
Profit Before Tax	111.95	43.24	149.33	15.49%
Profit After Tax	89.41	28.94	100.87	6.22%
PBDIT %	12.87%	11.11%	12.78%	-0.33%
PBT %	6.18%	2.26%	6.32%	1.09%

Rane Brake Lining Limited – Financials

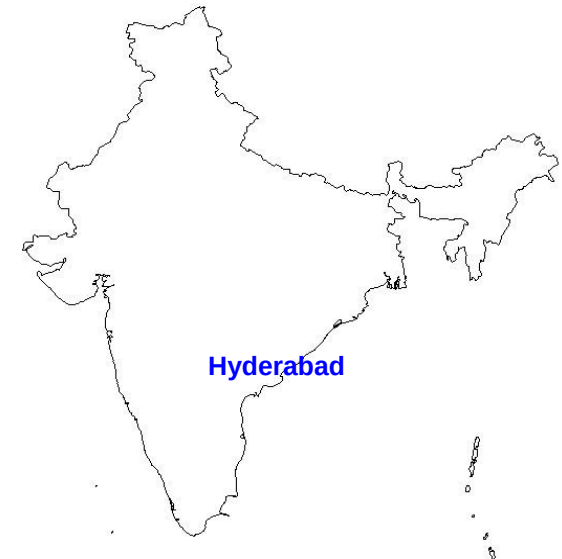


Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
ROCE	7.53%	6.46%	13.39%	33.31%
Earnings Per Share	12.39	4.01	12.78	1.56%
Dividend %	40%	20%	45%	6.07%
PE _x	14.66x	5.44x	11.33x	



RBL is extremely well positioned with the successful transition to Asbestos free disc pads and brake linings. With the increased cooperation of Nisshinbo, the company has been able to win major businesses in both the above, resulting in their plan for a CAGR of 15% in the next three years. The ROCE which improved to 13% in 2009 - 10 is expected to grow to 20% plus in the next three years.

- 1. Inception 2006.**
- 2. An integrated facility with state of art machinery.**



- 3. Diverse portfolio – preferred OEM supplier.**



High Pressure Die Casting Products

Rane Diecast Limited – Financials



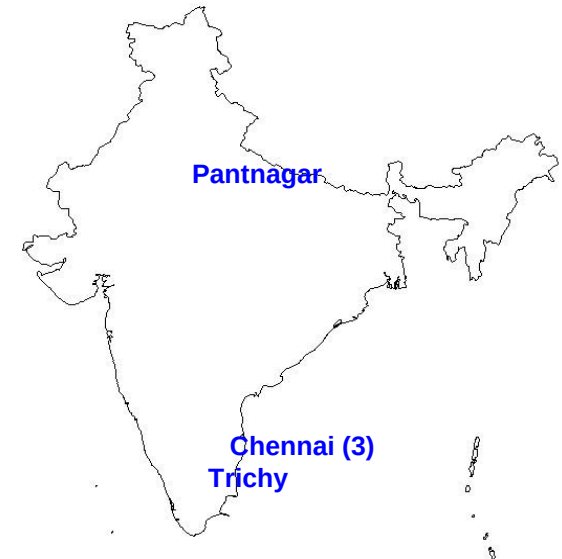
Rs. Million

Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
Gross Sales	170.40	257.42	228.21	15.73%
Net Sales	162.52	244.29	217.46	15.67%
PBDIT	(0.58)	(15.42)	9.41	9.99%
Profit Before Tax	(49.58)	(68.02)	(47.81)	1.77%
Profit After Tax	(35.54)	(46.93)	(29.34)	6.20%
PBDIT %	-0.36%	-6.31%	4.33%	4.68%
PBT %	-30.51%	-27.84%	-21.99%	8.52%



This was a small company acquired by Rane to mainly cater to TRW's global requirements of machined aluminium die castings. Due to currency fluctuations and problems in the U.S. market we had a very tough time in the last two years. However with new businesses won and foreign currencies somewhat stabilizing, we hope to break-even in 2010 - 11 and become profitable thereafter.

