

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

Tel : 91 44 2811 2472  
URL : [www.ranegroup.com](http://www.ranegroup.com)

CIN : L35999TN1936PLC002202

## **Rane Holdings Limited**



//Online submission//

RHL/SE/025/2024-25

July 08, 2024

<b>BSE Limited (BSE)</b> Listing Centre <b>Scrip Code: 505800</b>	<b>National Stock Exchange of India Limited (NSE)</b> NEAPS <b>Symbol: RANEHOLDIN</b>
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Dear Sir / Madam,

**Sub: 88<sup>th</sup> Annual Report - Regulation 34 SEBI LODR**  
**Ref: Our letter no. RHL/SE/008/2024-25 dated May 15, 2024**

The copy of the 88<sup>th</sup> Annual Report along with the Notice of the 88<sup>th</sup> AGM dated May 15, 2024, is being sent to the shareholders of the Company in accordance with regulation 34 of SEBI LODR, is enclosed herewith and the same is also available on the website of the Company at [www.ranegroup.com](http://www.ranegroup.com).

We request you to take the above on record as compliance with relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) and disseminate to the stakeholders.

Thanking you.

**For Rane Holdings Limited**

Siva Chandrasekaran  
**Secretary**

Encl.: a/a



# Rane Holdings Limited

88<sup>th</sup> Annual Report 2023-24



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# FINANCIAL HIGHLIGHTS

## OPERATIONAL PERFORMANCE

(₹ in Crores)

FINANCIAL YEAR	FY 24	FY 23	FY 22	FY 21	FY 20	FY 19	FY 18	FY 17	FY 16	FY 15
Total Income	150.47	118.19	109.24	65.99	97.78	128.49	97.09	98.81	75.85	59.94
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)*	95.83	69.01	56.65	21.13	62.42	90.96	62.40	66.95	46.29	33.99
Profit Before Tax (PBT)*	86.08	59.03	47.66	14.98	57.04	87.49	58.79	62.76	42.90	32.68
Profit After Tax (PAT)	73.06	48.30	33.88	1.36	50.82	76.36	48.79	49.80	35.65	25.92

## KEY PERFORMANCE INDICATORS

FINANCIAL YEAR	FY 24	FY 23	FY 22	FY 21	FY 20	FY 19	FY 18	FY 17	FY 16	FY 15
Return on Capital Employed (ROCE) % *\$	15.63	10.81	9.24	3.28	12.02	19.96	15.44	17.96	13.66	11.53
Return on Equity (ROE) %	13.11	9.27	6.96	0.29	11.41	19.13	13.34	15.20	12.17	9.38
Earnings Per Share (₹)	51.17	33.82	23.73	0.95	35.59	53.48	34.17	34.88	24.97	18.16
Dividend (%) <sup>(@)</sup>	250	170	120	-	80	190	145	85	100	75
Dividend Payout (%) <sup>(#)</sup>	49	50	51	-	25	49	51	29	48	50
Book Value Per Share (₹)	404.72	375.66	354.00	328.17	321.84	301.87	257.33	244.98	212.14	198.25

## BALANCE SHEET

(₹ in Crores)

FINANCIAL YEAR	FY 24	FY 23	FY 22	FY 21	FY 20	FY 19	FY 18	FY 17	FY 16	FY 15
Equity Share Capital	14.28	14.28	14.28	14.28	14.28	14.28	14.28	14.28	14.28	14.28
Shareholders' funds	577.85	536.36	505.43	468.56	459.52	431.01	381.69	349.77	302.90	283.06
Non current Liabilities	3.58	51.63	62.45	72.82	23.41	13.99	19.15	8.45	22.40	0.64
Current Liabilities	14.33	23.75	23.15	20.46	19.43	16.34	16.45	13.67	12.23	18.47
Non current assets	550.41	587.59	582.38	538.84	483.22	445.00	394.38	306.38	320.74	280.92
Current assets	45.35	24.15	8.65	23.00	19.14	16.34	22.91	65.51	16.78	21.25

\* EBITDA, PBT & ROCE arrived after considering exceptional item

\$ ROCE computed based on closing capital employed for all the years.

<sup>(@)</sup> Includes final /interim dividend, if any, recommended by the Board for the respective financial years

<sup>(#)</sup> Dividend payout is calculated on profits.

### Note :

- Figures for FY17 to FY24 are as per Indian Accounting Standards (Ind AS) prescribed under the Companies Act, 2013. Hence these figures are not comparable with the corresponding figures reported for the previous years.

## RANE GROUP AGGREGATE

(₹ in Crores)

FINANCIAL YEAR	FY 24	FY 23	FY 22	FY 21	FY 20
Total Income*	7,360.01	6,864.20	5,440.14	4,140.37	4,436.85
EBITDA <sup>#</sup>	478.91	502.80	276.62	145.07	244.65
PBT <sup>#</sup>	103.92	182.61	3.81	(113.60)	(32.79)
PAT	171.90	60.19	(0.68)	(96.68)	(28.31)
EPS** (₹)	86.67	43.61	16.91	(35.42)	(1.90)
Net Worth	1,202.38	1,104.23	1,103.19	1,082.17	1,149.43

<sup>(\*)</sup> Total Income are net of excise duty wherever applicable

<sup>(#)</sup> EBITDA & PBT arrived after considering exceptional item

<sup>(\*\*)</sup> Basic EPS for RHL on Consolidated basis

## FROM THE DESK OF THE CHAIRMAN



*Dear Stakeholders,*

The Indian economy displayed remarkable resilience despite tighter monetary policy and global headwinds and emerged as the fastest-growing large economy witnessing growth of 7.8% in FY24 on the back of strong domestic demand and pick up in fixed investment driven by increased capital spending by the central and state governments.

The Indian automobile industry recorded a satisfactory performance in FY24. Passenger Vehicle segment had robust growth on the back of stabilization in commodity prices, improving chip availability, robust economic activity and robust demand for UVs. The Commercial Vehicle segment witnessed sluggish volume growth, indicating varied market conditions. There was a drop in the Farm tractors segment due to erratic monsoon and weather conditions.

The major markets of global automobile industry - US and Europe rebounded in 2023 with robust double digit growth with the interplay of factors and adaptation to a changing world on supply chain, geo political and technology.

### Group Performance

Rane Group continued to benefit on account of favourable demand environment in India and strong pull from export customers. The group achieved a significant milestone in the last financial year, with an aggregate total revenue of about Rs. 7,199 crore, marking an 8% growth.

### Operating Companies

Rane (Madras) Limited had muted sales growth mainly due to drop in passenger car particularly entry level models and Farm tractor segments in India. Exports continued to grow at healthy rate. The company achieved a new business order book of over INR 500 Crores. The Light Metal Castings India business also witnessed strong growth in exports with the ramp up of volumes in new businesses.

Rane Engine Valve Limited witnessed a strong sales growth of 14%. The Turnaround and Sustenance Plan started couple of years back is yielding results in operational efficiency, capacity realization, export growth and better cost management. REVL is strategically focusing on enhancing sales to EV insulated segments, which accounts for 41% of their sales. The company has revised its vision to enhance product portfolio with non-ICE components, which has similar manufacturing process.

Rane Brake Lining Limited achieved a sales growth of 10%. The company successfully expanded its presence in the two-wheeler segment and grew exports business with significant breakthrough in the US market.

The steering business of ZF Rane Automotive India Private Limited had 12% growth for the year despite sluggish M&HCV market in the second half of the year. The occupant safety business has achieved a significant milestone, surpassing ₹1,000 crore in sales; Revenue grew by 20% compared to the previous year. The vertical integration of Inflatators and Webbing plants will help improve competitiveness in the Indian Market.

Rane NSK Steering Systems Private Limited experienced a 14% growth for the year with the strong demand on the served models. Given the returns trends on the quality issue, there was no further warranty provisions made, signalling the end of issue.

### Strategic Repositioning

With the expectation of sustained higher growth over the next two decades, the automotive industry is a natural beneficiary and poised for significant growth with evolving technologies.

Rane Group recognizes the importance of aligning our operations with industry trends and demands. FY24 has been an eventful year for the group, marked by strategic efforts to rebalance our portfolio through -

- Divestment of Rane t4u and LMCA.
- Merger of listed operating entities of the Group which will help unlock various synergies among the businesses and will enhance stakeholder value for the long term.
- Acquisition of TRW Sun Steering Wheels Private Limited by ZF Rane Automotive India Private Limited to provide comprehensive solutions covering occupant safety and system integration services and deliver exceptional value to existing and new customers with enhanced capabilities.

### Looking forward

As we look ahead over the next few years, the automotive segment presents plenty of opportunities stemming from the transformation towards cleaner vehicles and preference for safer vehicles with increased connectivity, comfort and convenience.

To stay ahead in the industry, we will continue to prioritize four key elements: increasing growth and profitability, enhancing in-house technology development across product lines, building efficiencies by leveraging comprehensive digitalization of both manufacturing and non-manufacturing operations and improving sustainability parameters.

On behalf of the entire Board of Rane Holdings Limited, I would like to thank all our stakeholders - Customers, Employees, Vendors, Investors, Bankers, Government and most importantly our shareholders for the unwavering support and trust in our journey.

Yours Sincerely,  
**L Ganesh**  
Chairman

# CORPORATE OVERVIEW

## Chairman Emeritus

L Lakshman

## Board of Directors

L Ganesh

*Chairman & Managing Director*

Harish Lakshman

*Vice Chairman & Joint Managing Director*

Dr. Brinda Jagirdar

Pradip Kumar Bishnoi

Rajeev Gupta

Dr. V Sumantran

## Audit Committee

Dr. V Sumantran, *Chairman*

L Ganesh

Pradip Kumar Bishnoi

Rajeev Gupta

## Stakeholders' Relationship Committee

Dr. Brinda Jagirdar, *Chairperson*

L Ganesh

Harish Lakshman

## Nomination and Remuneration Committee

Dr. V Sumantran, *Chairman*

Dr. Brinda Jagirdar

Pradip Kumar Bishnoi

## Corporate Social Responsibility Committee

L Ganesh, *Chairman*

Harish Lakshman

Dr. Brinda Jagirdar

## Risk Management Committee

L Ganesh, *Chairman*

Harish Lakshman

Dr. V Sumantran

Dr. P A Padmanabhan

## President - Finance and Group CFO

Dr. P A Padmanabhan

## Sr. Executive Vice President - Secretarial & Legal and Company Secretary

Siva Chandrasekaran

## Executive Vice President - Finance & CFO

M A P Sridhar Kumar

## Listing of Shares on

BSE Limited, Mumbai

National Stock Exchange of India Limited, Mumbai

## Statutory Auditors

M/s. B S R & Co. LLP,

Chartered Accountants,

KRM Tower, 1<sup>st</sup> and 2<sup>nd</sup> Floor,

No.1, Harrington Road,

Chetpet, Chennai - 600 031

## Secretarial Auditors

M/s. S Krishnamurthy & Co.,

Company Secretaries,

"Sreshtam", Old No.17, New No.16,

Pattammal Street, Mandaveli,

Chennai - 600 028

## Bankers

HDFC Bank Limited

## Registered Office

### Rane Holdings Limited

CIN: L35999TN1936PLC002202

"Maithri", 132, Cathedral Road

Chennai - 600 086

Phone : +91 44 28112472

Email : [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com)

Website : [www.ranegroup.com](http://www.ranegroup.com)

## Registrar and Transfer Agents

Integrated Registry Management Services Private Limited,

"Kences Towers", 2<sup>nd</sup> Floor, No.1 Ramakrishna Street,

North Usman Road, T.Nagar, Chennai - 600 017

Ph : +91 44 28140801-03; Fax : +91 44 28142479

E-mail : [einward@integratedindia.in](mailto:einward@integratedindia.in)

Website : [www.integratedregistry.in](http://www.integratedregistry.in)

## Rane Holdings Limited

CIN: L35999TN1936PLC002202

Registered Office: "Maithri", No.132, Cathedral Road, Chennai - 600 086 | Phone: 044-28112472/73

E-mail: [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com) | Website: [www.ranegroup.com](http://www.ranegroup.com)

### NOTICE TO MEMBERS

**NOTICE** is hereby given that the **Eighty Eighth (88<sup>th</sup>) Annual General Meeting** of **Rane Holdings Limited** will be held on **Friday, August 02, 2024 at 14:00 hrs (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

#### ORDINARY BUSINESS:

**1. To consider and adopt the Audited Financial Statement of the Company for the year ended March 31, 2024, together with reports of the Board of Directors and the Auditor thereon**

To consider passing the following resolution(s) as an **ordinary resolution**:

- (i) "Resolved that the Standalone Audited Financial Statement of the Company for the year ended March 31, 2024 together with the reports of the Board of Directors and the Auditor thereon, as circulated to the members and presented to the meeting be and are hereby adopted.
- (ii) Resolved that the Consolidated Audited Financial Statement of the Company for the year ended March 31, 2024 together with the report of the Auditor thereon, as circulated to the members and presented to the meeting be and are hereby adopted."

**2. To declare dividend on equity shares**

To consider passing the following resolution as an **ordinary resolution**:

"Resolved that a dividend of ₹25/- per equity share having face value of ₹10/- each fully paid up on 1,42,77,809 equity shares be and is hereby declared out of the profits of the Company for the year ended March 31, 2024 and the same to be paid to those shareholders, whose names appear in the Company's Register of Members as on Friday, July 26, 2024."

**3. To appoint a Director in the place of Mr. Harish Lakshman (DIN:00012602), who retires by rotation and being eligible, offers himself for re-appointment**

To consider passing the following resolution as an **ordinary resolution**:

"Resolved that Mr. Harish Lakshman (DIN:00012602) who retires by rotation under

article 108 and 110 of the Articles of Association of the Company and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

#### SPECIAL BUSINESS:

**4. To re-appoint Mr. Pradip Kumar Bishnoi (DIN:00732640) as an Independent Director for a second term**

To consider passing the following resolution as a **special resolution**:

"Resolved that pursuant to Section 149, 150, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 (the "Act") and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Pradip Kumar Bishnoi (DIN:00732640) who was appointed as an Independent Director and who holds office upto the conclusion of this Annual General Meeting and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term with effect from conclusion of this Annual General Meeting upto July 01, 2026, in accordance with the policy of the Company applicable to Board of Directors from time to time."

**5. To appoint Mr. Muthiah Murugappan Murugappan (DIN:00170478) as an Independent Director**

To consider passing the following resolution as a **special resolution**:

"Resolved that pursuant to Section 149, 150, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 (the "Act") and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Members of the Company be and is hereby accorded to appoint Mr. Muthiah Murugappan

Murugappan as an Independent Director of the Company, not liable to retire by rotation, in terms of section 149 of the Act read with Articles of Association of the Company, to hold office for a term of five consecutive years with effect from August 02, 2024 up to August 01, 2029, in accordance with the policy of the Company applicable to Board of Directors from time to time."

