



“Rane Group Q1FY26 Earnings Conference Call”

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Moderator: Ladies and gentlemen, good day, and welcome to the Rane Group Q1FY26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Diwakar Pingle from EY Investor Relations. Thank you, and over to you, sir.

Diwakar Pingle:

Thank you so much. Good afternoon, everyone. Welcome to the Q1FY26 Investor Call of the Rane Group. To discuss the results and answer your questions today, we have the management team from Rane Group represented by Mr. Harish Lakshman, Chairman of the Rane Group; Mr. P.A. Padmanabhan, President, Finance and Group CFO; and Mr. J. Ananth, Executive Vice President, Finance and CFO, Rane Holdings.

Please note that the results and presentations have already been mailed to you, and you can also view it on the company's website. In case anyone does not have a copy of the presentation or you are not marked in the mail, please write to us, and we'll be happy to send the same to you.

Before we start, I would like to say that everything that is said on this call that reflects any outlook for the future or which can be construed as a forward-looking statement must be viewed in conjunction with risks and uncertainties that we face. These uncertainties and risks are included, but not limited to what we mentioned in the prospectus and subsequent annual reports, which you can find on our website.

With that said, let me kind of invite Harish to take over. Over to you, Harish.

Harish Lakshman:

Good afternoon, ladies, and gentlemen. Thank you for dialing in. I'd like to welcome you all for this teleconference. I'd like to start with a few comments on the industry. The automotive industry began FY26 on a mixed footing. While early quarter momentum was initially encouraging, the demand softened towards the close of the quarter, leading to subdued overall growth across vehicle categories.

The passenger vehicles maintained their growth trajectory, supported by robust demand in the Multi-Utility Vehicle segment and healthy export performance. However, the Passenger Car segment saw a noticeable slowdown, signaling a shift in consumer preferences.

The Commercial Vehicle segment witnessed growth supported by seasonal recovery and improved financing conditions, while the M&HCV segment saw an uptick, driven by fleet replacement and prebuying ahead of the mandatory air conditioned cabin implementation.

The Farm Tractor segment recorded a strong growth during the quarter, reflecting a revival in rural sentiment, early monsoon progress in key agricultural belts. The two-wheeler segment saw muted growth, impacted by OEM inventory correction as well as decline in demand for some of the entry-level commuter bikes.

Coming to our company's financial performance. The total revenue was INR884.4 crores for the first quarter compared to INR823.8 crores in the first quarter of last year, with an increase of 7.4%.

I'm happy to share that we had INR800 crores of new business wins in the quarter. This will position us to drive future growth and cement our leadership position across our product categories.

Following the completion of the merger, Rane Madras has sharpened its focus on unlocking synergies across operations. We have made tangible progress in improving operational efficiency, lowering costs, and enhancing profitability levers.

During Q1FY26, EBITDA margin improved by 30 bps from 8.6% to 8.9%. The Aftermarket segment faced a challenging quarter, but we are actively driving capability building, range expansion and new product introductions to strengthen the market presence.

On the U.S. tariff, the U.S. business currently contributes around 8% of Rane Madras revenue, and it has not seen any immediate tariff-related impact. Our strong global quality reputation and competitive cost base, position us well to navigate the evolving trade scenario.

On the global front, the auto component industry is navigating geopolitical shifts. The recent tariff announcements by the U.S. administration could impact pricing and supply chain flows in the short term. We are closely monitoring these developments, especially in the context of India-U.S. trade negotiations.

While the near-term uncertainty persists due to global trade tensions and the recent tariff measures, we remain cautiously optimistic about FY'26. Domestic demand fundamentals are intact, supported by infrastructure projects, festive season momentum and rural income stability.

We anticipate moderate growth across major segments. However, the impact of component shortages, inventory adjustments of OEMs and price increases will remain key monitorable.

With these remarks, we'll now open for any questions that you may have. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Lakshminarayanan K.G. from Tunga Investments.

