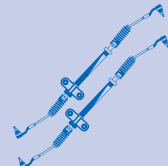
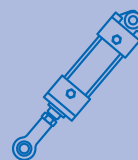
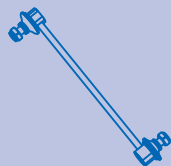
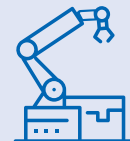


Driven by determination. Progressing with optimism.



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Forward-looking statements

In this annual report, we have disclosed some forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should know or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Numbers in 2018-19

₹ **1380.8**
Crores

↑ **13.2%**

Total Income

₹ **151.7**
Crores

↑ **8.8%**

EBITDA



₹ **47.2**
Crores

↑ **13.0%**

PAT

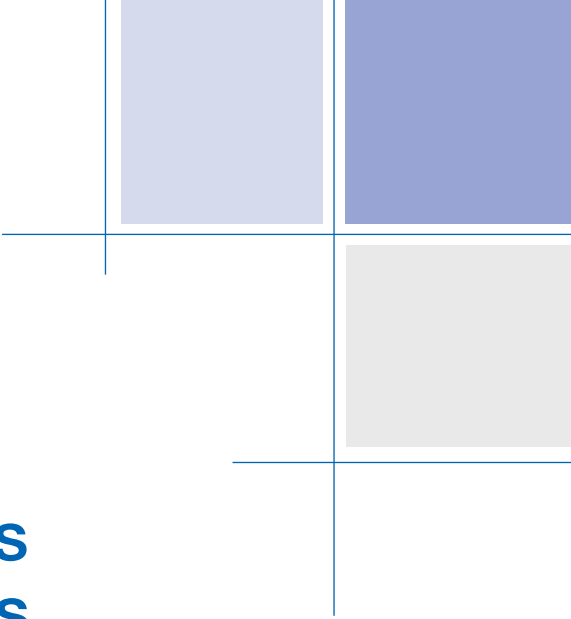
Our products portfolio

Steering and
Suspension
Linkage Products

Steering Gears

Hydrostatics
Steering Systems

Die Casting
Products



Our five-decade long journey has been about embracing the opportunities and enduring the challenges of changing times.

The year 2018-19 was no different. After a period of buoyancy, demand suddenly turned sluggish in the latter half and we witnessed inflationary pressure on material cost.

The challenging environment, however, strengthened our resolve of getting our plans back on track and renewed our focus on robust execution. We continued to win customer accolades, remained their partner of choice, aggressively pursued new businesses, expanded capacity and capabilities.

We remain optimistic about the opportunities in the auto components industry and structural trends remain positive in the long term.

We are working closely with customers to develop innovative solutions and embrace the technological changes in the industry. We are determined to grow and enhance value for our stakeholders, supported by our business excellence programme, dynamic team and disciplined financial architecture.

We are driven by determination and progressing with optimism.



Rane (Madras) at a glance

Established in 1929, 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 Linkage 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. Its overseas subsidiary, Rane Precision Die Casting Inc., manufactures and supplies complex thin-walled, low porosity cast and machined aluminum die castings, from its manufacturing facility at Russellville, Kentucky, USA.








Our divisions

- Steering and Linkage Division
- Die Casting Division

Company snapshot

	Steering and Linkage Division	Die Casting Division
	Established in 1960	Established in 2006
	Market leader in India	Expertise in complex precision components
	Worldwide exports	Exports to Europe and North America
	Application in every segment of automobile industry	Die Cast machines ranging from 600 to 1400 tons
	State-of-the-art R&D facilities	Integrated facility with modern machinery

Manufacturing locations

Location	Products
 Varanavasi (Chennai)	Steering and Suspension Linkage Products, Steering Gears Products
 Mysuru	Steering and Suspension Linkage Products, Steering Gears Products and Hydrostatic Steering Systems
 Puducherry	Steering and Suspension Linkage Products, Steering Gears Products
 Uttarakhand	Steering and Suspension Linkage Products, Steering Gears Products
 Bollaram (Hyderabad)	Die Casting Products
 Sadasivpet (Hyderabad)	Die Casting Products
 Russellville, Kentucky (USA)	Die Casting Products