(By order of the Board)  
For **Rane Holdings Limited**

Place: Chennai  
Date: May 15, 2024

**Siva Chandrasekaran**  
Secretary

**Registered Office:**  
**Rane Holdings Limited**  
"Maithri", No.132, Cathedral Road,  
Chennai - 600 086  
CIN: L35999TN1936PLC002202  
[www.ranegroup.com](http://www.ranegroup.com)

## NOTES:

1. The 88<sup>th</sup> AGM of the Company is being conducted through VC / OAVM Facility, in compliance with General Circular No. 09/2023 dated September 25, 2023 read with previous circulars in this regard issued by the Ministry of Corporate Affairs ('MCA Circulars') and the provisions of the Act which does not require physical presence of Members at a common venue. The deemed venue for the 88<sup>th</sup> AGM shall be the Registered Office of the Company. The Company has engaged Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means i.e., remote e-voting and voting at the AGM.
2. In terms of Section 102 of the Companies Act, 2013 and Secretarial Standard on General Meetings (SS-2), an explanatory statement setting out the material facts concerning business to be transacted at the AGM is annexed and forms part of this Notice.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate members intending to send their authorised representatives to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting are requested to send to the Company a certified copy of the Board resolution authorising their representative to the registered email address of the Company i.e., [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com).
5. The record date for the purpose of dividend and cut-off date for the purpose of determining eligibility of members for voting in connection with the 88<sup>th</sup> AGM is **Friday, July 26, 2024**,
6. Pursuant to the relevant provisions of the Companies Act, 2013, dividend, which remained unclaimed / unpaid for a period of seven years from the date they became due for payment are required to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such dividend are also liable to be transferred to the demat account of the IEPF Authority.
7. Members may also note that the notice of the 88<sup>th</sup> AGM and the Annual Report 2024 will be available in the Investors Section on the Company's website [www.ranegroup.com](http://www.ranegroup.com).
8. Listed companies are required to use the Reserve Bank of India's approved electronic mode of payment such as National Automated Clearing House (NACH), National Electronic Fund Transfer (NEFT), Real Time Gross Settlement (RTGS) for making payments like dividend to the shareholders, in terms of Schedule I of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR). Accordingly, shareholders holding securities in demat mode are requested to update their bank details with their depository participants. Shareholders holding securities in physical form may send a request updating their bank details to the Company's Registrar and Transfer Agent.
9. Members holding shares in dematerialized form are requested to notify any change in their addresses, bank details or e-mail address with their respective DP and those holding shares in physical form are requested to notify the RTA at the following address:



**M/s. Integrated Registry Management  
Services Private Limited**

SEBI Registration No. INR000000544

2<sup>nd</sup> Floor, "Kences Towers",

No.1, Ramakrishna Street, North Usman Road,

T Nagar, Chennai - 600 017

e-mail ID: [einward@integratedindia.in](mailto:einward@integratedindia.in)

Website: [www.integratedregistry.in](http://www.integratedregistry.in)

Phone: 044 2814 0801-803; Fax: 044 2814 2479

10. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e., postal address with PIN code, email address, mobile number, bank account details) and nomination details by holders of securities. Relevant details and forms prescribed by SEBI in this regard are available under the Investor Information Section on the Investor's page on the website of the company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>.
11. SEBI has vide its amendment Circular Nos. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023 read with previous circulars issued in this regard has mandated that with effect from April 01, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.  
Further, relevant FAQs published by SEBI can be viewed on its website <https://www.sebi.gov.in/>.
12. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. Shareholders (Resident / Foreign) are required to update necessary documents for exemption / deduction at beneficial rates by uploading necessary documents are available under the Investor Information Section on the Investor's page on the website of the company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/> or email to [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com)
13. As per SEBI norms, with effect from January 25, 2022, all transmission / transfer requests including issuance of duplicate share certificates are mandatorily to be processed in dematerialised form only.
14. In compliance with the aforesaid MCA Circular dated September 25, 2023 and SEBI Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 ('SEBI Circular') the Notice of the AGM along with the Annual Report 2024 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2024 will also be available on the Company's website [www.ranegroup.com](http://www.ranegroup.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).
15. The Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
16. Information pursuant to regulations 36(3) of SEBI LODR and Secretarial Standard on General Meeting (SS-2) with respect of the Directors seeking appointment / re-appointment, at the AGM are furnished in the Annexure to this Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
17. Members seeking any information with regard to any matters be placed at the AGM, are requested to write well in advance to the Company on [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com). The same will be replied by the Company suitably.
18. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts or Arrangements in which the Directors are interested, under Section 189 of the Act, will be available in electronic form for inspection by the members during the AGM. All documents referred in the notice will be available in electronic form for inspection. Members seeking to inspect such documents electronically can send an e-mail to [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com).
19. SEBI vide Circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023 (updated as on August 04, 2023 and December 20, 2023) has specified that a shareholder shall first take up his / her / their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder

may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, He / She / They can initiate dispute resolution through the Online Dispute Resolution (“ODR”) Portal at <https://smartodr.in/login>. The aforesaid SEBI Circular and the link for the ODR Portal is also available on the website of the company.

20. Since the AGM will be held through VC / OAVM, the route map is not annexed in this notice.
21. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 (including amendments thereto) and SEBI LODR, the Company is pleased to provide members / shareholders facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services.
  - (i) The facility of casting the votes by the members / shareholders using an electronic voting system from a place other than venue of the AGM (‘remote e-voting’) and for poll during the meeting will be provided by Central Depository Services (India) Limited (CDSL e-voting system).
  - (ii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of ‘remote e-voting’ or voting at the AGM.
  - (iii) Mr. Balu Sridhar, Practicing Company Secretary (ICSI Membership no. FCS 5869), Partner, M/s. A.K. Jain & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the “remote e-voting” process and voting at the AGM, in a fair and transparent manner.
  - (iv) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company

[www.ranegroup.com](http://www.ranegroup.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges where the Company’s shares are listed.

**The instructions to shareholders for remote e-voting and joining virtual meetings are as under:**

- (i) The voting period begins on **Tuesday, July 30, 2024 at 09:00 hrs (IST) and ends on Thursday, August 01, 2024 by 17:00 hrs (IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Friday, July 26, 2024**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the AGM date would not be entitled to vote at the AGM.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting Service Providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

### Step 1: Access through Depositories CDSL / NSDL e-voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility. Pursuant to abovesaid SEBI Circular, Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL / NSDL is given below:

CDSL	NSDL
<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p>
<p>2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers so that the user can visit the e-voting service providers' website directly.</p>	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p>
<p>3) If the user is not registered for Easi / Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p>	<p>3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.</p>	

### Individual Shareholders (holding securities in demat mode) login through their Depository Participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve UserID/Password are advised to use Forget UserID and Forget Password option available at abovementioned website.

### Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

### Step 2 : Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
  - a. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - b. Click on "Shareholders" module.
  - c. Now enter your User ID
    - I. For CDSL: 16 digits beneficiary ID.
    - II. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
    - III. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- d. Next enter the Image Verification as displayed and Click on Login.
- e. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- f. If you are a first-time user follow the steps given below:

### For Physical shareholders and other than individual shareholders holding shares in Demat.

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Company on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR / POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non - Individual Shareholders and Custodians - For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of

the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**Instructions to shareholders attending the AGM through VC / OAVM & e-voting during meeting are as under:**

- (i) The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- (ii) The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- (iii) Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- (iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (vii) Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request in advance between **Sunday, July 28, 2024 at 09:00 hrs (IST) and Tuesday, July 30, 2024 by 17:00 hrs (IST)** by mentioning their name, demat account number/ folio number, email id, mobile number to [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com). The shareholders who do not wish to speak during the AGM but have queries may too send their queries in the above manner. The Company would endeavour to address these queries suitably.

- (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting on items set out in the AGM Notice.
- (ix) Only those shareholders, who are present in the AGM through VC / OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
- (x) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**Process for those shareholders whose email / Mobile No. are not registered With the Company / depositories.**

- (i) For Physical shareholders - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company / RTA email id.
- (ii) For Demat shareholders - Please update your email ID & mobile no. with your respective Depository Participant (DP)

- (iii) For Individual Demat shareholders - Please update your email ID & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at the toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

(By order of the Board)  
For **Rane Holdings Limited**

Place: Chennai  
Date: May 15, 2024

**Siva Chandrasekaran**  
Secretary

**Registered Office:**  
**Rane Holdings Limited**  
"Maithri", No.132, Cathedral Road,  
Chennai - 600 086  
CIN: L35999TN1936PLC002202  
[www.ranegroup.com](http://www.ranegroup.com)

# EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013

## Item No. 4

Mr. Pradip Kumar Bishnoi (DIN:00732640) joined the Board of your Company on August 08, 2019 as an Independent Director and is completing his first term of five years at the conclusion of the 88<sup>th</sup> AGM.

Based on the recommendations of the NRC considering his expertise, experience and contribution and performance evaluation of directors, the Board of Directors has proposed to the shareholders his re-appointment as an Independent Director for a second term from conclusion of this Annual General Meeting upto July 01, 2026.

Mr. Pradip Kumar Bishnoi holds MBA from Indian Institute of Management, Ahmedabad. He was the former Member of Petroleum & Natural Gas Regulatory Board. Also currently serves as an Independent Director in the Board of Rane (Madras) Limited, Rane Engine Valve Limited and Avadh Sugar and Energy Limited. He has more than 47 years of experience and insights into the industries of steel, natural gas, industrial packaging, lubricants etc.

In compliance with Schedule IV of the Act, the Board has evaluated performance of the director in terms of broad parameters like attendance and participation in meetings, sharing of relevant domain experience, networking in other forums, strategic inputs and demonstration towards governance compliances.

Mr. Pradip Kumar Bishnoi is not disqualified from being re-appointed as a Director in terms of section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration that he meets with the criteria of independence as prescribed both under Section 149(6) of the Act and provisions of SEBI LODR. He has also registered with the Independent Director databank maintained by Indian Institute of Corporate Affairs (IICA) and stands exempted from the requisite proficiency self assessment test.

Taking into consideration the knowledge, rich experience, contributions in the meetings as a member of the Board / committees thereof and fulfilment of the conditions for re-appointment as an independent director as specified in the Act and SEBI LODR, the Board of Directors recommends that the continuance of Mr. Pradip Kumar Bishnoi would be beneficial to the Company.

Other information relating to his re-appointment in accordance with Secretarial Standard - 2 (SS-2) and 36(3) of SEBI LODR is annexed to the notice.

The terms and conditions of re-appointment as an independent Director is available for inspection by members at the registered office of the company between 10:00 hrs to 12:00 hrs up to the date of AGM and also on the investor section of website of the company [www.ranegroup.com](http://www.ranegroup.com). His re-appointment will also be governed by the policy of the company applicable to the Board of Directors.

Mr. Pradip Kumar Bishnoi is interested in the resolution as it relates to his own appointment. None of the other Directors and KMP of the company and their relatives are concerned or interested, financial or otherwise in this resolution, except to the extent of their shareholding, if any, in the company. The Board recommends passing the resolution as set out at item no.4 of this notice as a **special resolution**

## Item No. 5

The Board of Directors had, based on recommendations of the Nomination and Remuneration Committee (NRC) proposed to appoint Mr. Muthiah Murugappan Murugappan (DIN:00170478) as an Independent Director in terms of the applicable provisions of the Companies Act, 2013 ('Act') and SEBI LODR for a period of five consecutive years effective from August 02, 2024 up to August 01, 2029 (both days inclusive).

Mr. M M Murugappan holds a Master of Science degree in Chemical Engineering from the University of Michigan, USA. Mr. M M Murugappan currently serves as a Chairman of Carborundum Universal Ltd, Cholamandalam MS General Insurance Company Limited, Cholamandalam Financial Holdings Limited, Cyient Ltd, Murugappa Water Technology and Solutions Private Limited and Board of Governors of The Indian Institute of Management Indore. He is also on the Boards of Carsons Cumberbatch Srilanka, Ambadi Investments Limited and The IIT Madras Research Park. He also serves as a member of the American Institute of Chemical Engineers, Indian Institute of Chemical Engineers, Plastics & Rubber Institute and a fellow of the Indian Ceramic Society. He is a trustee of the Murugappa Group's CSR arm - AMM Foundation.

While considering the candidature, the NRC evaluated the balance of skills, knowledge and experience on the Board, and on the basis of such evaluation, prepared a description of the role and capabilities required of the Independent Director.

His role as an Independent Director requires skills, competence and expertise on industry, technology, business development, governance and allied disciplines in the context of automotive business.

His qualifications, and experience of over 46 years across various industries and sectors have been considered to meet the required skills.

Also considering his rich knowledge, experience and fulfilment of the various criteria for appointment as an Independent Director as specified in the Act, SEBI LODR, policies of the Company and based on the recommendations of the NRC, the Board of Directors recommends to the members that the appointment of Mr. M M Murugappan would be beneficial to the Company.

Mr. M M Murugappan is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration that he meets with the criteria of independence as prescribed both under Section 149(6) of the Act and provisions of SEBI LODR, that he has registered with the Independent Director databank maintained by Indian Institute of Corporate Affairs (IICA) and stands exempted from the requisite proficiency self assessment test.

In the opinion of Board, Mr. M M Murugappan fulfils the conditions for appointment as an Independent Director as specified in the relevant provisions of the Act and SEBI LODR and he is independent of management of the Company.

Other information relating to his appointment in accordance with Secretarial Standard - SS-2 and

Regulation 36(3) of SEBI LODR is annexed to the Notice.

The terms and conditions of appointment as an Independent Director is available for inspection by members at the registered office of the Company between 10:00 hrs and 12:00 hrs up to the date of AGM and also on the policies section of website of the Company at [www.ranegroup.com](http://www.ranegroup.com). His appointment will also be governed by the policy of the Company applicable to the Board of Directors.

Mr. M M Murugappan is interested in the resolution as it relates to his own appointment. None of the other Directors and KMP of the Company and their relatives are concerned or interested, financial or otherwise in this resolution, except to the extent of their shareholding, if any, in the Company.

The Board recommends passing the resolution as set out at item no.5 as a **special resolution**.

(By order of the Board)  
For **Rane Holdings Limited**

Place: Chennai  
Date: May 15, 2024

**Siva Chandrasekaran**  
Secretary

**Registered Office:**  
**Rane Holdings Limited**  
"Maithri", No.132, Cathedral Road,  
Chennai - 600 086  
CIN: L35999TN1936PLC002202  
[www.ranegroup.com](http://www.ranegroup.com)



## Annexure to the NOTICE dated May 15, 2024

Information about Director(s) seeking appointment / re-appointment at the 88<sup>th</sup> Annual General Meeting in compliance with Regulation 36(3) of SEBI LODR and Secretarial Standard on General Meeting (SS-2).

Name of the Director	Mr. Harish Lakshman	Mr. Pradip Kumar Bishnoi	Mr. Muthiah Murugappan Murugappan
<b>Brief Resume</b>			
<b>Age (in years)</b>	50	72	68
<b>Director Identification Number (DIN)</b>	00012602	00732640	00170478
<b>Father's Name</b>	Mr. L Lakshman	Mr. Om Prakash Bishnoi	Mr. Murugappa Muthiah
<b>Date of Birth</b>	February 12, 1974	July 03, 1951	November 12, 1955
<b>Educational Qualifications</b>	B.E. - BITS Pilani, MSM - Purdue University, USA	Graduate in Petroleum Engineering - ISM(Dhanbad), Master's in Business Management from IIM (Ahmedabad), Management Programme at Oxford, UK and Programme on Utility Regulators at World Bank, Florida University, USA	Bachelor of Technology in Chemical Engineering from the University of Madras, Masters degree in Chemical Engineering from the University of Michigan, USA.
<b>Experience</b>	Mr. Harish Lakshman has over 29 years of industrial experience in various domains like marketing, operations, export business developments and other corporate functions. He spearheads the Rane Group's initiative to achieve accelerated profitable growth. He is one of top 40 Indian business leaders published by ET (2014). He serves as Chairman of Rane Engine Valve Limited, Rane (Madras) Limited, Rane Brake Lining Limited, ZF Rane Automotive India Private Limited and Rane NSK Steering Systems Private Limited.	Mr. Pradip Kumar Bishnoi has more than 47 years of experience and insights into the industries of steel, natural gas, industrial packaging, lubricants etc. He serves as independent Director of Rane (Madras) Limited, Rane Engine Valve Limited and Avadh Sugar and Energy Limited	Mr. M M Murugappan has over 46 years of experience in diverse areas of Technology, Research & Development, Strategy & Business Development and Human Resources.
<b>Nature of expertise</b>	Industrial, technical and operational expertise in automotive and driving business across geographies, governance practices and expertise in allied disciplines.	Possessing industrial, technical, operational expertise and experience in automotive, ancillary, emerging technologies and associations with industrial bodies and professional network.	Business development, governance and expertise in allied disciplines like finance, law, accountancy, mergers & acquisitions, advisory solutions, risk management, investment banking, management, sales, marketing, administration, research, corporate governance, technical operations and human resource.

