



June 2013

Rane Group of Companies

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Driving towards a new future

Rane Group

Vision and Mission

Vision

To maintain market leadership and achieve sales of Rs. 4,300 Crores by 2015 – 16.

Mission

- ➔ Provide **superior products and services** to our customers
- ➔ 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

Driving towards a new future



Rane Group

Corporate Structure

Promoters

**Rane Holdings Ltd.
(RHL) – 45.8%**

Subsidiaries

**Rane Madras Ltd
(RML) – 53.8%**

**Rane Engine Valve
Ltd (REVL) – 53.6%**

**Rane Brake Lining
Ltd. (RBL) – 42.5%**

**Rane Diecast Limited
(RDL) - 79%**

**Rane Holdings
America Inc (RHA) -
100%**

Joint Ventures

**Rane TRW Steering
Systems Limited (RTSSL)
- 50%**

**Rane NSK Steering
Systems Limited
(RNSSL) - 49%**

**JMA Rane Marketing
Limited (JMA) - 49%**

Associates

**Kar Mobiles Limited
(KML) - 39.5%**

**SasMos HET Technologies
Ltd (SASMOS) - 26%**

 Listed

Driving towards a new future



Rane Group

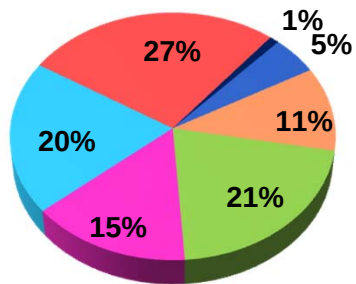
Customer Segments

Customer Segments

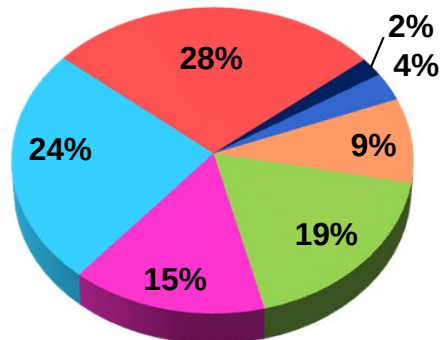
Segments	RML	REVL	RBL	RDL	RTSSL	RNSSL	KML
	✓	✓	✓	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓	✓
	✓	✓	✓				✓
 		✓	✓				
 		✓	✓	✓			✓
	✓	✓	✓	✓			✓

Group Net Sales between 2009-10 and 2012-13

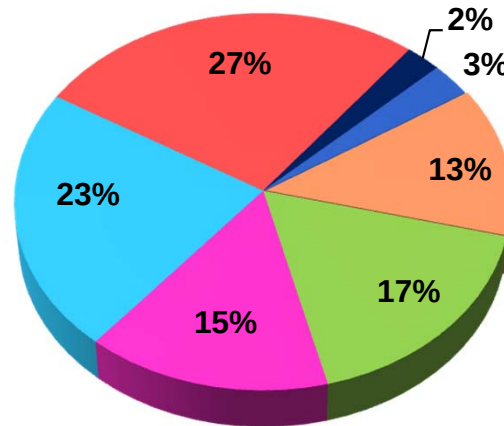
2009-10
₹ 1590 Cr
(\$318 Million)



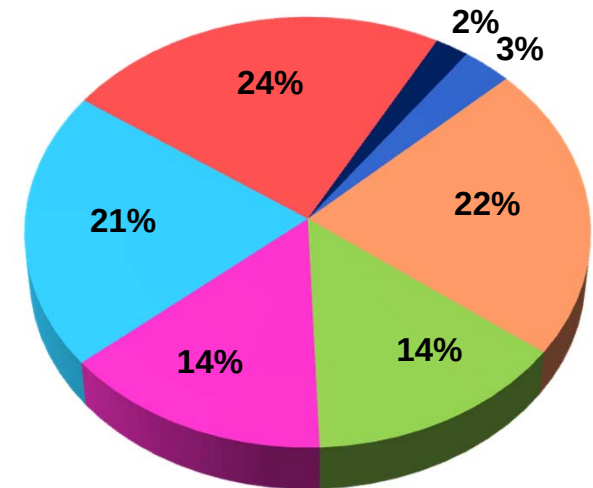
2010-11
₹ 2090 Cr
(\$467 Million)



2011-12
₹ 2507 Cr
(\$492 Million)



2012-13
₹ 2709 Cr
(\$507 Million)



Manual Steering & Suspension Components

Hydraulic Power Steering Systems

Frictional Material Products

Die Casting Products

Occupant Safety Systems

Steering Columns & Electric Power Steering

Valve Train Components

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Rane Group

Quality Certifications

Quality Certifications

Accreditation

All seven autocomp companies in the Group are TS 16949 certified.

Quality



Deming Grand Prize (JQM)
Only 23 companies globally,
Rane has 2

- RTSSL - SGD
- RML



Deming Prize
Only 21 companies in India,
Rane has 4

- RBL
- REVL
- RTSSL- SGD
- RML

*SGD – Steering Gear Division

Driving towards a new future



Rane Group

R&D and Technology

- ➔ Rane Group partners with a wide spectrum of auto majors to provide concept to product solutions. This is made possible by well integrated design, manufacturing & testing facilities at each of the group companies.
- ➔ Being manufacturers of safety and critical components, technology development has been a focus area in all the Rane Group companies. Rigorous testing, continuous upgradation of inhouse technology and support from strategic development partners has enabled Rane to enhance technical competencies at all levels.
- ➔ Leverage the technology portfolio of our 3 major partners – TRW, NSK and Nisshinbo.
- ➔ With a vision to become technologically self sufficient, we are steadily increasing our R&D Investments – from 0.5% of sales in the past to 1.5 % in the future.
- ➔ Technologies developed in recent past – Hydrostatic Steering Unit, New generation pumps-drooping flow, Seat belts-Pre-tensioner & Child restraint, Tilt & Telescopic column with integrated collapse, NVH reduction and lower telescopic load and Electric Power Steering.

Driving towards a new future



Rane Group

Rane Group HR & CSR Activities

HR

- **Key highlights of 2012-13**
 - *Rane institute for Employee Development – over 6,800 training mandays through 150+ programs*
 - *Received CII excellence award*
- **Implemented leadership development programs**
 - *Strategic Leadership Program (SLP) partnering with IIM, Bangalore*
 - *Rane Advanced Management Program (RAMP)*
 - *Rane Emerging Managers Program (REMP)*
- **Group wide initiative to promote Innovation**
- **Culture** : Young population – for a 75 years old company, the average age of employees is 33 years
- **Good governance**
 - *Whistle blower policy*
 - *Ethical standard and code of conduct*

CSR

- Spent 3.5% of PAT on CSR
- **Rane Foundation** invested over Rs. 10 crores in **Rane Polytechnic** in Trichy providing diploma training for over 250 students
 - ❖ *Approved by Canada India International Co-operation program (CIICP), a state sponsored program for skill building*
- BANYAN –a tie up with an NGO which supports women –provided 100 man hours training to women through the NGO.
- Supported KSRI & United Way, Chennai



Rane Polytechnic Technical Campus

Driving towards a new future



Rane Group

Rane Group Financials

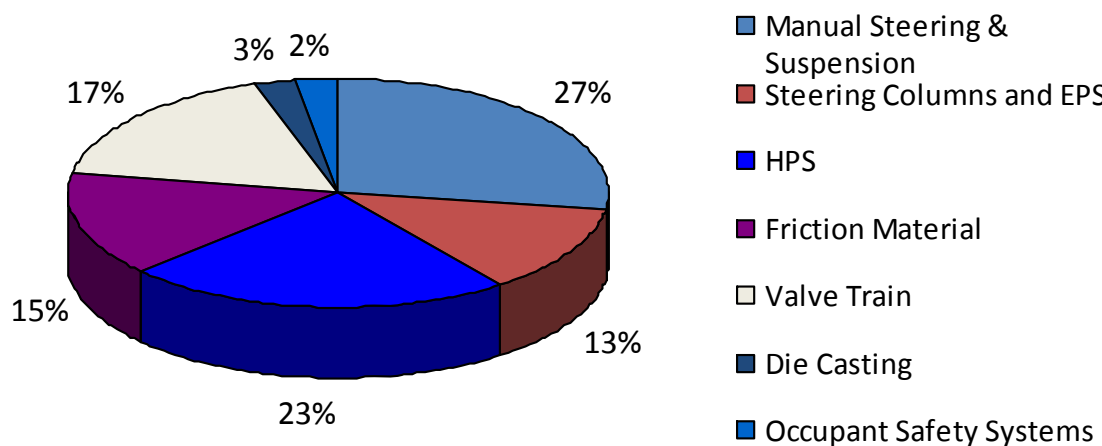
Group Aggregate Financials

Rs Cr	2009	2010	2011	2012	2013	CAGR (%)
Net Sales	1,268.2	1,590.7	2,090.8	2,506.9	2,709.3	20.9%
<i>% growth</i>		<i>25.4%</i>	<i>31.4%</i>	<i>19.9%</i>	<i>8.1%</i>	
Op. EBITDA	116.9	195.1	220.4	280.6	238.2	19.5%
<i>% growth</i>		<i>66.9%</i>	<i>13.0%</i>	<i>27.3%</i>	<i>(15.1)%</i>	
PBT	36.0	114.5	138.7	177.7	99.6	29.0%
PAT	25.3	77.1	96.8	126.6	74.7	31.1%
Extraordinary Items	-	-	(5.0)	12.8	(0.7)	
APAT	25.3	77.1	101.8	113.7	75.4	31.1%
<i>% growth</i>		<i>204.5%</i>	<i>32.1%</i>	<i>11.7%</i>	<i>-33.7%</i>	
Op. EBITDA%	9.2%	12.3%	10.5%	11.2%	8.8%	
APAT%	2.0%	4.8%	4.9%	4.5%	2.8%	