Our vision

Steering and Linkage Division

To be the leader in the domestic steering business and establish global presence

Die casting Division

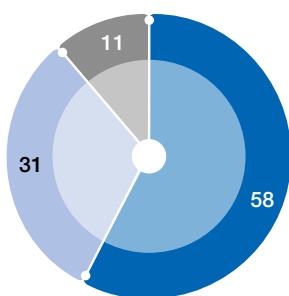
To be a Globally Preferred Supplier of Specialized Precision Light Weight Components

Key customers



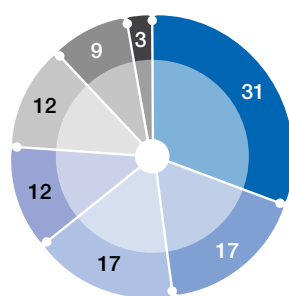
Revenue split (Total income ₹ 1380.80 Crores)

By market (%)



■ India OEM & OES
■ International OEM
■ India Aftermarket

By vehicle segment (%)



■ Passenger car
■ MUV
■ FT
■ SCV
■ M & HCV
■ LCV
■ MPV

Technology capabilities

The journey to continuously enhance product life and reliability has seen various initiatives in deploying appropriate product and process technologies. We have comprehensive design facilities to simulate varied environmental scenarios and state-of-the-art test facility to validate product feature parameters, functional parameters, endurance and environmental integrity. The focus areas for Steering and Linkage Division include light weighting and reducing friction and need for service. The Die Casting Division has fully automated and computer controlled horizontal and vertical machining centres.

Quality standards

Being a market leader, our focus on product longevity and quality is unparalleled. We have received several recognitions and awards from OE customers and our operations are accredited and certified for quality, occupational health and safety management systems.

Quality Accreditations

- **ISO 27001:2013 – ISMS Certification**
Information Security Management System for Steering and Linkage & Die casting Divisions
- **IATF16949:2016**
Quality Management; All six plants in India certified
- **ISO 14001**
Environmental Management: All four plants of Steering and Linkage Division certified
- **OHSAS 18001**
Occupational Health and Safety Management: All four plants of Steering and Linkage Division certified
- **Deming Prize**
Steering and Linkage Division: Total Quality Management (TQM)
- **Deming Grand Prize**
Steering and Linkage Division: Excellence in TQM

Our report card

(₹ in Crores)

OPERATIONAL PERFORMANCE

FINANCIAL YEAR	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10
Total Income*	1,380.83	1,219.60	992.62	862.49	779.97	727.51	641.36	673.11	585.46	420.68
EBITDA	151.75	139.49	99.38	79.70	69.67	69.16	57.84	62.98	50.39	34.84
Profit Before Tax (PBT)	70.37	60.18	26.29	18.66	16.84	19.68	30.06	37.17	30.83	20.04
Profit After Tax (PAT)	47.25	41.81	20.67	14.09	12.44	16.78	23.42	27.40	24.57	13.81

KEY PERFORMANCE HIGHLIGHTS

FINANCIAL YEAR	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10
RoCE (%)	16.8	17.8	11.9	9.9	10.6	15.8	17.3	23.7	26.9	19.1
RoNW (%)	16.4	19.1	13	9	9	12	19	26	27	18
Earnings Per Share (₹)	40.38	37.61	19.66	12.77	11.20	15.35	23.04	26.95	24.18	13.59
Dividend (%) @	85.00	120.00	60.00	45.00	45.00	55.00	70.00	95.00	70.00	45.00
Dividend payout ratio@	25.97	40.13	37	40	46	40	35	41	34	39
Book Value per Share (₹)	259.97	229.53	162.65	144.98	138.43	133.41	127.97	113.20	96.99	81.12

BALANCE SHEET HIGHLIGHTS**

(₹ in Crores)