Name of the Director	Mr. Harish Lakshman	Mr. Pradip Kumar Bishnoi	Mr. Muthiah Murugappan Murugappan
<b>II. Other details</b>			
<b>Date of first appointment on the board</b>	May 19, 2004	August 08, 2019	August 02, 2024
<b>Terms and Conditions of appointment</b>	Re-appointment as Director, liable to retire by rotation.	Re-appointment as an Independent Director as of the Company, not liable to retire by rotation	Proposed to be appointed as non-executive Independent Director as per resolution at item no. 5 of the notice convening 88 <sup>th</sup> Annual General Meeting on August 02, 2024 read with explanatory statement thereto
<b>Last drawn remuneration</b>	Remuneration for FY 2023-24 - ₹1,30,70,047/- (being perquisite value of accommodation)	Sitting fee paid FY 23-24 - ₹3,60,000/-	NA
<b>Remuneration sought to be paid</b>	No approval is being sought for payment of remuneration. Eligible for sitting fee for attending meetings of the Board and Committees of which he is a member.	No approval is being sought for payment of remuneration. Eligible for sitting fee for attending meetings of the Board and Committees of which he is a member.	No approval is being sought for payment of remuneration. Eligible for sitting fee for attending meetings of the Board and Committees of which he is a member
<b>Relationship with other Directors / Manager / other KMP</b>	Member of Promoter / Promoter Group	Nil	Nil
<b>Other Directorships</b>	<p><b>Chairman:</b> Rane (Madras) Limited Rane Engine Valve Limited Rane Brake Lining Limited ZF Rane Automotive India Private Limited Rane NSK Steering Systems Private Limited</p> <p><b>Director:</b> The KCP Limited Oriental Hotels Limited Young Presidents Organisation (Chennai Chapter)</p>	<p><b>Director:</b> Rane (Madras) Limited Rane Engine Valve Limited Avadh Sugar and Energy Limited</p>	<p><b>Chairman:</b> Carborundum Universal Limited Cholamandalam MS General Insurance Company Limited Cholamandalam Financial Holdings Limited Cyient Limited Murugappa Water Technology and Solutions Private Limited</p> <p><b>Director:</b> Ambadi Investments Limited IIT Madras Research Park Chennai Willingdon Corporate Foundation M.M.Muthiah Research Foundation Idea Lab (India) Private Limited</p>

Name of the Director	Mr. Harish Lakshman	Mr. Pradip Kumar Bishnoi	Mr. Muthiah Murugappan Murugappan
<b>Committee Memberships in other Boards</b>	<p><b>Chairman:</b> <b>Audit:</b> Rane NSK Steering Systems Private Limited ZF Rane Automotive India Private Limited</p> <p><b>Stakeholders' Relationship Committee:</b> Rane Brake Lining Limited Rane (Madras) Limited</p> <p><b>Corporate Social Responsibility Committee:</b> Rane (Madras) Limited Rane Brake Lining Limited Rane Engine Valve Limited Rane NSK Steering Systems Private Limited ZF Rane Automotive India Private Limited</p> <p><b>Risk Management Committee:</b> Rane (Madras) Limited Rane Brake Lining Limited</p> <p><b>Member:</b> <b>Audit Committee:</b> Oriental Hotels Limited</p> <p><b>Nomination &amp; Remuneration Committee:</b> Rane (Madras) Limited Rane Brake Lining Limited Rane Engine Valve Limited</p>	<p><b>Chairman:</b> <b>Nomination &amp; Remuneration Committee:</b> Rane Engine Valve Limited</p> <p><b>Risk Management Committee:</b> Avadh Sugar and Energy Limited</p> <p><b>Member:</b> <b>Audit:</b> Rane (Madras) Limited Rane Engine Valve Limited Avadh Sugar and Energy Limited</p> <p><b>Stakeholders' Relationship Committee:</b> Rane (Madras) Limited Avadh Sugar and Energy Limited</p> <p><b>Nomination &amp; Remuneration Committee:</b> Rane (Madras) Limited Rane Engine Valve Limited</p> <p><b>Corporate Social Responsibility Committee:</b> Avadh Sugar and Energy Limited</p>	<p><b>Chairman:</b> <b>Risk Management Committee:</b> Cholamandalam Financial Holdings Limited</p> <p><b>Corporate Social Responsibility Committee:</b> Cholamandalam MS General Insurance Company Limited</p> <p><b>Member:</b> <b>Nomination &amp; Remuneration Committee:</b> Cholamandalam Financial Holdings Limited Cyient Limited Cholamandalam MS General Insurance Company Limited</p> <p><b>Corporate Social Responsibility Committee:</b> Ambadi Investments Limited</p> <p><b>Risk Management Committee:</b> Cyient Limited Ambadi Investments Limited Cholamandalam MS General Insurance Company Limited</p>
<b>Listed entities from which Director has resigned in the past three years</b>	Nil	Nil	Nil
<b>Number of meetings of the Board attended during the year</b>	6	6	-
<b>Number of equity shares held including joint holdings</b>	1,39,882	-	-
<b>Number of equity shares held as beneficial holders</b>	-	-	-

# REPORT OF THE BOARD OF DIRECTORS

Your Board of Directors hereby present to you the Eighty Eighth Annual Report covering the operational and financial performance together with the accounts for the year ended March 31, 2024 and other prescribed particulars.

## 1. State of Company's affairs

The financial year 2023-24 saw a pick-up in the business at the backdrop of a robust growth of the Indian and global economy. The automotive and auto components industry faced supply

chain challenges due to semiconductor shortage, shipping and logistics constraints.

Continued focus on productivity and quality improvements by the operating companies in the group during the year yielded desired results. The capacity utilization in all the plants improved significantly. The group companies scaled up the production in line with the demand and worked on several cost optimization measures to mitigate the inflationary environment. The companies continued to enhance customer relationships and increased business share across several customers.

### 1.1. Financial Performance

Investment profile of your Company is across the various Group Companies engaged / serving the automotive industry, as detailed below:

Sl. No.	Name of investee Company	Products / Services	Shareholding
<b>Subsidiary companies</b>			
1	Rane (Madras) Limited (RML)	Steering gear products, steering and suspension linkages, Light metal casting products and other articles of aluminium.	71.77%
<b>Step Down Subsidiaries</b>			
-	Rane (Madras) International Holdings B.V., The Netherlands - (RMIH)	Holds strategic overseas investments	100.00%
-	Rane Automotive Components Mexico S de R.L. de C.V. (RACM) <sup>1</sup> .	Steering and linkage auto components	100.00%
2	Rane Engine Valve Limited (REVL)	Engine valves, valve guides and tappets	58.29%
3	Rane Brake Lining Limited (RBL)	Brake linings, disc pads, clutch facing and clutch button	50.03%
4	Rane Holdings America Inc. USA (RHAI)	Providing business development services in North American region for Rane Group Companies	100.00%
5	Rane Holdings Europe GmbH, Germany (RHEG)	Providing business development and other related support services for Rane group companies in the European region	100.00%
<b>Joint Venture / Associate Companies</b>			
7	ZF Rane Automotive India Private Limited (ZRAI)	Hydraulic steering gear, Hydraulic pumps, seat belt and air bags	49.00%
-	ZF Rane Occupant Safety Systems Private Limited (ZROS) (Subsidiary of ZRAI)	Seat belts, seat webbings, airbags, airbag modules, inflators, crash sensors safety electronic systems,	100.00%
-	TRW Sun Steering Wheels Private Limited (TSSW) (Subsidiary of ZRAI) <sup>2</sup>	Manufacture of Steering Wheels	100.00%
8	Rane NSK Steering Systems Private Limited (RNSS)	Manual steering columns and electric power steering.	49.00%

#### Notes:

- RACM became a wholly owned subsidiary of RML w.e.f September 28, 2023.
- TSSW became a wholly owned subsidiary of ZRAI w.e.f March 28, 2024.
- Rane Light Metal Castings Inc. USA (RLMCA) ceased to be a step-down subsidiary of the Rane (Madras) Limited (RML) / part of the Rane Group w.e.f September 14, 2023.
- eTrans t4u Private Limited (formerly known as Rane t4u Private Limited) (t4u) ceased to be a subsidiary w.e.f July 19, 2023.

The Company's three main income streams are Dividend from investments, Trademark fee out of 'RANE' trademark ownership and Service fees from Rane Group Companies. The Company provides services in areas of Management consultancy, Information Technology, Business Development and Human Resource training, which are unique and tailor-made to each of the Rane Group Companies in line with each subsidiaries and Joint Venture / Associate Companies vision and mission, business goals and operating models.

The Company on June 27, 2023, converted remaining 1,71,821 warrants out of the 5,15,463 warrants into equivalent number of shares having a face value of ₹10/- each of REVL on payment of up to ₹3.75 crore, being the warrant subscription price (i.e. 75% of the issue price of ₹291.00/- per warrant). The warrants were convertible in one or

more tranches within a period of eighteen (18) months from the date of allotment of warrants.

During the year, the RHL divested its entire shareholding in its subsidiary viz. t4u in exchange for which the Company has been allotted 8,62,505 (Eight lakhs sixty-two thousand five hundred and five) Equity Shares having face value of ₹10/- each of eTrans Solutions Private Limited representing 11.94% of equity share capital. Consequently, Rt4u ceased to be a subsidiary effective July 19, 2023.

During the period under review, there was no change in management or control of RHL in Rane Group Companies, except for change of shareholding in REVL as discussed above. The standalone financial highlights for the year under review are as follows:

Particulars	(₹in Crores)	
	2023-24	2022-23
Revenue from Operations	146.86	117.66
Other Income	3.61	0.53
Profit / loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	98.79	71.93
Less: Depreciation / Amortisation	5.08	4.37
Profit / loss before Finance Costs, Exceptional items and Tax Expense	93.71	67.56
Less: Finance Costs	4.67	5.61
Profit / loss before Exceptional items and Tax Expense	89.04	61.95
Add / (less): Exceptional items	(2.96)	(2.92)
Profit / (loss) before Tax Expense	86.08	59.03
Less: Tax Expense (Current & Deferred)	13.02	10.73
Profit / (loss) for the year (1)	73.06	48.30
Total Other Comprehensive Income / loss (2)*	(0.33)	(0.32)
<b>Total (1+2)</b>	<b>72.73</b>	<b>47.98</b>
Balance of profit / loss for earlier years	128.64	106.16
Less: Transfer to Reserves	(80.10)	(8.37)
Less: Dividend paid on Equity Shares	(24.27)	(17.13)
Balance carried forward	97.00	128.64

\*Re-measurement of defined benefit plans (net) recognised as part of retained earnings

The Key Performance Indicators, operational performance and balance sheet summary are furnished in page no 1 of this annual report and significant changes in key ratios are discussed in Management Discussion and Analysis Report and notes to the financial statements.

The total standalone income of the Company was ₹150.47 crores, increase by 27.31% compared to the previous year, due to increase in trade mark fee, service fee and dividend income. The Company netted a Profit After Tax (PAT) of ₹73.06 crores, which is 48.55% of the turnover for FY 2023-24 and this has resulted in Earnings per

Share (EPS) of ₹51/- for FY 2023-24 as against an EPS of ₹34/- for previous Financial Year.

There was no material change or commitments, affecting the financial position of the Company between the end of the financial year of the Company and date of the report other than those disclosed in the financial statements section of this Annual Report. There was no change in the nature of business during the year.

## 1.2. Appropriation

An amount of ₹97.00 crores of the profit is available for appropriation as at the end of

FY 2023-24. The Board of Directors, taking into consideration, the operational performance and financial position of the Company, have recommended a dividend of 250% (i.e., ₹25/- per share of ₹10/- each, fully paid-up) for approval of shareholders at the ensuing 88<sup>th</sup> Annual General Meeting (AGM) scheduled to be held on August 02, 2024. The total dividend paid/payable on equity shares for FY 2023-24 would be ₹35.69 Crores.

On declaration of the dividend by the shareholders, it will be paid on August 12, 2024 to all the eligible shareholders, whose name appears in the register of members of the Company as on July 26, 2024, being the Record Date fixed for this purpose, subject to deduction of Date fixed for this purpose, subject to deduction of tax at source where applicable. The total of dividend paid / payable for the FY 2023-24 would be ₹25/- per equity share of a face value of ₹10/- each. This represents a pay-out ratio of 49%.

Considering the above, a sum of ₹25.61 Crores has been approved by the Board for transfer to reserves.

The dividend pay-out is in accordance with the Company's Dividend Distribution Policy. The policy is available under the Corporate Governance Section on the Investor's page on the website of the company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>

### 1.3. Credit rating

The Company's financial management and its ability to service financial obligations in a timely manner, has been re-affirmed by ICRA Limited for its credit facilities during the year under review and this has been disclosed to stock exchanges and made available on the Company's website. The Corporate Governance section of this annual report carries the details of credit rating.

### 1.4. Share Capital

During the year under review, there was no change in capital structure of the Company and as at the year ended March 31, 2024, the paid-up capital of the Company stood at ₹14,27,78,090 consisting of 1,42,77,809 equity shares having face value of ₹10/- each fully paid up.

### 1.5. Management Discussion & Analysis

The business of your company is to hold strategic investment in subsidiaries and Joint Ventures / Associate Companies (collectively called 'Rane Group') engaged in the manufacturing and marketing of components for the transportation industry and also provide services unique to Rane Group. A detailed analysis of the automotive

industry, group companies' performance, internal control systems and risk management process etc. are presented in the 'Management Discussion & Analysis' report forming part of this annual report and are provided in 'Annexure A'.

### 1.6. Subsidiaries, Associate and Joint Venture Companies

The Management Discussion and Analysis section of the Annual Report contains the financial highlights of performance of Subsidiaries, Associates and Joint Venture Companies and their contribution to the overall performance of the Company.

### 1.7. Consolidated financial statements

The consolidated financial statements are prepared as per the following methodology specified under applicable accounting standards:

- (a) Subsidiary companies - each line item of income, expenditure, assets and liabilities have been consolidated one hundred percent. Non-Controlling interests have been appropriately considered.
- (b) Joint Venture / Associate Companies - Share of profits based on the percentage of share held has been consolidated.

The consolidated financial statements of the Company are prepared based on the financial statement of the subsidiary companies and Joint Venture / Associate Companies, for the year ended March 31, 2024. In case of three subsidiaries (including a step-down subsidiary), of whom the financial statements as certified by the management has been taken into consideration for the purpose of consolidation.

The salient features of financial statement of these subsidiary companies are provided in form AOC-1 forming part of this annual report in terms of the provisions of Section 129(3) of the Companies Act, 2013 ("Act"). The Company will make available a soft copy of the annual report and annual accounts of the subsidiary Companies to any member on request of the same in accordance with the provisions of Section 136 of the Act. Further, the annual financial statements of the subsidiary Companies have been made available in the website of the Company at [www.ranegroup.com](http://www.ranegroup.com).

## 2. Board of Directors, Committees and Management

### 2.1. Composition

The composition of the Board of Directors and its Committees, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee,

Corporate Social Responsibility Committee and Risk Management Committee, are constituted in accordance with Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), wherever applicable. The Board of Directors have also constituted an Executive Committee and a Finance Committee. The Corporate Governance Report given in 'Annexure E' to this report contains the composition of the Board of Directors of the Company and its Committees.

The following are the details of change in composition of the Board of Directors and its Committees.

- a. Dr. Brinda Jagirdar (DIN:06979864) who has been initially appointed as an Additional Director (Independent) by the Board of Directors, was appointed as an Independent Director of the Company for a consecutive period of five years i.e. with effect from May 12, 2023 upto February 29, 2028, by the shareholders at its 87<sup>th</sup> Annual General Meeting of the Company held on meeting held on August 04, 2023.
- b. Dr. Sheela Bhide (DIN:01843547), Independent Director, retired as per the retirement policy of the Company, effective from May 12, 2023. Consequent to her retirement, she ceased to be a chairman of the Stakeholders' Relationship Committee and member of the Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. The Board places on record its appreciation for the valuable advice and guidance rendered by her during her tenure especially on various strategic matters.
- c. Appointment of Mr. Muthiah Murugappan Murugappan (DIN:00170478) as an Independent Director has been recommended by the Board of Directors on May 15, 2024, based on recommendations of the Nomination and Remuneration Committee. The approval of the shareholders of the Company is being sought at the ensuing Annual General Meeting for his appointment as an Independent Director in the first term of 5 (five) consecutive years with effect from August 02, 2024.
- d. Mr. Pradip Kumar Bishnoi (DIN:00732640) holds the office of Independent Director in first term of five consecutive years upto the conclusion of this AGM. Based on the recommendations of the Nomination and Remuneration Committee, his re-appointment for a second term

effective from conclusion of this AGM till July 01, 2026 has been considered by the board of directors and proposed for shareholders approval by way of special resolution.

The terms and conditions of appointment of Independent Directors have been disclosed under the Corporate Governance Section on the Investor's page on the website of the company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>

All the Directors have affirmed compliance with the Code of Conduct of the Company. The Independent Directors have affirmed that they satisfy the criteria laid down under section 149(6) of the Companies Act 2013 (Act) and Regulation 25 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), as amended from time to time. Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA) and have passed the proficiency test, if applicable to them. The Board of Directors at its first meeting of the FY 2023-24 has taken on record the declarations and confirmations submitted by the Independent Directors. During the year, the Board had not appointed any person as an Alternate Director for an Independent Director on the Board. The Company has obtained a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

## 2.2. Retirement by rotation

Mr. Harish Lakshman (DIN:00012602) retires by rotation at the ensuing 88<sup>th</sup> Annual General Meeting (AGM) and being eligible, he offers himself for re-appointment. The proposal for re-appointment of Mr. Harish Lakshman as a director is included in the notice convening the 88<sup>th</sup> AGM.

## 2.3. Board and Committee meetings

The schedule of meetings of the Board of Directors and Committees of the Board is circulated to the Directors in advance. During the year, six (6) Board Meetings were convened and held, the details of

which are given in the Corporate Governance Report. The gap between any two consecutive meetings of the Board of Directors was less than 120 days. The details of Committee meetings are provided in the Corporate Governance report. For eligible matters, the Board / its committees may also accord approvals through resolutions passed by circulation, between two meetings.

#### 2.4. Meeting of Independent Directors

A meeting of Independent Directors was held to assess the quality, quantity, timeliness of flow of information between the management and the Board and review the performance of the Non-Independent Directors. The Independent Directors expressed that the current flow of information was timely which enabled them to superior quality and to effectively perform their duties and that they are satisfied with the performance of Non-Independent Directors.

#### 2.5. Board evaluation

The annual evaluation of the performance of the Board, functioning of its committees, individual Directors, Managing Director and the Chairman of the Board was carried out based on the criteria formulated by the Nomination and Remuneration Committee.