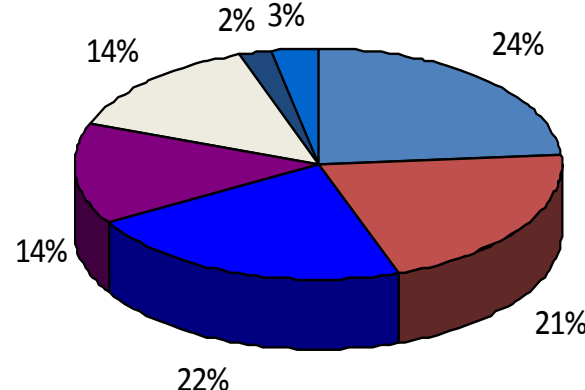
Group Aggregate Sales Mix 2012/2013

Sales by Product Lines

2011-12

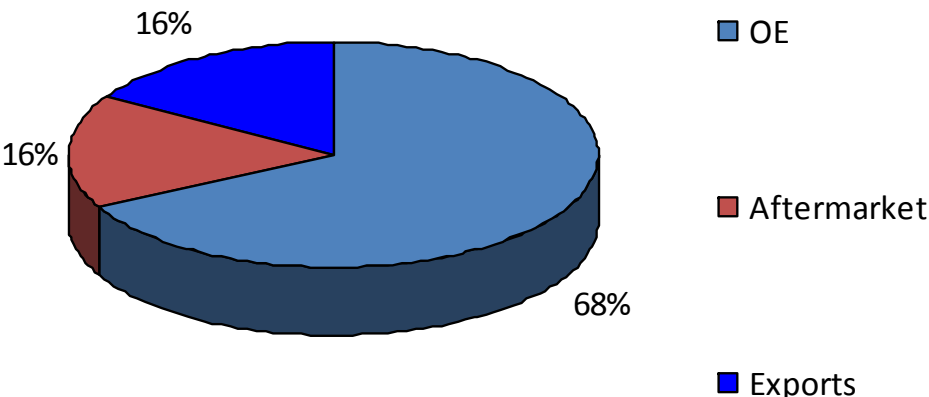


2012-13

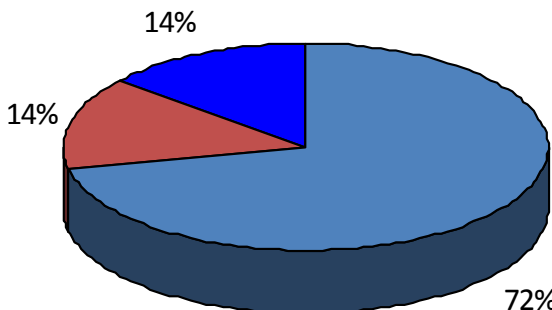


Sales by Market

2011-12



2012-13



Sales Rs. 2,506.9 Cr for FY12 & Rs. 2,709.3 Cr. for FY13

Group Aggregate Balance Sheet - Highlights

Rs Cr	2009	2010	2011	2012	2013
Networth	424.3	463.5	517.8	596.3	647.1
Total Debt	277.2	225.8	332.3	450.0	481.8
Net Block	471.1	475.0	558.0	688.8	790.6
Investments	24.1	31.3	3.0	7.7	0.0
Debt : Equity	0.65	0.49	0.64	0.75	0.74
DEBT/EBITDA	2.4	1.2	1.5	1.6	2.0

Driving towards a new future



Rane Group

Rane Holdings Limited

Consolidated Financials



Rs Cr	2009	2010	2011	2012	2013	CAGR (%)
Net Sales	784.8	1,158.1	1,589.0	1,829.3	1896.6	24.7%
<i>% growth</i>		<i>47.6%</i>	<i>37.2%</i>	<i>15.1%</i>	<i>3.7%</i>	
Op. EBITDA	62.9	140.8	181.3	213.0	170.5	28.3%
<i>% growth</i>		<i>123.9%</i>	<i>28.8%</i>	<i>17.5%</i>	<i>(19.9)%</i>	
PBT	21.8	80.4	124.6	141.7	76.8	37.0%
PAT	15.3	54.2	94.0	101.4	48.9	33.6%
PAT after MI and P/L from Asso. Cos.	16.6	41.6	69.9	71.7	38.4	23.3%
Extraordinary Items	-	-	14.0	12.0	(0.7)	
APAT	16.6	41.6	55.9	59.7	39.1	23.9%
<i>% growth</i>		<i>150.6%</i>	<i>34.4%</i>	<i>6.8%</i>	<i>(34.5)%</i>	
Op. EBITDA%	8.0%	12.2%	11.4%	11.6%	9.0%	
APAT%	2.1%	3.6%	3.5%	3.3%	2.1%	

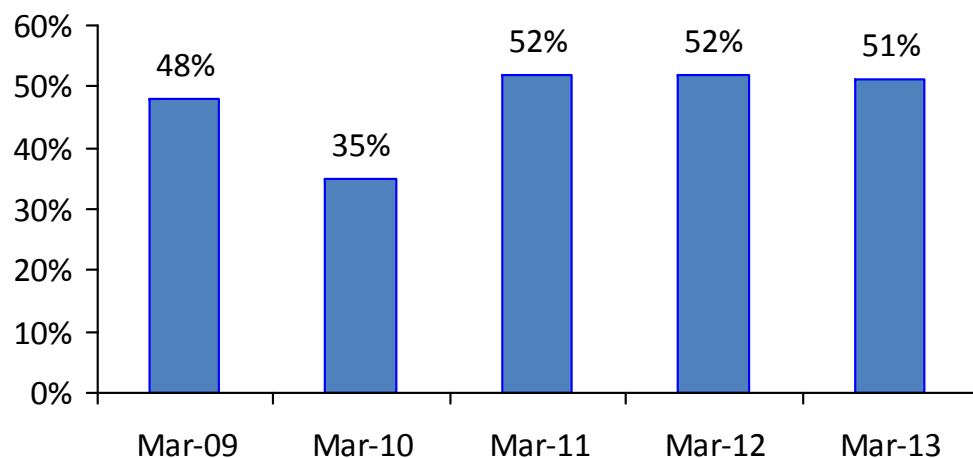
Consolidated Balance Sheet - Highlights

Rs Cr	2009	2010	2011	2012	2013
Networth	295.3	349.7	374.7	427.5	450.9
Minority Interest	72.8	123.2	141.1	162.7	165.1
Total Debt	201.5	238.4	310.0	373.1	387.9
Net Block	388.5	523.1	561.3	660.7	707.5
Investments	32.4	23.9	17.4	21.7	16.7
Debt : Equity	0.68	0.68	0.83	0.87	0.86
Debt/Ebitda	2.61	1.57	1.63	1.59	1.98

Consolidated Ratios and Return

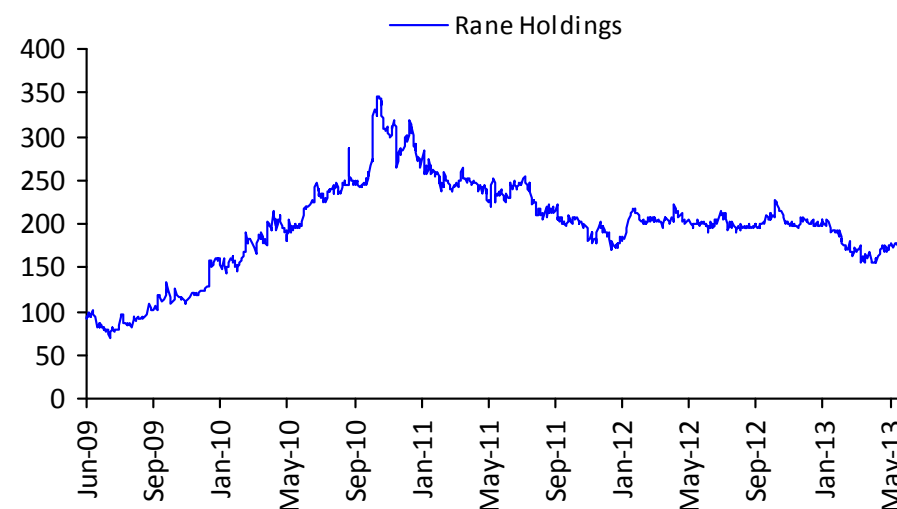
	2009	2010	2011	2012	2013
RoCE%	5.5%	14.0%	16.4%	16.3%	9.3%
EPS (Rs.)	11.6	29.1	49.0	50.2	26.9
DPS (Rs.)	4.0	8.0	12.5	10.0	8.0
BV (Rs.)	206.8	244.9	262.5	299.5	315.8

Dividend Payout Ratio



DPR is based on RHL standalone financials

Price Chart



Driving towards a new future



Rane Group

Rane (Madras) Limited

Rane (Madras) Limited (RML)

Profile

- ➔ Manufacturer of steering & suspension systems for every segment of automobile industry
- ➔ Holds 39% market share in Steering Gear Products (SGP) and 72% market share (except PC segment) in Suspension & Steering Linkage Products (SSLP) in India
- ➔ Ventured into hydraulic products

Production Plants

Has **5** manufacturing facilities in the following locations

Location	Products	Customer Segments
Velachery (Chennai)	SSLP, SGP	Light commercial vehicle, heavy commercial vehicle, and utility vehicle segments
Varanavasi (Chennai)	SSLP	Passenger Car, utility vehicle mainly caters to exports market
Mysore	SSLP, SGP & Hydraulic Products	Tractor, commercial vehicle segments, and hydraulic products
Puducherry	SSLP, SGP	Passenger car segment
Uttarakhand	SSLP, SGP	Tractors and small commercial vehicles catering to customers in North India





Re - Circulating Ball Type Steering Gears



Rack & Pinion Type Steering Gears



Hydraulic Products



Suspension Components



Steering Linkages

RML Major Customers

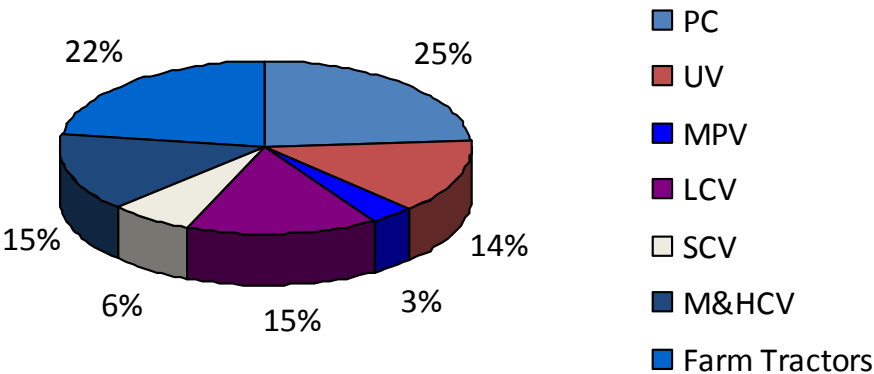


Rs Cr	2009	2010	2011	2012	2013	CAGR (%)
Net Sales	342.3	412.8	574.4	657.2	624.3	16.2%
<i>% growth</i>		20.6%	39.1%	14.4%	(5.0)%	
Op. EBITDA	18.6	33.7	44.4	59.0	51.4	28.9%
<i>% growth</i>		81.2%	31.8%	32.9%	(12.9)%	
PBT	1.2	20.0	30.8	37.2	30.1	123.8%
PAT	0.4	13.8	24.6	27.4	23.4	184.0%
Extraordinary Items	-	-	(4.5)	(0.2)	-	
APAT	0.4	13.8	29.1	27.6	23.4	184.0%
<i>% growth</i>			110.4%	(5.1)%	(15.1)%	
Op. EBITDA%	5.4%	8.2%	7.7%	9.0%	8.2%	
APAT%	0.1%	3.3%	5.1%	4.2%	3.8%	