- 1. First manufacturing facility established in 1987.**
- 2. There are two divisions – Steering Gears, Seat Belt.**
- 3. Five manufacturing facilities.**
 - I. Chennai (3) – Tamilnadu**
 - II. Trichy – Tamilnadu**
 - III. Pantnagar – Uttarakhand**



Rane TRW Steering Systems – Products



Power Steering Systems, Seat Belt Systems

Rane TRW Steering Systems – Financials



Rs. Million

Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
Gross Sales	4,310.01	3,272.61	4,349.89	0.46%
Net Sales	3,712.73	2,896.29	4,015.30	3.99%
PBDIT	906.52	474.43	788.79	-6.72%
Profit Before Tax	756.34	311.70	613.68	-9.92%
Profit After Tax	494.50	216.70	402.55	-9.78%
PBDIT %	24.42%	16.38%	19.64%	-10.30%
PBT %	20.37%	10.76%	15.28%	-13.38%

Rane TRW Steering Systems – Financials



Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
ROCE	46.63%	18.19%	36.58%	-11.42%
Earnings Per Share	56.59	24.80	46.07	-9.77%
Dividend %	450%	300%	300%	-18.35%

RTSSL SGD

The company continues to have a very high market share ranging from 50% in Medium and Heavy Commercial Vehicles to almost 100% in various Passenger Car models in India. Recently exports of Power Rack and Pinion Gears have commenced to Renault in Romania with the support of TRW. We have launched new generation gears for contemporary Commercial Vehicles like Tata World Truck.

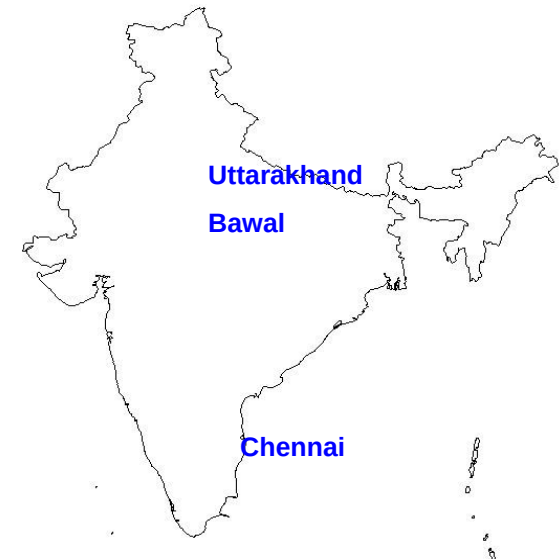
In Medium and Large Passenger Cars we are working on new generation products which will be more efficient and cost effective.



