

Registered Office: Tel : 91 44 2811 2472  
" Maithri " Fax : 91 44 2811 2449  
132, Cathedral Road. URL : www.ranegroup.com  
Chennai 600 086. India.  
CIN : L63011TN2004PLC054948

## Rane Brake Lining Limited



**//Online Submission//**

RBL / SE / 45 / 2017-18

January 29, 2018

<b>BSE Limited</b> Listing Centre Scrip Code: <b>532987</b>	<b>National Stock Exchange of India Ltd.</b> NEAPS Symbol: <b>RBL</b>
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Dear Sir / Madam,

**Sub: Outcome of Board Meeting held on January 29, 2018 - under Regulation 30 of SEBI LODR**

**Ref: Our letter no. RBL / SE / 40 / 2017-18 dated December 28, 2017**

This is to inform you that the Board of Directors have, inter alia, approved the un-audited financial results (Ind AS compliant) of the Company for the quarter and nine months ended December 31, 2017, based on the recommendations of the Audit Committee, at their respective meeting(s) held today, i.e. **January 29, 2018**.

The un-audited financial results of the Company for the quarter and nine months ended December 31, 2017, is enclosed along with the Limited Review Report issued by M/s. Varma & Varma, Chartered Accountants, Statutory Auditors (**Regulation 33**).

The financial results will be available on the website of the company at [www.ranegroup.com](http://www.ranegroup.com) (**Regulation 46**).

The extract of the un-audited financial results 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 11:30 hrs (IST) and concluded at 13:55 hrs (IST).

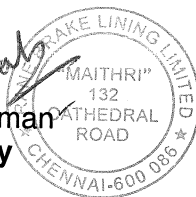
We request you to take the above on record and note the compliance under relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

Thanking you.

Yours faithfully,

For **Rane Brake Limited**

  
Venkatraman  
Secretary



Encl: a/a

1. Un-audited financial results for the quarter & nine months ended December 31, 2017.
2. Extract of the un-audited financial results for Newspaper publication.
3. Limited Review Report for the quarter & nine months ended December 31, 2017.
4. Earnings release for the quarter & nine months ended December 31, 2017.

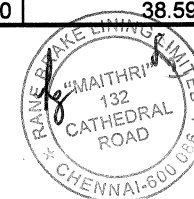
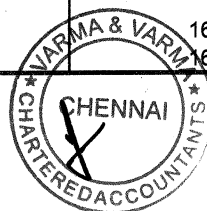
**Rane Brake Lining Limited**  
CIN L63011TN2004PLC054948  
Regd Office: "Maithri", 132 Cathedral Road, Chennai 600 086  
visit us at <http://www.ranegroup.com>