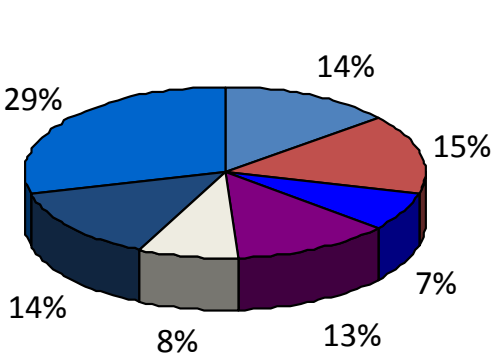
RML Sales Mix 2012/2013

by Customer Segments

2011-12

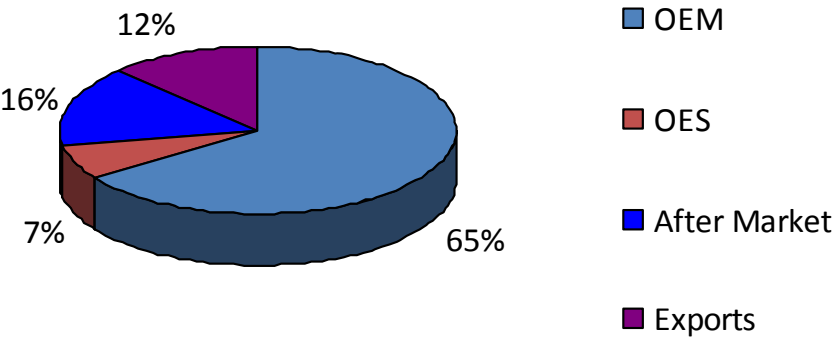


2012-13

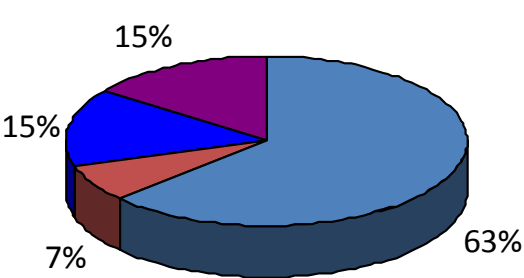


by Market

2011-12



2012-13

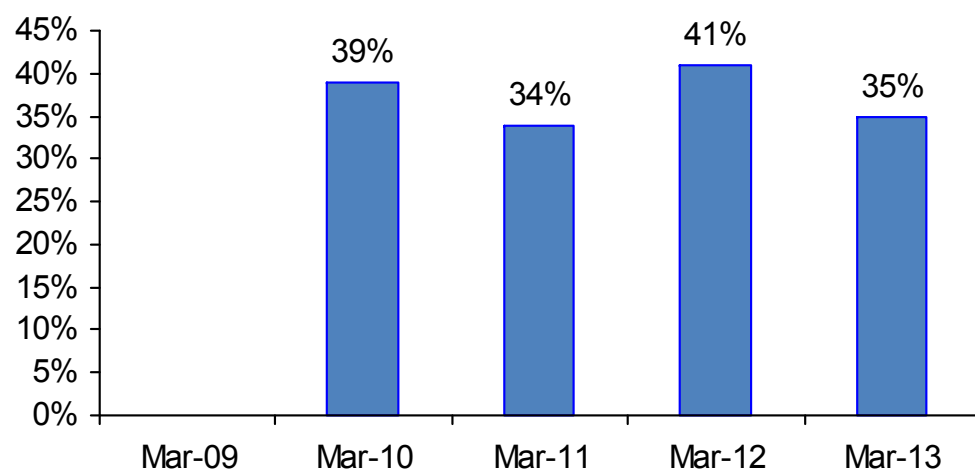


Sales Rs. 657.2 Cr for FY12 & 624.3 Cr for FY13

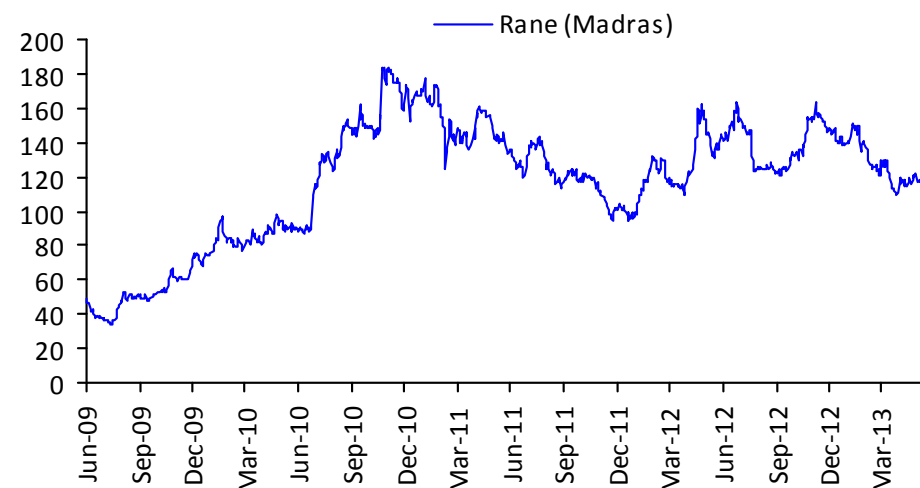
RML Ratios and Return

	2009	2010	2011	2012	2013
Debt:Equity	0.84	0.47	0.79	1.00	0.79
RoCE%	7.1%	18.8%	25.1%	24.7%	17.9%
EPS (Rs.)	0.4	13.6	24.2	27.0	23.0
DPS (Rs.)	-	4.5	7.0	9.5	7.0
BV (Rs.)	69.9	81.1	97.0	113.2	128.0

Dividend Payout Ratio



Price Chart



SALES

- ➔ Domestic Sales was Rs 527.3 Cr (Rs. 576.2 Cr in previous year) and Export turnover was Rs. 97Cr (Rs. 81 Cr in previous year).
- ➔ New products generated 15% of the revenues, similar to previous year.

OPERATIONS

- ➔ Power crisis impacted operations in TN. Diesel Generator & third party power impacted costs.
- ➔ Capex additions were curtailed to Rs 30 crores – mainly strategic investments in Hydraulic Business.
- ➔ Costs managed by
 - VA/VE initiatives
 - Quick price recovery from OEMs
 - Prudent fixed costs management and
 - Manpower rationalisation
- ➔ Received an Award from Mahindra & Mahindra for Sustainability in 2012 – 13.

The Key initiatives for the future are :-

- ➔ Expanding Rack and Pinion business through new customer acquisition.
- ➔ Establishing stronger position in suspension ball joints.
- ➔ Expanding export business through current and new customers in different geographies.
- ➔ Enhancing the Company's position significantly in hydraulic products.
- ➔ Expanding scope and reach in after market segment

Company plans Capex of Rs. 160 crore, achieve CAGR of 21% in Sales and ROCE of 30% by 2015-16.

Driving towards a new future



Rane Group

Rane Engine Valve Limited

Rane Engine Valve Limited (REVL)

Profile

- ➔ Company manufactures engine valves, valve guides and tappets for various IC engine applications
- ➔ Caters to all segments such as PC, LCV, UV, SCV, M&HCV, Tractor, 2W/3W etc.
- ➔ Latest manufacturing practices to keep abreast of technological advancements
- ➔ Market leader in Indian OEM and replacement markets
- ➔ Customers spread across Europe, North America, and the Far East markets

Production Plants

Company has **5** plants located in the following locations

Location	Products	Customer Segments
Alandur (Chennai)	Engine Valves	PC/HCV/MCV/Tractor
Ponneri (Chennai)	Guides & Tappets	Other Engine Components
(Medchal) Hyderabad	Engine Valves	SCV/LCV/MCV/Tractor
Aziz Nagar (Hyderabad)	Engine Valves	2W/PC
Trichy	Engine Valves	2W/PC





Engine Valves



Valve Guides



Mechanical Tappets

REVL Major Customers

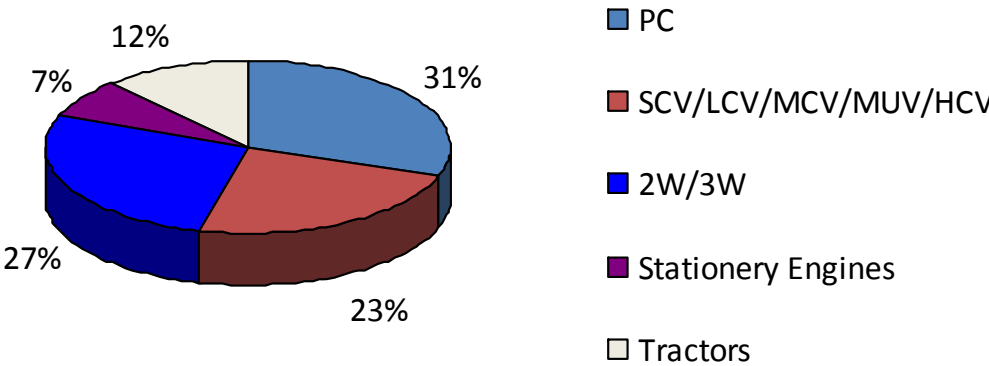


Rs Cr	2009	2010	2011	2012	2013	CAGR (%)
Net Sales	218.2	233.8	285.9	302.2	254.7	3.9%
<i>% growth</i>		<i>7.1%</i>	<i>22.3%</i>	<i>5.7%</i>	<i>(15.7)%</i>	
Op. EBITDA	24.2	29.1	39.4	42.9	11.8	(16.4%)
<i>% growth</i>		<i>19.8%</i>	<i>35.7%</i>	<i>8.9%</i>	<i>(72.4)%</i>	
PBT	3.9	7.0	16.1	28.7	(18.9)	
PAT	2.2	4.3	10.8	20.8	(12.6)	
Extraordinary Items	-	-	-	12.2	(0.1)	
APAT	2.2	4.3	10.8	8.6	(12.5)	
<i>% growth</i>		<i>94.6%</i>	<i>151.3%</i>	<i>(20.8)%</i>	<i>(246.4)%</i>	
Op. EBITDA%	11.1%	12.4%	13.8%	14.2%	4.6%	
APAT%	1.0%	1.8%	3.8%	2.8%	(4.9)%	

