



Expanding Horizons

# RANE (MADRAS) LIMITED

## Q3 FY23 Earnings Release



**Chennai, February 08, 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 third quarter (Q3FY23) and nine month (9MFY23) ended December 31<sup>st</sup>, 2022.

### Standalone Q3 FY23 Performance

- Total Revenue was ₹546.3 Crore for Q3 FY23 compared to ₹394.0 Crore in the Q3 FY22, an increase of 38.7%
- EBITDA stood at ₹73.5 Crore compared to ₹31.1 Crore during Q3 FY22, an increase of 136.0%
- EBITDA Margin at 13.5% for Q3 FY23 against 7.9% in Q3 FY22
- PAT stood at ₹33.3 Crore for Q3 FY23 compared to ₹7.7 Crore in Q3 FY22, an increase of 332.0%

### Consolidated Q3 FY23 Performance

- Total Revenue was ₹612.7 Crore for Q3 FY23 compared to ₹440.5 Crore in the Q3 FY22, an increase of 39.1%
- EBITDA stood at ₹72.3 Crore compared to ₹14.9 Crore during Q3 FY22, an increase of 386.7%
- EBITDA Margin at 11.8% for Q3 FY23 against 3.4% in Q3 FY22
- PAT stood at ₹23.7 Crore for Q3 FY23 compared to Net Loss of ₹4.3 Crore in Q3 FY22

### Operating Highlights for Q3 FY23 – Standalone

- Sales to Indian OE customers grew 28% supported by strong demand across vehicle segments.
- Export Sales grew 68%. Strong off-take for steering products.
- Sales to Indian Aftermarket customers bounced back with a growth of 12%.
- Better operational leverage, favourable mix and forex helped improve EBITDA margin by 555 bps.

### Operating Highlights for Q3 FY23 – Consolidated

- Easing out supply chain issues helped to register growth in US subsidiary's revenue. However, the demand environment in the US remains challenging.
- Stable operational performance on quality, cost and customer delivery.

### MANAGEMENT COMMENT

"RML posted strong revenue growth supported by robust demand environment in India and strong off-take from international customers. Higher volumes and favourable mix helped to improve margins. Though the demand environment in India remains strong, we remain cautious given the evolving economic scenario across major global economies."

– L. Ganesh, Chairman, Rane Group

### BUSINESS HIGHLIGHTS

#### Financial Performance

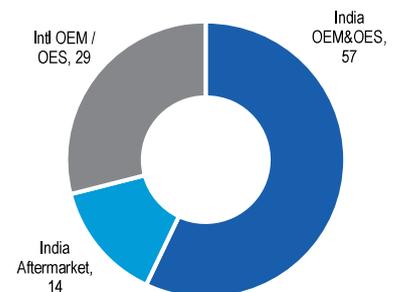
Standalone	Q3 FY 23	Q3 FY 22	YOY%
Total Revenue	546.3	394.0	38.7%
EBITDA	73.5	31.1	136.0%
Margin (%)	13.5%	7.9%	555 bps
PAT	33.3	7.7	332.0%

Consolidated	Q3 FY 23	Q3 FY 22	YOY%
Total Revenue	612.7	440.5	39.1%
EBITDA	72.3	14.9	386.7%
Margin (%)	11.8%	3.4%	843 bps
PAT	23.7	-4.3	650.1%

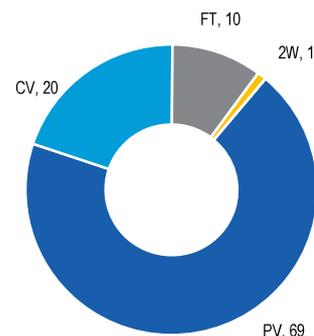
(In ₹ Crore, unless otherwise mentioned)

### BUSINESS SPLIT (Q3 FY23)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



## PROFIT AND LOSS ACCOUNT

Particulars	Standalone						Consolidated					
	Q3 FY23	Q3 FY22	YoY%	9M FY23	9M FY22	YoY%	Q3 FY23	Q3 FY22	YoY%	9M FY23	9M FY22	YoY%
Income from Operations	526.4	391.1	35%	1,562.7	1,103.1	42%	583.2	437.8	33%	1,732.9	1,236.5	40%
Other Income	19.9	2.9	594%	5.7	4.5	28%	29.5	2.7	987%	9.3	4.4	110%
<b>Total Revenue</b>	<b>546.3</b>	<b>394.0</b>	<b>39%</b>	<b>1,568.5</b>	<b>1,107.6</b>	<b>42%</b>	<b>612.7</b>	<b>440.5</b>	<b>39%</b>	<b>1,742.2</b>	<b>1,240.9</b>	<b>40%</b>
<b>Expenses</b>												
-Cost of Material Consumed	357.8	271.9	32%	1,041.3	759.6	37%	384.2	291.5	32%	1,124.0	815.0	38%
-Changes in inventories	-19.7	-18.5		-30.1	-50.8		-18.9	-17.3		-29.8	-47.8	
-Employee Benefit Expense	48.7	42.4	15%	145.4	124.0	17%	73.3	68.3	7%	218.5	196.1	11%
-Finance Cost	7.7	5.5	38%	19.2	14.4	33%	9.3	5.8	61%	20.8	15.1	38%
-Depreciation & Amortization	17.8	15.4	16%	50.2	45.1	11%	24.6	20.4	20%	68.3	59.7	15%
-Other Expenditure	86.0	67.0	28%	246.7	188.9	31%	101.8	83.1	22%	293.1	229.9	27%
<b>Total Expenses</b>	<b>498.2</b>	<b>383.7</b>	<b>30%</b>	<b>1,472.6</b>	<b>1,081.3</b>	<b>36%</b>	<b>574.3</b>	<b>451.8</b>	<b>27%</b>	<b>1,695.0</b>	<b>1,268.0</b>	<b>34%</b>
<b>PBT before Exceptional Items</b>	<b>48.1</b>	<b>10.2</b>	<b>371%</b>	<b>95.9</b>	<b>26.4</b>	<b>264%</b>	<b>38.5</b>	<b>-11.3</b>	<b>440%</b>	<b>47.2</b>	<b>-27.0</b>	<b>274%</b>
Exceptional Item	-2.6	-		-2.6	-		-2.6	9.5		-2.6	46.7	
<b>PBT</b>	<b>45.5</b>	<b>10.2</b>	<b>345%</b>	<b>93.3</b>	<b>26.4</b>	<b>254%</b>	<b>35.9</b>	<b>-1.8</b>	<b>2081%</b>	<b>44.6</b>	<b>19.7</b>	<b>127%</b>
Tax Expense	12.1	2.5	386%	24.1	6.5	273%	12.1	2.5	386%	24.1	6.5	273%
<b>PAT</b>	<b>33.3</b>	<b>7.7</b>	<b>332%</b>	<b>69.2</b>	<b>19.9</b>	<b>248%</b>	<b>23.7</b>	<b>-4.3</b>	<b>650%</b>	<b>20.5</b>	<b>13.2</b>	<b>55%</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.

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