

Rane (Madras) Limited



//Online Submission//

RML / SE / 042 / 2023-24

October 30, 2023

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

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

Ref: Our letter no. RML/SE/038/2023-24 dated September 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 and half year ended September 30, 2023, along with Cash Flow Statement of the Company for the half year ended September 30, 2023 as recommended by the audit committee at their respective meeting(s) held today (**October 30, 2023**).

The un-audited financial results (standalone & consolidated) of the Company for the quarter and half year ended September 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**). An 'earnings release' for the above results is also enclosed. (**Regulation 30**).

The un-audited financial results (standalone & consolidated) will be uploaded on the website of the company at www.ranegroup.com and stock exchanges at www.bseindia.com and www.nseindia.com (**Regulation 46**).

The meeting of the Board of Directors commenced at 11 : 40 hrs (IST) and concluded at 13 : 35 (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 and half year ended September 30, 2023.
2. Limited Review Report (standalone & consolidated) for the quarter and half year ended September 30, 2023.
3. Earnings release for the quarter and half year ended September 30, 2023.

RANE (MADRAS) LIMITED

CIN L65993TN2004PLC052856

Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086

visit us at: www.ranegroup.com


Statement of Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2023

(Rs. Crores)

Particulars	Standalone					
	Quarter ended			Half year ended		Year ended
	30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income						
(a) Revenue from operations	572.48	530.40	536.59	1,102.88	1,036.37	2,123.55
(b) Other income	0.39	1.71	0.45	1.16	1.65	11.95
Total income	572.87	532.11	537.04	1,104.04	1,038.02	2,135.50
2. Expenses						
(a) Cost of materials consumed	369.09	345.47	361.85	714.56	683.46	1,389.10
(b) Changes in inventories of finished goods and work-in-progress	(1.75)	(10.01)	(10.38)	(11.76)	(10.43)	(11.36)
(c) Employee benefits expense	55.70	54.79	49.13	110.49	96.65	192.56
(d) Finance costs	12.39	9.97	6.64	22.36	11.56	27.64
(e) Depreciation and amortisation expense	19.48	19.18	15.99	38.66	32.36	73.00
(f) Other expenses	97.28	89.99	92.69	186.33	176.60	336.78
Total expenses	552.19	509.39	515.92	1,060.64	990.20	2,007.72
3. Profit / (Loss) before exceptional items (1-2)	20.68	22.72	21.12	43.40	47.82	127.78
4. Exceptional Items (Refer note 6)	(121.56)	(18.75)	-	(140.31)	-	(225.89)
5. Profit / (Loss) before tax (3 ± 4)	(100.88)	3.97	21.12	(96.91)	47.82	(98.11)
6. Tax expense (Refer note 6)						
Current tax	(1.34)	1.34	5.61	-	13.86	34.75
Deferred tax	(106.77)	(0.34)	(0.32)	(107.11)	(1.93)	(6.32)
Total tax expenses	(108.11)	1.00	5.29	(107.11)	11.93	28.43
7. Profit / (loss) for the period/ year (5-6)	7.23	2.97	15.83	10.20	35.89	(126.54)
(A) Items that will not be reclassified to profit or loss						
(i) Remeasurement gains/(losses) on defined benefit plans, net	(0.04)	(0.94)	(0.56)	(0.98)	(1.26)	(1.72)
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.01	0.24	0.14	0.25	0.31	0.44
8. Other comprehensive income	(0.03)	(0.70)	(0.42)	(0.73)	(0.95)	(1.28)
9. Total comprehensive income for the period/ year (7+8)	7.20	2.27	15.41	9.47	34.94	(127.82)
10. Details of equity share capital						
Paid-up equity share capital (Face Value of Rs.10/- per share)	16.27	16.27	16.27	16.27	16.27	16.27
11. Other equity	-	-	-	-	-	230.84
12. Earnings per share (EPS) (of Rs.10/- each) (Amount in Rs.) (Not annualised for the quarters)						
(a) Basic	4.45	1.83	9.73	6.27	22.07	(77.80)
(b) Diluted	4.45	1.83	9.73	6.27	22.07	(77.80)