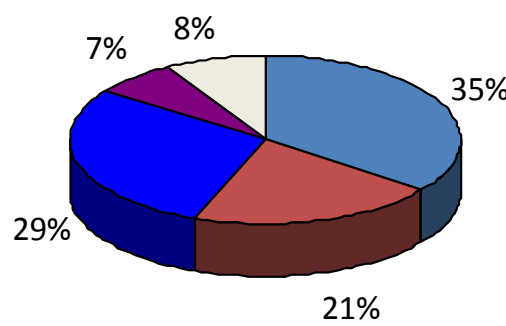
REVL Sales Mix 2012/2013

by Customer Segments

2011-12

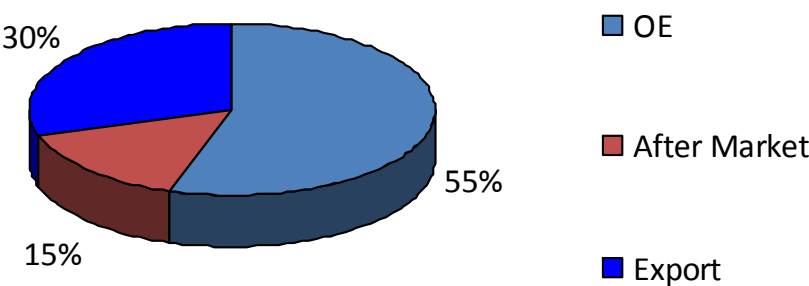


2012-13

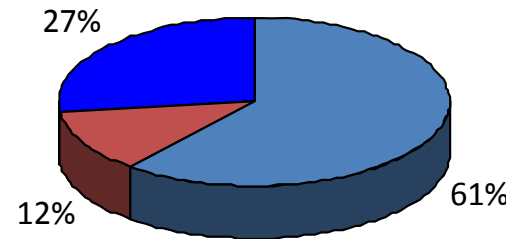


by Market

2011-12



2012-13

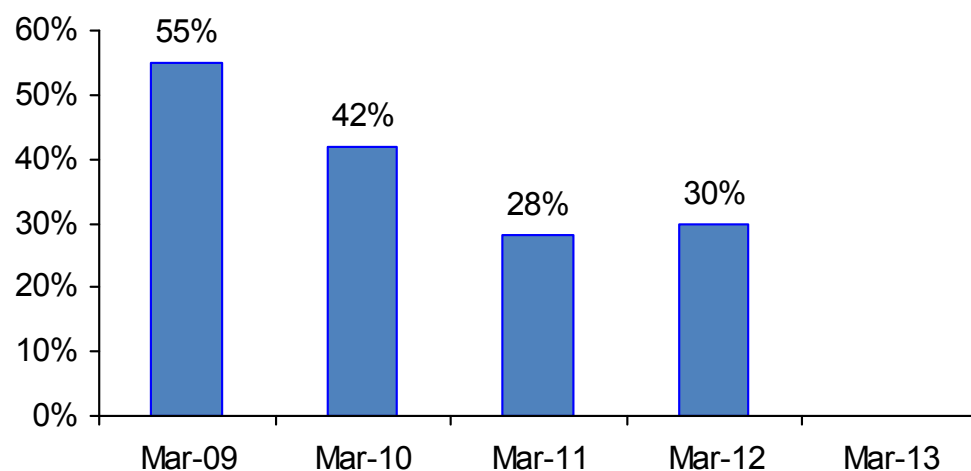


Sales Rs. 302.2 Cr for FY12 & 254.7 Cr for FY13

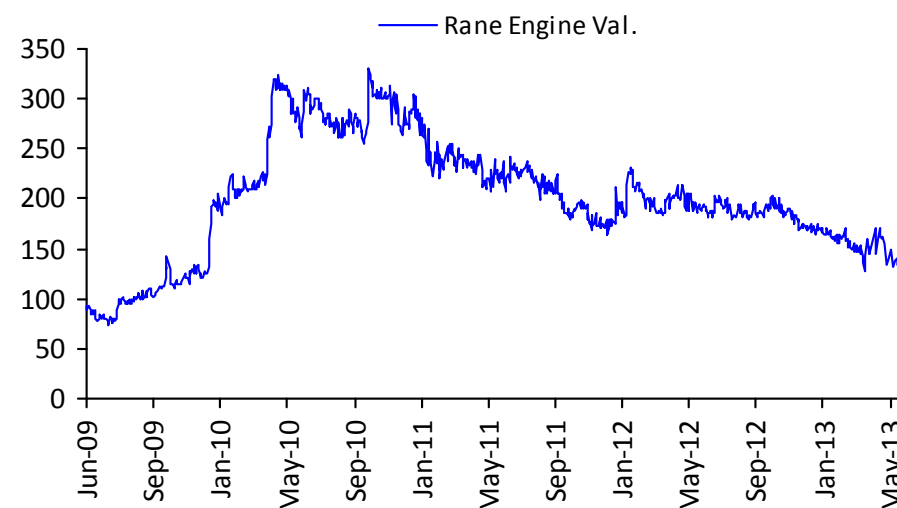
REVL Ratios and Return

	2009	2010	2011	2012	2013
Debt:Equity	1.13	1.04	0.97	1.00	1.20
RoCE%	6.9%	7.9%	13.1%	12.6%	(4.6)%
EPS (Rs.)	4.3	8.4	21.0	40.3	(24.5)
DPS (Rs.)	2.0	3.0	5.0	10.5	0.0
BV (Rs.)	154.8	159.4	175.0	203.1	178.6

Dividend Payout Ratio



Price Chart



SALES

- ➔ Domestic Sales was Rs.185.6 Cr (Rs. 211.4 Cr in previous year) and Export turnover was Rs. 69.0 Cr (Rs. 90.9 Cr in the previous year) due to
- De-growth in various market segment.
 - Company has a lower share of business in Passenger Car diesel engines. Unfortunately market moved to diesel significantly.
 - Sluggish economic scenario in EU.

OPERATIONS

Company reported a significant loss not only due to lower sales but also due to adverse cost impact.

- a) Increase in power cost due to non availability of power in the states of Tamil Nadu and Andhra Pradesh.
- b) High labour cost. Current labour laws do not permit reduction of permanent labour in-line with market needs.
 - ➔ Initiatives undertaken to manage the power cost through:
 - Consumption reduction of 10% achieved, continuing to focus
 - Prudent power source mix – EB/DG/Wind/Private Power
 - ➔ Initiated actions for consolidation of plants. VRS offered in April '13 in our oldest plant in Chennai

The Key initiatives for the future are :-

- ➔ New business / Customer acquisition in Domestic Market with a healthy balance between Petrol/Diesel.
- ➔ Increase our export business in existing geographies and penetrate new geographies (North America & South America).
- ➔ Improve our After Market Sales.
- ➔ Consolidation of plants to reduce fixed costs and improvement in productivity through LPS.

Company plans Capex of Rs. 35 crore, achieve CAGR of 16% in Sales and ROCE of 18% by 2015-16.

Driving towards a new future



Rane Group

Rane Brake Lining Limited

Profile

- ➔ JV with Nisshinbo Brakes Inc , Japan in 1985 for know how in asbestos free brake linings, disc pads & clutch facings
- ➔ Application in every segment of automobile industry such as PCV, MPV, MUV, UV, LCV and M&HCV, 2W/3W with a vision to be a global supplier.
- ➔ Domestic Market Leadership with 39% market share in OE, 14% in aftermarket and 13% in rail
 - ▶ Leader in Commercial Vehicle / Passenger Car / Utility Vehicle & Two Wheeler applications
 - ▶ Leading supplier of composite brake blocks to Indian Railways, with presence in Passenger, Electrical Multiple Unit (EMU), Freight, Locomotive and Metro Rail
 - ▶ Most preferred brand in independent replacement markets as per study conducted by Frost & Sullivan in 2012
 - ▶ Aftermarket segment includes replacement and State Transport Undertakings
- ➔ Exports
 - ▶ Products supplied to various countries in Europe, SAARC, Middle East, Far East and Africa
 - ▶ Supplying composite brake blocks to Sri Lankan Railways and Malaysian Railways

RBL (cont'd)

Production Plants

The complete spectrum of products from RBL are manufactured in 4 plants. Exclusive asbestos-free facilities in Hyderabad, Trichy & Puducherry

Location	Products	Customer Segment
Chennai	Automotive Products	Brake linings, disc pads and clutch facings
	Railway Products	Composite brake blocks
	Aerospace	Organic pads for trainer aircraft
Hyderabad	Automotive Products	Brake linings, clutch facings & sintered clutch buttons
	Railway products	Composite brake blocks
Puducherry	Automotive Products	Disc pads, clutch facings & CV brake pads
	Railway Products	Composite brake blocks
Trichy	Automotive Products	Disc pads & brake linings





Brake Linings



Disc Pads



Composite Brake Blocks



CV Brake Pads



Clutch Facings



Sintered Brake Pads

RBL Major Customers



George Oakes Limited

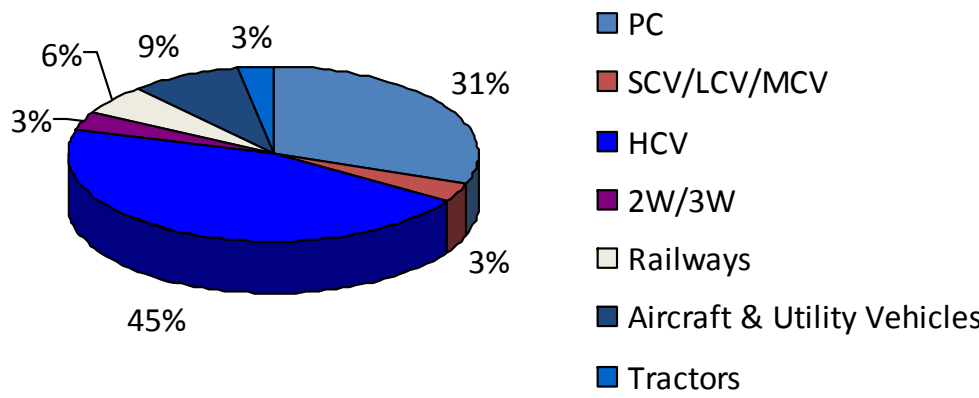


Rs Cr	2009	2010	2011	2012	2013	CAGR (%)
Net Sales	190.4	235.7	304.7	358.2	375.9	18.5%
<i>% growth</i>		<i>23.8%</i>	<i>29.3%</i>	<i>17.6%</i>	<i>4.9%</i>	
Op. EBITDA	19.5	28.8	34.0	39.4	32.8	14.0%
<i>% growth</i>		<i>48.2%</i>	<i>18.0%</i>	<i>15.9%</i>	<i>(16.7%)</i>	
PBT	4.3	14.9	19.7	21.9	10.9	26.1%
PAT	2.9	10.1	15.3	16.2	9.1	33.2%
Extraordinary Items	-	-	-	-	-	
APAT	2.9	10.1	15.3	16.2	9.1	33.2%
<i>% growth</i>		<i>248.5%</i>	<i>51.5%</i>	<i>5.9%</i>	<i>(43.8)</i>	
Op. EBITDA%	10.2%	12.2%	11.2%	11.0%	8.7%	
APAT%	1.5%	4.3%	5.0%	4.5%	2.4%	