FINANCIAL YEAR	FY 19	FY 18	FY 17	FY 16	FY 15	FY 14	FY 13	FY 12	FY 11
Equity Share Capital	11.97	11.61	10.51	10.51	10.51	10.51	10.16	10.16	10.16
Shareholders' Funds	311.27	266.43	170.95	160.62	153.73	148.45	130.07	115.06	98.58
Non-Current Liabilities	129.53	130.37	140.05	139.67	62.97	49.90	40.79	50.19	47.61
Current Liabilities	429.58	414.44	379.53	312.66	317.33	256.27	190.23	175.78	131.65
Non-Current Assets	450.69	406.07	389.51	343.46	300.59	245.12	179.09	165.52	124.41
Current Assets	419.73	405.16	301.02	269.49	233.44	209.51	182.00	175.51	153.43

** pertains to revised Schedule VI to Companies Act, 1956 / Schedule III to Companies Act, 2013 applicable years only corresponding figures reported for the previous years.

* Total Income are net of excise duty; (@) Includes final dividend, if any, recommended by the Board for the respective financial years.

Note : 1. Figures for FY 18 and FY 17 are as per Indian Accounting Standards (Ind AS) prescribed under the Companies Act, 2013. Hence these figures are not comparable with the corresponding figures reported for the previous years.

2. EBITDA, PBT and PAT are inclusive of exceptional items, if any, for the respective financial years.



Awards and accolades

Customers



Awards

Quality award

Best supplier award

Customers



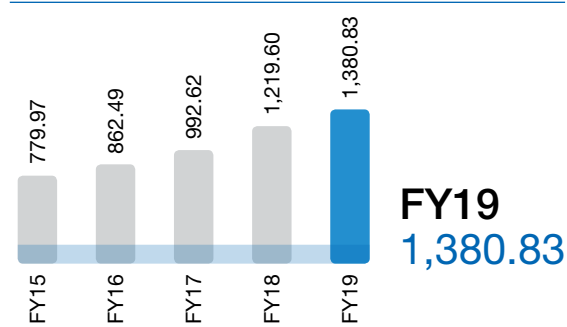
Awards

Best supplier award

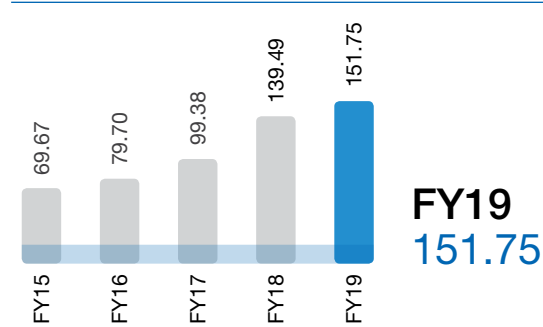
Quality award to Rane
Precision Die Casting

KEY PERFORMANCE INDICATORS

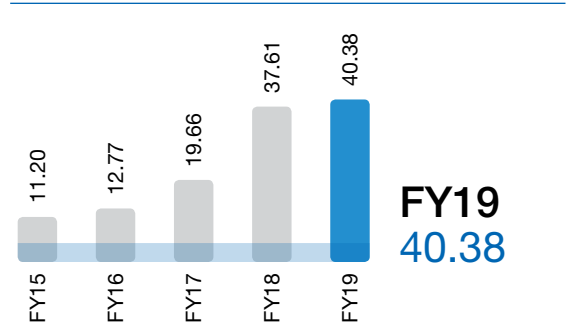
Total Income (₹ in Crores)



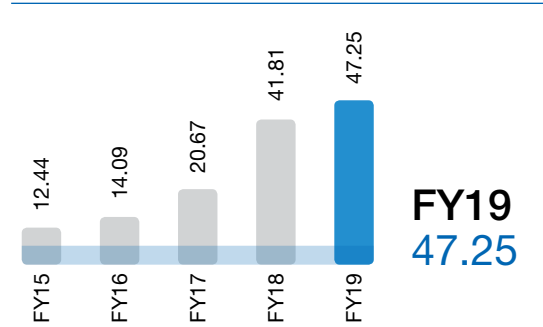
EBITDA (₹ in Crores)