To all the directors, a structured questionnaire was sent seeking feedback and any comments on various parameters as recommended by the Nomination and Remuneration Committee. As regards evaluation of the functioning of the Board as a whole, including Committee(s) thereof, key focus areas for evaluation were on aspects like Board diversity and skill set to review strategies, risk management dimensions and processes, flow of information, adequacy and timeliness of agenda materials, effectiveness of presentations and more importantly the processes of reviewing strategic matters, annual operating plan, strategic business plan and guiding the management.

The performance of the Individual Directors, including Independent Directors were evaluated through peer evaluation. The performance of Chairman was also evaluated on countenances such as ensuring top-level policy framework, creating an open environment for exchange of views besides ensuring effective mechanism for implementing board action points.

In forming the evaluation criteria of Directors, attributes such as commitment, competency and sectoral knowledge, contributions to Board decisions and discussions and staying up to date on recent trends, being aware of macrolevel developments and networking skills were considered.

The feedback outcomes including comments / suggestions, along with action plans, if any, on matters requiring attention of the board were discussed by the Chairman.

The evaluation framework includes mechanism to share evaluation feedback on individual Directors to the Nomination and Remuneration Committee, wherever required.

The performance review of Non-Independent Directors were carried out by the Independent Directors in their separate meeting held during the year.

#### 2.6. Familiarisation program for Independent Directors

The details of familiarisation programmes for Independent Directors have been disclosed under the Corporate Governance Section on the Investor's page on the website of the company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>

#### 2.7. Key Managerial Personnel (KMP) & Senior Management Personnel (SMP)

During the year under review, there are no changes in the Key Managerial Personnel of the Company.

As at year end March 31, 2024, Mr. L Ganesh, Chairman & Managing Director, Mr. Harish Lakshman, Vice-Chairman & Joint Managing Director, Mr. Siva Chandrasekaran, Secretary and Mr. M A P Sridhar Kumar, Chief Financial Officer hold the office of Key Managerial Personnel (KMP), respectively, within the meaning of Section 2(51) of the Act.

As regards Senior Management Personnel, the following were the change during the year: Mr. R Venkatanarayanan (President) retired from his service effective October 31, 2023.

The SMPs other than KMPs, as at the year ended March 31, 2024 are Dr. P A Padmanabhan (President - Finance) Mr. Rajesh Raghavan (President - Corporate Services), Mr. V Ramasubramanian (HR Head).

#### 2.8. Remuneration policy

The policy contains criteria for determining positive qualifications, positive attributes and independence of a director and also covers aspects of remuneration which is reasonable and sufficient to attract, retain and motivate Directors / employees of the quality required to run the Company successfully.

The policy on appointment and remuneration of Directors, KMP and SMP as laid down by the NRC of the Board has been disclosed under the Corporate Governance Section on the Investor's



page on the website of the company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>.

There has been no change in the policy during the FY 2023-24.

In accordance with the said policy, approval obtained from the shareholders in terms of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) at the 84<sup>th</sup> AGM held on August 14, 2020, for payment of remuneration in excess of 5% of net profits of the Company to Mr. L Ganesh, Chairman and Managing Director and Mr. Harish Lakshman, Vice-Chairman and Joint-Managing Director.

The details of remuneration paid / payable to the Directors during the Financial Year 2023-24 is furnished in the Corporate Governance Report annexed to this report of the Board.

### 3. Audit and allied matters

#### 3.1. Audit Committee

The composition, terms of reference and meetings of the Audit Committee are disclosed in the Corporate Governance Report section of the Annual Report. The Audit Committee of the Board acts in accordance with the terms of reference, which is in compliance with the provisions of Section 177 of the Act and Regulation 18 of SEBI LODR and other applicable provisions of SEBI LODR, as amended from time to time.

#### 3.2. Statutory Auditor

M/s. B S R & Co., LLP (BSR) (Firm Registration Number 101248W/W-100022) were appointed in their first term as Statutory Auditors at the 84<sup>th</sup> AGM held on August 14, 2020, for a period of five years i.e., until the conclusion of the 89<sup>th</sup> AGM (2025).

BSR has confirmed that they do not suffer from any disqualification under Section 141 of the Companies Act, 2013 and the rules made thereunder. BSR have confirmed that they hold a valid peer review certificate issued to them by The Institute of Chartered Accountants of India.

The Statutory Auditors report to the members for the year ended March 31, 2024 does not contain any qualification, reservation, adverse remark or disclaimer.

#### 3.3. Cost Audit & Maintenance of cost records

The appointment of Cost Auditor is not applicable to the Company under Companies (Cost Records and Audit) Rules, 2014. Further, the maintenance of cost records as prescribed under provisions of Sec 148(1) of the Companies Act, 2013 is not applicable for the business activities carried out by the Company.

#### 3.4. Secretarial Auditor

M/s. S Krishnamurthy & Co., a firm of Company Secretaries in Practice, is the Secretarial Auditors of the Company as appointed by the Board of Directors in terms of Section 204 of the Act. The Secretarial Audit report given in 'Annexure B' was taken on record by the Board of Directors at their meeting held on May 15, 2024. The report does not contain any qualification, reservation, adverse remark or disclaimer.

#### 3.5. Internal Auditor

M/s. Capri Assurance and Advisory Services, a firm of independent assurance service professionals, continues to be the Internal Auditors of the Company.

Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, ensure effectiveness of systems and processes, and assessing the internal control strengths in all areas including financial reporting. Internal Auditor findings are discussed with the process owners and suitable corrective actions are taken as per the directions of the Audit Committee on a regular basis to improve efficiency in operations. The Internal Auditor report directly to the Audit Committee. This Committee while reviewing their performance scope, functioning, periodicity and methodology for conducting the Internal Audit, has taken into consideration their confirmation to the effect that their infrastructure, viz., Internal Audit structure, staffing and seniority of the officials proposed to be deployed etc. which are adequate and commensurate to the scope, functioning, periodicity and methodology for conducting the internal audit.

### 4. Directors' Responsibility Statement

In terms of Section 134(3)(c) read with section 134(5) of the Act, the Directors, to the best of their knowledge and belief based on the information and explanations obtained by them, confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departures;
- b. they had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- c. they had taken proper and sufficient care for the maintenance of adequate accounting

records in accordance with the provisions of the Act for safeguarding the assets of the Company, preventing and detecting fraud and other irregularities;

- d. they had prepared the financial statements for the financial year on a 'going concern' basis;
- e. they had laid down internal financial controls to be followed by the Company and such internal financial controls were adequate and were operating effectively; and
- f. they had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

## 5. Related Party Transactions (RPT)

All RPT that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The Company has not entered into any transaction of material nature with any of the promoters, directors, management or relatives or subsidiaries etc., except for those disclosed in AOC-2 (Refer '**Annexure C**') of this annual report. There are no materially significant RPT made by the Company with related parties which require approval of the shareholders / which have potential conflict with the interest of the Company at large.

All RPT are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are entered in the ordinary course of business and repetitive in nature. The transactions entered into pursuant to the omnibus approval so granted are reviewed by the Audit Committee on a quarterly basis.

All RPT are approved by the Independent Directors who are members of the Audit Committee.

The Company has put in place a proper system for identification and monitoring of such transactions. Save as disclosed in this report none of the Directors or Key Managerial Personnel have any pecuniary relationships or transactions with the Company. The policy on RPT as approved by the Board has been disclosed in the policies section of the website of the Company and is available at the web link: <https://ranegroup.com/investors/rane-holdings-limited/>.

None of the Directors or Key Managerial Personnel or Senior Management Personnel has any material financial and commercial transactions (except payment of remuneration / sitting fee, as applicable), where they have personal interest, which may have potential conflict with interest of the Company at large.

## 6. Corporate Social Responsibility (CSR)

The Rane Group's vision on Corporate Social Responsibility (CSR) is: '**to be a socially and environmentally responsible corporate citizen**'. The CSR activities of Rane Group focus on four specific areas of (a) Education; (b) Healthcare; (c) Community Development; and (d) Environment.

The CSR Committee of the Board is responsible for recommending CSR projects and activities to the Board in line with the CSR policy. The CSR Committee monitors and reviews the implementation of CSR activities periodically.

The CSR activities undertaken by the Company are in line with the CSR Policy and recommendations of the CSR Committee.

During the year the Company was required to make a CSR contribution of ₹61.71 lakhs towards CSR activities for the year. The '**Annexure D**' to this report contains the annual report on CSR activities of the Company for FY 2023-24. The CSR policy of the Company has been disclosed under the Corporate Governance Section on the Investor's page on the website of the company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>.

Further, in terms of the CSR Rules, the CFO has certified to CSR Committee that the funds disbursed for CSR have been used, for the purpose and in the manner approved by the Board for FY 2023-24.

## 7. Energy conservation, technology absorption and foreign exchange earnings and outgo

The Company is conscious of the imperative to protect the environment and the natural resources for achieving sustainable economic growth and have started several initiatives in this regard such as conservation of energy and water and eco-friendly waste management system. In view of the nature of activities of the Company, disclosure relating to technology absorption is not applicable to the Company.

The disclosure of foreign exchange earnings and outgo, in terms of provisions of Section 134(3) (m) read with Rule 8 of the Companies (Accounts) Rules, 2014 are given hereunder:

### Foreign Exchange earnings and outgo

(₹ in Crores)

Foreign Exchange	2023-24	2022-23
Earnings	5.19	0.35
Outgo	10.73	1.44

## 8. Corporate Governance Report

Your Company is committed to maintaining the highest standards of corporate governance in spirit and also a leader in complying with the regulatory norms under the SEBI regulations and other laws and regulations applicable to the Company. The Corporate Governance Report and the certificate issued by the Statutory Auditors are available in '**Annexure E**' to this report.

## 9. Business Responsibility and Sustainability Reporting

The Business Responsibility and Sustainability Report as applicable to the Company in terms of Regulation 34(2) of SEBI LODR for FY 2023-24 is provided in '**Annexure F**' to this report. The Company practices various business responsibility initiatives as per the Business Responsibility framework of the Rane Group. This framework is developed and steered at Rane group under the able leadership and guidance of Mr. L Ganesh, Chairman & Managing Director who is also responsible for the implementation of the Business Responsibility initiatives.

## 10. Particulars of Directors, KMP and employees

The details in terms of Section 197(12) read with Rule 5 of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 available in '**Annexure G**' to this report.

Pursuant to Section 136(1) of the Companies Act, 2013, the report of the Board of Directors is being sent to the shareholders of the Company excluding the statement prescribed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The statement is available for inspection by the shareholders at the Registered Office of the Company during business hours.

## 11. Risk Management

The Risk Management Committee of the Board periodically reviews the risk management policy and its procedures.

The Company has in place a Risk Management Policy covering internal and external risks including information security, cyber security, Environmental, Social and Governance (ESG) related etc., measures for risk mitigation including systems and processes for internal control to identify risks associated with the Company and measures to mitigate such risks. The details of composition, scope and the meetings held during the year are provided as part of the Corporate Governance report are provided in '**Annexure E**' to this report.

## 12. Other disclosures

- a. Details of loan, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.
- b. The Internal control systems and adequacy are discussed in detail in the Management Discussion and Analysis annexed to the Directors' Report.
- c. There was no significant material order passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.
- d. The policies approved and adopted by the Board have been made available under the Corporate Governance section on the Investor's page on the website of the Company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>
- e. The copy of the Annual Return is available under the Corporate Governance section on the Investor's page on the website of the Company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>
- f. The Company has complied with the applicable Secretarial Standards, viz., SS-1 on meetings of Board of Directors and SS-2 on General Meetings issued by Institute of Company Secretaries of India (ICSI) as per section 118(10) of the Act.
- g. The details regarding unpaid / unclaimed shares and dividend transferred / proposed to be transferred to the Investor Education and Protection Fund (IEPF) and other relevant details in this regard, have been provided in the Corporate Governance section of this Annual Report.
- h. The Company does not accept any deposits falling under the provisions of section 73 of the Act and the rules framed thereunder.
- i. The Company has established a formal vigil mechanism named 'Rane Whistle Blower Policy' for reporting improper or unethical practices or actions which are violative of the code of conduct of the Company. The policy which is also available on the intranet portal of the Company provides adequate safeguard against victimisation and for direct access to the Chairman of the Audit Committee for the employees and state their complaints / grievances.

j. The Company has always provided a congenial atmosphere for work that is free from discrimination and harassment and has provided equal opportunities of employment to all irrespective of their caste, religion, colour, marital status and gender. The Company believes that women should be able to do their work in a safe and respectful environment that encourages maximum productivity. The Company has a zero tolerance towards sexual harassment. The Company has adopted a policy on prevention of sexual harassment of women at work place and put in place proper dissemination mechanism across the Company. The Company has carried out awareness programmes / sessions on the mechanism established under this policy, across its various locations. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), comprising of Presiding Officers and members with an appropriate mix of employees and external subject matter experts. During the period, the details of complaints received / resolved or pending are as under:

No. of complaints received during the year - Nil

No. of complaints disposed off during the year - Nil

No. of complaints pending as on end of the year - Nil

k. In view of the exemptions available vide General circular 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs ("MCA") read with previous circulars and SEBI Circular dated October 07, 2023, the company will not be dispatching hard copies of the Annual Report to the shareholders. The full Annual Report will be made available on the website of the Company and will also be disseminated to the stock exchanges where shares of the Company are listed. The hard copies of the Annual Report will be made available to those members who are specifically requesting for the same. The electronic copies of the annual report and the notice convening the 88<sup>th</sup> AGM would be sent to all the members whose e-mail addresses were registered with the Company or their respective Depository Participants.

#### Annual General Meeting

i. The 88<sup>th</sup> AGM would be conducted through video conferencing or other audio-visual means on Friday, August 02, 2024 at 14:00 hrs (IST). The notice convening the 88<sup>th</sup> AGM shall contain detailed instructions and notes in this regard.

#### Acknowledgement

We thank our Investors, Customers, Vendors, Bankers, Regulatory and Government Authorities, Reserve Bank of India, Stock Exchanges and Business Associates for their assistance, support and cooperation extended. We place on record our appreciation for the committed services of all our employees.

**For and on behalf of the Board**

Place: Chennai  
 Date: May 15, 2024

**Harish Lakshman**  
 Vice-Chairman &  
 Joint Managing Director  
 DIN:00012602

**Ganesh Lakshminarayan**  
 Chairman &  
 Managing Director  
 DIN:00012583

## Annexure A to the Report of the Board of Directors

## MANAGEMENT DISCUSSION AND ANALYSIS

**1. Company Overview**

Founded in 1929, Rane Holdings Limited, through its Group Companies is engaged in the manufacturing and marketing of automotive components for the transportation industry. The Group is a preferred supplier to major OEMs in India and abroad. The group Companies, manufacture Steering and Suspension systems, Friction materials, Valve train components, Occupant safety systems and Light metal casting products. The products serve a variety of industry segments including Passenger Vehicles, Commercial Vehicles, Farm Tractors, Two-wheelers, Railways and Stationary Engines. With modern manufacturing facilities across 25 locations in India and one in the USA, Rane Group's products are sold across 30+ countries.

**2. Economic Review****2.1. Global Economy**

The global economic growth is estimated to have slowed to 3.1% in 2023 mainly due to the negative impact of monetary policy tightening to curb inflationary pressures. The Eurozone grappled with diminished economic activity due to elevated interest rates aimed at curbing high inflation. China too witnessed economic headwinds due to stress in its real estate markets which exerted downward pressure on its growth trajectory. However, the emerging and developing economies as well as the US economy experienced better-than-expected growth led by resilient consumption, strong government spending and business investments. There was significant contraction in both manufacturing activity and international trade amidst sluggish global demand, largely influenced by tighter credit conditions that weighed on housing markets, investments, and overall economic activity. Despite these challenges, the concerted efforts to tighten policies led to steady decline in global inflation from its multi-decade peak in 2022.

Global economic activity is expected to improve in the second half of 2024 after stagnating in the first half of the year resulting in flattish growth of 3.1% for the full year. US economy is expected to remain resilient on the back of decline in inflation and possibility of rate cuts, while Europe could face a period of stagnant growth. China is also expected to witness slower growth in 2024 due to ongoing real estate crisis placing additional drag on global growth. Global inflation is expected to

moderate further on the back of tighter monetary policy and lower commodity prices. Central bank policy rates appear to have peaked in all major economies and the focus has shifted to expected rate cuts during the year. Key downside risks include the possibility of persistence of high inflation led by resilient demand and upward pressure on wages due to labour shortages which could mean fewer interest rate cuts and continuance of tighter monetary policy. Moreover, risk of higher commodity prices emanating from geo-political conflict including continued attacks in the Red Sea could also weigh on growth prospects. As such, policymakers find themselves confronted with the dual challenge of bringing down inflation while simultaneously reviving growth. Nevertheless, the commitment of policymakers towards global economic stability through effective policy coordination, including monetary and fiscal measures is likely to accelerate growth prospects over the long term.