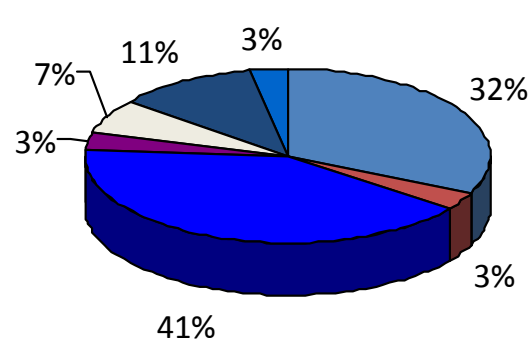
RBL Sales Mix 2012/2013

by Customer Segments

2011-12

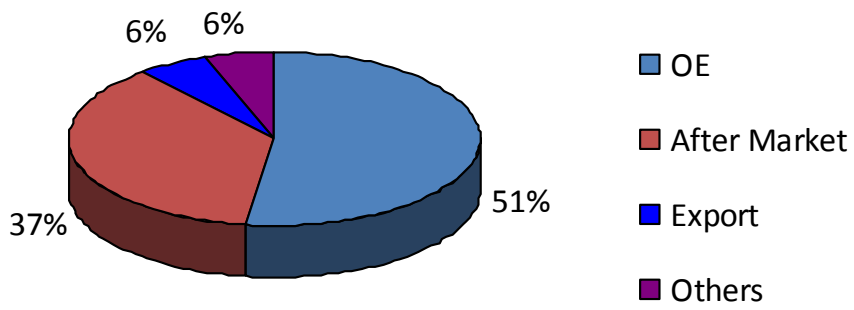


2012-13

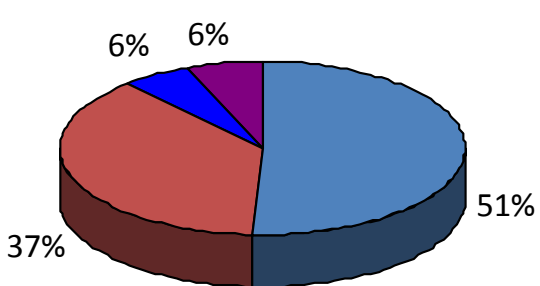


by Market

2011-12



2012-13

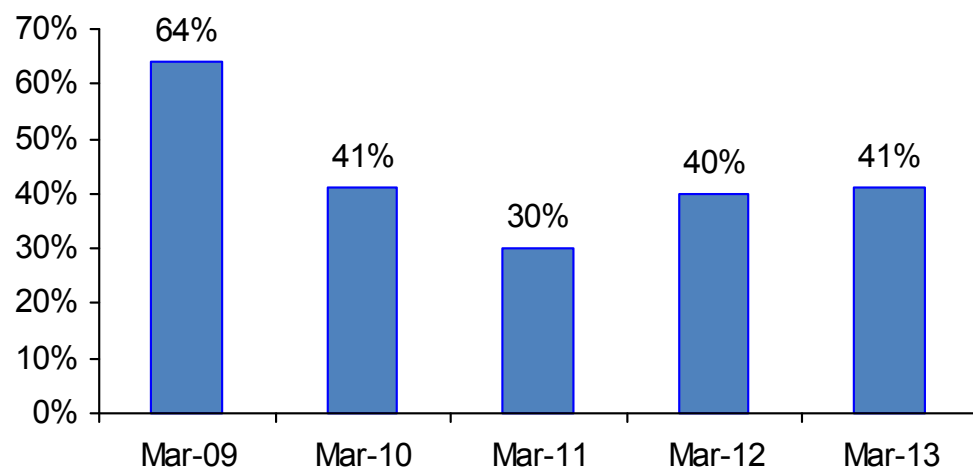


Sales Rs. 358.2 Cr for FY12 & 375.9 Cr for FY13

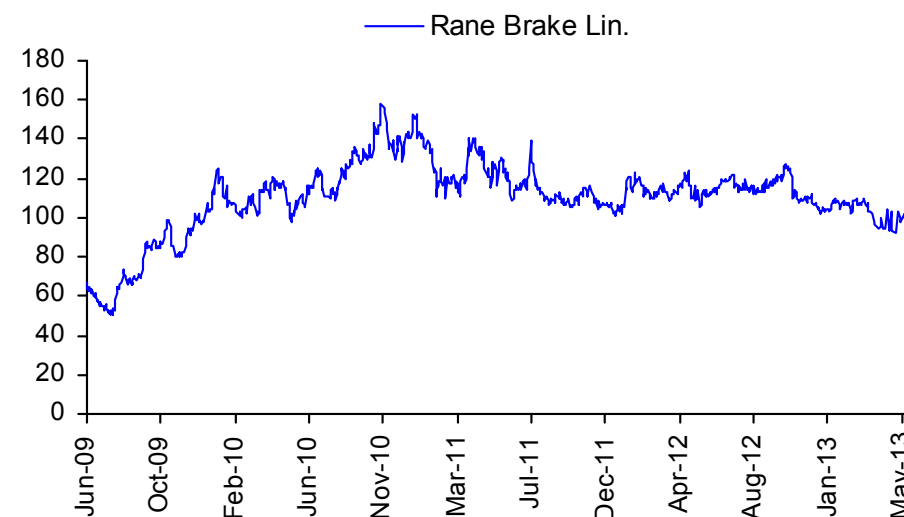
RBL Ratios and Return

	2009	2010	2011	2012	2013
Debt:Equity	0.93	0.59	0.74	0.87	0.88
RoCE%	7.8%	14.6%	16.9%	16.4%	9.3%
EPS (Rs.)	4.0	12.8	19.3	20.5	11.5
DPS (Rs.)	2.0	4.5	5.0	7.0	4.0
BV (Rs.)	92.5	96.5	109.7	122.0	128.9

Dividend Payout Ratio



Price Chart



SALES

- ➔ Domestic Sales was Rs.354.6 Cr (Rs. 338.2 Cr in previous year) and Export turnover was Rs. 21.3 Cr (Rs. 20.0 Cr in the previous year).
- ➔ Company created a strong position in the passenger car segment apart from traditional strength in the HCV and after-market segments.

OPERATIONS

- ➔ Trichy plant has achieved global bench marks in quality standards .
- ➔ Strong Yen and USD against INR and also prevailing power situations in Andhra Pradesh and Tamil Nadu affected the profitability for the year.
- ➔ Global / alternate sourcing of materials coupled with yield improvement projects helped in mitigating forex impact on raw material.

AWARDS

- ➔ Silver Medal from Ashok Leyland for BEST PERFORMANCE towards support extended to their aftermarket for the year 2012-13.
- ➔ BEST PERFORMANCE award from Brakes India for 2012-13.

The Key initiatives for the future are :-

- ➔ Increasing investments in R & D to develop new asbestos-free formulations in India.
- ➔ Working on effective localisation of raw material for new generation cars.
- ➔ Enhancing our leadership position in Passenger Car Segment.
- ➔ Increasing our Export business.

Company plans Capex of Rs. 115 crore, achieve CAGR of 20% in Sales and ROCE of 20% by 2015-16.

Driving towards a new future



Rane Group

Kar Mobiles Limited

Kar Mobiles Limited (KML)

Profile

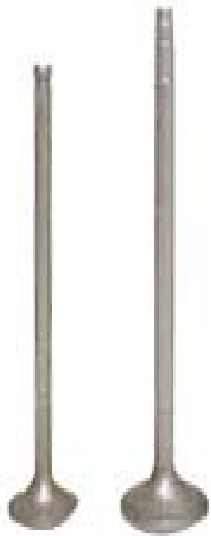
- ➔ Production of quality valves for internal combustion engines
- ➔ Specialised in manufacture of large engine valves
- ➔ Preferred supplier to OEMs
 - ▶ Domestic OEM's such as John Deere, Escorts, Cummins, Ashok Leyland, Daimler India
 - ▶ Exports to Electro Motive (EMD), Lister Petter and Hatz, Wartsila
- ➔ Caters to a wide variety of industries. Specialised in manufacturing wide range of valves for all off-road engines like Caterpillar, Komatsu; for power generation engines like Cummins, MTU, Wartsila and for heavy commercial engines like MB, Scania, Volvo, MAN, Cummins, Navistar, Mack, and Detroit Diesels.

Production Plants

Company has two manufacturing plants in the following locations

Location	Products	Customer Segments
Bangalore	IC Engine Valves	MCV, Power Generation, Marine and Locomotive Engines (Domestic and Export)
Tumkur	IC Engine Valves	MCV, Power Generation, Marine Engines for exports





Engine Valves

KML Major Customers



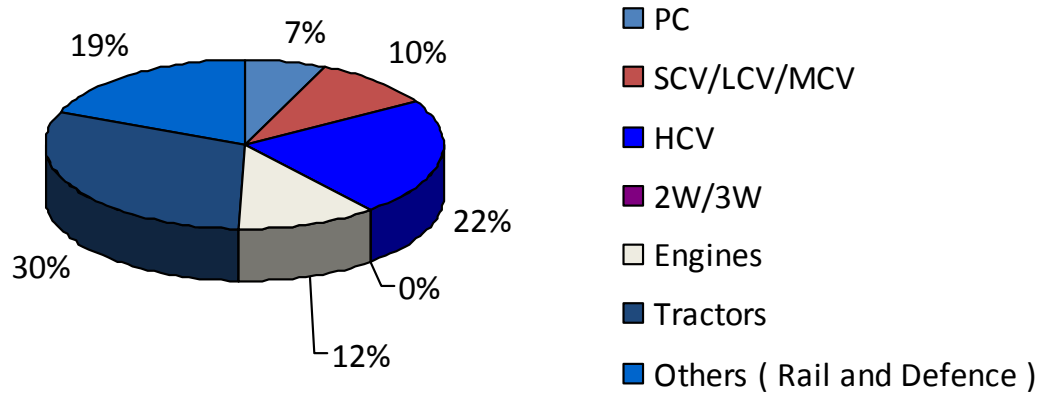
★ Single Source

Rs Cr	2009	2010	2011	2012	2013	CAGR (%)
Net Sales	93.6	80.8	92.3	115.4	120.0	6.4%
<i>% growth</i>		<i>(13.7%)</i>	<i>14.3%</i>	<i>25.2%</i>	<i>4.0%</i>	
Op. EBITDA	5.3	7.4	7.5	11.5	10.2	18.1%
<i>% growth</i>		<i>40.1%</i>	<i>2.0%</i>	<i>52.4%</i>	<i>(10.6)%</i>	
PBT	1.5	4.4	4.8	7.7	3.1	19.7%
PAT	0.8	2.9	3.1	5.2	2.8	35.8%
Extraordinary Items	-	-	-	(0.8)	-	
APAT	0.8	2.9	3.1	4.4	2.8	35.8%
<i>% growth</i>		<i>257.3%</i>	<i>6.8%</i>	<i>41.2%</i>	<i>(36.9)%</i>	
Op. EBITDA%	5.6%	9.1%	8.2%	9.9%	8.5%	
APAT%	0.9%	3.6%	3.4%	3.8%	2.3%	