EPS (₹)



PAT (₹ in Crores)



Business highlights, FY 2018-19

1

The plants responded well to the fluctuating demand for steering products and maintained optimal capacity utilisation

2

Strong traction for hydraulic business, which grew 50%

3

The R&D facilities were upgraded both at Chennai and at Puducherry to meet the increased product performance requirements

4

Significant focus on operational improvements in Die Casting business

5

RPDC secured new business from three new customers

From the Chairman's desk



We are “Driven by Determination” and remain confident of our strategy and approach to deliver profitable growth.

Dear Shareholders,

The global automotive industry landscape continues to transform, and along with it the auto components industry. With India already cementing its place as a global component sourcing hub, we are well positioned to navigate through the emerging challenges and capitalise on the upcoming opportunities. Our tradition of pursuing excellence and keeping ‘customer at the core’ remained intact this year as well, backed by determination, prudent foresight and strong business fundamentals.

Economy overview

The synchronised upswing in the global economy that began around mid-2016 suddenly changed course in the second half of 2018 as the continued momentum in manufacturing and trade dissipated. Sentiments were further dampened by the hardening of US interest rates, volatile crude prices, along with uncertainty over Brexit and heightened rhetoric around protectionism.

The Indian GDP growth dipped below 7% for full financial year 2018-19, after growing at 7.5% in the first half, due to weak industrial output, and overall subdued demand. However, with the election overhang now behind us, the economy should grow at over 7% going forward, driven by the Government’s resolve towards achieving fiscal consolidation and continued push for structural reforms.

The Indian automobile industry too had started FY 2018-19 on a positive note, supported by normal monsoon, rising rural demand, the Government's infrastructure push and rise in industrial activity. However, most vehicle segments witnessed a considerable slowdown in the second half due to higher fuel prices, lower financing availability, steep price increase on account of insurance regulation changes in September 2018.

Driven by determination

Our growth was supported by performance of steering and linkage division. Our plants responded well to the market fluctuations and maintained optimal capacity utilisation. Hydraulic products experienced a strong traction with customers. We engaged various lean measures to improve operational performance which helped to partially mitigate the inflationary pressures on material costs. We upgraded our R&D facilities in both Puducherry and Chennai.

The operational performance of die casting business in India continued to improve and further cost reduction initiatives are planned in the upcoming year as well. The order book of die casting business in India is still not healthy and capacity utilisation is under stress.

The performance of our overseas subsidiary, Rane Precision Die Casting Inc. (RPDC) continues to remain a concern for us. We envisaged losses for three years when we acquired this business in 2016. There were few setbacks as the subsidiary could not secure adequate new business and achieve planned operational

improvements. RPDC secured new businesses which will help in sales growth. We still see a lot of scope for operational improvements and are undertaking several initiatives including deputing some senior managers from our Group.

We are 'Driven by Determination' and remain confident of our strategy and approach to deliver profitable growth.

Progressing with optimism

The first half of FY 2019-20 appears challenging with slowing demand in most of the vehicle segments. The anticipated pre-buy on account of transition to BS VI, normal monsoon, the Government's continued reforms and infrastructure push are likely to propel growth. We remain optimistic about the evolving opportunities in the auto component industry and the structural trends remain positive in the long term.

We will continue to invest in R&D and drive innovations to build value-add products. We will introduce new technologies in India and tap into opportunities to supply in export markets.

We will continue to invest in R&D, drive innovations to build value-add products. We will introduce new technologies in India and tap into opportunities to supply in export markets.

Our steering and linkage division is expected to continue its growth at a stable pace, aided by market growth and new business launches. We succeeded in securing orders from new customers for the Indian die casting division, which will likely get reflected in fiscal 2020-21. RPDC's pursuit to become profitable looks possible over the next two years and is dependent on securing profitable new orders and achieving sustainable improvements in operation over the next 3-4 quarters.