**2.2. Indian Economy**

The Indian economy has made notable strides over the past few years and in the process, it has overtaken the U.K. to become the world's fifth-largest economy. The local economy displayed remarkable resilience despite tighter monetary policy and global headwinds and emerged as the fastest-growing large economy witnessing growth of 7.8% in FY24 on the back of strong domestic demand and pick up in fixed investment driven by increased capital spending by the central and state governments. The country has managed to emerge stronger from global shocks led by flourishing consumer base and burgeoning middle class. Moreover, demographic dividend, improved financial access and investment in physical and digital infrastructure acted as catalyst for its resilience. Inflation continued its downward trajectory allowing policymakers to hold on to interest rates. Manufacturing, mining, and construction activity remained buoyant amidst decline in input costs and robust demand environment. Despite elevated interest rates, leading indicators such as Goods and Service Tax (GST) collection, e-way bills, Index of Industrial Production (IIP), credit growth, electricity consumption, automobile sales, etc. pointed to robust economic activity.

The Indian economy seems poised to continue its upward trajectory into the coming year, potentially maintaining its position as the fastest-

growing major economy led by robust demand environment supported by strength in corporate and financial sector balance sheets, government spending in infrastructure, and the ongoing implementation of well-structured policy reforms. According to International Monetary Fund (IMF), growth rate in the Indian economy is expected to normalize at 6.8% in FY25 on the back of expectations of a normal monsoon and sustained momentum in manufacturing and services sector. Moreover, moderating inflation is likely to result in interest rate cuts providing further fillip to growth. Private consumption is expected to gather pace and private capex is likely to pick up in a sustained manner. India is also negotiating free trade agreements with the European Union, the UK, and the Gulf Cooperation Council which will enable the country to diversify its trade relations. However, persistent inflationary pressure resulting in higher interest rates, supply side disruptions due to geo-political tensions, higher oil prices, slowdown in public capex, and sluggishness in rural demand on the back of deficient monsoon could dampen growth prospects.

### 3. Industry Review

#### 3.1. Global Automobile Industry

The U.S. auto industry rebounded in 2023 and witnessed strong pick up in sales with many car companies reporting double-digit sales gains, marking a return to normalcy for a sector that has been on a roller coaster since the start of the pandemic. New-light vehicle sales increased by 12.4% YoY to 15.5 million units despite higher borrowing costs on the back of improving supply levels and higher incentives. Crossovers were once again the most popular segment in 2023, representing 47.9% of all new light vehicles sold. In 2023, Battery Electric Vehicle (BEV) sales topped 1.1 million units for the first time and made up 7.2% of all new light vehicles sold. The National Automobile Dealers Association (NADA) expects the U.S. new-vehicle sales to increase slightly to 15.9 million in 2024 as elevated interest rates and high price is expected to be offset somewhat by higher incentive spending by OEMs.

According to European Automobile Manufacturers' Association (ACEA), the European Union's (EU) car market experienced a robust growth of 13.9% over the previous year, resulting in a total annual volume of 10.5 million units, with the majority of markets witnessing significant double-digit increases. Petrol vehicles maintained their dominance with a market share of 35.3%, while hybrid-electric cars secured the second position, accounting for 25.8% of the market, followed by electric cars with 14.6% market share. The EU car sales growth is expected to slow to 2.5% reaching 10.7 million units in 2024

as constraints on household budgets on the back of high interest rates and tapering EV subsidies is likely to curtail meaningful demand, according to ACEA.

The global automotive industry reflected a complex interplay of innovation, resilience, and adaptation to a changing world and witnessed strong growth led by resilient demand and improving supply chain conditions. While the industry continued to pivot towards electrification, traditional Internal Combustion Engine (ICE) vehicles witnessed strong growth across all major geographies. Traditional automakers continued to accelerate their transition towards electric and autonomous vehicles, investing heavily in research and development to stay competitive in a rapidly evolving landscape.

The global automotive industry could face minor challenges in the form of sluggish consumer spending amidst tighter credit conditions, high car prices and weak global economic growth. EV sales could experience muted growth despite supportive government policies relating to tightening of emission due to tapering government incentives, limited charging infrastructure and the saturation of early adopters. The growth of the sector is likely to be shaped by a multitude of factors, including the adoption of electric vehicles, advancements in the production of high-capacity batteries, ramp up in installation of fast and ultra-fast charging infrastructure, introduction of autonomous vehicles and deployment of 5G connectivity which is expected to unlock advanced connected car capabilities. Collaborations between Original Equipment Manufacturers (OEMs) and technology companies are poised to foster innovation and drive further growth in the automotive sector. However, ongoing geopolitical tensions, trade disputes, and environmental regulations could pose challenges, underscoring the industry's need for agility and adaptation in the face of evolving market dynamics.

#### 3.2. Indian Automobile Industry

Despite external headwinds in the form of high interest rate environment, India's automotive sector remained resilient and displayed positive momentum marked by growth across all the segments, offtake in EVs, safety trends and a shift towards digitalisation. Stabilization in commodity prices, improving chip availability, robust economic activity and new model launches resulted in robust growth in the industry.

The Passenger Vehicle (PV) segment witnessed steady resurgence and growth on the back improving supplies of semiconductors, new models launches and positive customer and

economy sentiment. Robust demand, easing semiconductor supply issues and strong offtake in the festive season led to volume growth of 7% in the PV segment. Utility vehicle (UV) segment saw significant migration of demand from entry level segment on the back of changing consumer preferences and flurry of new launches and continued to power the overall UV segment resulting in volume growth of 23% whereas the Passenger Car (PC) segment volume fell by 9% despite high discounts. Electric passenger vehicles continued to scale new highs as a result of increased product availability and reducing price parity.

Commercial Vehicle (CV) segment witnessed sluggish volume growth of 3% despite elevated freight rates and sustained freight demand supported by strong economic activity and growth in the manufacturing and infrastructure sector. The Medium and Heavy Commercial Vehicles (M&HCV) segment registered a growth of 3% supported by continued government infrastructure push and growth in core sectors. The Light Commercial Vehicles (LCV) segment reported volume growth of 3% led by growth in e-commerce and strong capital inflow in other end-user industries to improve logistics and last-mile connectivity pushing need for last mile connectivity.

Two-wheeler's segment witnessed robust volume growth of 10% driven by an improved rural demand, the availability of a wide range of models and variants, and attractive financing options. Tractors volume declined by 8% on last year's high base due to erratic monsoon and weaker rural sentiment.

Industry Segment (Production figures)	Growth in % (YoY change)	
	FY24	FY23
<b>Vehicles</b>		
Passenger Cars (PC)	(9)	18
Utility Vehicles (UV)	23	33
Multi-Purpose Vans (MPV)	3	23
<b>Passenger Vehicles (PV)</b>	7	25
Light Commercial Vehicles (LCV)	3	23
Medium & Heavy Commercial Vehicles (M & HCV)	3	37
Commercial Vehicles (CV)	3	28
Farm Tractors (FT)	(8)	11
Two Wheelers (2W)	10	10

Source: Society of Indian Automobile Manufacturers (SIAM)

### 3.3. Indian Automotive Aftermarket Industry

As per Global Automotive Aftermarket Research Report published by ACMA, Indian automotive aftermarket is expected to reach USD ~14 billion by 2028 from USD 10 Billion in 2023. Further, the global aftermarket export to 10 major markets presents over USD 35 billion exports opportunity. Rapidly growing economy coupled with increased purchasing power is driving vehicle sales creating significant growth opportunities for the aftermarket sector in the country. The increasing prevalence of online retail and e-commerce platforms in India has enabled better access to aftermarket products and helped in expanding market penetration and enhancing consumer reach. India has preferential access, economic cooperation and free trade agreements with more than 50 countries as of 2023, which will help in enhancing auto components exports. Overall, the aftermarket sector remains dynamic and adaptive offering ample opportunities for growth and innovation.

### 3.4. Indian Auto Component Industry

India's automotive components sector maintained healthy growth in fiscal 2024 on the back of robust demand from domestic Original Equipment Manufacturers (OEMs) and increasing exports. Consumption of increased value-added components and the shift in market preference towards larger and more powerful vehicles continued to contribute to the increased turnover of the auto parts sector. Mitigation of supply side issues such as availability of semiconductors and stabilisation in input raw material costs supported the growth. The industry showcased resilience by leveraging technology and innovation to streamline processes and adapt to the evolving market demands. Almost all the leading players in the industry continued to focus on enhancing operational efficiency, optimizing supply chains, and investing in research and development to meet the changing needs of the automotive sector.

Long-term prospects for automotive component exports from India remain positive, mainly due to the changing preference of global automotive players to de-risk supply. Moreover, extension of PLI scheme for automobile and auto components by a year is likely to encourage investments in the automotive manufacturing value chain and increase domestic production of Advanced Automotive Technology (AAT) products thereby providing additional growth lever. As such the sector remains well-positioned for growth led by robust demand from domestic OEMs, increased indigenisation of components, growing exports opportunity and favourable government policies.

## 4. Business Review

### 4.1. Rane Holdings Limited (RHL)

#### Operational Highlights

- The Group Companies registered a sale of ₹7,199 Crores.
- Continued to engage in various lean measures to improve productivity.
- Implemented strategic savings initiatives on power, sourcing etc., at the group level.
- RHL increased its shareholding in Rane Engine Valve Limited (REVL).
- During the financial year the RHL divested its entire shareholding in Rane t4u in exchange for 11.94% equity shares in eTrans Solutions Private Limited.

#### Financial Highlights

##### Standalone Financial Highlights

- Total Revenue was ₹150.47 Crores for FY24 as compared to ₹118.19 Crores for FY23, an increase of 27.31%.
- Operating revenue increased to ₹146.86 Crores in FY24 from ₹117.66 Crores in FY23 due to higher dividend income, Service fee and trademark fee from Group Companies.

- Other income increased to ₹3.61 Crores in FY24 from ₹0.53 Crores in FY23 due to gain on disposal of property plant and equipment.
- EBITDA stood at ₹98.79 Crores as compared to ₹71.93 Crores during FY23, an increase of 37.33%.
- EBITDA (after exceptional item) stood at ₹95.83 Crores as compared to ₹69.01 Crores during FY23, an increase of 38.87%.
- Net profit stood at ₹73.06 Crores for FY24 as compared to ₹48.30 Crores for FY23.
- An impairment provision of ₹2.96 Crores has been made on account of disinvestment of the subsidiary, Rane t4u.

#### Consolidated Financial Highlights

- Total revenue was ₹3,543.98 Crores for FY24 as compared to ₹3,537.46 Crores for FY23, an increase of 0.18%.
- EBITDA stood at ₹335.64 Crores for FY24 as compared to ₹348.61 Crores for FY23, recording a decline of 3.72%.
- Net profit stood at ₹149.61 Crores for FY24 as compared to a profit of ₹87.31 Crores for FY23.

#### Standalone

Sl. No.	Ratios	Unit of Measurement	March 31, 2024	March 31, 2023	Significant change (Δ 25%)	Reason for significant change in FY 24
1	Debtors Turnover	Days	9.80	12.29	NA	NA
2	Current Ratio	Times	3.17	1.02	211%	*
3	Interest Coverage ratio	Times	20.08	12.05	67%	**
4	Debt Equity Ratio	Times	-	0.10	(100%)	**
5	Operating Profit Margin	%	64%	57%	NA	NA
6	Net Profit Margin	%	50%	41%	NA	NA
7	Return on Net worth	%	13%	9%	41%	**
8	Return on Capital Employed	%	16%	11%	45%	**

\*Increased on account of investment in mutual fund and repayment of borrowings in the current year.

\*\*Increased dividend income has primarily resulted in increased profits for the current year and repayment of borrowings in the current year.

The other ratios as required under Schedule III are disclosed in Note no.32 to the Financial Statements.



**Consolidated**

Sl. No.	Ratios	Unit of Measurement	March 31, 2024	March 31, 2023	Significant change ( $\Delta$ 25%)	Reason for significant change in FY 24
1	Debtors Turnover	Days	5.67	5.76	NA	NA
2	Inventory Turnover	Days	4.69	4.85	NA	NA
3	Current Ratio	Times	1.09	1.09	NA	NA
4	Interest Coverage ratio	Times	3.59	4.13	NA	NA
5	Debt Equity Ratio	Times	0.91	1.06	NA	NA
6	Operating Profit Margin	%	7%	6%	NA	NA
7	Net Profit Margin	%	4%	2%	70%	*
8	Return on Net worth	%	17%	11%	58%	*
9	Return on Capital Employed	%	9%	12%	NA	NA

\*The improvement is on account of increase in consolidated sales volume which in turn resulted in higher profitability.

**4.2. Subsidiary Companies****4.2.1. Rane (Madras) Limited (RML)****Operational Highlights**

- The Steering and Linkages business registered a negative growth of 3.1% during the year in the domestic market. This was due a market shift from Small passenger car segment, where the RML had a major market share, to Utility Vehicle segment. The Light Metal Castings Division also had a negative growth of 3.4% during the year
  - Export sales of Steering Division continued the momentum with a growth of 11.5% over the previous year, with strong growth coming from the US and Mexico. Light Metal Castings division also registered a growth of 14.3% due to ramp up of volumes in new businesses.
  - All plants continued to work on various productivity improvement and cost saving projects during the year. Industry 4.0 techniques with IoT sensors, AI cameras were added in the manufacturing process to capture the data towards smart manufacturing.
  - The RML's focus on new technologies continued during the year with good progress on the development of several new products which will pave the way for future growth aspirations.
- RML has won the following awards from customers:
    - Supplier of excellence award from Polaris
    - Quality Excellence award from Tata Motors Commercial Vehicle
    - Quality Excellence award from Daimler
    - Extra Mile award from Tata Motors Passenger Vehicle
    - Kaizen awards from Tata Motors Limited
    - External awards from ACMA, QCFI, CII & ABKAOTS
    - "Great Place to Work" for the 6<sup>th</sup> consecutive year
  - Light Metal Casting business in India is in the process of launching several new programs to SOP in the FY 24-25 which will further improve its capacity utilization and revenue growth.

**Rane Light Metal Castings Inc., USA (LMCA)**

During the financial year, RML divested its entireholdings in M/s. Rane Light Metal Casting Inc., USA (LMCA) held through its wholly owned subsidiary viz., Rane (Madras) International Holdings B.V., The Netherlands (RMIH) for a consideration of USD 4.9 million. Accordingly, for the FY 24, the RML has recorded a fair value loss aggregating ₹121.56 crores in the standalone financial results and loss on sale of the aforesaid

step down subsidiary aggregating ₹85.46 crores in the consolidated financial results as an exceptional item.

#### **Rane Automotive Components Mexico S de R.L. de C.V. (RACM)**

RACM is the newly incorporated company in Aguascalientes, Mexico. This company is incorporated in order to serve our customers who are present in the North America. Most of the North American customers require our presence in North America due to USMCA (United States, Mexico, Canada) rules, which provides exemption for the customs duty within USMCA region. RML has limited presence in NA region and a manufacturing facility here would help to grow the business in NA region.

#### **Financial Highlights**

##### **Standalone Financial Highlights**

- Total revenue was ₹2,144.84 crores for FY24 as compared to ₹2,135.50 crores for FY23, an increase of 0.44%.
- 2.7% degrowth in the Indian market.
- 5% degrowth in the Aftermarket business.
- 11.5% growth in the exports market due to increase in sales in both steering and linkage and casting products.
- EBITDA stood ₹182.75 crores as compared to ₹228.42 crores during FY23.
- Net profit was ₹14.88 crores for FY24 as compared to a loss of 126.54 crores for FY23.

##### **Consolidated Financial Highlights**

- Total revenue was ₹2,243.53 crores for FY24 as compared to ₹2,372.30 crores for FY23. LMCA sales recognized for the part of the year ₹95.22 crores till the divestment date 14<sup>th</sup> Sep 23.
- EBITDA stood at ₹150.70 crores as compared to ₹200.36 crores during FY23.
- Net profit stood at ₹3.02 crores for FY24 as compared to Net profit of ₹30.02 crores for FY23.

#### **4.2.2. Rane Engine Valve Limited (REVL)**

##### **Operational Highlights**

- To mitigate EV related risk, sales to non-automotive customers grew by 21%.
- R&D continues to proactively engage with customers to focus on EV-insulated segment.
- Automation and integration of valve testing equipment introduced on pilot basis.

- Working with OEMs for development of valves for Hydrogen engines.
- Mass production of sodium filled hollow valves commenced during the year.
- Two plants (Trichy & Tumkur) have manufacturing lines certified for VDA 6.3.
- REVL received Customer Awards from Toyota Industries Engine India and Daimler India Commercial Vehicles.