Lakshminarayanan K.G.: Just want to understand in ZF Rane Automotive India Private Limited, what is the debt we are actually carrying?

Harish Lakshman: INR679 crores.

Lakshminarayanan K.G.: And what is the pathway? Is it that the debt would kind of come down? Or how do you think about it in this business, ZF Rane?

Harish Lakshman: Eventually, it will come down. But I think in the short term, when I can look at the next 1 or 2 years, it will continue at these levels. Because of the strong order position of ZRAI, most of the debt is on the seatbelt and airbag side. So we are seeing good growth opportunities, and therefore, the business needs more investments. So we are using debt as one of the reasons.

Lakshminarayanan K.G.: So, we are almost doing close to INR2,500 crores in this business. I want to understand in the next 2, 3 years, what is the kind of capacity we are building? And what would be the peak revenue that you can actually expect, based on the capacity we are building for the next 3 years in this business?

Harish Lakshman: Yes. So I'll answer the question in 2 parts. One is the Occupant Safety Systems division, which is making the seatbelt and airbags, that business is growing very fast. It's a strong double digit, sometimes even touching 15%, 20%. And we are looking at that kind of growth rate continuing over the next 3, 4 years.

And that is a mix of both domestic, because of the 6 airbags, the market, regardless of legislation, the market is moving the consumer preference is moving towards more airbags in a vehicle. And on top of it, we have a healthy book of business for exports, both directly to vehicle manufacturers supported by ZF as well as to other ZF plants.

So we are quite optimistic about this business for strong double-digit growth. And more investments are continuing. And as you are aware, some of the investments are also approved through the PLI scheme.

As far as the Steering Gear Division is concerned, the fortunes are tied more to the Commercial Vehicle segment, and that market has softened a bit. So there, we are not seeing as much growth. But of course, the Steering Gear Division is the more solid business in terms from a balance sheet perspective. There's no debt as well as the margins are tend to be higher than the Occupant Safety business. But that business will pick up as soon as the CV market rises.

Lakshminarayanan K.G.: Got it. So I'm just trying to understand from a capacity you're building on this business over the next 2, 3 years. Right now, we are around INR2,500 crores kind of a run rate. How much it can actually really be theoretically possible?

Harish Lakshman: So the capacity is at peak optimum. That is why we are continuously investing. See, the business is going to grow at about 15% to 18% per annum. And for the incremental sales, generally, the investment on the occupant safety side is about 1:5. So for every INR5 of sales, INR1 investment is needed. So we will continue to make those investments.

Lakshminarayanan K.G.: Got it. And what's the kind of margin you typically would like to keep it either at an EBITDA level or at a PAT level for this business?

Harish Lakshman: So the EBITDA for this business will generally hover around 10%, 11%.

Moderator: The next question is from the line of Ritik from Buoyant Capital.

Ritik: Congratulations on a good set of numbers. Sir, so one question around Rane Steering Limited. So sequentially, our revenue has gone down, but our margins have improved over here. So what that has changed? Plus where do we see this business in next 2 to 3 years? And are there any business wins towards this business?

Harish Lakshman: Yes, I'll answer that question. So as far as the revenue is concerned, I think this quarter, there has actually been a 6% growth. But yes, the margins have improved even more. There are a couple of reasons for that. I think one, there were some extraordinary items of land sales, which is non-operating.

But even in the operations also, we have got some increases, because of certain price settlements that we received from our customers that were pending, but a lot of it was to do with some of the past claims as well. So therefore, I think that would have also got reflected in this quarter.

But going forward also, the operating margin will be slightly better than last year's performance, but we still have ways to go in terms of improving the margins further on this business. And as I've said in the past calls, this is going to take about a couple of years, because of the poor pricing of some of the new businesses, which we are doing our best to correct.

But as and when some new businesses that we have booked, which are at much better profit margins, as and when they start coming into the P&L, we will see the margin improvement.