**Statement of Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2017**

Rs. Lakhs

Particulars	Quarter ended			Nine Months ended	
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>1 Revenue</b>					
(a) Revenue from operations (refer note 4)	12,813.69	11,200.45	13,060.45	35,386.99	38,700.23
(b) Other Operating Income	13.33	7.20	5.00	34.94	57.63
(c) Other Income	27.00	25.00	24.00	99.00	257.00
<b>Total Revenue</b>	<b>12,854.02</b>	<b>11,232.65</b>	<b>13,089.45</b>	<b>35,520.93</b>	<b>39,014.86</b>
<b>2 Expenses :</b>					
(a) Cost of materials consumed	6,191.97	5,356.58	5,675.69	16,993.61	16,868.19
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(225.41)	350.33	(14.27)	(495.93)	(348.13)
(c) Excise duty (refer note 4)	-	-	1,639.10	1,341.39	4,784.49
(d) Employee benefits expenses	1,595.33	1,560.97	1,669.77	4,716.83	4,886.47
(e) Finance costs	11.09	6.99	10.47	29.03	74.60
(f) Depreciation and amortisation expense	545.10	529.01	479.00	1,602.74	1,451.76
(g) Other expenses	2,769.04	2,056.62	2,366.09	6,936.95	7,498.07
<b>Total Expenses</b>	<b>10,887.12</b>	<b>9,860.50</b>	<b>11,825.85</b>	<b>31,124.62</b>	<b>35,215.45</b>
<b>3 Profit (+)/Loss (-) before Exceptional Items (1-2)</b>	<b>1,966.90</b>	<b>1,372.15</b>	<b>1,263.60</b>	<b>4,396.31</b>	<b>3,799.41</b>
4 Exceptional Items	-	-	-	-	-
<b>5 Profit (+)/ Loss (-) before tax (3+4)</b>	<b>1,966.90</b>	<b>1,372.15</b>	<b>1,263.60</b>	<b>4,396.31</b>	<b>3,799.41</b>
6 Tax expense					
Current Tax	749.28	496.00	296.44	1,571.11	865.65
Tax relating to earlier year	(15.14)	-	-	(15.14)	-
Deferred Tax	(85.79)	(57.35)	(21.98)	(143.76)	(120.50)
<b>7 Profit / (Loss) for the period (5-6)</b>	<b>1,318.55</b>	<b>933.50</b>	<b>989.14</b>	<b>2,984.10</b>	<b>3,054.26</b>
8 Other Comprehensive Income (Net of Tax Expenses)	56.17	(17.31)	(4.60)	39.50	(13.80)
(a) Items that will not be reclassified subsequently to Profit or loss					
i) Remeasurement of net defined benefit Liability / Asset	85.91	(26.48)	(7.03)	60.41	(21.10)
ii) Income tax relating to items that will not be classified to profit or loss	(29.74)	9.17	2.43	(20.91)	7.30
<b>9 Total Comprehensive income for the Period (7+8)</b> <b>(Comprising profit / (loss) and other comprehensive income for the period)</b>	<b>1,374.72</b>	<b>916.19</b>	<b>984.54</b>	<b>3,023.60</b>	<b>3,040.46</b>
10 Details of equity share capital					
Paid-up equity share capital (Face Value of Rs. 10/- per Share)	791.50	791.50	791.50	791.50	791.50
11 Earnings Per Share (EPS) ( of Rs.10/- each ) (not annualised) (Amount Rs.)					
(a) Basic	16.66	11.79	12.50	37.70	38.59
(b) Diluted	16.66	11.79	12.50	37.70	38.59





**Statement of Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2017**

**NOTES:**

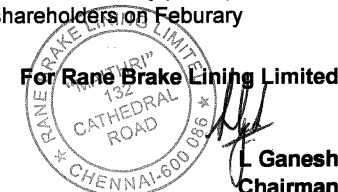
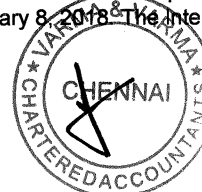
- The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 29, 2018 and have been subjected to limited review by the Statutory Auditors.
- The company has adopted Indian Accounting Standards (Ind AS) from April 1, 2017 and this financial results have been prepared in accordance with the recognition and measurement principles laid down in the said standards. The date of transition to Ind AS is April 1, 2016.
- The Company operates only in one segment, namely, manufacture and marketing of components for Transportation industry.
- Consequent to introduction of Goods and Services Tax (GST) w.e.f July 2017, revenue for the quarter ended 30 September 2017 and December 31, 2017 is presented net of GST in compliance with Indian Accounting Standard (Ind AS) 18 - "Revenue". The revenue from operations for the quarter and nine months ended December 31, 2016 are inclusive of excise duty, and hence are not comparable with the revenue from operations for the quarter and nine month ended December 31, 2017 to that extent.
- Reconciliation of net profit reposted under Indian GAAP for the quarter and nine month ended December 31, 2016 with Ind AS is furnished below:

Rs. Lakhs

Particulars	Quarter ended 31.12.2016	Nine Months ended 31.12.2016
<b>Net Profit as per Indian GAAP</b>	998.36	3,030.27
<b>Add:</b>		
Actuarial (Gain) / Loss on Employee defined benefit plans reclassified in Other Comprehensive Income	7.03	21.10
(Increase) / Decrease in provisioning of receivables	(20.34)	17.91
Deferred tax impact on both the above	4.61	(13.50)
<b>Sub-total</b>	<b>(8.70)</b>	<b>25.51</b>
<b>Less:</b>		
Fair valuation of financial assets and liabilities	0.52	1.52
<b>Net Profit under Ind AS (A)</b>	<b>989.14</b>	<b>3,054.26</b>
<b>Other Comprehensive income (net of tax)</b>		
Actuarial loss on employee defined benefit plans	(7.03)	(21.10)
Income tax impact on above	2.43	7.30
<b>Other Comprehensive income, net of income tax (B)</b>	<b>(4.60)</b>	<b>(13.80)</b>
<b>Total Comprehensive Income for the period under Ind AS (A+B)</b>	<b>984.54</b>	<b>3,040.46</b>