RANE (MADRAS) LIMITED

CIN L65993TN2004PLC052856

Regd. Office : " MAITHRI ", 132, Cathedral Road, Chennai - 600 086

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Statement of Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2023

(Rs. Crores)

Particulars	Consolidated					
	Quarter ended			Half year ended		Year ended
	30,09,2023	30,06,2023	30,09,2022	30,09,2023	30,09,2022	31,03,2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income						
(a) Revenue from operations	611.24	588.34	600.37	1,199.58	1,149.64	2,354.44
(b) Other income	0.64	1.61	0.27	2.25	1.36	17.86
Total income	611.88	589.95	600.64	1,201.83	1,151.00	2,372.30
2. Expenses						
(a) Cost of materials consumed	387.22	369.58	390.88	756.80	739.82	1,497.98
(b) Changes in inventories of finished goods and work-in-progress	(4.34)	(8.52)	(9.56)	(12.86)	(10.90)	(11.19)
(c) Employee benefits expense	73.79	78.36	73.83	152.15	145.27	289.63
(d) Finance costs	13.46	14.40	6.52	27.86	11.52	33.64
(e) Depreciation and amortisation expense	23.94	24.32	21.90	48.26	43.78	96.60
(f) Other expenses	122.69	106.53	111.73	229.22	212.81	395.52
Total expenses	616.76	584.67	595.30	1,201.43	1,142.30	2,302.18
3. Profit / (Loss) before exceptional items (1-2)	(4.88)	5.28	5.34	0.40	8.70	70.12
4. Exceptional Items (Refer note 6)	(85.46)	(18.75)	-	(104.21)	-	(11.66)
5. Profit / (Loss) before tax (3 ± 4)	(90.34)	(13.47)	5.34	(103.81)	8.70	58.46
6. Tax expense (Refer note 6)						
Current tax	(1.34)	1.34	5.61	-	13.86	34.76
Deferred tax	(106.77)	(0.34)	(0.32)	(107.11)	(1.93)	(6.32)
Total tax expenses	(108.11)	1.00	5.29	(107.11)	11.93	28.44
7. Profit / (loss) for the period/ year (5-6)	17.77	(14.47)	0.05	3.30	(3.23)	30.02
(A) Items that will not be reclassified to profit or loss						
(i) Remeasurement gains/(losses) on defined benefit plans, net	(0.04)	(0.94)	(0.56)	(0.98)	(1.26)	0.89
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.01	0.24	0.14	0.25	0.31	0.44
Subtotal - A	(0.03)	(0.70)	(0.42)	(0.73)	(0.95)	1.33
(B) Items that will be reclassified to profit or loss						
(i) Exchange differences on translating financial statements of foreign operations	9.93	1.52	10.10	11.45	17.38	(17.84)
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Subtotal - B	9.93	1.52	10.10	11.45	17.38	(17.84)
8. Other comprehensive income	9.90	0.82	9.68	10.72	16.43	(16.51)
9. Total comprehensive income for the period/ year (7+8)	27.67	(13.65)	9.73	14.02	13.20	13.51
10.Details of equity share capital						
Paid-up equity share capital (Face Value of Rs.10 /- per share)	16.27	16.27	16.27	16.27	16.27	16.27
11. Other equity	-	-	-	-	-	225.38
12. Earnings per share (EPS) (of Rs.10/- each) (Amount in Rs.) (Not annualised for the quarters)						
(a) Basic	10.93	(8.90)	0.03	2.04	(1.99)	18.46
(b) Diluted	10.93	(8.90)	0.03	2.04	(1.99)	18.46