Ritik: And sir, have we added any other customers except Maruti over here?

Harish Lakshman: Yes, we have added one more customer during the January to March quarter, which we had announced for a new electric steering program for one of our passenger car platform.

Moderator: We take the next question from the line of Mihir Vora from Equirus.

Mihir Vora: So basically, my question was that I was going through the order book, and it has been quite good in the quarter. So is it something that there is a new order win or is it replacement of some previous products also?

Harish Lakshman: It's a combination of both. I don't have the exact split up. But a lot of it is also the new business.

Mihir Vora: And can we expect this to continue in the same range or slightly below, but it was quite positive to see that number?

Harish Lakshman: Yes. So I don't want to give any numbers, except I can tell you that we are optimistic that the order book pipeline looks good, and we are confident of continuing to win, book a lot of new business. Now whether we can maintain this, there are always quarter-to-quarter variations. So, I don't want to predict, but I can tell you that we feel positive about winning new businesses, booking even more businesses.

Mihir Vora: Right. And sir, second part is on the technology front. Now we are also seeing steer-by-wire technology coming in from ZF. So basically, this still has a very nascent penetration. But if this product starts penetration for this increases, how do we see Rane Madras products into the steering system placed here, because that is mainly into the intermediate parts. So how do we see that risk?

Harish Lakshman: I'll put it into 2 parts. As far as the export is concerned, Rane Madras has a lot of opportunities to be a Tier 2 supplier to the major steering players like Bosch, ZF, Nexteer. In fact, I can share with you that we already supplied to 1 or 2 steer-by-wire products for exports.

As far as the Indian market is concerned, the market is still far away for steer-by-wire type of products in the Indian market. But however, certain in other advanced steering technologies like rack drives, those will start coming into the Indian market.

And as you know, we have signed a license agreement with ZF to bring those through the joint venture that we have. So those business -- as far as Indian market is concerned, we are hopeful that ZF Rane will capture that business. And once we do that, there is potential for Rane Madras to be a supplier of certain components for those products in the domestic market.

Mihir Vora: Okay, sir. And the final question would be like recently with the land sale, which we have done. So just wanted to understand whether this would be a complete full-on land sale or there's some terms like we'll be receiving payments in a period of, say, 2 years, 3 years or it would be a spot payment?

Harish Lakshman: No, no. It's over a fixed period.

Mihir Vora: Okay. And so our debt reduction target remains the same around INR150 crores?

Harish Lakshman: Correct. Yes.

Moderator: We take the next question from the line of Pratik Kothari from Unique PMS.

Pratik Kothari: So this Velachery land sale, which we did, I mean, exceeds, so earlier, our expectations were we wanted to monetize INR100 crores, INR200 crores of land. This itself gave us INR350 crores. So do we intend to do other parcels of land, which we had put out in that voting shareholders' vote we had taken for some 3, 4 land parcels. So does that still stay in play or we are done in terms of selling of land?

Harish Lakshman: Yes. So I mean, all those properties mentioned in that shareholders' approval are surplus and there is no foreseeable need. So if we find an economically valuable proposal, if it's a good deal, we may do it. So the short answer to your question, yes, we are continuing to evaluate some more options. No decisions have been taken.

Pratik Kothari: Right. So there's a possibility that we might be able to monetize a large part of our I mean, we might be able to reap large part of our debt this year itself, I mean, Velachery plus maybe those other parcels?

Harish Lakshman: It's a possibility. Yes.

Pratik Kothari: Fair enough. And sir, second, 2 aspects. One, this is Rane Madras specific. So one, after, I think, 4, 6 quarters, we are seeing some movement in exports. We are seeing some growth coming back, which we used to see for 3, 5 years earlier. So one comment is anything changing? Anything you would like to highlight this?

Harish Lakshman: I mean, clearly, there has been after almost 4 quarters of flat or negative growth in exports, we are seeing some uptick in the market. But obviously, the latest development or the unexpected development on the tariffs is making us concerned or nervous. So we'll have to see what happens. But otherwise, with some of the market coming back as well as some new business that we have won, it should continue.