- The financial results for the quarter and nine month ended December 31, 2017 are being published in the newspaper as per the format prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The financial results are available on the Company's website viz., [www.ranegroup.com](http://www.ranegroup.com) and on the website of stock exchanges viz., BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).
- An Interim Dividend of Rs. 6.50/- per equity share has been declared by the Board of Directors on the paid-up capital of 79,14,980 equity shares of Rs.10 each fully paid up. The Record date to determine eligible shareholders for payment of dividend is February 8, 2018. The interim dividend would be paid to all eligible shareholders on February 19, 2018.

Chennai  
 January 29, 2018



**Rane Brake Lining Limited**

Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086  
 visit us at: www.ranegroup.com CIN:L63011TN2004PLC054948

**Extract of Unaudited Financial Results for the Quarter and Nine months ended December 2017**

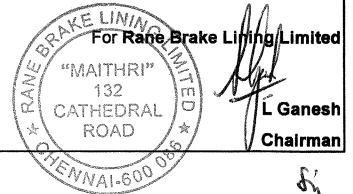
S.No	Particulars	Rs. in Lakhs		
		Quarter ended 31.12.2017	Nine months ended 31.12.2017	Quarter ended 31.12.2016
1	Total income from operations (net)	12,854.02	35,520.93	13,089.45
2	Net Profit / (Loss) for the period (before Tax and Exceptional items)	1,966.90	4,396.31	1,263.60
3	Net Profit / (Loss) for the period before tax (after Exceptional items)	1,966.90	4,396.31	1,263.60
4	Net Profit / (Loss) for the period after tax (after Exceptional items)	1,318.55	2,984.10	989.14
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	1,374.72	3,023.60	984.54
6	Equity Share Capital	791.50	791.50	791.50
7	Earnings Per Share (of Rs.10/- each)			
	(a) Basic :	16.66	37.70	12.50
	(b) Diluted:	16.66	37.70	12.50

**Note:**

- The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly/ Year to date Financial Results are available on the Stock Exchange websites viz., www.bseindia.com and www.nseindia.com and the Company's website www.ranegroup.com.
- The unaudited financial results have been recommended by the Audit committee and approved by the Board of Directors at their respective meetings held on January 29, 2018.
- The company has adopted Indian Accounting Standards (Ind AS) from April 1, 2017 and this financial results have been prepared in accordance with the recognition and measurement principles laid down in the said standards. The date of transition to Ind AS is April 1, 2016.
- Consequent to introduction of Goods and Services Tax (GST) w.e.f July 2017, revenue for the quarter ended December 31, 2017 is presented net of GST in compliance with Indian Accounting Standard (Ind AS) 18 - "Revenue". The revenue from operations for the quarter and half year ended September 30, 2016 are inclusive of excise duty, and hence are not comparable with the revenue from operations for the quarter and half year ended September 30, 2017 to that extent.
- An Interim Dividend of Rs. 6.50/- per equity share has been declared by the Board of Directors on the paid-up capital of 79,14,980 equity shares of Rs.10 each fully paid up. The Record date to determine eligible shareholders for payment of dividend is February 8, 2018. The Interim dividend would be paid to all eligible shareholders on February 19, 2018.