Notes:-

1. Statement of assets and liabilities as on

Particulars	Standalone		Consolidated	
	As at 30.09.2023	As at 31.03.2023	As at 30.09.2023	As at 31.03.2023
	Unaudited	Audited	Unaudited	Audited
ASSETS				
Non-current assets				
(a) Property, plant and equipment	392.94	380.10	392.94	473.25
(b) Capital work-in-progress	16.99	16.06	16.99	28.57
(c) Right of use asset	4.98	5.25	4.98	8.96
(d) Goodwill	4.63	4.63	4.63	4.63
(e) Other intangible assets	1.58	2.72	1.58	2.72
(f) Financial assets				
(i) Investments	41.27	40.05	1.93	1.46
(ii) Other financial assets	9.85	5.98	9.85	17.60
(g) Deferred tax assets (Net)	112.18	4.82	112.18	4.82
(h) Income tax asset (Net)	34.30	17.04	34.30	17.03
(i) Other non-current assets	38.03	17.62	38.03	25.95
Total non-current assets	656.75	494.27	617.41	584.99
Current assets				
(a) Inventories	245.17	232.01	245.17	254.19
(b) Financial assets				
(i) Trade receivables	349.57	380.89	349.57	419.61
(ii) Cash and cash equivalents	15.82	13.89	34.58	28.48
(iii) Bank balances other than (ii) above	0.08	0.09	0.08	0.09
(iv) Loans receivable	4.50	0.31	0.35	0.38
(v) Other financial assets	18.26	14.66	42.60	14.60
(c) Other current assets	49.72	41.87	49.72	46.58
Total current assets	683.12	683.72	722.07	763.93
TOTAL ASSETS	1,339.87	1,177.99	1,339.48	1,348.92
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	16.27	16.27	16.27	16.27
(b) Other equity	240.31	230.84	239.40	225.38
Total equity	256.58	247.11	255.67	241.65
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	265.56	169.87	265.56	244.38
(ii) Lease liabilities	4.94	5.24	4.94	7.82
(b) Provisions	8.39	7.51	8.39	18.39
(c) Other non-current liabilities	3.48	11.07	3.48	11.07
Total non-current liabilities	282.37	193.69	282.37	281.66
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	392.14	354.66	392.14	413.74
(ii) Lease liabilities	0.77	0.77	0.77	2.12
(iii) Trade payables				
Total outstanding dues of Micro enterprises and Small enterprises	2.49	2.52	2.49	2.52
Total outstanding dues of creditors other than Micro enterprises and Small enterprises	313.75	322.22	314.27	344.61
(iv) Other financial liabilities	36.71	39.37	36.71	41.89
(b) Other current liabilities	25.89	9.59	25.89	12.67
(c) Provisions	29.17	8.06	29.17	8.06
Total current liabilities	800.92	737.19	801.44	825.61
Total liabilities	1,083.29	930.88	1,083.81	1,107.27
TOTAL EQUITY AND LIABILITIES	1,339.87	1,177.99	1,339.48	1,348.92

