



Expanding Horizons

# RANE (MADRAS) LIMITED

## Q1 FY23 Earnings Release



**Varanavasi, Kancheepuram District, July 21, 2022 – 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 (Q1FY23) ended June 30<sup>th</sup>, 2022.

### Standalone Q1 FY23 Performance

- Total Revenue was ₹501.0 Crore for Q1 FY23 compared to ₹306.6 Crore in the Q1 FY22, an increase of 63.4%
- EBITDA stood at ₹48.0 Crore compared to ₹23.5 Crore during Q1 FY22, an increase of 103.9%
- EBITDA Margin at 9.6% for Q1 FY23 against 7.7% in Q1 FY22
- PAT stood at ₹20.1 Crore for Q1 FY23 compared to ₹3.7 Crore in Q1 FY22, an increase of 439.2%

### Consolidated Q1 FY23 Performance

- Total Revenue was ₹550.4 Crore for Q1 FY23 compared to ₹347.1 Crore in the Q1 FY22, an increase of 58.6%
- EBITDA stood at ₹30.2 Crore compared to ₹11.3 Crore during Q1 FY22, an increase of 167.4%
- EBITDA Margin at 5.5% for Q1 FY23 against 3.3% in Q1 FY22
- PAT (Loss) stood at ₹3.3 Crore for Q1 FY23 compared to Profit of ₹15.2 Crore in Q1 FY22

Q1 FY23 numbers are strictly not comparable with Q1 FY22.

### Operating Highlights for Q1 FY23 – Standalone

- Sales to Indian OE customers grew 73% supported by strong demand across vehicle segments.
- Export Sales grew 41%. Demand from International customers remained strong.
- Sales to Indian Aftermarket customers grew 103%.
- EBITDA margin increased by 190 bps supported by higher volumes and improved operational performance

### Operating Highlights for Q1 FY23 – Consolidated

- Sales of the US subsidiary grew with the improved off-take from customers.
- Operational improvements progressed in line with the planned activities on quality, productivity and customer delivery.
- Material price increase and adverse product mix impacted profitability.
- There was an one-off income of USD 3.8 Mn on account of US Federal stimulus benefits in Q1 FY'22.

### MANAGEMENT COMMENT

*“Rane (Madras) benefited from the favourable demand environment across the market segments. Higher volumes and improved operational performance helped drive profitability. Demand environment in India looks encouraging for the upcoming quarter. We remain cautiously optimistic given the evolving economic situation globally.”*

**– L. Ganesh, Chairman, Rane Group**

### BUSINESS HIGHLIGHTS

#### Financial Performance

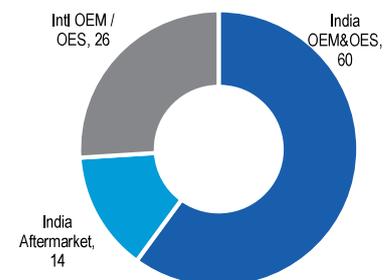
Standalone	Q1 FY 23	Q1 FY 22	YOY%
Total Revenue	501.0	306.6	63.4%
EBITDA	48.0	23.5	103.9%
Margin (%)	9.6%	7.7%	190 bps
PAT	20.1	3.7	439.2%

Consolidated	Q1 FY 23	Q1 FY 22	YOY%
Total Revenue	550.4	347.1	58.6%
EBITDA	30.2	11.3	167.4%
Margin (%)	5.5%	3.3%	224 bps
PAT	-3.3	15.2	-121.5%

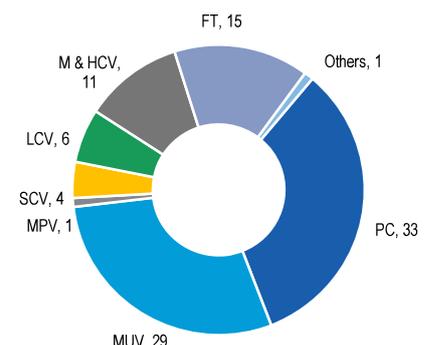
(In ₹ Crore, unless otherwise mentioned)

### BUSINESS SPLIT (Q1 FY23)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



## PROFIT AND LOSS ACCOUNT

Particulars	Standalone			Consolidated		
	Q1 FY23	Q1 FY22	YoY%	Q1 FY23	Q1 FY22	YoY%
Income from Operations	499.8	299.8	67%	549.3	340.3	61%
Other Income	1.2	6.8	-82%	1.1	6.8	-84%
<b>Total Revenue</b>	<b>501.0</b>	<b>306.6</b>	<b>63%</b>	<b>550.4</b>	<b>347.1</b>	<b>59%</b>
<b>Expenses</b>						
-Cost of Material Consumed	321.6	202.6	59%	348.9	219.9	59%
-Changes in inventories	-0.1	-12.9		-1.3	-12.6	
-Employee Benefit Expense	47.5	39.6	20%	71.4	62.4	15%
-Finance Cost	4.9	4.1	21%	5.0	3.7	36%
-Depreciation & Amortization	16.4	14.6	13%	21.9	19.3	14%
-Other Expenditure	83.9	53.7	56%	101.1	66.1	53%
<b>Total Expenses</b>	<b>474.3</b>	<b>301.6</b>	<b>57%</b>	<b>547.0</b>	<b>358.7</b>	<b>52%</b>
<b>PBT before Exceptional Items</b>	<b>26.7</b>	<b>4.9</b>	<b>443%</b>	<b>3.4</b>	<b>-11.6</b>	<b>129%</b>
Exceptional Item	-	-		-	28.1	
<b>PBT</b>	<b>26.7</b>	<b>4.9</b>	<b>443%</b>	<b>3.4</b>	<b>16.4</b>	<b>-80%</b>
Tax Expense	6.6	1.2	453%	6.6	1.2	453%
<b>PAT</b>	<b>20.1</b>	<b>3.7</b>	<b>439%</b>	<b>-3.3</b>	<b>15.2</b>	<b>-122%</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, Light Metal casting components and Connected mobility solutions. Its products serve a variety of industry segments including Passenger Vehicles, Commercial Vehicles, Farm Tractors, Two-wheelers, Three-wheelers, Railways and Stationery Engines.

IF YOU HAVE ANY QUESTIONS OR REQUIRE FURTHER INFORMATION,  
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