Pratik Kothari: But this export growth that we saw would be across geographies, right, including Europe?

Harish Lakshman: Yes, yes.

Pratik Kothari: Fair enough. And sir, lastly, on margins, right? So we intended to take the margins up to double digit, maybe 11%, 12%. And also, last quarter, we did speak about some synergies coming in after merging all of these businesses together.

So one, if you can highlight, I mean, 3, 6 months into this process, I mean, are those synergies materializing? Is it material enough for our size and scale? And second, on our trajectory towards these double-digit margins?

Harish Lakshman: Yes. So yes, definitely, the synergies are beginning to come in as we had communicated earlier., I would break down the synergies into 3 buckets. One is straightaway immediate on the day of the merger, which are largely compliance-driven costs from running 3 public listed companies to one public listed company. So obviously, those have already been realized.

Then there are some short-term synergy benefits of consolidating the financial position, therefore, leveraging the balance sheet to reduce things like interest rates, etcetera. So those kind of things are also underway, and some of it has also been realized, and some more will be realized soon.

And in that also, there are also some others like indirect materials that procurement, whether through consolidated buying. So those are in active discussion right now, and we expect some results also during this year.

So I think all put together, from a short-term perspective, we expect a 1%, as I had shared during the RML AGM, 1% improvement in margin is a sure possibility at the current volume levels.

And then in the longer term is the third bucket, which is a little bit more synergies of consolidated direct material purchasing, centralization of certain organization functions, etcetera, which will take a few more years to come. But in the next 18, 24 months, we will start to see those.

So a combination of these initiatives, combined with hopefully some growth in the market, the passenger car market and the CV market start growing in high-single digits, if not double digits. If all that happens, I think we are on track to hit double-digit EBITDA margins.

Pratik Kothari: Fair enough. And just to clarify this 1% increase in margin is just from this very immediate and short-term synergies which you are expecting?

Harish Lakshman: Yes, over a year, that's as I said over a year.

Moderator: We take the next question from the line of Mithun from Kivah Advisors.

Mithun: One question on the ZF Rane business. We have seen a quarter-on-quarter a slight decline in the margin. I just wanted to know out of this INR625 crores, how much is in the Safety business and how much in the remaining business in the revenue mix currently?

Harish Lakshman: Yes. So the INR389 crores was from the Safety business and INR218 crores was from the Steering business. And actually, the Safety business, there was a 28% growth.

And also, of course, that's also because of the acquisition that we did of the Steering Wheel business. So that's the reason for the growth. The Steering business had a minus 3%, as I mentioned, largely because of the commercial vehicle market.

Mithun: Got it. And I just wanted to understand and you mentioned that the Steering business has higher margins than the Safety business, right?

Harish Lakshman: Yes.

Mithun: So we will get top line growth, but maybe the margins will be more in the 10%, 11% range or could we do better than that in this ZF Rane business?

Harish Lakshman: No. I mean, unless the commercial vehicle market picks up, I'm not seeing an opportunity. We are all hopeful the commercial market will pick up during the second half. If that happens, margin expansion is definitely possible.

Mithun: Also, you had mentioned that last time that the Safety business of ZF Rane would be moved and housed into a separate company. I just wanted to understand the time line for that and any implications of that happening?

Harish Lakshman: Yes. So the process is well underway as announced earlier. Right now, the matter is going through the NCLT process. I am not able to give an exact time line, but it should happen during this financial year. So in the next 2 quarters, Q2, Q3, I don't know in case some procedural, it could go to Q4. But I think during the next 6 to 9 months, it should happen.

Mithun: And then we would have 49% of that business or it would become a 100% subsidiary of ZF Rane?

Harish Lakshman: No, no. This will be 2 separate joint ventures. Yes. So RHL will own 49% in one joint venture and 49% in the other joint venture.