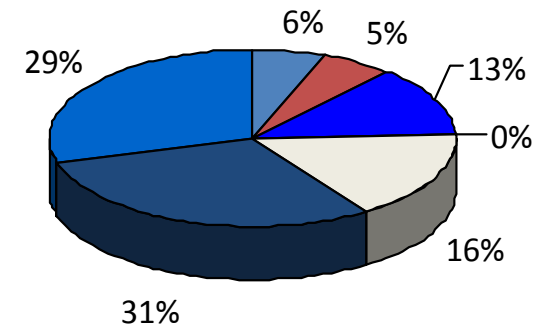
KML Sales Mix 2012/2013

by Customer Segments

2011-12

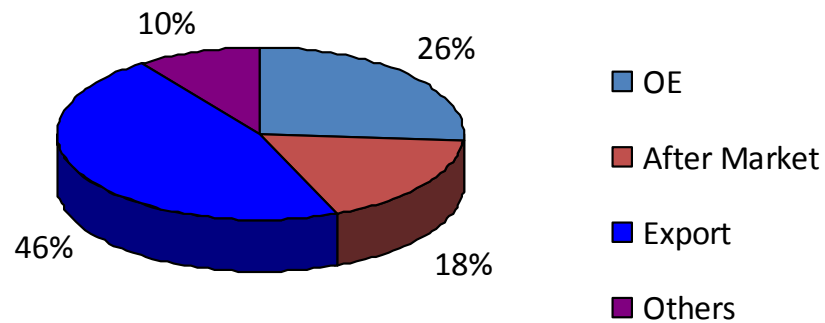


2012-13

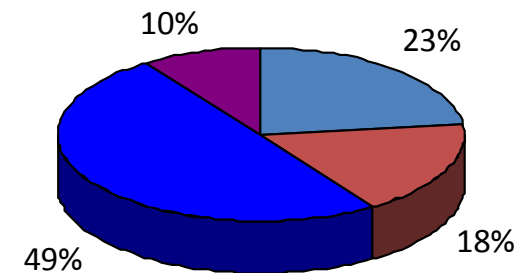


by Market

2011-12



2012-13

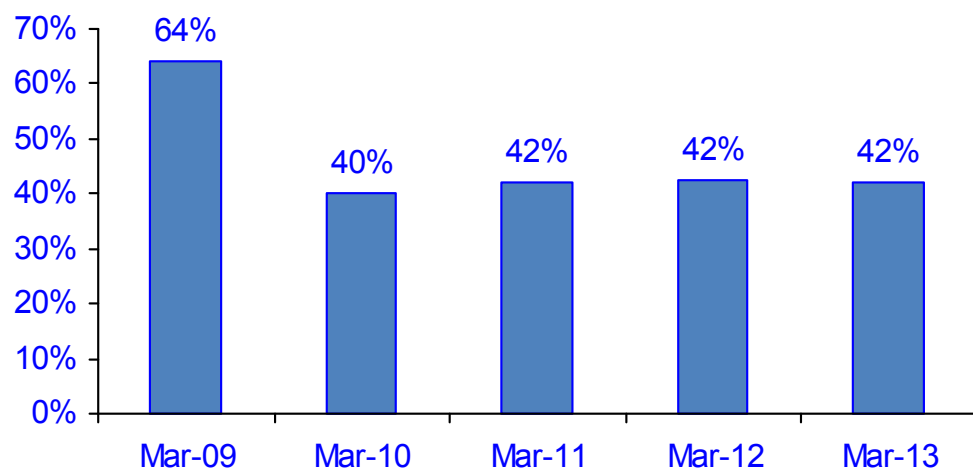


Sales Rs. 115.4 Cr. for FY12 & 120 Cr. for FY13

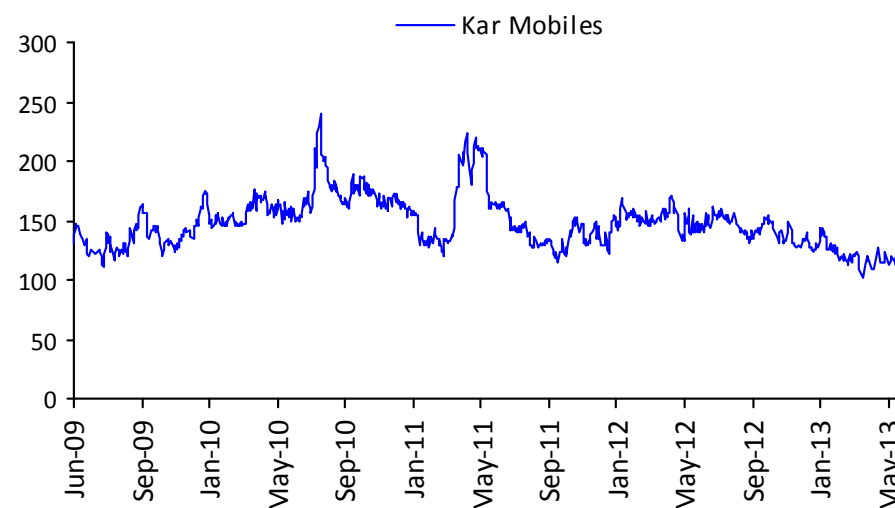
KML Ratios and Return

	2009	2010	2011	2012	2013
Debt:Equity	0.75	0.34	0.76	1.10	1.03
RoCE%	9.0	15.2	14.4	16.3	10.9
EPS (Rs.)	3.7	13.1	14.0	23.3	12.5
DPS (Rs.)	2.00	4.50	5.00	8.50	4.50
BV (Rs.)	99.1	106.9	115.2	128.5	135.8

Dividend Payout Ratio



Price Chart



SALES

- ➔ Domestic Sales was Rs. 60.75 Cr (Rs. 62.35 Cr in previous year) and Export turnover was Rs.59.3 Cr (Rs. 53.1 Cr in previous year).

OPERATIONS

- ➔ The modernization/expansion of Tumkur plant completed by commissioning two new production lines.
- ➔ Company invested Rs. 8.8 Cr during 2012-13 to increase capacity by 25% and to consolidate operations. Further investments to continue.
- ➔ Lean Production Systems is a focus area and lot of initiatives underway to improve competitiveness.

The Key initiatives for the future are :-

- ➔ Investing to upgrade technology to manufacture large and extra-large valves.
- ➔ Increasing our global presence for large and extra-large valves.
- ➔ Reducing our Total Employee Cost.

Company plans Capex of Rs.20 crore, achieve CAGR of 17% in Sales and ROCE of 20% by 2015-16.

Driving towards a new future



Rane Group

Rane TRW Steering Systems Ltd.

Rane TRW Steering Systems Ltd. (RTSSL)

Profile

- ➔ The Company manufactures Hydraulic Steering Systems, Seat Belts and Air bags
- ➔ Steering Gear Division (SGD) manufactures fully integrated hydraulic steering gears, hydraulic pumps, power-rack and pinion, power steering fluid including plastic reservoir and Occupant safety Division (OSD) manufactures safety seat belts and air bags.
- ➔ Both divisions have joint venture partnership with TRW Automotive JV LLC, USA
- ➔ Independent and comprehensive units to design, test, and manufacture complete range of power steering solutions and occupant safety systems
- ➔ Established dominant share of business in Commercial Vehicle steering, Passenger Car steering, and Utility Vehicle segment

Market Share for the Year 2012-13	Mkt Share (%)
Commercial Vehicle Segment	43%
Utility Vehicle segment	31%
PC Segment	63%

- ➔ Preferred partner to Indian OE majors in Passenger Car, Multi Utility Vehicle, Light Commercial Vehicle, Medium and Heavy Commercial Vehicle categories
- ➔ Occupant Safety Division serves Passenger Car, Commercial Vehicle and Utility segments

RTSSL (cont'd)

Production Plants

Company has five plants in the following locations

Location	Products	Segments
Viralimalai (Trichy)	Hydraulic Power Steering Gears	M&HCV, LCV, UV
Guduvanchery (Chennai)	Hydraulic Pumps	M&HCV, LCV, SCV, UV, PC
Guduvanchery (Chennai)	Hydraulic Power Steering Gears	SCV, UV, PC
Singaperumal Kovil (Chennai)	Air Bags, Seat Belts & Reservoir	PC, SCV, LCV, MCV, HCV
Uttrakhand	Steering Gears and Pumps	M&HCV, LCV, SCV



M&HCV – Medium & Heavy Commercial Vehicle
 LCV – Light Commercial Vehicle
 UV – Utility Vehicle
 SCV – Small Commercial Vehicle
 PC – Passenger Car
 2W/3W – Two/Three Wheeler