Chennai

Date: January 29, 2018



**Limited Review Report**

To  
The Board of Directors  
Rane Brake Lining Limited

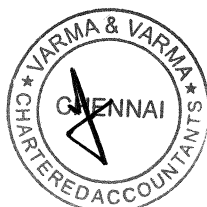
1. We have reviewed the accompanying statement of unaudited standalone financial results of Rane Brake Lining Limited ("the Company") for the quarter and nine months ended 31<sup>st</sup> December, 2017 attached herewith being submitted by the company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations,2015"), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on this statement based on our review
3. We conducted our review 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether this statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in all material respects in accordance with Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015,read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Varma & Varma**  
**Chartered Accountants**  
**F.R.N. 004532S**

  
Arjun R

**Partner**  
**M No. 226775**

**Place: Chennai**  
**Date:29<sup>th</sup> January, 2018**





Expanding Horizons

# RANE BRAKE LINING LIMITED

## Q3FY18 Earnings Release



Chennai, India, January 29, 2018 – Rane Brake Lining Limited (NSE: RBL; BSE Code:532987), a leading manufacturer of Brake Linings, Clutch Facings and Disc Pads today announced financial performance for the third quarter (Q3 FY18) and nine months (9M FY18) ended December 31<sup>st</sup>, 2017

### Q3 FY18 Performance

- Total Net Revenue was ₹128.5 Crore for Q3 FY18 as compared to ₹114.5 Crore in the Q3 FY17, an increase of 12.3%
- EBITDA stood at ₹25.2 Crore as compared to ₹17.5 Crore during Q3 FY17, an increase of 43.9%
- EBITDA Margin at 19.6% for Q3 FY18 as against 15.3% in Q3 FY17
- Net profit (PAT) stood at ₹13.2 Crore for Q3 FY18 as compared to ₹9.9 Crore in Q3 FY17, an increase of 33.3%

### 9M FY18 Performance

- Total Net Revenue was ₹341.8 Crore for 9M FY18 as compared to ₹342.3 Crore in the 9M FY17, a decrease of 0.1%
- EBITDA stood at ₹60.3 Crore as compared to ₹53.3 Crore during 9M FY17, an increase of 13.2%
- EBITDA Margin at 17.6% for 9M FY18 as against 15.6% in 9M FY17
- Net profit (PAT) stood at ₹29.8 Crore for 9M FY18 as compared to ₹30.5 Crore in 9M FY17, a decrease of 2.3%

### Corporate Action

- An interim dividend of ₹6.50/- per equity share has been declared by the Board of Directors on the paid-up capital of 79,14,980 of ₹10/- each. The record date for payment of interim dividend is February 8, 2018

### Operating Highlights for Q3 FY18

- Strong demand from Indian OE customers particularly passenger vehicle and two wheeler customers
- Recovery of demand from the Indian Aftermarket business post GST drove sales growth of 28% YoY
- Favorable commodity prices, foreign exchange movement and higher cost savings realization helped to sustain lower material cost
- Continued to realize savings on employee costs and power cost through strategic initiatives undertaken in Q4FY17

### MANAGEMENT COMMENT

"RBL had strong performance in the quarter supported by favourable market demand. Favourable material cost and strategic cost savings supported to deliver strong operating margin. We expect demand environment to remain positive in the upcoming quarters." - L. Ganesh, Chairman, Rane Group

### BUSINESS HIGHLIGHTS

#### Financial Performance

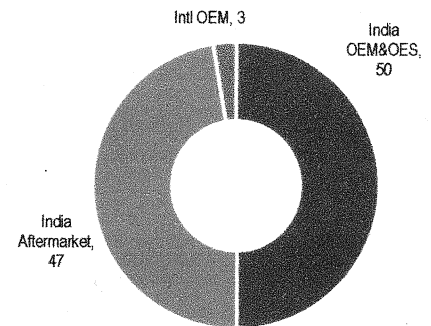
Particulars	Q3 FY 18	Q3 FY 17	YOY%
Total Net Revenue*	128.5	114.5	12.3%
EBITDA	25.2	17.5	43.9%
Margin (%)	19.6%	15.3%	432 bps
PAT	13.2	9.9	33.3%

Particulars	9M FY 18	9M FY 17	YOY%
Total Net Revenue*	341.8	342.3	-0.1%
EBITDA	60.3	53.3	13.2%
Margin (%)	17.6%	15.6%	208 bps
PAT	29.8	30.5	-2.3%

