

## Rane (Madras) Limited



**//Online Submission//**

RML/SE/29/2023-24

July 26, 2023

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

**Sub: Outcome of Board Meeting held on July 26, 2023 - under Regulation 30 of SEBI LODR**

**Ref: Our letter no. RML/SE/024/2023-24 dated June 29, 2023**

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results (standalone & consolidated) of the Company for the quarter ended June 30, 2023 as recommended by the Audit Committee at their respective meeting(s) held today (**July 26, 2023**).

The un-audited financial results (standalone & consolidated) of the Company for the quarter ended June 30, 2023 is enclosed along with the Limited Review Report on both standalone & consolidated results issued by M/s. BSR & Co., LLP, Chartered Accountants, Statutory Auditors. (**Regulation 33**).

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

The meeting of the Board of Directors commenced at 11:10 hrs (IST) and concluded at 12:57 hrs (IST).

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

Thanking you,

Yours faithfully,

For **Rane (Madras) Limited**

S Subha Shree  
**Secretary**

Encl: a/a

1. Un-audited financial results (standalone & consolidated) for the quarter ended June 30, 2023.
2. Limited Review Report (standalone & consolidated) for the quarter ended June 30, 2023.
3. Earnings release for the quarter ended June 30, 2023.



Expanding Horizons

# RANE (MADRAS) LIMITED

## Q1 FY24 Earnings Release



**Chennai, July 26, 2023** – Rane (Madras) Limited (NSE: RML; BSE Code:532661), a leading manufacturer of steering and suspension products and light metal casting components today announced its standalone and consolidated financial performance for the first quarter (Q1FY24) ended June 30<sup>th</sup>, 2023.

### Standalone Q1 FY24 Performance

- Total Revenue was ₹532.1 Crore for Q1 FY24 compared to ₹501.0 Crore in the Q1 FY23, an increase of 6.2%
- EBITDA stood at ₹51.9 Crore compared to ₹48.0 Crore during Q1 FY23, an increase of 8.1%
- EBITDA Margin at 9.7% for Q1 FY24 against 9.6% in Q1 FY23
- Net profit stood at ₹3.0 Crore for Q1 FY24 compared to ₹20.1 Crore in Q1 FY23

### Consolidated Q1 FY24 Performance

- Total Revenue was ₹590.0 Crore for Q1 FY24 compared to ₹550.4 Crore in the Q1 FY23, an increase of 7.2%
- EBITDA stood at ₹44.0 Crore compared to ₹30.2 Crore during Q1 FY23, an increase of 45.5%
- EBITDA Margin at 7.5% for Q1 FY24 against 5.5% in Q1 FY23
- Net loss stood at ₹14.5 Crore for Q1 FY24 compared to Net Loss of ₹3.3 Crore in Q1 FY23

### Operating Highlights for Q1 FY24 – Standalone

- Sales to Indian OE customers dropped 1%. This was mainly attributed to drop in Farm Tractors segment and served segment de-growth in M&HCV.
- Export Sales grew 33%. Strong off-take for steering and light metal casting products.
- Sales to Indian Aftermarket customers declined by 17%.
- EBITDA margin improved by 17 bps
  - Favourable material price movement helped offset the inflationary pressure on employee and other costs
- A major customer has announced a recall of certain vehicles, for possible defect suspected in a part of steering tie rod supplied by the Company and used in such vehicles. Since the matter is under discussion with the customer, exceptional item for the quarter ended June 30, 2023 includes a provision towards one time warranty related costs.

### Rane Light Metal Casting Inc.

- RML board has decided to divest/dispose of its wholly owned subsidiary Rane Light Metal Casting Inc., USA (LMCA)

### MANAGEMENT COMMENT

“RML sustained sales momentum albeit decline in volume in the Farm Tractor segment. The demand from international customers remained robust. Further to the board’s decision, the company is exploring various options to divest the LMCA business. Demand across major vehicle segments continues to remain robust. We are closely monitoring the evolving economic indicators and continuing to prioritise cost reduction and operational improvement programs in the upcoming quarter.”