**Hydraulic Power Rack &
Pinion Steering Gear Assembly**



Power Steering Gear Assembly



Power Steering Pump Assembly



Air bags for Passenger cars



Seat Belts



**Automatic Control Retractor (ACR)
Buckle Pretensioner**

RTSSL Major Customers

Commercial Vehicles



Utility Vehicles



Passenger Cars

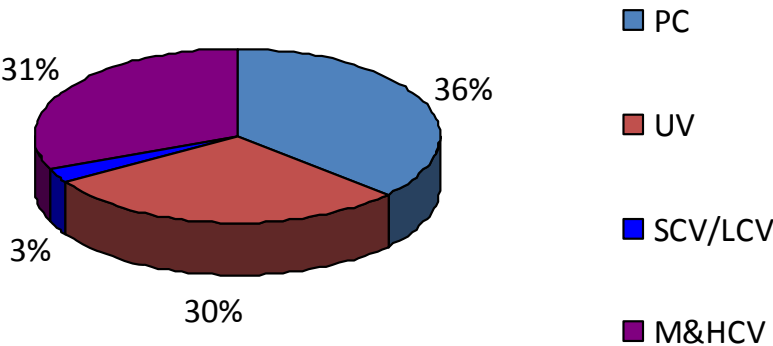


Rs Cr	2009	2010	2011	2012	2013	CAGR (%)
Net Sales	285.9	398.2	569.7	619.6	630.9	21.9%
<i>% growth</i>		<i>39.3%</i>	<i>43.1%</i>	<i>8.8%</i>	<i>1.8%</i>	
Op. EBITDA	44.6	76.3	85.1	93.5	67.6	11.0%
<i>% growth</i>		<i>71.3%</i>	<i>11.5%</i>	<i>9.8%</i>	<i>(27.6%)</i>	
PBT	31.2	61.4	72.1	72.7	44.3	9.1%
PAT	21.7	40.3	51.0	48.9	33.2	11.3%
Extraordinary Items	-	-	-	-		
APAT	21.7	40.3	51.0	48.9	33.2	11.3%
<i>% growth</i>		<i>85.7%</i>	<i>26.7%</i>	<i>(4.1%)</i>	<i>(32.0%)</i>	
Op. EBITDA%	15.6%	19.2%	14.9%	15.1%	10.7%	
APAT%	7.6%	10.1%	8.9%	7.9%	5.3%	

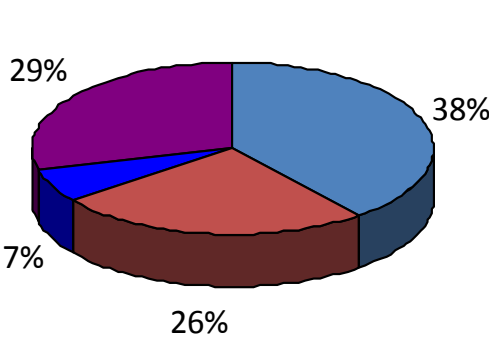
RTSSL Sales Mix 2012/2013

by Customer Segments

2011-12

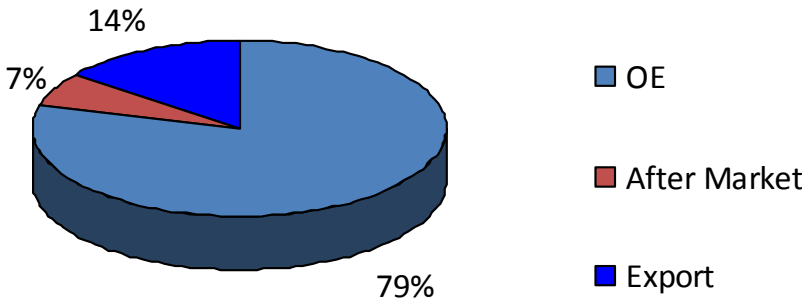


2012-13

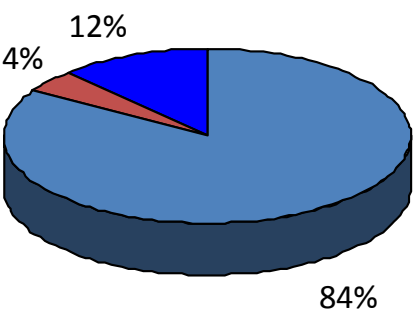


by Market

2011-12



2012-13

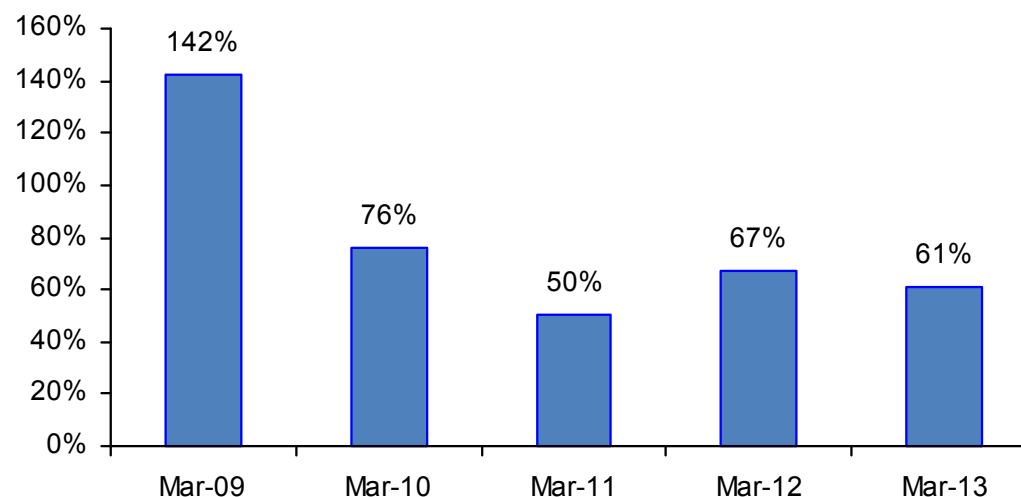


Sales Rs. 619.6 Cr. for FY12 & 630.9 Cr. for FY13

RTSSL Ratios and Return

	2009	2010	2011	2012	2013
Debt:Equity	-	0.02	0.02	0.12	0.23
RoCE%	24.0%	48.5%	45.8%	38.0%	19.2%
EPS (Rs.)	24.8	46.1	58.3	56.0	38.0
DPS (Rs.)	30.0	30.0	25.0	32.5	20.0
BV (Rs.)	158.7	169.1	198.5	217.1	243.5

Dividend Payout Ratio



SALES

- ➔ Domestic Sales was Rs.555.6 Cr (Rs. 523.2 Cr in previous year) and Export Turnover was Rs. 75.3 Cr (Rs. 96.4 Cr in previous year).
- ➔ Company is the exclusive supplier of Power Steering for some of the major models launched in the last 18 months : Renault - Duster, AL – Dost, Tata - Super Ace, Safari - Storme and Mahindra - Quanto.
- ➔ Won Daimler India business Light Duty Truck/ Medium Duty Truck (LDT/MDT) & Nissan Ashok Leyland LCV business.

OPERATIONS

- ➔ The company spent Rs. 50.07 Cr in Capex in 2012-13 to meet the future market growth and Rs. 30.77 Cr is planned for the Financial Year 2013-14, again primarily for increasing capacities.
- ➔ Power shortage in Tamil Nadu has impacted profitability levels. Initiatives being taken (Wind power, 3rd party power) to reduce Diesel Generator Cost.
- ➔ Profitability has come down over the years due to inability to pass on commodity increases to customers.

The Key initiatives for the future are :-

- ➔ Enhancing our domestic position by penetrating SCV & LCV segments.
- ➔ Enhancing our export by working with TRW for global platforms.
- ➔ Leverage our Engineering capabilities to identify new products for growth.

Company plans Capex of Rs. 70 crore, achieve CAGR of 13% in Sales and ROCE of 35% by 2015-16.

Driving towards a new future



Rane Group

Rane NSK Steering Systems Ltd.

Rane NSK Steering Systems Ltd. (RNSSL)

Profile

- ➔ Manufacture of Manual Steering Columns and Electric Power Steering
- ➔ Joint venture with NSK, Japan
- ➔ Preferred OE partner to major Passenger Car, Commercial Vehicle and Multi Utility Vehicle manufacturers

Production Plants

Company has **3** plants in the following locations

Location	Products	Customer Segments
Chennai	Energy Absorbing, Solid Columns, I Shaft	PC, SCV/LCV/MCV, MUV
Bawal	Electric Power Steering	PC
Uttarakhand	Energy Absorbing, Solid Columns, I Shaft	SCV,HCV,MUV

PC – Passenger Car
 SCV – Small Commercial Vehicle
 LCV – Light Commercial Vehicle
 MCV – Medium Commercial Vehicle
 MUV – Multi Utility Vehicle
 HCV – Heavy Commercial Vehicle





Electric Power Steering Columns



Solid Steering Columns



Energy Absorbing & Collapsible Columns



Tilt & Telescopic Steering Columns



Intermediate Shafts



Universal Joint Assemblies

RNSSL Major Customers



DAIMLER

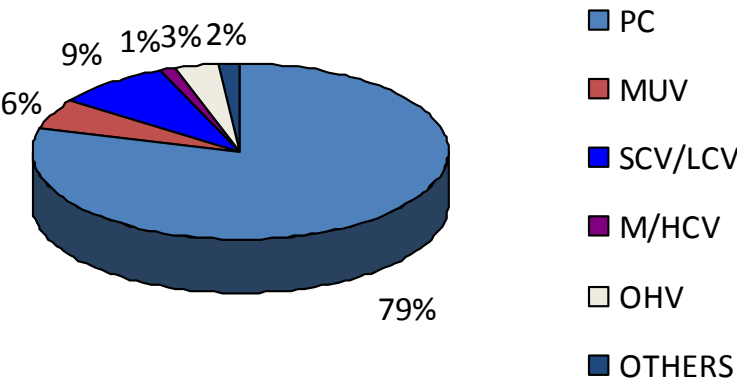


Rs Cr	2009	2010	2011	2012	2013	CAGR (%)
Net Sales	77.6	164.2	176.8	308.2	572.6	64.8%
<i>% growth</i>		<i>111.7%</i>	<i>7.7%</i>	<i>74.3%</i>	<i>85.8%</i>	
Op. EBITDA	4.3	15.4	4.4	19.1	58.7	92.2%
<i>% growth</i>		<i>261.4%</i>	<i>(71.2%)</i>	<i>330.2%</i>	<i>207.8%</i>	
PBT	(1.7)	8.2	(3.3)	5.4	36.3	
PAT	0.5	6.4	(5.6)	5.4	24.9	161.9%
Extraordinary Items	-	-	-	-	-	
APAT	0.5	6.4	(5.6)	5.4	24.9	165.6%
<i>% growth</i>			<i>(188.8%)</i>	<i>195.9%</i>	<i>361.0%</i>	
Op. EBITDA%	5.5%	9.4%	2.5%	6.2%	10.2%	
APAT%	0.7%	3.9%	(3.2%)	1.8%	4.4%	