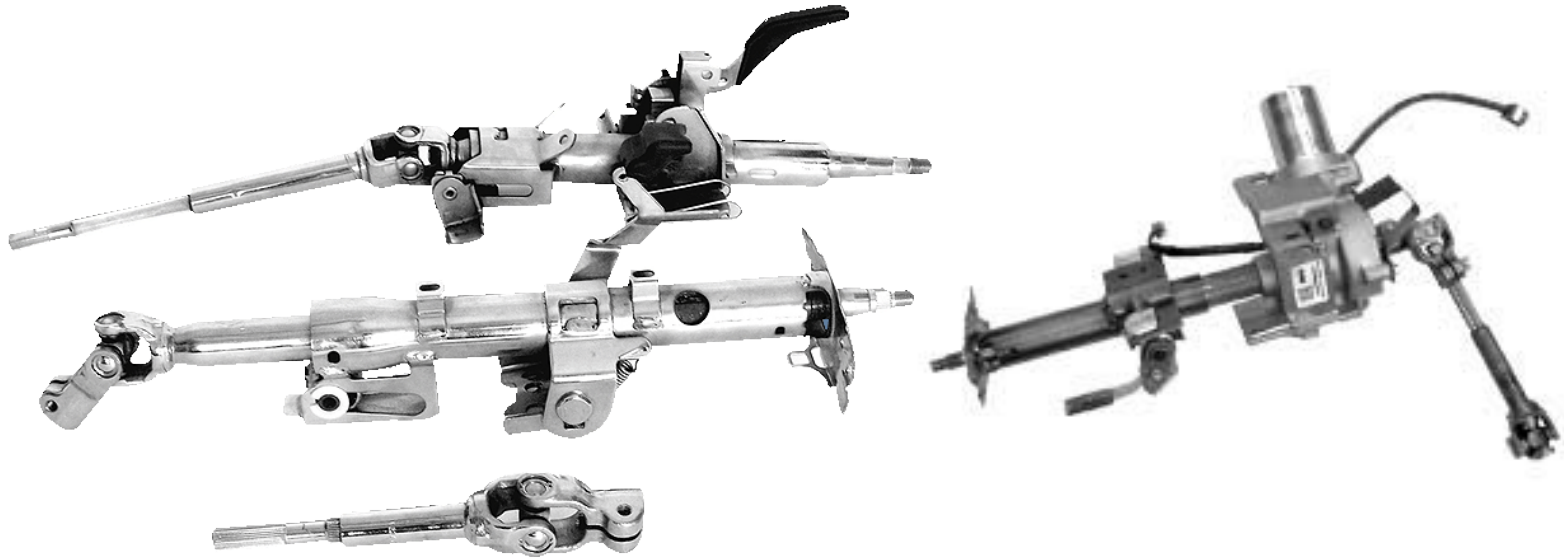
RTSSL SBD

This is a small division with a very limited presence in India. This will mainly support to TRW's global customers for Seat Belts.

- 1. First manufacturing facility established in 1998.**
- 2. Three manufacturing facilities.**
 - I. Chennai – Tamilnadu**
 - II. Bawal – Haryana**
 - III. Pantnagar – Uttarakhand**



Rane NSK Steering Systems – Products



Steering Columns & Electric Power Steering

Rane NSK Steering Systems – Financials



Rs. Million

Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
Gross Sales	586.59	874.95	1,771.64	73.79%
Net Sales	508.62	786.18	1,657.13	80.50%
PBDIT	29.30	42.63	154.05	129.30%
Profit Before Tax	(0.11)	(17.03)	81.47	81.58%
Profit After Tax	(2.09)	5.27	63.52	65.61%
PBDIT %	5.76%	5.42%	9.30%	27.03%
PBT %	-0.02%	-2.17%	4.92%	4.94%

Rane NSK Steering Systems – Financials



Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
ROCE	-0.34%	-2.18%	14.37%	14.71%
Earnings Per Share	0.12	0.29	3.55	443.91%
Dividend %	0%	0%	0%	0.00%



RNSSL has had a 102% growth in 2009 – 10 reaching a sales of Rs.177. 16 crores. This was enabled by the introduction of EPS at our new Bawal plant for Maruti A Star Cars. The company continues to win new platforms for both Manual Steering Columns and EPS with MSIL, TML and M&M. With both the product lines growing, the company looks at a CAGR of 25% in the next three years. The losses of early years have been wiped out in 2009 – 10 and the ROCE was 14% In the next three years, they are planning to achieve a ROCE of 25% plus in the business.

- 1. Established in 1974**
- 2. Two manufacturing facilities.**
 - I. Bangalore - Karnataka**
 - II. Tumkur - Karnataka**





Large Engine Valves for Automotive & Defense Applications

Kar Mobiles Limited – Financials



Rs. Million

Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
Gross Sales	931.40	1,010.17	865.65	-3.59%
Net Sales	864.57	947.36	817.46	-2.76%
PBDIT	70.57	52.58	73.72	2.21%
Profit Before Tax	45.33	15.30	44.43	-1.00%
Profit After Tax	26.93	8.20	29.28	4.27%
PBDIT %	8.16%	5.55%	9.02%	5.11%
PBT %	5.24%	1.62%	5.44%	1.82%

Kar Mobiles Limited – Financials



Elements	31 Mar 2008	31 Mar 2009	31 Mar 2010	CAGR
ROCE	17.24%	9.17%	15.28%	-5.86%
Earnings Per Share	12.22	3.66	13.07	3.42%
Dividend %	40%	20%	45%	6.07%
PEx	14.93x	9.34x	12.09x	

The Company continues to focus on Medium and Large valves. Exports dropped to 34% of sales in 2009 – 2010 due to the severe recession in the US & Europe. With these markets reviving the Company would come back to a 50% exports in the next two years. With the CAGR in sales over the next three years of 22%, the ROCE is expected to improve to about 20%.

Backdrop:-

1. Indian economy slated for sustained growth of over 7% p.a. in the coming years.
2. All segments in the auto industry is poised to grow CAGR at over 10%.
3. India is the preferred manufacturing hub for auto components & Small Cars.

Rane Group would continue to evolve as an institution that meets expectations of all stakeholders. To achieve this, the Group would leverage the strong foundation of Total Quality Management, HR Vision & Initiatives developing leadership & managerial competencies in house.

This presentation contains certain forward looking statements concerning Rane's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the target countries for exports, ability to attract and retain highly skilled professionals, government policies and action with respect to investments, fiscal deficits, regulations., etc interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statement become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

Thanks To You All