Notes to the unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2023

2. Cash flow statement

Particulars	(Rs. Crores)					
	Standalone			Consolidated		
	Unaudited Half year ended 30.09.2023	Unaudited Half year ended 30.09.2022	Audited Year ended 31.03.2023	Unaudited Half year ended 30.09.2023	Unaudited Half year ended 30.09.2022	Audited Year ended 31.03.2023
A. Cash flow from operating activities						
Profit for the period/year	10.20	35.89	(126.54)	3.30	(3.23)	30.02
Adjustments for :						
Income tax expense recognised in profit and loss	(107.11)	11.93	28.43	(107.11)	11.93	28.44
Finance costs recognised in profit and loss	22.36	11.56	27.64	27.86	14.47	33.64
Interest income recognised in profit and loss	(0.19)	(0.15)	(0.37)	(0.39)	(0.15)	(0.37)
Net loss/(gain) on disposal of property, plant and equipment	(0.49)	(0.08)	(0.15)	(0.49)	(0.08)	(0.15)
Government grant income	(0.25)	(0.73)	(1.30)	(0.25)	(0.73)	(1.30)
Guarantee commission	-	-	(0.59)	-	-	-
Unrealised exchange loss/(gain)	9.39	23.57	(8.16)	2.53	28.96	(14.33)
Provision for doubtful trade receivables and advances (net of write back)	0.26	2.23	1.84	0.11	2.23	1.06
Depreciation and amortisation of non-current assets	38.66	32.36	73.00	48.26	43.78	96.60
Fair value change on investments recognised at FVTPL	121.56	-	223.28	-	-	-
Loss on disposal of step-down subsidiary	-	-	-	85.46	-	-
Impairment of property, plant and equipment	-	-	-	-	-	9.05
	94.39	116.58	217.08	59.28	97.18	182.66
Movements in working capital :						
(Increase) / decrease in trade receivables	28.22	(59.27)	(69.62)	38.26	(63.47)	(62.23)
(Increase) / decrease in inventories	(13.16)	(30.52)	(41.20)	(13.45)	(30.36)	(41.55)
(Increase) / decrease in other non current financial assets	(3.87)	18.46	23.17	5.67	12.18	20.68
(Increase) / decrease in other current financial assets	(3.60)	1.30	-	(3.40)	1.59	-
(Increase) / decrease in other current/non current assets	(7.80)	5.21	1.09	(7.72)	15.35	(3.07)
(Increase) / decrease in loans receivable	(0.04)	0.22	0.23	0.02	0.23	0.35
Increase / (decrease) in trade payables	(8.60)	46.24	33.02	(4.72)	42.23	25.55
Increase / (decrease) in long term provisions	0.88	1.57	0.50	0.65	1.73	(0.45)
Increase / (decrease) in short term provisions	20.13	1.97	1.27	20.13	1.97	1.27
Increase / (decrease) in other current/non current financial liabilities	(3.45)	(3.95)	1.12	(5.96)	(3.86)	1.33
Increase / (decrease) in other non current liabilities	(7.35)	(6.60)	(2.33)	(7.35)	(6.59)	(2.33)
Increase / (decrease) in other current liabilities	16.07	2.54	0.62	15.64	(2.49)	0.77
Cash generated from operations	111.82	93.75	164.95	97.05	65.69	122.98
Income tax paid	(17.26)	(14.99)	(35.33)	(17.27)	(14.99)	(35.34)
Net cash (used in) / generated by operating activities	94.56	78.76	129.62	79.78	50.70	87.64
B. Cash flow from investing activities						
Interest received	0.20	0.97	1.35	0.20	0.97	1.35
Loans/investment to subsidiary and others	(133.64)	(33.88)	(76.04)	-	-	-
Proceeds from disposal of subsidiary	-	-	-	16.84	-	-
Payments for property, plant and equipment	(70.29)	(46.08)	(98.89)	(71.96)	(54.65)	(108.32)
Proceeds from disposal of property, plant and equipment	0.58	0.08	0.90	0.58	0.08	0.90
Bank balances not considered as cash and cash equivalents	0.01	0.04	0.04	0.01	0.04	0.04
Net cash (used in) / generated by investing activities	(203.14)	(78.87)	(172.64)	(54.33)	(53.56)	(106.03)
C. Cash flow from financing activities						
Proceeds from long term borrowings	130.81	26.37	90.00	130.81	26.37	90.00
Repayment of long term borrowings	(26.04)	(30.30)	(58.83)	(115.82)	(35.01)	(69.27)
Proceeds from short term borrowings	707.87	694.46	1,012.54	707.87	740.79	1,105.73
Repayment of short term borrowings	(680.88)	(669.26)	(965.61)	(723.71)	(707.74)	(1,056.39)
Interest paid	(20.66)	(11.03)	(26.47)	(26.01)	(13.48)	(32.40)
Payment of lease liabilities	(0.59)	(0.58)	(1.26)	(1.34)	(1.12)	(2.55)
Net cash (used in)/ generated by financing activities	110.51	9.66	50.37	(28.20)	9.81	35.12
Net increase / (decrease) in cash and cash equivalents	1.93	9.55	7.35	(2.75)	6.95	16.73
Adjustment related to disposal of step-down subsidiary	-	-	-	9.48	-	-
Cash and cash equivalents at the beginning of the year	13.89	6.54	6.54	27.02	10.83	10.29
Cash and Cash equivalents at the end of the period/year	15.82	16.09	13.89	33.75	17.78	27.02
Reconciliation of cash and cash equivalents to Balance sheet						
Particulars	Half year ended 30.09.2023	Half year ended 30.09.2022	Year ended 31.03.2023	Half year ended 30.09.2023	Half year ended 30.09.2022	Year ended 31.03.2023
Cash and cash equivalents as per Balance sheet	15.82	19.31	13.89	34.58	21.18	28.48
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	-	-	-	(0.83)	(0.18)	(1.46)
Bank overdraft availed for cash management purposes	-	(3.22)	-	-	(3.22)	-
Cash and cash equivalents as above	15.82	16.09	13.89	33.75	17.78	27.02

