

RANE HOLDINGS LIMITED

CIN : L35999TN1936PLC002202

Registered Office : "Maithri", 132, Cathedral Road, Chennai - 600 086

Visit us at: www.ranegroup.com

Statement of unaudited standalone financial results for the quarter ended June 30, 2024

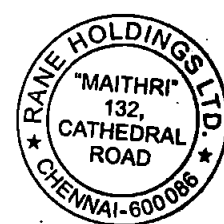


Rs. Lakhs

Particulars	Quarter ended			Year ended
	June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
	Unaudited	Audited (refer note 6)	Unaudited	Audited
1. Income				
Revenue from operations	5,720	2,607	2,554	14,686
Other income	61	139	18	361
Total income	5,781	2,746	2,572	15,047
2. Expenses				
Employee benefits expense	636	614	716	2,707
Finance costs	3	103	129	467
Depreciation and amortisation expenses	139	135	121	508
Professional charges	139	143	116	602
Information systems expenses	222	217	196	825
Other expenses	296	229	247	1,034
Total expenses	1,435	1,441	1,525	6,143
3. Profit before exceptional item and tax (1-2)	4,346	1,305	1,047	8,904
4. Exceptional item (refer note 8)	-	-	(296)	(296)
5. Profit before tax (3+4)	4,346	1,305	751	8,608
6. Tax expense				
Current tax -	632	204	155	1,328
Deferred tax	(6)	(14)	(2)	(26)
Total tax expense	626	190	153	1,302
7. Profit for the period (5-6)	3,720	1,115	598	7,306
8. Other comprehensive income				
Items that will not be reclassified to profit or loss				
(i) Re-measurement gains / (losses) on defined benefit plans, net	(26)	6	(68)	(44)
(ii) Net gain / (loss) on fair value through other comprehensive income equity instruments	(30)	(763)	4	(950)
(iii) Income tax relating to items that will not be reclassified to profit or loss	63	204	15	264
Total other comprehensive income / (loss) for the period	7	(553)	(49)	(730)
9. Total comprehensive income for the period (7+8)	3,727	562	549	6,576
(Comprising profit and other comprehensive income / (loss) for the period)				
10. Paid-up equity share capital (face value of Rs.10/- each fully paid up)	1,428	1,428	1,428	1,428
11. Other equity				56,357
12. Earnings per share (EPS) (face value of Rs.10/- each) (not annualised for quarters)				
Basic (in Rs.)	26.05	7.82	4.19	51.17
Diluted (in Rs.)	26.05	7.82	4.19	51.17

98

28



RANE HOLDINGS LIMITED

CIN : L35999TN1936PLC002202

Registered Office : " Maithri", 132, Cathedral Road, Chennai - 600 086

Visit us at: www.ranegroup.com

Statement of unaudited consolidated financial results for the quarter ended June 30, 2024



Particulars	Quarter ended			Year ended
	June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
	Unaudited	Audited (refer note 6)	Unaudited	Audited
1. Income				
Revenue from operations	83,085	87,019	89,446	3,52,982
Other income	659	423	323	1,416
Total income	83,744	87,442	89,769	3,54,398
2. Expenses				
Cost of materials consumed	48,038	47,408	50,869	2,00,590
Purchases of stock-in-trade	324	258	278	1,051
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(1,005)	1,973	(794)	(378)
Employee benefits expense	12,451	11,276	14,576	51,132
Finance costs	1,745	1,738	1,856	7,134
Depreciation and amortisation expenses	3,349	3,460	3,535	13,700
Other expenses	15,955	17,770	16,749	68,439
Total expenses	80,857	83,883	87,069	3,41,668
3. Profit before share of profit / (loss) of joint venture / associate entities, exceptional items and tax (1-2)	2,887	3,559	2,700	12,730
4. Share of profit / (loss) of joint venture / associate entities (includes share of exceptional items, net of taxes) (refer note 7)	359	1,650	1,040	5,747
5. Profit before exceptional items and tax (3+4)	3,246	5,209	3,740	18,477
6. Exceptional items (refer note 8)	19	(702)	(1,988)	(10,907)
7. Profit before tax (5+6)	3,265	4,507	1,752	7,570
8. Tax expense (refer note 8)				
Current tax	1,085	905	537	3,009
Deferred tax	230	(239)	5	(10,400)
Total tax expense	1,315	666	542	(7,391)
9. Profit for the period (7-8)	1,950	3,841	1,210	14,961
10. Other comprehensive income				
Items that will not be reclassified to profit or loss				
(i) Re-measurement gains / (losses) on defined benefit plans, net	84	(23)	(224)	(161)
(ii) Net gain / (loss) on fair value through other comprehensive income equity instruments	(30)	(763)	4	(950)
(iii) Share of other comprehensive loss of equity accounted investees, net	(6)	(65)	-	(101)
(iv) Income tax relating to items that will not be reclassified to profit or loss	33	207	54	282
	81	(644)	(166)	(930)
Items that will be reclassified to profit or loss				
(i) Exchange differences on translating financial statements of foreign operations	41	44	152	1,198
	41	44	152	1,198
Total other comprehensive income / (loss) for the period	122	(600)	(14)	268
11. Total comprehensive income for the period (9+10) (Comprising profit and other comprehensive income / (loss) for the period)	2,072	3,241	1,196	15,229
Profit for the period attributable to:				
(a) Owners of the Company	1,312	3,140	1,277	12,377
(b) Non-controlling interest	638	701	(67)	2,584
	1,950	3,841	1,210	14,961
Other comprehensive income / (loss) attributable to:				
(a) Owners of the Company	70	(588)	(13)	(29)
(b) Non-controlling interest	52	(12)	(1)	297
	122	(600)	(14)	268
Total comprehensive income attributable to:				
(a) Owners of the Company	1,382	2,552	1,264	12,348
(b) Non-controlling interest	690	689	(68)	2,881
	2,072	3,241	1,196	15,229
12. Paid-up equity share capital (face value of Rs.10/- each fully paid up)	1,428	1,428	1,428	1,428
13. Other equity				89,193
14. Earnings per share (EPS) (face value of Rs.10/- each) (not annualised for quarters)				
Basic (in Rs.)	9.19	21.99	8.94	86.67
Diluted (in Rs.)	9.19	21.99	8.94	86.67