Mithun: Got it. And any implications of that, sir, in terms of cost or anything?

Harish Lakshman: No. I mean this is largely being done because ZF took a decision to globally carve out their Occupant Safety business. So as a part of that process, we are also supporting ZF in that move.

Mithun: Understood. And on the Rane Steering Systems business, we've seen some quarter-on-quarter improvement on the margins, even on a year-on-year basis to about 3.9%. So just wanted to understand that's quite a significant improvement. So just wanted to understand how the trajectory of the margins here would move on an annual basis?

Harish Lakshman: So as I explained earlier already, this quarter, there were also some price increases of last year that were received during this quarter. So that drove the margin improvement. And of course, there is some improvement also through efficiency that's happening.

But as I explained, it's going to take a few more years before we see EBITDA levels going up further. I mean this 3%, 4% EBITDA definitely is we have visibility. But beyond that is a function of some of the new business kicking in, etcetera. So it's going to take some time.

- Mithun:** What levels of margins would the new business be at?
- Harish Lakshman:** Those would be at about 8% EBITDA.
- Moderator:** We take the next question from the line of Komal from Ratnabali Group.
- Komal:** Sir, the provisioning part of our legacy orders like the ones in the Rane Steering. So are we -- do we see more provisioning in the coming quarters or are we done with it
- Harish Lakshman:** So you're talking of the legacy warranty matter?
- Komal:** Correct, correct.
- Harish Lakshman:** Yes, yes. No more. There definitely will be no more provisions.
- Moderator:** We take the next question from the line of Rajakumar Vaidyanathan, an Individual Investor.
- Rajakumar Vaidyanathan:** A few questions. Sir, first one, any update on the receipt of balance consideration for the sale of the U.S. subsidiary? Do we have any update?
- Harish Lakshman:** So no, there is no update. As you know, we have written it off completely in our books. Theoretically, there is a chance that we might get it. But I personally don't think it will happen in the short term.
- We still don't know what's going to happen to that business, whether it will survive, whether it will go into bankruptcy. And if it goes into bankruptcy, whether after the liquidation process, there is a possibility of us getting some money, but I'm not able to see any visibility for it right now.
- Rajakumar Vaidyanathan:** Okay. But don't you think that with the tariff situation, that unit will revive or there's a possibility of recovering the money? Looks like a remote possibility?
- Harish Lakshman:** No, I don't think it's a possibility. See, because even if the tariff situation, this kind of manufacturing sustaining in U.S., just doing casting and machining, I really, I'm not able to see whether that will happen.
- But we don't know. I mean we are no longer connected with that business. But I think they will find it very difficult, because again, that will call for huge investments. And I don't know whether the new owners are willing to make that kind of investment.
- Rajakumar Vaidyanathan:** Okay. And sir, the next question is on this land sale. In the press release, you have mentioned that some portion of the land in Velachery is retained for constructing an office where all the office of Rane Group will be consolidated. So I just want to know will that include the offices that you have in your Cathedral Road, Chennai as well?
- Harish Lakshman:** No, no, that is not included. That is part of Rane Holdings. So all the Rane Madras businesses they are active today spread across there are 5 or 6 city offices, etcetera. That will all get consolidated.

Rajakumar Vaidyanathan: Okay. Got it, sir. And sir, just 2 clarifications. So the first one is in the initial call, you mentioned the tariff situation, the impact on the Rane Group, but that was more for Rane Madras. So I just want to know will there be any impact on Rane Steering and the ZF Group as well?

Harish Lakshman: Yes. So Rane Steering has almost 0 exports to North America, so negligible. So therefore, the tariff will not impact RSSL. ZRAI, there is, again, not a significant. There is some exports to North America, but it's not a significant number. So therefore, these 2 businesses will not get impacted by the tariff.