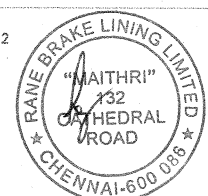
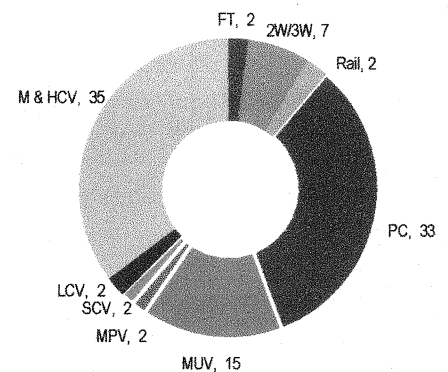
\*Revenue excludes excise duty wherever applicable  
(In ₹ Crore, unless otherwise mentioned)

### BUSINESS SPLIT (Q3 FY18)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



## PROFIT AND LOSS ACCOUNT

Particulars	Q3 FY18	Q2 FY18	QoQ%	Q3 FY17	YoY%	9M FY18	9M FY17	YoY%
Income from Operations	128.1	112.0	14%	130.6	-2%	353.9	387.0	-9%
Other Operating Income	0.1	0.1	85%	0.1	167%	0.3	0.6	-39%
Other Income	0.3	0.3	8%	0.2	13%	1.0	2.6	-61%
<b>Total Revenue</b>	<b>128.5</b>	<b>112.3</b>	<b>14%</b>	<b>130.9</b>	<b>-2%</b>	<b>355.2</b>	<b>390.1</b>	<b>-9%</b>
<b>Expenses</b>								
-Cost of Material Consumed	61.9	53.6	16%	56.8	9%	169.9	168.7	1%
-Changes in inventories	-2.3	3.5	-164%	-0.1	-1479%	-5.0	-3.5	-42%
-Excise Duty	-	-	-	16.4	-100%	13.4	47.8	-72%
-Employee Benefit Expense	16.0	15.6	2%	16.7	-4%	47.2	48.9	-3%
-Finance Cost	0.1	0.1	59%	0.1	6%	0.3	0.7	-61%
-Depreciation & Amortization	5.5	5.3	3%	4.8	14%	16.0	14.5	10%
-Other Expenditure	27.7	20.6	35%	23.7	17%	69.4	75.0	-7%
<b>Total Expenses</b>	<b>108.9</b>	<b>98.6</b>	<b>10%</b>	<b>118.3</b>	<b>-8%</b>	<b>311.2</b>	<b>352.2</b>	<b>-12%</b>
<b>PBT before Exceptional Items</b>	<b>19.7</b>	<b>13.7</b>	<b>43%</b>	<b>12.6</b>	<b>56%</b>	<b>44.0</b>	<b>38.0</b>	<b>16%</b>
Exceptional Item	-	-	-	-	-	-	-	-
<b>PBT</b>	<b>19.7</b>	<b>13.7</b>	<b>43%</b>	<b>12.6</b>	<b>56%</b>	<b>44.0</b>	<b>38.0</b>	<b>16%</b>
Tax Expense	6.5	4.4	48%	2.7	136%	14.1	7.5	90%
<b>PAT</b>	<b>13.2</b>	<b>9.3</b>	<b>41%</b>	<b>9.9</b>	<b>33%</b>	<b>29.8</b>	<b>30.5</b>	<b>-2%</b>

(In ₹ Crore, unless otherwise mentioned. The sum of the sub-segment amounts may not equal the total amounts due to rounding off)

## ABOUT RANE BRAKE LINING LIMITED

Established in 1964, Rane Brake Lining Limited (RBL) is part of the Rane Group of Companies, a leading auto component group based out of Chennai. RBL manufactures friction material products such as Brake linings, Disc pads, Clutch facings, Clutch buttons, Brake Shoes and Railway brake blocks. RBL is market leader in India and global player in friction material. It has technical collaboration with Nisshinbo Brakes Inc., Japan for know-how in brake linings, disc pads & clutch facings. RBL products have application in every segment of automobile industry such as PV, CV and 2W/3W.

## 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 Telematics 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](mailto:INVESTORSERVICES@RANEGROUP.COM) OR [DPINGLE@CHRISTENSENIR.COM](mailto: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.