22

[Handwritten signature]



Notes to statement of unaudited standalone and consolidated financial results for the quarter ended June 30, 2024



- 1 The above financial results were reviewed and recommended by the Audit Committee and thereafter approved by the Board of Directors of Rane Holdings Limited ("the Company") at their respective meetings held on August 02, 2024.
- 2 The Statutory auditors have carried out a limited review of the above financial results for the quarter ended June 30, 2024. The financial results of the subsidiaries and joint venture / associate entities were reviewed by the respective statutory auditors, as applicable.
- 3 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, as amended.
- 4 The Company holds strategic investments in subsidiaries (the Company and its subsidiaries collectively referred to as "the Group") and joint venture / associate entities that are engaged primarily in manufacturing / marketing of components and providing technological services for the transportation industry, mainly the automotive sector. The Company also provides management, information technology and business development services to its subsidiaries and joint venture / associate entities.
- 5 The Group is primarily engaged in manufacture and supply of auto components and providing technological services for transportation industry which in the context of Indian Accounting Standard (Ind AS) 108 Operating Segments, is considered as the only operating segment.
- 6 The figures for the quarter ended March 31, 2024, as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published unaudited year to date figures up to the third quarter of the previous financial year, which were subject to limited review.
- 7 One of the joint venture / associate entities, Rane NSK Steering Systems Private Limited ("RNSS") has been incurring warranty claims with respect to certain specific lots of products sold to one of its customers. RNSS has determined the provision for warranty amount based on technical estimates and having regard to the various initiatives taken to mitigate / recover such warranty cost. Based on its assessment and pending final outcome of various initiatives, RNSS believes that the cumulative provision carried by them towards such special warranty obligations as at June 30, 2024, is adequate. (also refer note 13)

Share of profit / (loss) of joint venture / associate entities disclosed in the unaudited consolidated financial results of the Company include the share of exceptional item in relation to such warranty claims in earlier periods and an income of Rs. 445 Lakhs for the year ended March 31, 2024, in relation to sale of the scrapped parts.

- 8 Exceptional items in the above financial results includes the following:
 - a. In respect of, Rane t4u Private Limited ("Rt4u") an erstwhile subsidiary company, the Company assessed the carrying value of its investments and considered the fair value changes thereto resulting in a reduction in the carrying value aggregating to Rs. 296 Lakhs for the quarter ended June 30, 2023 and year ended March 31, 2024 being shown as an exceptional charge in the unaudited standalone financial results.

The Company had sold its entire investment in Rt4u for a consideration of Rs. 850 Lakhs in exchange for allotment of 862,505 equity shares in eTrans Solutions Private Limited ("eTrans") representing 11.94% stake in eTrans and Rt4u ceased to be a subsidiary of the Company effective July 19, 2023. The Group recorded an exceptional income of Rs. 338 Lakhs for the year ended March 31, 2024, on account of sale of Rt4u in the unaudited consolidated financial results.