Notes to the unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2023

- 3 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 30, 2023.
- 4 The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 5 Rane (Madras) Limited ('the Company') and its subsidiaries (collectively referred to as 'the Group') are engaged in the manufacture of components primarily for Transportation industry, which in the context of Indian Accounting Standard (Ind AS) 108 – Operating Segments, is considered as the only operating segment of the Group.
- 6 Exceptional items comprise:
- In the standalone financial results: During the year ended March 31, 2023, the Company had assessed the carrying value of its investments in a subsidiary and considered the fair value changes thereto resulting in a reduction in the carrying value aggregating to Rs. 223.28 crores being shown as an exceptional item for the quarter and year ended March 31, 2023.
 - In the consolidated financial results: As at March 31, 2023, on account of changes in market conditions and rising cost of capital, the Group has assessed the recoverable amount of the net assets of Rane Light Metal Castings Inc, USA ('LMCA') the step-down subsidiary of the holding company which represents a single cash generating unit (CGU). Based on such assessment, the Group has recorded an impairment charge of Rs. 9.05 crores as an exceptional item in its consolidated financial results during the year ended March 31, 2023.
 - Pursuant to the approval of the Board of Directors and Shareholders of the Company vide postal ballot on June 17, 2023, Rane Madras International Holdings B.V. (the Company's subsidiary) has sold its entire stake in LMCA (the Company's step-down subsidiary) on September 14, 2023 for a consideration of USD 4.9 million. Accordingly, for the quarter ended September 30, 2023, the Company has recorded a fair value loss aggregating to Rs. 121.56 crores in the standalone financial results and loss on sale of the aforesaid step down subsidiary aggregating to Rs. 85.46 crores in the consolidated financial results as an exceptional item.
 - Consequent to the sale of LMCA, Rane Madras International Holdings B.V., has carried out a reduction of capital in the non-convertible redeemable preference shares issued to the Company. The Company has determined that it is eligible to claim the tax benefit arising from such losses and has accordingly recorded a deferred tax asset of Rs. 113.34 crores in the quarter ended September 30, 2023. The Company has also obtained legal advice on this matter. The Company believes that it will have sufficient future taxable profits to fully utilize this deferred tax asset.
 - In the standalone and consolidated financial results: for the quarter ended June 30, 2023, exceptional items amounting to Rs. 18.75 crores primarily comprise of provision for one time warranty related costs and expenditure towards Voluntary Retirement Scheme (year ended March 31, 2023 : Rs. 2.61 crores).
- 7 Consequent to sale of LMCA, the Group has consolidated the financial performance of LMCA till September 14, 2023 and the assets / liabilities of LMCA were de-recognized in the consolidated balance sheet on September 14, 2023.
- 8 The Standalone and Consolidated financial results for the quarter and half year ended September 30, 2023 are being published in the newspaper as per the format prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The Standalone and Consolidated financial results are also available on the Stock Exchange websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) and on the Company's website viz., www.ranegroup.com.

Chennai
October 30, 2023

For Rane (Madras) Limited
GANESH
LAKSHMINAR
AYAN
L Ganesh
Chairman

Limited Review Report on unaudited standalone financial results of Rane (Madras) Limited for the quarter ended 30 September 2023 and year-to-date results for the period from 01 April 2023 to 30 September 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Rane (Madras) Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Rane (Madras) Limited (hereinafter referred to as “the Company”) for the quarter ended 30 September 2023 and year-to-date results for the period from 01 April 2023 to 30 September 2023 (“the Statement”).
2. This Statement, which is the responsibility of the Company’s management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**

Chartered Accountants

Firm’s Registration No.:101248W/W-100022

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Partner

Chennai

30 October 2023

Membership No.: 203491

UDIN:23203491BGYYAC7385

Registered Office:

Limited Review Report on unaudited consolidated financial results of Rane (Madras) Limited for the quarter ended September 30, 2023 and year to date results for the period from April 1, 2023 to September 30, 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Rane (Madras) Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Rane (Madras) Limited (hereinafter referred to as “the Parent”), and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the quarter ended 30 September 2023 and year to date results for the period from April 1, 2023 to September 30, 2023 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