– L. Ganesh, Chairman, Rane Group

### BUSINESS HIGHLIGHTS

#### Financial Performance

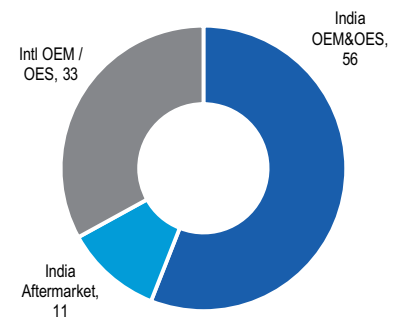
Standalone	Q1 FY24	Q1 FY23	YOY%
Total Revenue	532.1	501.0	6.2%
EBITDA	51.9	48.0	8.1%
Margin (%)	9.7%	9.6%	17 bps
PAT	3.0	20.1	-85.2%

Consolidated	Q1 FY24	Q1 FY23	YOY%
Total Revenue	590.0	550.4	7.2%
EBITDA	44.0	30.2	45.5%
Margin (%)	7.5%	5.5%	196 bps
PAT	-14.5	-3.3	-341.2%

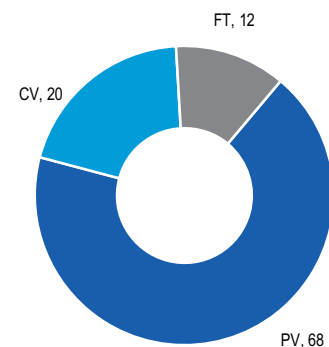
(In ₹ Crore, unless otherwise mentioned)

### BUSINESS SPLIT (Q1 FY24)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



## PROFIT AND LOSS ACCOUNT

Particulars	Standalone			Consolidated		
	Q1 FY24	Q1 FY23	YoY%	Q1 FY24	Q1 FY23	YoY%
Income from Operations	530.4	499.8	6%	588.3	549.3	7%
Other Income	1.7	1.2	43%	1.6	1.1	48%
<b>Total Revenue</b>	<b>532.1</b>	<b>501.0</b>	<b>6%</b>	<b>590.0</b>	<b>550.4</b>	<b>7%</b>
<b>Expenses</b>						
-Cost of Material Consumed	345.5	321.6	7%	369.6	348.9	6%
-Changes in inventories	-10.0	-0.1		-8.5	-1.3	
-Employee Benefit Expense	54.8	47.5	15%	78.4	71.4	10%
-Finance Cost	10.0	4.9	103%	14.4	5.0	188%
-Depreciation & Amortization	19.2	16.4	17%	24.3	21.9	11%
-Other Expenditure	90.0	83.9	7%	106.5	101.1	5%
<b>Total Expenses</b>	<b>509.4</b>	<b>474.3</b>	<b>7%</b>	<b>584.7</b>	<b>547.0</b>	<b>7%</b>
<b>PBT before Exceptional Items</b>	<b>22.7</b>	<b>26.7</b>	<b>-15%</b>	<b>5.3</b>	<b>3.4</b>	<b>57%</b>
Exceptional Item	-18.8	-		-18.8	-	
<b>PBT</b>	<b>4.0</b>	<b>26.7</b>	<b>-85%</b>	<b>-13.5</b>	<b>3.4</b>	<b>-501%</b>
Tax Expense	1.0	6.6	-85%	1.0	6.6	-85%
<b>PAT</b>	<b>3.0</b>	<b>20.1</b>	<b>-85%</b>	<b>-14.5</b>	<b>-3.3</b>	<b>-341%</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 (MADRAS) LIMITED

Established in 1960, Rane (Madras) Limited (RML) is part of the Rane Group of Companies, a leading auto component group based out of Chennai. RML has two divisions namely Steering and Linkages Division (SLD) and Light Metal Casting India Division (LMCI). SLD manufactures mechanical steering gears, hydrostatic steering systems and steering and suspension linkage products. LMCI manufactures low porosity, high-quality light metal casting such as steering housings and engine case covers. Through its overseas subsidiary Rane Light Metal Castings Inc. (RLMCA), RML manufactures high pressure light metal casting components from its facility in Kentucky, USA.

## ABOUT RANE GROUP

Headquartered in Chennai, India, Rane Group is engaged primarily in manufacturing auto components for well over five decades. Rane Group is a preferred supplier to major OEMs in India and abroad. Through its group companies, it provides Steering and Suspension systems, Friction materials, Valve train components, Occupant safety systems, and Light Metal casting components. Its products serve a variety of industry segments including Passenger Vehicles, Commercial Vehicles, Farm Tractors, Two-wheelers, Three-wheelers, Railways and Stationary Engines.

IF YOU HAVE ANY QUESTIONS OR REQUIRE FURTHER INFORMATION,  
PLEASE FEEL FREE TO CONTACT: [INVESTORSERVICES@RANEGROUP.COM](mailto:INVESTORSERVICES@RANEGROUP.COM) OR [DIWAKAR.PINGLE@IN.EY.COM](mailto:DIWAKAR.PINGLE@IN.EY.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.