##### **Financial Highlights**

- Total revenue was ₹570.34 Crores for FY24 as compared to ₹499.63 Crores for FY23, recording an increase of 14.15%.
- Sales to Domestic OE customers grew by 14% due to improved demand across all segments.
- In the Exports market, OEM sales grew by 25% due to increase in off take by OEM customers.
- EBITDA stood at ₹50.31 Crores as compared to ₹36.22 Crores during FY23, an increase of 38.91%.
- Net profit stood at ₹11.46 Crores for FY24 as compared to loss of ₹0.06 Crores for FY23.

#### **4.2.3. Rane Brake Lining Limited (RBL)**

##### **Operational Highlights**

- Robot application installed in finishing lines across all plants. AI based vision inspection system implemented to strengthen internal quality gates.
- Magneto strictive sensor installed to reduce crack rejections.
- Installed 1 MW Solar Plant at Trichy Plant which led to own generation of overall renewable energy of 5.6 MW.
- Overall, 44% of the energy requirement is met through Renewable energy (Solar & Wind).
- GPTW certified for 7<sup>th</sup> year in a row.
- Received Customer Awards from Endurance Technologies in the "Capable Supplier" and "Excellence in Technology" categories as well as "Best Management" award from Telangana State Government.

##### **Financial Highlights**

- Total revenue was ₹662.97 Crores for FY24 as compared ₹607.07 Crores for FY23 recording an increase of 9.21%.
- Domestic OE sales registered a 15.65% increase. The sales growth was driven

by increase in volumes across all major segments and entry into new models in Passenger Vehicle and Two-wheeler segments.

- Export touched all time high of ₹35.61 Crores, an increase of 33.47%. The breakthrough results are due to launching new products for CV segment and commencement of supplies for US market.
- EBITDA stood at ₹77.52 Crores as compared to ₹64.63 Crores during FY23, an increase of 19.94%.
- Net profit stood at ₹40.28 Crores for FY24 as compared to ₹33.46 Crores for FY23.

#### 4.3. Joint Ventures / Associate Companies

##### 4.3.1. ZF Rane Automotive India Private Limited (ZRAI)

###### Operational Highlights

- P1 (FIG), P2 (Pump) & P4 (Pump & FIG-Uttarakhand) have achieved record sales for the year.
- SGD division received the Award from VECV in Oct23 for Outstanding contribution in the Uptime Excellence Award.
- P1 team bagged the prestigious runner award in the National level Supplier SAMRAT competition conducted by Ashok Leyland having won the state level competition earlier.
- Milestone attainment- >1000cr sales at OSD, Exports contributed to 60% of the Division's Sales while Domestic sales contributed to 40%.
- The ZRAI has undertaken Industry 4.0 initiative in order to digitize (AI based projects) and automate the manufacturing process and systems.
- Implementation of ZF's Operational system (Flex tool, Plant Performance Review, MR11 etc.).
- OSD received 41 different external awards from QCFI, CII & ACMA.
- Both the divisions realized highest ever material cost reduction for the year through rigorous VA/VE initiatives to stay competitive under volatile material cost situation throughout the year.
- The wholly-owned subsidiary ZF Rane Occupant Safety Systems Pvt. Ltd. (ZROS) started the webbing, Cushion & Module SOP during the year. SOP started from Q1 for domestic customers such as Mahindra,

Tata, PSA, Daimler & AL. Export to ZF Europe in Q1 2024-25

- IRS projects for Hyundai and cushion programs for the customers Volkswagen, BMW launched seamlessly by ZROS.
- During the year, ZRAI acquired the entire shareholding in TRW Sun Steering Wheels Private Limited on March 28, 2024.

###### Standalone Financial Highlights

- Total revenue was ₹2,102.31 crores for FY23-24 as compared to ₹1,858.63 crores for FY22-23, recording an increase of 13.0%.
- EBITDA stood at ₹233.87 crores as compared to ₹199.02 crores during FY22-23, an increase of 17.5%.
- Net profit (PAT) stood at ₹121.55 crores for FY23-24 as compared to ₹101.89 crores for FY22-23.

###### Consolidated Financial Highlights

- Total revenue was ₹2,153.37 crores for FY23-24 as compared to ₹1,857.12 crores for FY22-23, recording an increase of 15.95%.
- EBITDA stood at ₹233.25 crores as compared to ₹195.01 crores during FY22-23, an increase of 19.61%.
- Net profit (PAT) stood at ₹106.84 crores for FY23-24 as compared to ₹97.23 crores for FY22-23.

##### 4.3.2. Rane NSK Steering Systems Private Limited (RNSS)

###### Operational Highlights

- Electric Power Steering (EPS) business registered 15% growth in sales compared to previous year, on robust demand in PV Segment.
- Manual Steering Column (MSC) business registered 9% increase in sales on the backdrop of the growth in the Commercial Vehicle segment, however Q4 volumes were affected.
- RNSS continued to invest in R&D by upgrading the Test Lab to improve the testing capabilities in line with the industry trends.
- Recognised by Daimler Commercial Vehicle's - for 100% on time Delivery performance.

###### Financial Highlights

- Total revenue was ₹1,727.80 Crores for FY 24 as compared to ₹1,520.39 Crores for FY 23, recording an increase of 13.64%.

- EBITDA stood at ₹70.59 Crores as compared to ₹99.28 Crores during FY 23, a decrease of 28.90%.
- Loss before exceptional items stood at ₹14.19 Crores during FY 24 as compared to Profit of ₹23.12 Crores during FY 23.
- Net Profit stood at ₹10.48 Crores for FY 24 as compared Loss of ₹99.11 Crores for FY 23. This includes an Exceptional Income of ₹9.07 Crores on realisation of disposal of warranty returned parts as against expense towards estimated warranty provision of ₹74 Crores in FY23.

#### 4.4. Opportunities and Threats

The automotive industry in India is poised for significant growth, driven by a multitude of factors. Accessible, affordable, and transparent financing options, improving road infrastructure and increasing disposable income have been the major factors catapulting the growth of the auto industry in India. India's increasing adoption of electric vehicles is set to enhance the industry's influence, further establishing the nation as a prominent global automotive centre. Shifting consumer preferences, increasing exports, and government support will be pivotal in shaping the future of the industry. The emerging trends and growing focus of automakers on integrating cutting-edge technologies in car manufacturing has opened up massive investment opportunities in the India auto sector. Significant technological strides in electric vehicles, autonomous driving, connectivity, the adoption of digital sales, and a strong emphasis on safety measures are anticipated to unlock vast opportunities for the industry.

Despite significant growth prospects, the industry is also confronted with a range of issues including logistics and supply chain disruptions, escalating energy costs, shortages in skilled labour, complex economic and political landscape and growing expectations of an increasingly discerning and demanding consumer base, among others. Persisting high interest rate environment could impact affordability to some extent for potential buyers. These economic challenges present formidable obstacles for the automotive industry, necessitating strategic adaptation and resilience to navigate through turbulent times.

#### 4.5. Outlook

The automotive industry is poised for significant growth driven by several key factors. Foremost among these is the rapid adoption of new technologies, coupled with robust government support policies. With increasing awareness about environmental issues, there's a notable

shift towards alternate fuel vehicles like CNG and EVs, which is expected to further boost sector growth. Moreover, factors such as rising per capita incomes, evolving demographic profiles, low vehicle penetration rates and favourable policy environments, including infrastructure development, are all contributing to a steady rise in industry demand. However, potential challenges such as a global economic slowdown and higher interest rates could temporarily impact demand. Yet, the industry's ability to innovate and adapt will be pivotal as it continues to evolve, ensuring its resilience and sustained growth in the long run.

#### 4.6. Scheme of Amalgamation

The Board of Directors of the listed subsidiaries of RHL, viz., REVL, RBL and RML at their respective board meetings held on February 09, 2024 considered and approved the scheme of amalgamation ("Scheme") of RBL and REVL with and into RML with effect from April 01, 2024. As per the Scheme, 9 (Nine) equity shares of ₹10/- each of RML will be issued for every 20 (Twenty) equity shares of ₹10/- each held in REVL and 21 (Twenty-One) equity shares of ₹10/- each of RML will be issued for every 20 (Twenty) equity shares of ₹10/- each held in RBL. The Scheme is subject to the approval of shareholders and creditors of the respective companies, BSE Limited and The National Stock Exchange of India Limited, National Company Law Tribunal and such other approvals as may be required.

The proposed Scheme amalgamation aims to simplify the group structure, align shareholder interests, enhance operational efficiency and diversify product offerings. Consolidating under a single listed entity will facilitate coordinated business management, achieve synergies in revenue and costs, optimize resources, and improve access to capital for growth opportunities. Additionally, it will enable a unified approach in customer engagement, supply chain management and administration functions, while leveraging combined human capital for improved organizational capability and leadership.

### 5. Risk Management

The Company has laid down well-structured procedures for monitoring the risk management plan and implementing risk mitigation measures. The risks are broadly classified into strategic risks, operational risks, financial risks and statutory compliance risks. These risks are rated based on factors such as past year experience, probability of occurrence, probability of non-detection and their impact on the business. The top management reviews the strategic risks and the risks with high probability and high impact for

every quarter and presents its report along with a risk mitigation plan to the Board of Directors on a half-yearly basis. The strategic risks are taken into consideration in the annual planning process with their mitigation plan. Other risks are covered as part of the internal audit process and presented to the Audit Committee every quarter. The business process risks and the related

controls are subjected to internal audit and reviewed on a quarterly basis. The risk ratings are revalidated with the top management as part of the internal audit process every quarter. The overall re-assessment of risks at the Company level is carried out and presented to the Board of Directors once in two years for their review.

	Risk	Nature of Risk	Risk Mitigation Strategies
Strategic	Industry / Market Risk	76% of revenue is derived from the Indian automotive sector. Hence, any drop in vehicle production will have a significant impact on the Company's business.	The Company constantly strives to: <ol style="list-style-type: none"> <li>Increase revenue from international markets (outside of India).</li> <li>Add new products to increase organic revenue and diversify customers across vehicle segments.</li> <li>Improve presence in the Aftermarket segment, which presents an opportunity to compensate for any drop in the OE segment.</li> </ol>
	Technology Obsolescence Risk	Auto industry and customer preference undergo changes, resulting in technology obsolescence.	The Company has consistently delivered cutting-edge technology products with enhanced R&D capabilities, localisation of testing and validation capabilities. Proactive engagement with customers at an early stage helps the Company to capture and work on the new technology development.
	Competition	Maintaining market share in the competitive market and availability of unorganised players pose further challenges.	The Company's long-standing relationship with OEMs, state-of-the-art facilities and best-in-class processes help deliver superior value to the customers. The Company periodically conducts customer surveys to understand customer feedback and work in furthering its relationship with the customers.
Operational	Quality / Processes	Quality and delivery are sacrosanct for the safety-critical products supplied by the Group	Skilled workforce, imparting job skill enhancement training, enhancing supplier capabilities and robust manufacturing processes help the Company mitigate quality and delivery risks.
	People Risk	Attrition of key personnel could impact business operations and growth.	The Company's HR processes are constantly upgraded to attract, retain and develop talent. The policies are people-centric and industry accolades on HR practices help attract talent. The dedicated training centre supports in building functional capabilities and developing a strong leadership pipeline. The performance management system and other employee engagement initiatives help develop and retain talent.
	Raw Material (Input) Price Risk	Material cost is a significant part of the cost and volatility in the price of raw material costs will erode margin.	The Company constantly strives to mitigate the input cost increases by: <ol style="list-style-type: none"> <li>Implementing a procurement function that will work on cost-reduction initiatives through alternate sourcing, localisation, etc.</li> <li>Negotiating and passing through input cost, which increases suitably to the customers.</li> <li>Working on process improvements, yield improvements, etc.</li> </ol>

	Risk	Nature of Risk	Risk Mitigation Strategies
Financial	Currency Risk	The Company is exposed to foreign currency exchange risk as it exports our products to various countries and import raw materials.	The Company uses a multi-pronged approach as suitable to the scenarios. This approach includes: (a) Optimally balancing the import and export to create natural hedge. (b) Working with customer-to-index prices to mitigate currency fluctuations. (c) Taking simple forwards on a rolling basis to protect its export realisation.
	Interest Rate Risk	Use of borrowings to fund expansion exposes the Company to interest rate risk.	The Company manages interest rate risk on the following basis: (a) Maintaining optimal debt-equity levels. (b) Using internal accruals to fund expansion. (c) Constantly optimizing working capital to reduce interest costs.

## 6. Human Resource Development and Industrial relations

### 6.1. Talent Development Initiatives

In FY 2023-24, the Company focused on the following talent development initiatives:

#### Leadership Development

#### 6.1.1. Leadership Boot Camp (LBC)

Group level mandatory internship scheme was introduced wherein the identified entry level graduates were on-boarded as interns before joining as trainees in order to provide real work experiences. 60 entry level graduates (GET/MT/PGET) joined us as part of our entry level talent hunt and underwent the LBC journey. LBC focuses on supporting the transition from campus to corporate and has a blend of technical and soft skills programs, plant visits, on-the-job training, cross functional exposures and interactions with business leaders.

#### 6.1.2. Young Leadership Development (YLD)

The objective of YLD is to facilitate the development of leadership competencies of first time managers and to provide young leaders relevant exposures and high quality learning experiences thereby strengthening the leadership bandwidth at middle management. The seventh batch underwent 5 days of classroom sessions across 3 modules facilitated by Shri Dharmasthala Manjunatheshwara Institute for Management Development (SDMIMD). They also had interactive session with business leaders who shared their insights and experiences on leadership effectiveness.

As part of the ongoing learning engagement journey, YLD participants from earlier batches underwent a two-day workshop on strategy and finance facilitated by a reputed B school in Chennai. The workshop was curated with the objective of enhancing their business

understanding through Rane specific case studies. Participants presented their solutions to the case studies by drawing insights from various modules to a panel of business leaders and interacted with them on the approach and strategy for the case study.

#### 6.1.3. High Potential Leadership Development (HPLD)

The objective of HPLD is to build leadership competencies of high potential talent and strengthen the leadership pipeline. Participants underwent a customised residential program titled TOP GEAR (Transforming Organization and Profitability through Growth, Engagement, Actions, Results) at Great Lakes Institute of Management (GLIM), Chennai. TOP GEAR enables participants to understand their potential and the shifts required to be future ready. The participants showcased their action learning projects to Business Heads along with Dr. Suresh Srinivasan, GLIM, who shared their insights on the projects and felicitated the participants.

As part of the HPLD design, the participants underwent an outbound experiential assessment and development centre at Pegasus Institute, Pondicherry. The outbound had continuous feedback assessments that helped them to have easy acceptance of feedback and concrete developmental takeaways.

#### 6.1.4. Rane Manufacturing Systems Professionals (RMSP)

RMSP was originally launched in June 2017 to 'Build Manufacturing Capability' among junior & middle managers in Manufacturing, Manufacturing Engineering, Quality Assurance and Plant Engineering functions. RMSP 4.0 was refreshed and rolled out in June 2023 with the objective of "enhancing manufacturing capability through technical proficiency for significant improvement in plant performance". The enhanced version of the program has two streams, Basic stream and Advance stream and

places emphasis on learners, enabling role-based development for significant improvement in plant performance.

## 6.2. Learning digital journey

To enable anytime anywhere access, the Learning Management System (LMS) was refreshed and transitioned to cloud and the Rane LMS app was rolled out. Some of the salient features of the app include workflows to self-enroll for programs, track and review Individual Learning and Development Plan progress and view real time dashboards. Further the L&D leaderboard was introduced to elevate learner engagement by recognising individuals as learning champion(s) and managers as enabling champion(s) based on milestones and metrics. The 'Digital Library' was enhanced with over 100 resources in the form of articles, E-books, podcasts, videos on self-leadership, people leadership, wellness, office productivity and technical processes.

e-learning courses were rolled out in the mobile platform including course on governance and road safety awareness. Employees were also encouraged to pursue online courses through the SWAYAM platform, a ministry of HRD initiative with a sponsorship for certification for up to 3 courses in a year.

## 6.3. Great Place to Work (GPTW)

The Rane Group believes in continuous improvement in all aspects of its operations. Employee satisfaction and engagement are as key to its growth as business performance. Therefore, to give the employees a platform to express their views in a free and open manner, Rane has been conducting an Employee Opinion Survey for almost a decade. An external consultant would administer the survey, share the findings, and help in identifying the strengths and areas of opportunity. As the organisation grew, there was a need to find other models that accurately and efficiently captured employee views and helped to benchmark against the best in keeping the employees happy.

GPTW is a globally recognized body that helps businesses create a sustainable, high trust, high-performance culture. Rane Group has been participating in the survey for over 15 years and using the findings to elevate the employee engagement and experiences. RBL was proud to be GPTW certified for the 3<sup>rd</sup> year in a row.