- a. The Statement includes the results of the following entities: Rane (Madras) Limited (Parent Company), Rane (Madras) International Holdings, B.V. (Wholly owned subsidiary) and Rane Light Metal Castings Inc. (Wholly owned step-down subsidiary consolidated till 14 September 2023).
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
 5. The Statement includes the interim financial information of one subsidiary which has not been reviewed, whose interim financial information reflects total assets of Rs. 43.50 crores as at 30 September 2023 and total revenues of Rs. Nil and Rs. Nil, total net loss after tax of Rs. 0.47 crores and Rs. 1.04 crores and total comprehensive loss of Rs. 0.47 crores and Rs. Rs. 1.04 crores for the quarter ended 30 September 2023 and for the period from 1 April 2023 to 30 September 2023 respectively, and cash flows (net) of Rs. 15.83 crores for the period from 1 April 2023 to 30 September 2023 as considered in the Statement. According to the information and explanations given to us by the Parent’s management, this interim financial information is not material to the Group.

Registered Office:

B S R & Co. LLP

Limited Review Report (Continued)

Rane (Madras) Limited

Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

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Partner

Chennai

30 October 2023

Membership No.: 203491

UDIN:23203491BGYYAD9991



Chennai, October 30, 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 second quarter (Q2FY24) and six month (H1FY24) ended September 30th, 2023.

Standalone Q2 FY24 Performance

- Total Revenue was ₹572.9 Crore for Q2 FY24 compared to ₹537.0 Crore in the Q2 FY23, an increase of 6.7%
- EBITDA stood at ₹52.6 Crore compared to ₹43.8 Crore during Q2 FY23, an increase of 20.1%
- EBITDA Margin at 9.2% for Q2 FY24 against 8.1% in Q2 FY23
- Net profit (after exceptional item) stood at ₹7.2 Crore for Q2 FY24 compared to ₹15.8 Crore in Q2 FY23

Consolidated Q2 FY24 Performance

- Total Revenue was ₹611.9 Crore for Q2 FY24 compared to ₹600.6 Crore in the Q2 FY23, an increase of 1.9%
- EBITDA stood at ₹32.5 Crore for Q2 FY24 compared to ₹33.8 Crore during Q2 FY23, a decrease of 3.7%
- EBITDA Margin at 5.3% for Q2 FY24 against 5.6% in Q2 FY23
- Net profit (after exceptional item) stood at ₹17.8 Crore for Q2 FY24 compared to ₹0.05 Crore in Q2 FY23

Operating Highlights for Q2 FY24 – Standalone

- Sales to Indian OE customers dropped 2%. This was mainly attributed to drop in Farm Tractors segment and lower growth on served models in passenger vehicle segment.
- Export Sales grew 31%. Strong off-take for steering and light metal casting products.
- Sales to Indian Aftermarket customers increase by 7%.
- EBITDA margin improved by 103 bps
 - Favourable mix helped offset the higher employee costs

Operating Highlights for Q2 FY24 – Consolidated

- LMCA divestment completed on 14th Sep 2023 and accordingly the company has consolidated the financial performance of LMCA till 14 Sep 2023
- Consequently, the company has recorded a loss on sale of LMCA for Rs. 85.5 Crore and also created a Deferred Tax Asset of Rs. 113.3 Crore.

MANAGEMENT COMMENT

“RML continued the topline growth supported by strong execution on export demand. Though the domestic market remained positive, RML faced demand challenges on Farm Tractor segment and served models in Passenger Vehicle segment. With the LMCA divestment, management continues to focus on increasing export mix. We are encouraged by the order book and resilience in the Indian demand environment. We prioritise operational improvements and cost savings in the dynamic macro and geopolitical environment.”