We are progressing with optimism on long term market opportunities and determined to drive efficiencies to create value for all our stakeholders.

On behalf of the Board of Rane (Madras) Limited, I would like to thank all our stakeholders – customers, employees, partners, vendors, bankers, government, communities and most importantly you – our shareholders, who have been part of this exciting journey.

Yours sincerely,
L Ganesh
Chairman

Corporate information

Board of Directors

Mr. L Ganesh, Chairman
Mr. Harish Lakshman, Vice Chairman
Ms. Anita Ramachandran
Mr. L Lakshman
Mr. M Lakshminarayan
Mr. Pradip Kumar Bishnoi

Audit Committee

Mr. Pradip Kumar Bishnoi, Chairman
Ms. Anita Ramachandran
Mr. M Lakshminarayan
Mr. L Lakshman

Stakeholders' Relationship Committee

Mr. L Lakshman, Chairman
Mr. Harish Lakshman
Mr. Pradip Kumar Bishnoi

Nomination and Remuneration Committee

Mr. M Lakshminarayan, Chairman
Ms. Anita Ramachandran
Mr. L Ganesh
Mr. L Lakshman

Corporate Social Responsibility Committee

Mr. L Lakshman, Chairman
Ms. Anita Ramachandran
Mr. L Ganesh

Chief Executive Officer

Mr. S Parthasarathy

Vice President - Finance and Chief Financial Officer

Ms. J Radha

Company Secretary

Ms. S Subha Shree

Listing of Shares on

BSE Limited, Mumbai
National Stock Exchange of India Limited, Mumbai

Statutory Auditors

M/s. Deloitte Haskins & Sells
Chartered Accountants,
ASVN Ramana Towers, 7th Floor,
Old No. 37, New No. 52
Venkatanarayana Road,
T. Nagar, Chennai-600 017

Secretarial Auditors

M/s. S Krishnamurthy & Co.
Company Secretaries,
"Sreshtam", Old No.17, New No.16,
Pattammal Street, Mandaveli,
Chennai - 600 028

Bankers

Axis Bank,
Chennai - 600 002
Canara Bank,
Chennai - 600 002
DBS Bank Limited,
Chennai - 600 002
HDFC Bank Limited,
Chennai - 600 002
ICICI Bank,
Chennai - 600 018
Kotak Mahindra Bank Limited,
Chennai - 600 002
Standard Chartered Bank,
Chennai - 600 001
YES Bank Limited,
Chennai - 600 002

Registered Office

Rane (Madras) Limited
CIN: L65993TN2004PLC052856
"MAITHRI", 132, Cathedral Road,
Chennai 600 086
Phone: 044-28112472/73
Fax: 044-28112449
Email: investorservices@ranegroup.com
Website: www.ranegroup.com

Head Office

"GANAPATHI BUILDINGS"
154, Velachery Road,
Chennai - 600 042

Plants

1. 79/84, Hootagally Industrial Area
Mysuru - 570 018, Karnataka
2. 77, Thirubuvanai Main Road
Thirubuvanai Village,
Puducherry - 605 107
3. Ambakkam, Varanavasi Village
Varanavasi Post,
Kancheepuram - 631 604,
Tamil Nadu
4. Plot No. 27, Sector 11, Integral
Industrial Estate Pant Nagar,
Uttarakhand - 263 153
5. 143/A, SV Co-op Industrial Estate
IDA Bollaram, Medak
District - 502 325, Telangana
6. Survey No. 789/AA, 781, 781/AA,
790/A & 779 Sadasivpet Municipal
Limits, Sadasivpet Mandal - 502 291,
Medak Dist., Telangana

Registrar and Transfer Agent

Integrated Registry Management
Services Private Limited
II Floor, "Kences Towers",
No 1 Ramakrishna Street,
North Usman Road,
T Nagar, Chennai 600 017
E-mail: corpseiv@integratedindia.in
Website: www.integratedindia.in