

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)

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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