## 6.4. Wellness at Rane

Rane Group is committed to promoting a healthy and positive work environment for its employees. A wellness app was launched in partnership with The Wellness Corner which provides holistic wellness solutions to prioritize the health and well-being of the employees. Through this initiative, employees are encouraged to participate in multiple challenges and that help in adopting healthy habits like regular exercise and

mindful eating. Through various initiatives such as wellness workshops, mental health support and financial wellness programs, we aim to empower our employees to lead balanced and fulfilling lives.

Wellbeing of our employees are prioritized through robust HSE (Health, Safety and Environment) practices, including ergonomic assessments, to ensure that the workspaces are optimized for comfort and productivity.

Rane Premier League (RPL) is one such event to celebrate the togetherness and also craft a workplace wellness. RPL, a cricket tournament was held among the group entities of Rane. Companies nominated best cricketers who were enthusiastic to bring home the trophy. RPL had a total of 9 teams who fought for winner and runner up awards.

Chennai Marathon is yet another event which saw good participation from Rane Group as part of wellness initiative. The Chennai Marathon is the largest sporting event in Chennai. This year, 144 employees from the Rane Group participated in the Chennai Marathon.

## 6.5. Women empowerment at Rane

Towards our commitment to empower women in the workplace, Rane Group launched Women at Work (W@W) Group. This group aims to build a community of "Engaged, Enthused and Empowered" women in supporting their career aspirations while effectively managing the demands of their evolving life circumstances. W@W group will be mentored by an executive coach. The format will be one-on-one and group sessions that will serve as a valuable platform for women within the organization to connect, share experiences, and access resources aimed at advancing their professional development.

## 6.6. Industrial Relations

The group level industrial relations council works towards the objective of creating a healthy working environment by promoting peace and harmony amongst all segments of employees. The focus areas for the council includes interpretation and implementation of legislations, workforce mix planning for optimal deployment and sharing of best practices.

## 7. Corporate Social Responsibility (CSR)

Rane Foundation, a public charitable trust founded in the year 1967, is the lead for implementing Rane Group's CSR initiatives. The Company's CSR vision is 'to be a socially and environmentally responsible corporate citizen'. The Company continues to focus on four thrust areas for its CSR activities - Education, Healthcare, Environment and Community Development. In FY 2023-24, the Group implemented several projects by primarily focusing on Education, Healthcare and Community Development.

## 7.1. Education

The Rane Polytechnic, established at Trichy in the year 2011 under the aegis of Rane Foundation has stepped into its thirteenth academic year. The institution is accredited by the National Board of Accreditation (NBA) for its Diploma in Mechanical Engineering program. So far 1831 students have completed their diploma program and 137 students have completed the program in the academic year 2023-24. Out of 137 students, 105 opted for placements and 100% placement was achieved for the FY 2023-24 batch.

The Rane Vidyalaya, established at Trichy in the year 2018 under the aegis of Rane Foundation has stepped into its sixth academic year. Rane Vidyalaya was recognized by Directorate of School Education, Tamil Nadu in 2018 and is affiliated to the Central Board of Secondary Education, New Delhi. In 2023-24, it reached a student strength of 841 in its sixth year of operations, operating from LKG to IX standard proving the need for a quality school in rural area.

Rane Foundation in association with various educational institutions carried out the following:

- Organized pre-vocational training with Maithree to support 10 special children in the age group between 14 and 18.
- Extended support to the Gopalapuram Educational Society towards running & maintenance of Boys & Girls Schools.
- Supported in setting up of 15 Single Teacher Schools in association with Swami Vivekananda Development Society.
- Provided 50 web-cameras to Ramakrishna Mission Student's Home.

## 7.2. Healthcare

Rane Foundation through strategic partnerships with established organisations contributed medical equipment to not for profit hospitals of repute, making a significant impact on society across various specialties such as Ophthalmology, Dialysis, and Public Health Care at an affordable cost, as outlined below.

- Enhanced the infrastructure at Sringeri Sharada Equitas Cancer cum Multi speciality Hospital, a charitable hospital, with equipments such as 32 paramount 5 function motorized beds with mattress, 9 single nurse control motorized ICU beds with 5 functions and 43 semi fowler beds with mattress.
- Supported Apollo Hospitals Enterprise Limited in conducting Tele-Ophthalmology

Camp at Trichy including delivery of spectacles.

- Donated Photo Slit Lamp equipment to Sankara Nethralaya to enhance the ophthalmic care.
- Supported Voluntary Health Services, a multi-speciality hospital with drager fabius plus anaesthesia work station and vamos plus.
- Supported Tamil Nadu Kidney Research Foundation (TANKER Foundation), a non-profit charitable trust with 8 automatic external defibrillators.

## 7.3. Community Development:

Rane Foundation in association with Swami Vivekananda Rural Development Society supported in providing skill training for motor car driving for 25 women including obtaining license and facilitating employment opportunities.

## 8. Internal Control Systems

The Company has put in place a robust internal control system to prevent operational risks through a framework of internal controls and processes. These controls ensure that the business transactions are recorded in a timely and complete manner in the financial records, resources are utilised effectively and the assets are safeguarded.

The internal audit function is carried through a professional firm of independent assurance service providers. The Audit Committee and the Board in consultation with the internal auditors, statutory auditors and operating management approve the annual internal audit plan. The scope also covers the internal financial controls and internal controls over financial reporting. The internal audit findings are placed before the Audit Committee at each of its quarterly meetings for review. The management's responses and counter measures are discussed in the Audit Committee meetings. This process ensures robustness of the internal control system and compliance with laws and regulations including resource utilization and system efficacy.

## 9. Cautionary statement

The information and opinion expressed in this Report may contain certain forward-looking statements, which the management believe are true to the best of its knowledge at the time of its preparation. Actual results may differ materially from those either expressed or implied in this report.

**For and on behalf of the Board**

**Harish Lakshman**

Vice-Chairman &  
 Joint Managing Director  
 DIN:00012602

**Ganesh Lakshminarayan**

Chairman &  
 Managing Director  
 DIN:00012583

Place: Chennai  
 Date: May 15, 2024



Annexure B to the Report of the Board of Directors

# SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2024

Form No. MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Regulation 24A(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

To the Members of

**Rane Holdings Limited**

[CIN: L35999TN1936PLC002202]

"Maithri", No.132, Cathedral Road,  
Chennai - 600 086.

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **RANE HOLDINGS LIMITED** (*'the Company'*) during the financial year from April 1, 2023 to March 31, 2024 (*'the year' / 'audit period' / 'period under review'*).

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) Our examination / verification of the books, papers, Minute books and other records maintained by the Company and furnished to us in electronic mode through file sharing mechanism, forms and returns filed with statutory / regulatory authorities, and compliance related actions taken by the Company, during the year as well as after March 31, 2024, but before the issue of this report;
- (ii) Certificates confirming compliance with all laws applicable to the Company, given by the key managerial personnel of the Company, and noted by the Board of Directors;
- (iii) Report regarding compliance with certain labour related laws, given by the Internal Auditors and noted by the Audit Committee; and
- (iv) Representations made and information provided by the Company, its officers, agents and authorised representatives during our conduct of the Secretarial Audit.

We hereby report that, in our opinion, during the audit period covering the **financial year ended on March 31, 2024**, the Company has complied with the statutory provisions listed hereunder and has Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with our letter of even date annexed to this report as **Annexure - A**.

## 1. Compliance with specific statutory provisions

We further report that:

- 1.1. We have examined the books, papers, Minute books and other records maintained by the Company, the forms, returns, reports, disclosures and information filed, submitted or disseminated during the year, according to the applicable provisions / clauses of:
  - (i) The Companies Act, 2013, and the rules made thereunder.
  - (ii) The Securities Contracts (Regulation) Act, 1956, and the rules made thereunder.
  - (iii) The Depositories Act, 1996, and the regulations and bye-laws framed thereunder, to the extent applicable to an Issuer Company.
  - (iv) The Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder, to the extent of Foreign Direct Investment and Overseas Direct Investment ('FEMA').
  - (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Regulations'):
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
    - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR').
  - (vi) The listing agreements entered into by the Company with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), in relation to listing of Equity shares of the Company ('Listing Agreements').
  - (vii) Secretarial Standards issued by The Institute of Company Secretaries of India ('Secretarial Standards').

- 1.2. During the period under review, and also considering the compliance related action taken by the Company after March 31, 2024, but before the issue of this report, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:
- (i) The Company has generally complied with the applicable provisions of the Act, Rules and Regulations mentioned in paragraph 1.1 (i) to (iv) above.
  - (ii) The Company has generally complied with the applicable provisions of the SEBI Regulations and Listing Agreements, mentioned in paragraph 1.1 (v) and (vi) above.
  - (iii) The Company has complied with the Secretarial Standards on 'Meetings of the Board of Directors' (SS-1) (to the extent applicable to Board meetings), and Secretarial Standards on 'General Meetings' (SS-2) (to the extent applicable to General meetings), mentioned in paragraph 1.1 (vii) above.
- 1.3. We are informed that, on account of non-applicability / non-occurrence of any relevant event, during / in respect of the year:
- (i) The Company was not required to comply with the following laws / rules / regulations, and consequently was not required to maintain any books, papers, Minute books or other records or file any forms or returns under:
    - (a) Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder, to the extent of External Commercial Borrowings;
    - (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act, 2013, and dealing with clients;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - (d) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
    - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
    - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
    - (h) Secretarial Standards on 'Dividend' (SS-3) and Secretarial Standards - 4 (SS-4) on 'Report of the Board of Directors' (non-mandatory).
  - (ii) There was no other law that was specifically applicable to the Company, considering the nature of its business. Hence, the requirement to report on compliance with specific laws under paragraphs 1.1 and 1.2 above did not arise.
- ## 2. Board processes
- We further report that:
- ### 2.1. Board constitution and balance
- (i) The constitution of the Board of directors of the Company during the year was in compliance with the applicable provisions of the Companies Act, 2013, and SEBI LODR.
  - (ii) As on March 31, 2024, the Board of Directors of the Company comprised of:
    - (a) 2 (two) Executive Directors; and
    - (b) 4 (four) Independent Directors, including 1 (one) Independent Woman Director.
  - (iii) The process relating to the following changes in the Board of Directors during the year, were carried out in compliance with the applicable provisions of the Act and SEBI LODR:
    - (a) Re-appointment of Mr. Ganesh Lakshminarayan (DIN:00012583) as a Director, upon retirement by rotation at the 87<sup>th</sup> Annual General Meeting held on August 4, 2023, by way of an Ordinary resolution.
    - (b) Retirement of Dr. Sheela Bhide (DIN:01843547) as an Independent Director with effect from the close of business hours on May 12, 2023, as per the retirement policy of the Company. Dr. Brinda Jagridar (DIN:06979864), a new Independent Director, was appointed in the vacancy created by such retirement, with effect from May 12, 2023, as detailed in sub-clause (c) below.
    - (c) Appointment of Dr. Brinda Jagridar (DIN:06979864) as an Additional Director in the category of Non-Executive Independent Director, with effect from May 12, 2023, and her appointment as an Independent

Director, not liable to retire by rotation, at the 87<sup>th</sup> Annual General Meeting held on August 4, 2023, by way of a Special resolution, to hold office for a term from May 12, 2023 till February 29, 2028, in accordance with the policy of the Company applicable to the Board of Directors from time to time.

## 2.2. Board meetings

- (i) Adequate notice was given to all the directors to enable them to plan their schedule for the Board Meetings.
- (ii) Notice of Board meetings was sent to all the directors atleast 7 (seven) days in advance.
- (iii) Agenda and detailed notes on agenda were sent to the directors atleast 7 (seven) days before the Board meetings, with the exception of the following items, which were either circulated separately or at the Board meetings, with the requisite consent from the Board of directors as required under SS-1:
  - (a) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts / results, unaudited financial results and connected papers; and
  - (b) Additional subjects / information / presentations and supplementary notes.

2.3. A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.

2.4. We are informed that, at the Board meetings held during the year:

- (i) Majority decisions were carried through; and
- (ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, that were required to be captured and recorded as part of the Minutes.

## 3. Compliance mechanism

We further report that:

There are adequate systems and processes in the Company commensurate with its size and operations, to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

## 4. Specific events / actions

We further report that:

During the audit period, the following specific events / actions having a major bearing on the Company's affairs, took place in pursuance of the above referred laws, rules, regulations and standards.

### (A) Investment in Rane Engine Valve Limited

Rane Holdings Limited ('the Company' or 'RHL') acquired 1,71,821 Equity shares of Rs.10/- each fully paid-up, for cash, in Rane Engine Valve Limited (REVL), subsidiary company, at an issue price of Rs.291/- per Equity share, aggregating to Rs.4,99,99,911/-, on June 27, 2023, by way of preferential issue and allotment, pursuant to conversion of the balance 1,71,821 convertible warrants out of the 5,15,463 convertible warrants issued and allotted to RHL on March 8, 2022, upon payment of the warrant exercise price of Rs.218.25/- per warrant (being the balance 75% of the issue price of Rs.291/- per Equity share) aggregating to Rs.3,74,99,933.25/-.

Consequent to this acquisition, the shareholding of RHL in REVL increased from 40,45,130 Equity shares of Rs.10/- each, fully paid-up (57.28%) to 42,16,951 Equity shares of Rs.10/- each, fully paid-up (58.29%).

### (B) Cessation of Rane Light Metal Castings Inc., USA (LMCA), as an indirect subsidiary of Rane Holdings Limited (RHL) and part of Rane group

Rane (Madras) Limited (RML), a subsidiary company of RHL, pursuant to approvals accorded by its members on June 17, 2023, and Board of Directors on August 28, 2023, divested its entire holdings in LMCA (wholly-owned step-down subsidiary) held through Rane (Madras) International Holdings B.V., The Netherlands (RMIH), to Kentucky International Holdings Inc. (KIH), a Kentucky corporation, on September 14, 2023.

Consequently, LMCA ceased to be a step-down subsidiary of RML and as an indirect subsidiary of RHL and part of the Rane Group, effective from September 14, 2023.

### (C) Scheme of Amalgamation of REVL and RBL with and into RML, being subsidiary companies of Rane Holdings Limited

The Board of Directors of the respective companies, at their respective meetings held on February 9, 2024, approved a Scheme of

Amalgamation of Rane Engine Valve Limited ("REVL" / "Transferor Company 1") and Rane Brake Lining Limited ("RBL" / "Transferor Company 2") with and into Rane (Madras) Limited ("RML" / "Transferee Company") and their respective shareholders, in terms of the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder ("the Scheme"). The Scheme is subject to the approval of the shareholders, creditors, stock exchanges (BSE Limited and National Stock Exchange of India Limited), National Company Law Tribunal and such other approvals as may be required.

Upon the Scheme of Amalgamation becoming effective, **REVL and RBL shall stand automatically dissolved without winding-up.**

**(D) Further investment and subsequent Divestment of entire holdings in Rane t4u Private Limited (since renamed as 'eTrans t4u Private Limited')**

The Company acquired an additional 3,00,10,432 Equity shares of Rs.10/- each, in Rane t4u Private Limited (Rt4u), subsidiary company, on May 29, 2023, by subscribing to 21,60,432 Equity shares of Rs.10/- each on rights basis, and conversion of 2,78,50,000 Compulsorily Convertible Preference Shares (CCPS) of Rs.10/- each into 2,78,50,000 Equity shares of Rs.10/- each, resulting in post acquisition Equity shareholding of 99.47%.

Subsequently, the Board of Directors at their meeting held on May 31, 2023, approved the sale of entire investment in Rt4u for a consideration of Rs.8.50 Crores to eTrans Solutions Private Limited (eTrans),

in exchange for allotment of Equity shares in eTrans in the ratio of 189 Equity shares of eTrans for every 10,466 Equity shares of Rt4u.

Accordingly, the Company was allotted 8,62,505 Equity shares of Rs.10/- each, fully paid-up (representing 11.94% of the post allotment Equity share capital) in eTrans on July 19, 2023, in exchange for sale of entire investment (comprising of 4,77,59,606 Equity shares of Rs.10/- each, fully paid-up) held in Rt4u to eTrans effective July 19, 2023. Consequently, Rt4u ceased to be a subsidiary of the Company effective July 19, 2023.

The name of Rt4u was subsequently changed as 'eTrans t4u Private Limited'.

**(E) Investment in AutoTech Fund I, LP**

The Company has made further investment in AutoTech Fund I, LP (AutoTech), an overseas technology fund, towards share of capital contribution as one of the Limited Partners in the Fund, and has received share of distribution of capital, to the extent as disclosed in Note 7 of the Audited Standalone Financial Statements for the year.

**For S. Krishnamurthy & Co.,**  
Company Secretaries

[Firm Unique Identification No. P1994TN045300]  
[Peer Review Certificate No.739/2020]

**K Sriram**  
Partner

Membership No.: **F6312**

Place : Chennai      Certificate of Practice No.: **2215**  
Date : May 15, 2024      UDIN: **F006312F000372689**

## Annexure - A to Secretarial Audit Report of even date

To the Members of  
**Rane Holdings Limited**  
[CIN: L35999TN1936PLC002202]  
"Maithri", No.132, Cathedral Road,  
Chennai - 600 086.