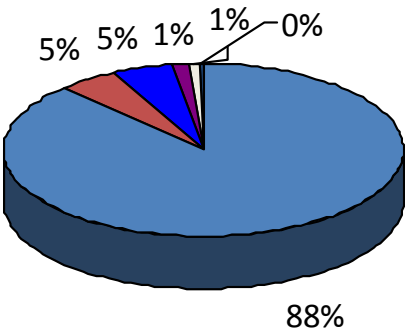
RNSSL Sales Mix 2012/2013

by Customer Segments

2011-12

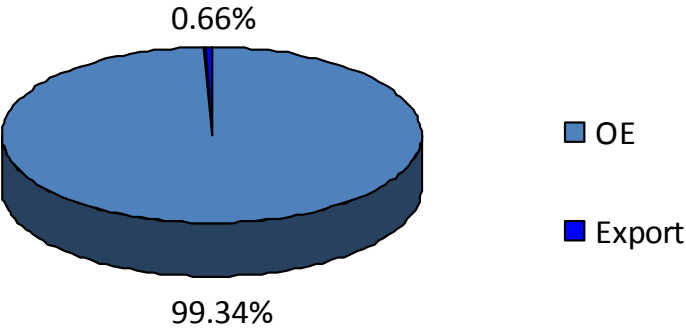


2012-13

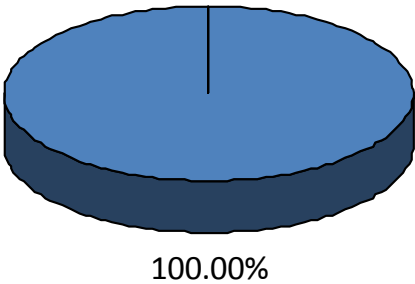


by Market

2011-12



2012-13



Sales Rs. 308.2 Cr. for FY12 & 572.6 Cr. for FY13

RNSSL Ratios and Return

	2009	2010	2011	2012	2013
Debt:Equity	0.81	0.36	1.49	1.43	0.72
RoCE%	-	14.9%	-	12.5%	46.0%
EPS (Rs.)	0.3	3.5	-	3.0	13.9
BV (Rs.)	16.4	19.9	16.8	19.8	33.7

SALES

- ➔ Domestic Sales was Rs. 572.6 Cr for the year (Rs. 308.2 Cr in previous year), a growth of 86% over the previous year.
- ➔ Exclusive Suppliers of EPS for some recently launched major models – Ertiga, Swift and Deziire.
- ➔ Secured new EPS business from Honda – SOP Dec 2013.

OPERATIONS

- ➔ Ramp up of volumes in EPS models resulted in improved capacity utilisation.
- ➔ Productivity improvement and increased localization resulted in cost competitiveness.
- ➔ The Company has identified aggressive localisation plans to reduce imported materials content and further improve competitiveness.
- ➔ Company incurred Capex of Rs 23.1 Cr towards capacity enhancement in 2012-13.

The Key initiatives for the future are :-

- ➔ Enhancing our EPS business with Maruti Suzuki and Honda.
- ➔ Penetrate other global customers – Volkswagen, Nissan, Renault.
- ➔ Increase our Steering Column business in the Commercial Vehicle and UV segment.
- ➔ The Company proposes to incur Capex of Rs 48 Cr in FY 2013-14, catering to additional orders received for new models.

Company plans Capex of Rs.150 crore, achieve CAGR of 9% in Sales and ROCE of 25% by 2015-16.

Driving towards a new future



Rane Group

Rane Diecast Limited

Profile

- Acquired in the year 2006 to capitalise on export opportunities particularly for TRW
- Services include design, development and machined aluminum casting components & sub - assemblies
- Main products are HPDC Machined Steering Housing & Engine Components
- Customers include TRW, RTSSL and Simpson. Company focuses on Passenger car segment in US and India

Production Plant

- **Hyderabad** - Fully equipped plant for Aluminum HPDC castings & machining/sub-assembly line





EPAS – Pinion Housing



EPAS- Outboard Housing



Timing Case Cover-Engine



Hydraulic- Pinion Housing



Gear Case Cover



Hydraulic-Pump Housing



Rane TRW Steering Systems Ltd.



VST Tillers Tractors Ltd.

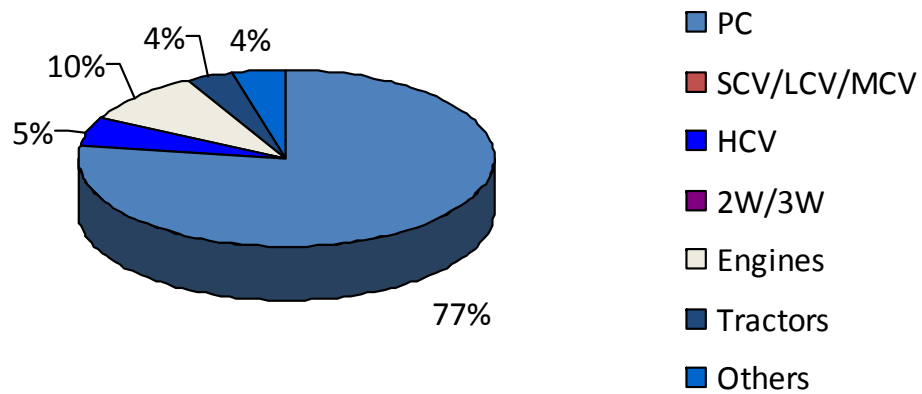


Rs Cr	2009	2010	2011	2012	2013	CAGR (%)
Net Sales	22.4	20.7	36.5	63.3	57.9	26.8%
<i>% growth</i>		<i>(7.7%)</i>	<i>76.6%</i>	<i>73.1%</i>	<i>(8.5%)</i>	
Op. EBITDA	(1.9)	0.94	1.43	10.1	5.5	
<i>% growth</i>		<i>148.6%</i>	<i>52.1%</i>	<i>603.8%</i>	<i>(45.3%)</i>	
PBT	(6.8)	(4.8)	(5.4)	0.3	(4.2)	
PAT	(4.7)	(2.9)	(4.7)	(0.1)	(3.0)	
Extraordinary Items	-	-	-	-	(0.6)	
APAT	(4.7)	(2.9)	(4.7)	(0.1)	(2.4)	
<i>% growth</i>	-	-	-	-	-	
Op. EBITDA%	(8.6%)	4.6%	3.9%	15.9%	9.5%	

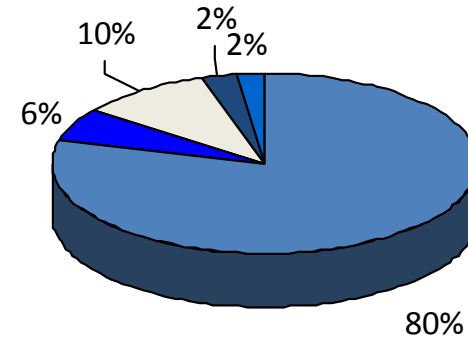
RDL Sales Mix 2012/2013

by Customer Segments

2011-12

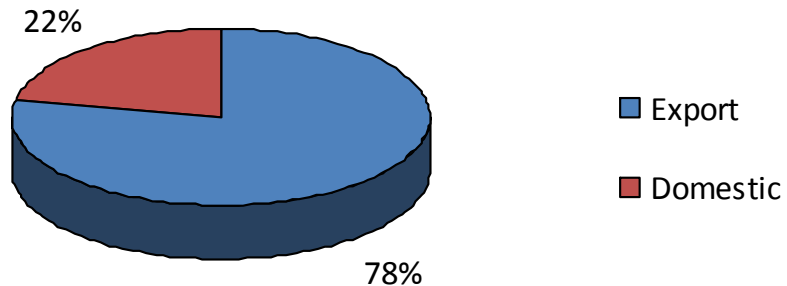


2012-13

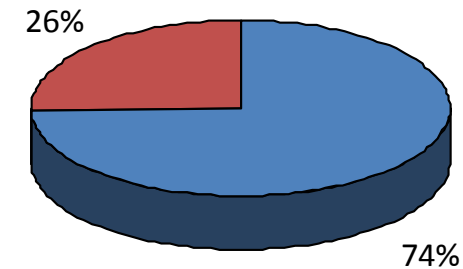


by Market

2011-12



2012-13



Sales Rs. 63.3 Cr. for FY12 & 57.9 Cr. for FY13

SALES

- ➔ Domestic Sales was Rs. 14.8 Cr (Rs. 13.9 Cr in previous year) and Export turnover was Rs. 43.11 Cr (Rs. 49.36 Cr in previous year).
- ➔ Secured new order from AISIN for supply of Engine parts for domestic market.
- ➔ Secured major new order for supply of Steering Pinion Housing from TRW for a global platform of General Motors in 2015 – 16.

OPERATIONS

- ➔ Company incurred Capex of Rs. 5.7 Cr in 2012-13 for capacity enhancements to meet committed market demand.
- ➔ Power crisis in Andhra Pradesh severely impacted the profitability. Actions initiated to secure 3rd party power to reduce costs.
- ➔ TQM & TPM has been launched recently in the Company to help improve competitiveness.
- ➔ Building up competencies in the area of Die-Design which is a critical factor for being competitive.

The Key initiatives for the future are :-

- ➔ Achieving Rs.90 Cr topline by timely execution of orders on hand.
- ➔ Increase capacities to leverage on export and domestic opportunities.

Company plans Capex of Rs.8 crore, achieve CAGR of 20% in Sales and ROCE of 20% by 2015-16.

Driving towards a new future



Rane Group

SasMos HET Technologies Limited & JMA Rane Marketing Limited

SasMos HET Technologies Limited

Profile

SasMos HET Technologies Limited, located at Bangalore, is a leading wiring harness and system integrator for defence, marine and aerospace industry. It is engaged in design, prototyping and manufacture of customized electronic solutions including electrical interconnection of solutions and electronics systems design and integration for defence and aerospace applications. Rane in its bid to diversify from the automobile segment and enter into new business, acquired 26% stake in SASMOS in 2011-12.

Financials

Sale of SasMos HET Technologies Limited during the financial year 2012-13 is Rs.22.69 crores as against Rs.23.86 Crores in the previous year.

JMA Rane Marketing Limited

Profile

JMA Rane is a joint venture company between Rane Holdings Limited and Jullandur Motor Agency Company Ltd. JMA Rane is a trading company dealing with automobile components and has dealer network at various locations in India.

Financials

Sale of JMA Rane during the financial year 2012-13 is Rs.51.08 crores as against Rs.59.22 Crores in the previous year.

Driving towards a new future



Rane Group

Conclusion

- ➔ ACMA has forecasted that the Indian Auto Component Industry will grow from \$43 Bn to \$112 Bn by 2020.
- ➔ Out of this, Exports will grow from \$7 Bn to \$35 Bn.
- ➔ One of the objectives for us is to make this a “decade of profitable growth”.
- ➔ With this aspiration, Rane Group is not only well positioned to grow in line with Industry forecasts but is hoping to beat it.
- ➔ We will leverage our management strengths and TQM process to grow faster than we have ever before.
- ➔ Increasing our product range and our global sales are also key objectives.
- ➔ As we go forward, all options will be considered including Acquisitions.

Driving towards a new future

THANK YOU

Rane Group

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.