Rajakumar Vaidyanathan: Okay. Got it, sir. And sir, just one suggestion, in your PowerPoint, you're giving the revenue EBITDA and PAT, but there is no PBT mentioned. So there's a lot of movement in numbers. So it would be helpful if you also give the PBT numbers for each of the divisions?

Harish Lakshman: We will review this.

Moderator: We take the next question from the line of Lakshminarayanan from Tunga Investments.

Lakshminarayanan: Harish, see ZF in Germany is facing certain issues. is it affecting or is it influencing any of the decisions which they are taking in India, either committing capacity or committing technology or is it actually the velocity of those transactions have come down? Can you just throw some light on that?

Harish Lakshman: Yes. So I'm not able to exactly answer your question. Yes, the fact is ZF is going through a very difficult time. And therefore, they have to recalibrate themselves. As far as the joint venture is concerned, it's a self-driven kind of a joint venture. There is not much involvement with the financial situation of ZF. So therefore, it will not impact the joint venture in any manner.

So the relationship is very strong. And therefore, when they are going through a difficult time, Rane will also be with them, and stay with them. They are a strong company. As far as their ambitions in India, etcetera, are concerned, I don't know the details. I'm guessing that they are controlling how much capital they spend. But at the same time, I'm sure they realize that India has a strong growth story. So how they're going to calibrate both, I'm not aware.

Lakshminarayanan: So, in your capacity expansion, the capital would be committed in the proportion of your joint venture, right?

Harish Lakshman: Yes. But as you can see, the joint venture company by itself is very healthy and the balance sheet can support its own source of funds. So it's not like Rane Holdings and ZF have to bring in fresh equity or anything. So they will fund its own growth.

Moderator: The next question is from the line of Ankur Jain, an Individual Investor.

Ankur Jain: I have one question. How much debt we have in Rane Steering?

Harish Lakshman: Around INR170 crores Rane Steering.

Ankur Jain: Okay. And then I see that Rane Holding is going to infuse more capital in it. So the debt will come down?

Harish Lakshman: Yes, the debt will come down.

Ankur Jain: Okay. Understood. And for the Velachery land, we have received INR100 crores. When are we going to receive the balance?

Harish Lakshman: There is a scheduled payment over the next 12 months.

Ankur Jain: Over 12 months. Okay.

Harish Lakshman: Part of the payment, I mean not the entire that INR360 crores. As I said, that's a combination of us retaining some space for the office, etcetera. But a bulk of it will come in the next 12 months.

Moderator: We take the next question from the line of Rajakumar Vaidyanathan, an Individual Investor.

Rajakumar Vaidyanathan: Sir, I just want to know what is the warranty position you are carrying as on date?

Harish Lakshman: Around INR19 crores is the left over provision.

Rajakumar Vaidyanathan: Okay. And can you also give me what was the amount we utilized in the last 2 quarters, sir? Is it possible?

Harish Lakshman: How much provision was used in the last 2 quarters?

Rajakumar Vaidyanathan: Yes. Because I want to know whether there has been any movement or there is no movement?

Harish Lakshman: Marginal movement, maybe INR3 crores, INR4 crores maximum.

Rajakumar Vaidyanathan: Okay. So there's a potential opportunity to have a reversal of this at some point?

Harish Lakshman: We'll take a decision probably by January, February. We still can't tell with certainty.

Rajakumar Vaidyanathan: Okay. Got it, sir. And sir, second question is, I know we have done the merger at RML level. So I asked this question in a couple of calls prior to this. So I just want to know -- so do you have this agenda of consolidating further at the RHL level, maybe not this year, next financial year? Will that be part of your agenda?

Harish Lakshman: No. So we keep looking at this from time to time. And as and when there is some -- it is appropriate, and it makes sense from a shareholder perspective, we will definitely consider. Right now, there's nothing immediate on the horizon.

Moderator: We take the next question from the line of Lakshminarayanan from Tunga Investments.

Lakshminarayanan: Yes. My question was unanswered. You could get that question?