- b. Rane Engine Valve Limited (REVL), a subsidiary company incurred Voluntary Retirement Scheme ("VRS") expenditure of Rs. 9 Lakhs for the year ended March 31, 2024.

Further, REVL has recorded a provision of Rs. 400 Lakhs for the quarter ended June 30, 2024, Rs. 300 Lakhs for the quarter ended March 31, 2024, Rs. 113 Lakhs for the quarter ended June 30, 2023 and Rs. 413 Lakhs for the year ended March 31, 2024, towards estimated product liability costs, in respect of certain valves supplied to its customers. REVL has also recognised an income of Rs. 425 lakhs during the quarter ended June 30, 2024, representing insurance claim towards an overseas customer product liability claim based on the final survey report received by them.

28



c. Pursuant to the approval of the Board of Directors and Shareholders of Rane (Madras) Limited ('RML'), Rane Madras International Holdings B.V. (the Company's step down subsidiary) had sold its entire stake in Rane Light Metal Castings Inc., ('LMCA') (RML's erstwhile step-down subsidiary) on September 14, 2023 for a consideration of USD 4.9 million. Accordingly, for the year ended March 31, 2024, the Group had recorded loss on sale of the aforesaid RML's erstwhile step down subsidiary aggregating to Rs. 8,546 Lakhs in the unaudited consolidated financial results as an exceptional item.

Consequent to the sale of LMCA, Rane Madras International Holdings B.V., had carried out a reduction of capital in the non-convertible redeemable preference shares issued to RML. RML had determined that it is eligible to claim the tax benefit arising from such losses and had accordingly recorded a deferred tax asset of Rs. 11,334 Lakhs in the year ended March 31, 2024. RML had also obtained legal advice on this matter and believes that it will have sufficient future taxable profits to fully utilize this deferred tax asset.

RML primarily incurred provision for one time warranty related costs and VRS expenditure of Rs. 1,875 Lakhs for the quarter ended June 30, 2023 and year ended March 31, 2024.

d. For the quarter and year ended March 31, 2024, Rane Brake Lining Limited, REVL and RML had incurred an expense of Rs. 122 Lakhs, Rs. 120 Lakhs and Rs. 160 Lakhs respectively, and for the quarter ended June 30, 2024, RML has incurred an expense of Rs. 6 lakhs, towards proposed scheme of amalgamation between and amongst group entities. The same has been disclosed as an exceptional item in the unaudited consolidated financial results.

9 The Group had consolidated the financial performance of Rt4u till July 19, 2023 and the assets / liabilities of Rt4u were de-recognised in the consolidated balance sheet on July 19, 2023.

10 The Group had consolidated the financial performance of LMCA till September 14, 2023 and the assets / liabilities of LMCA were de-recognised in the consolidated balance sheet on September 14, 2023.

11 During the year ended March 31, 2024, RML had set up a new subsidiary namely Rane Automotive Components S. de R.L. de C.V. and is currently in the process of setting up the manufacturing facility. The unaudited consolidated financial results include the financial performance of this step-down subsidiary effective from the year ended March 31, 2024.

12 During the year ended March 31, 2024, ZF Rane Occupant Safety Systems Private Limited, a subsidiary of one of the joint venture / associate entity commenced operations. Further, ZF Rane Automotive India Private Limited, a joint venture / associate entity, acquired a subsidiary namely 'TRW Sun Steering Wheels Private Limited' on March 28, 2024.

13 Subsequent to the quarter, the Board of Directors of the Company at their meeting held on July 01, 2024, approved the execution of share purchase agreement towards acquisition of the balance 51% equity stake in RNSS from the joint venture partner namely NSK Ltd., Japan, for a consideration of Rs. 4,500 lakhs subject to obtaining requisite regulatory approvals and completion of closing conditions. Upon completion of this acquisition, RNSS would become a wholly owned subsidiary of the Company.

Further, RNSS has entered into a settlement agreement with NSK Ltd., Japan, in relation to various claims including warranty claims (also refer note 7) which shall be payable by NSK Ltd., Japan to RNSS upon meeting the conditions set out in the settlement and share purchase agreement .

14 The unaudited standalone and consolidated financial results for the quarter ended June 30, 2024, are being published in the newspaper as per the format prescribed under SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The financial results are also being made available on the Stock Exchange websites: www.bseindia.com and www.nseindia.com and on the company's website: www.ranegroup.com.

For Rane Holdings Limited

L. Ganesh

Chairman & Managing Director

Place : Chennai

Date : August 02, 2024