– L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

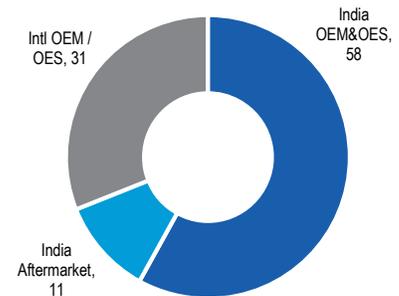
Standalone	Q2FY24	Q2FY23	YOY%
Total Revenue	572.9	537.0	6.7%
EBITDA	52.6	43.8	20.1%
Margin (%)	9.2%	8.1%	103 bps
PAT	7.2	15.8	-54.3%

Consolidated	Q2FY24	Q2FY23	YOY%
Total Revenue	611.9	600.6	1.9%
EBITDA	32.5	33.8	-3.7%
Margin (%)	5.3%	5.6%	-31 bps
PAT	17.8	0.05	35440.0%

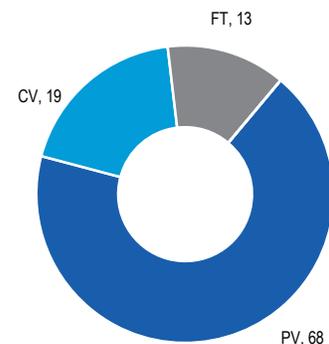
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q2 FY24)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Standalone						Consolidated					
	Q2 FY24	Q2 FY23	YoY%	H1FY24	H1FY23	YoY%	Q2 FY24	Q2 FY23	YoY%	H1FY24	H1FY23	YoY%
Income from Operations	572.5	536.6	7%	1,102.9	1,036.4	6%	611.2	600.4	2%	1,199.6	1,149.6	4%
Other Income	0.4	0.5	-13%	1.2	1.7	-30%	0.6	0.3	137%	2.3	1.4	65%
Total Revenue	572.9	537.0	7%	1,104.0	1,038.0	6%	611.9	600.6	2%	1,201.8	1,151.0	4%
Expenses												
-Cost of Material Consumed	369.1	361.9	2%	714.6	683.5	5%	387.2	390.9	-1%	756.8	739.8	2%
-Changes in inventories	-1.8	-10.4		-11.8	-10.4		-4.3	-9.6		-12.9	-10.9	
-Employee Benefit Expense	55.7	49.1	13%	110.5	96.7	14%	73.8	73.8	0%	152.2	145.3	5%
-Finance Cost	12.4	6.6	87%	22.4	11.6	93%	13.5	6.5	106%	27.9	11.5	142%
-Depreciation & Amortization	19.5	16.0	22%	38.7	32.4	19%	23.9	21.9	9%	48.3	43.8	10%
-Other Expenditure	97.3	92.7	5%	186.3	176.6	6%	122.7	111.7	10%	229.2	212.8	8%
Total Expenses	552.2	515.9	7%	1,060.6	990.2	7%	616.8	595.3	4%	1,201.4	1,142.3	5%
PBT before Exceptional Items	20.7	21.1	-2%	43.4	47.8	-9%	-4.9	5.3	-191%	0.4	8.7	-95%
Exceptional Item	-121.6	-		-140.3	-		-85.5	-		-104.2	-	
PBT	-100.9	21.1	-578%	-96.9	47.8	-303%	-90.3	5.3	-1792%	-103.8	8.7	-1293%
Tax Expense	-108.1	5.3	-2144%	-107.1	11.9	-998%	-108.1	5.3	-2144%	-107.1	11.9	-998%
PAT	7.2	15.8	-54%	10.2	35.9	-72%	17.8	0.0	35440%	3.3	-3.2	202%

KEY BALANCE SHEET ITEMS

Particulars	Standalone	Consolidated
	As at 30.09.2023	As at 30.09.2023
Non-current assets	656.8	617.4
-Property, Plant and Equipment	392.9	392.9
-Financial Assets	51.1	11.8
Current assets	683.1	722.1
- Inventories	245.2	245.2
-Trade receivables	349.6	349.6
-Cash and cash equivalents	15.8	34.6
Total Assets	1,339.9	1,339.5
Shareholders Fund	256.6	255.7
Non-current liabilities	282.4	282.4
-Long-term borrowings	265.6	265.6
Current liabilities	800.9	801.4
-Short-term borrowings	392.1	392.2
-Trade payables	316.3	316.8
Total Liabilities	1,083.3	1,083.8
Total Equity and Liabilities	1,339.9	1,339.5

(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, 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.

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IF YOU HAVE ANY QUESTIONS OR REQUIRE FURTHER INFORMATION,
PLEASE FEEL FREE TO CONTACT: INVESTORSERVICES@RANEGROUP.COM OR 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.