Harish Lakshman: No, we didn't understand the question. What is your question on PAT, Lakshmi?

Lakshminarayanan: No, no. See, there may be some tax credit you would get because there has been some losses in the Steering business. How much is that total amount? That is number one. And second, whether that would be consumed over what period of time? And you talked about the margins at 3.9%

or so. So do you think at least that 3% to 4% of margin is something which you can actually assume for the next couple of years?

Harish Lakshman: So Lakshmi, see, most of the tax losses, they have already been used. If you recollect, as part of the NSK settlement last year, the company received INR176 crores as income last year, in the month of September. So at that point in time, most of the unabsorbed losses, etcetera, was set out.

Lakshminarayanan: Okay. Got it. And on this margin of 3.9%, which you have, is it something which one can at least assume that the band of 3% to 4% is something which you would actually operate for the next near future, before the new business could kick in?

Harish Lakshman: Yes. See, the new businesses don't kick in till 2 years from now. So till such time, yes, this 3% to 4%, more 3% than 4% is what we are trying to achieve.

Lakshminarayanan: Got it. And on Rane Madras, what is the debt we are carrying? And I think after this particular land transaction, what will be the debt we'll have?

Harish Lakshman: So, RML, where is it?

Harish Lakshman: INR796 crores is the current debt as on June 30, and since then another INR70 crores, INR75 crores has been paid off. So it will continue to come down. As I said earlier, about INR150 crores is the target during this year.

Lakshminarayanan: Got it. And how our market share has performed in terms of the Steering Systems and the OSD?

Harish Lakshman: Yes. So we are continuing to maintain our share. There is no significant movement. We continue to as far as Steering is concerned, as you know, we are the largest supplier in Maruti and then that continues. And Occupant Safety System, we have made good inroads into customers like Mahindra. So there is no significant share movement.

Lakshminarayanan: Got it. Any new platform wins we had in terms of these 2 divisions like both OSD as well as the Steering?

Harish Lakshman: I don't have the breakup. There has been some winning, some new business wins, part of that INR800 crores. And I think we have put it in the investor presentation, we have given the breakup of the wins.

Moderator: We take the next question from the line of Krishnakumar from Lion Hill Capital Private Limited.

Krishnakumar: Sir, since now we have completed the consolidation at Rane Madras level, is there any guidance that you can share in terms of how do you look at merger of Rane Steering Systems into Rane Madras to get more synergy benefits? Is that a possibility? Or is that company get separate to make sure we get some technology or strategic partner there? What would be the way forward over the next couple of years on that, sir?

Harish Lakshman: As I explained a few minutes ago, there's no immediate plan right now. As you know, the NSK transaction happened subsequent to our announcement of the merger, and we had kept out the

joint ventures at that time. So this is something that we will keep reviewing every time, and when it makes sense for all shareholders, both Rane Holdings shareholder, Rane Madras shareholders, decisions will be taken, but there is nothing immediate right now.

Moderator:

As there are no further questions from the participants, I would now like to hand the conference over to the management for closing comments.

Harish Lakshman:

So thank you all for your time and detailed questions. We appreciate your continued interest and support. I think despite the immediate challenges globally, due to geopolitical and tariff-related issues, we continue to remain confident in our strategy and the strength of the Indian market.

As articulated, we continue to see opportunities to enhance our profitability across our product lines. I also want to share that based on the feedback received from many of you, we have moved now from a half yearly to quarterly call with all the investors.

Going forward, these calls will be handled by Mr. Padmanabhan, he is our Group CFO and team that is going to be specifically focused on providing answers to the investors. And I will continue to be there in the calls twice in a year. So next quarter, you will hear from Padmanabhan and team, and then maybe I'll join the subsequent quarter.

So I want to thank you all for your participation in this call. And let's hope that the company's performance continues to improve every quarter. Thank you.

Moderator:

Thank you. On behalf of Rane Group, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

(This document has been edited to improve readability)