**Our Secretarial Audit Report (Form MR-3) of even date for the financial year ended March 31, 2024, is to be read along with this letter.**

### 1. Management's Responsibility:

The Company's management is responsible for maintenance of secretarial records, making the statutory / regulatory disclosures / filings and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards.

### 2. Secretarial Auditors' Responsibility:

Our responsibility as a Secretarial Auditor is to express an opinion on the compliance with the applicable laws and maintenance of records based on our audit.

3. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records and the audit was conducted in accordance with applicable Auditing Standards issued by the Institute of Company Secretaries of India. Those Standards require that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
4. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We have also examined the compliance processes and procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
5. While forming an opinion on compliance and issuing this report, we have taken an overall view, based on the compliance practices and procedures followed by the Company. We have considered:

- (a) Compliance related actions taken by the Company based on independent legal / professional opinion / certification obtained as being in compliance with law, wherever there was scope for multiple interpretations.

- (b) Compliance related action taken by the Company after March 31, 2024, but before the issue of this report; and

- (c) Notifications / Circulars issued by the Ministry of Corporate Affairs (MCA) / the Securities and Exchange Board of India (SEBI), in respect of various compliance related events as stated therein.

6. We have not verified the correctness and appropriateness of the financial statements, financial records and books of accounts of the Company, as they are subject to audit by the Auditors of the Company appointed under Section 139 of the Companies Act, 2013.
7. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
8. Our Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
9. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Auditing Standards.

**For S. Krishnamurthy & Co.,**

Company Secretaries

[Firm Unique Identification No. P1994TN045300]

[Peer Review Certificate No.739/2020]

**K Sriram**

Partner

Membership No.: **F6312**

Certificate of Practice No.: **2215**

Place : Chennai

Date : May 15, 2024

UDIN: **F006312F000372689**

## Annexure C to the Report of the Board of Directors

Disclosure of Particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

# FORM NO. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

### 1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered during the year ended March 31, 2024, which were not at arm's length basis.

### 2. Details of material contracts or arrangements or transactions at arm's length basis.

Sl. No.	Particulars	Details
1.	Name(s) of the related party & nature of relationship	Mr. L Lakshman, Chairman Emeritus
2.	Nature of contracts / arrangements / transaction	Advisory services agreement
3.	Duration of the contracts / arrangements / transaction	5 years (with effect from May 28, 2021 to May 27, 2026)
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	<p>Remuneration of ₹1.25 crores per annum payable to Mr. L Lakshman as Chairman Emeritus, at such intervals as may be agreed with him. Other out of pocket expenses incurred by him would be reimbursed at actuals.</p> <p>The broad scope of his advisory services include:</p> <ul style="list-style-type: none"> <li>a) Matters of Corporate Strategy, new business opportunities.</li> <li>b) Be the sounding board for the Company-on-Company policies / initiatives.</li> <li>c) Building the Company's image and brand equity.</li> <li>d) Provide mentorship to the senior management personnel in the group.</li> </ul>
5.	Date of approval by the Board	Board of Directors / Committee approval - May 27, 2021; and Shareholders' approval - August 06, 2021 (85 <sup>th</sup> AGM)
6.	Amount paid as advances, if any	NIL

For and on behalf of the Board

Place: Chennai  
Date: May 15, 2024

**Harish Lakshman**  
Vice-Chairman &  
Joint Managing Director  
DIN:00012602

**Ganesh Lakshminarayan**  
Chairman &  
Managing Director  
DIN:00012583

## Annexure D to the Report of the Board of Directors

**ANNUAL REPORT ON CSR ACTIVITIES**

for the Financial Year 2023 - 24

**1. A brief outline of the Company's CSR policy**

The Company's Corporate Social Responsibility (CSR) philosophy is to contribute towards its societal responsibilities beyond statutory obligations and function in a socially and environmentally sustainable manner recognizing the interests of all its stakeholders.

Our CSR vision is **'To be a socially and environmentally responsible corporate citizen'**. We believe that being a responsible corporate citizen is central to our purpose and values, allowing ourselves to inspire trust amongst our Business partners and motivate people to make the right choices for the business, communities and the planet. Our belief in good citizenship drives us to create maximum impact in areas of:

- (a) Education;
- (b) Health Care;
- (c) Environment; and
- (d) Community Development.

**Overview of projects implemented during FY 2023-24:**

The Company contributed to Rane Foundation (RF), the CSR arm of Rane Group, which primarily focuses on Education and Healthcare during the FY 2023-24.

**Education:**

The Company contributed to Rane Foundation (RF), the CSR arm of Rane Group, which primarily focused on Education. RF has established Rane polytechnic and Rane Vidyalyaya at Trichy, Tamil Nadu. Rane Polytechnic is accredited by the National Board of Accreditation (NBA) for its Diploma in Mechanical Engineering program. 100% of the students who opted for placements were placed through campus interviews. Rane Vidyalyaya is recognized by Directorate of School Education, Tamil Nadu and is affiliated to the Central Board of Secondary Education, New Delhi and operates classes from LKG to IX standard. During the year, it reached a student strength of 841 in its sixth year of operations and proving the need for a quality school in rural area.

Rane Foundation in association with various educational institutions carried out the following:

- Organized pre-vocational training with Maithree to support 10 special children in the age group between 14 and 18.

- Extended support to the Gopalapuram Educational Society towards running & maintenance of Boys & Girls Schools.
- Supported in setting up of 15 Single Teacher Schools in association with Swami Vivekananda Development Society.
- Provided 50 web-cameras to Ramakrishna Mission Student's Home.

**Healthcare:**

Rane Foundation through strategic partnerships with established organisations contributed medical equipment to not for profit hospitals of repute, making a significant impact on society across various specialties such as Ophthalmology, Dialysis, and Public Health Care at an affordable cost, as outlined below.

- Enhanced the infrastructure at Sringeri Sharada Equitas Cancer cum Multispeciality Hospital, a charitable hospital, with equipment's such as 32 paramount 5 function motorized beds with mattress, 9 single nurse control motorized ICU beds with 5 functions and 43 semi fowler beds with mattress.
- Supported Apollo Hospitals Enterprise Limited in conducting Tele-Ophthalmology Camp at Trichy including delivery of spectacles.
- Donated Photo Slit Lamp equipment to Sankara Nethralaya. to enhance the ophthalmic care.
- Supported Voluntary Health Services, a multi-speciality hospital with drager fabius plus anaesthesia work station and vamos plus.
- Supported Tamilnadu Kidney Research Foundation (TANKER Foundation), a non-profit charitable trust with 8 automatic external defibrillators.

**Community Development:**

The Company partnered with various implementing agencies and carried out the following:

- Installation of CCTV Cameras at traffic junction to promote road safety and avoid accidents.

- Supported in conduct of a National Series event in under 16 category for Tennis at Trichy.
- Staging a unique blend of music, dance and drama through the offering of KAMALAKSHI, a play in English by renowned scholar musician and writer, Sujatha Vijayaraghavan.
- Contribution towards establishment of Museum of Science and Technology at Chennai for PSG Tech Alumni Foundation.
- Recognizing upcoming Nadhaswaram and Thavil Artistes during the Birth Centenary

celebration of Dr. Sheikh Chinna Moulana by contribution towards Chinna Moulana Memorial Trust.

## 2. The Composition of the CSR Committee

The Company has constituted a robust governance structure to oversee the implementation of the CSR projects, in compliance with the requirements of Section 135 of the Companies Act, 2013. The CSR governance structure is headed by the Board CSR Committee. The members of the CSR Committee are:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. L Ganesh, Committee Chairman	Chairman, Managing Director and Promoter	1 (One)	1 (One)
2.	Mr. Harish Lakshman Committee Member	Vice-Chairman, Joint Managing Director and Promoter		
3.	Dr. Brinda Jagirdar, Committee Member	Non-Executive and Independent Director	Nil	Nil

### Note:

- Dr. Sheela Bhide ceased to be member w.e.f. May 12, 2023. She attended one (1) CSR Committee meeting held on May 12, 2023.
- Dr. Brinda Jagirdar became member w.e.f. May 13, 2023.

The Board CSR Committee grants auxiliary power to the Working Committee of the Company to act on their behalf. The members of the working Committee as on March 31, 2024 are:

Members	Designation
Mr. V Ramasubramanian	Vice-President - Human Resource
Mr. M A P Sridhar Kumar	Executive Vice President - Finance & CFO

### Note:

- Mr. V Ramasubramanian became member of the Working Committee w.e.f. October 15, 2023.
- Mr. R Venkatanarayanan ceased to be member of the Working Committee w.e.f. October 31, 2023.

## 3. Web-links on the website of the Company:

- Composition of CSR Committee:** <https://ranegroup.com/investors/rane-holdings-limited/>
- CSR Policy and CSR projects approved by the Board:** <https://ranegroup.com/investors/rane-holdings-limited/?rhl-cor-5>

## 4. Provide executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 - Not Applicable

- (a) Average net profit of the company as per sub-section (5) of section 135

(Amount in ₹)

Particulars	FY 2020-21	FY 2021-22	FY 2022-23
Net profit for the year (PAT)	1,35,65,167/-	33,88,42,209/-	48,29,78,926/-
Adjusted Net profit (as per Section 198)	23,47,05,060/-	30,90,76,312/-	38,19,33,179/-
<b>Average Net profit</b>		<b>30,85,71,517/-</b>	



- (b) Two percent of average net profit of the company as per sub-section (5) of section 135 - ₹61,71,430/-  
(c) Surplus arising out of CSR projects/programmes/activities of the previous financial years - Nil  
(d) Amount required to be set off for the financial year - Nil  
(e) Total CSR obligation for the financial year (5b+5c- 5d) - ₹61,71,430/-

6. (a) Amount spent on CSR Projects (both Ongoing project and other than Ongoing Project) - ₹78,47,635/-  
(b) Amount spent in Administrative Overheads - Nil  
(c) Amount spent on Impact Assessment - Not Applicable  
(d) Total amount spent for the Financial Year (6a+6b+6c) - ₹78,47,635/-  
(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount (in ₹)	Date of transfer
₹78,47,635/-	NIL		NIL		

- (f) Excess amount for set-off ₹16,76,205/-

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	61,71,430/-
(ii)	Total amount spent for the financial year	78,47,635/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	16,76,205/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	16,76,205/-

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per subsection (5) of section 135, if any.		Amount remaining to be spent in succeeding financial year (in ₹)	Deficiency, If any
					Amount (in ₹)	Date of transfer		
NIL								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year - No.  
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 - Not Applicable.

For and on behalf of the Board

Harish Lakshman

Vice-Chairman &  
Joint Managing Director  
DIN:00012602

Ganesh Lakshminarayan

Chairman &  
Managing Director  
DIN:00012583

Place: Chennai  
Date: May 15, 2024

## Annexure E to the Report of the Board of Directors

# CORPORATE GOVERNANCE REPORT

### 1. Philosophy on Code of Governance

The Rane Group's time tested philosophy of Governance is based on principles of integrity, transparency and fairness. The Rane businesses seek enhancement of shareholder value within this framework. Directors' code of conduct and employee behaviour is nourished by this culture and is governed through a policy document "Ethical Standards of Behaviour - RANE COMPASS".

Rane Group, being a good corporate citizen, complies and abides by the laws and regulations of the land, both in letter and spirit. Our belief in good corporate citizenship is enshrined in the Company's Code of Conduct, its policies, compliance with law and robust internal control systems, which are subjected to regular assessment, drives its effectiveness, reinforces integrity of management and fairness in dealing with all the stakeholders. This meets with all statutory and regulatory compliance including those under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI LODR).

The Company recognises the rights of all its stakeholders and encourages co-operation between the Company and its stakeholders to enable their participation in the corporate governance process as enshrined in the Ethical Standards of Behaviour - RANE COMPASS.

### 2. Board of Directors

#### Composition, Attendance and Meetings

As on March 31, 2024, the Board of Directors (Board) comprises of Six (6) Directors including one Executive Chairman, one Executive Vice-Chairman and more than 50% of them being Independent Directors. There are no Alternate Directors on the Board. The Woman Director of the Company is an Independent Director. The

composition of the Board is aimed at maintaining an appropriate balance of skills, background, experience and knowledge of the Board for guiding the Company in achieving its objectives in a sustainable manner and the composition of the Board at end of FY 2023-24 is in conformity with Regulation 17 of SEBI LODR.

To the best of our knowledge and information furnished to the Board, total Directorships held by the Directors are within the limits prescribed under Section 165 of the Companies Act, 2013 read with Regulation 17A of SEBI LODR. None of the Independent Directors serve as Independent Director in more than seven (7) listed companies and not more than three (3) listed companies, in case he is a whole-time-Director in a listed company. Similarly, none of the Directors on the Board is a member of more than 10 Committees or Chairperson of more than 5 Committees across all listed and unlisted public Companies in which he / she is a Director in terms of Regulation 26 of SEBI LODR. The Directors periodically notify the Company about changes in the Directorship(s) / Committee position(s) as and when they take place.

During the FY 2023-24, the Board met six (6) times on April 06, 2023, May 12, 2023, May 31, 2023, August 04, 2023, November 09, 2023 and February 08, 2024 and requisite quorum was present throughout these meetings. Wherever required, the Company facilitates the participation of the Directors in Board/Committee meetings through video-conferencing or other audio visual means. The details of the Directors on the Board, their attendance at Board Meetings and Annual General Meeting held during the year, the number of Directorships and Committee member / Chairman position(s) held by them in other public companies as on March 31, 2024 are given below:

Name of the Director / (DIN)	Category	No. of Board meetings attended	Attendance at the last AGM (August 04, 2023)	Number of Directorship in other public companies <sup>1</sup>		Number of Committees Membership <sup>2</sup>	
				Chairperson	Member	Chairperson	Member
Mr. Ganesh Lakshminarayan (00012583)	Chairman, Managing Director & Promoter	6	Yes	3	4	2	6
Mr. Harish Lakshman (00012602)	Vice Chairman, Joint Managing Director & Promoter	6	Yes	-	5	2	3

Name of the Director / (DIN)	Category	No. of Board meetings attended	Attendance at the last AGM (August 04, 2023)	Number of Directorship in other public companies <sup>1</sup>		Number of Committees Membership <sup>2</sup>	
				Chairperson	Member	Chairperson	Member
Dr. V Sumantran (02153989)	Non-Executive & Independent	6	Yes	1	3	1	2
Dr. Brinda Jagirdar (06979864)	Non-Executive & Independent	5	Yes	-	4	1	3
Mr. Rajeev Gupta (00241501)	Non-Executive & Independent	4	No	1	4	1	3
Mr. Pradip Kumar Bishnoi (00732640)	Non-Executive & Independent	6	Yes	-	3	-	5

**Notes:**

1. Excludes Directorships held on the Boards of private companies, Section 8 Companies, debt listed companies and Companies incorporated outside India.
2. Membership in Audit Committee and Stakeholder Relationship Committee of other public Companies are only considered as per Regulation 26 of SEBI LODR and membership includes the positions held as chairperson of the Committee.
3. Dr. Sheela Bhide (DIN:01843547) retired as per the retirement policy of the Company w.e.f. May 12, 2023 and Dr Brinda Jagirdar (DIN:06979864) was inducted as a member of the Board w.e.f. May 12, 2023.

The details of Directorship held in other listed entities as on March 31, 2024 are as under:

Name of Director	Name of the listed entity	Category of Directorship
Mr. L Ganesh	Rane (Madras) Limited	Chairman & Non-Executive & Promoter
	Rane Brake Lining Limited	Chairman & Non-Executive & Promoter
	Rane Engine Valve Limited	Chairman, Non-Executive & Promoter
	Sundaram Finance Limited	Non-Executive & Independent
Mr. Harish Lakshman	Rane (Madras) Limited	Vice-Chairman & Non-Executive & Promoter
	Rane Brake Lining Limited	Non-Executive & Promoter
	Rane Engine Valve Limited	Vice-Chairman & Non-Executive & Promoter
	Oriental Hotels Limited	Non-Executive & Independent
	The KCP Limited	Non-Executive & Independent
Dr. Brinda Jagirdar	Rane Brake Lining Limited	Non-Executive & Independent
	IDFC First Bank Limited	Non-Executive & Independent
Dr. V Sumantran	Interglobe Aviation Limited	Non-Executive & Independent
	TVS Electronics Limited	Non-Executive & Independent
Mr. Rajeev Gupta	Vardhman Special Steels Limited	Chairman & Non-Executive & Independent
	EIH Limited	Non-Executive & Independent
	T.V. Today Network Limited	Non-Executive & Independent
	United Spirits Limited	Non-Executive & Independent
Mr. Pradip Kumar Bishnoi	Avadh Sugar & Energy Limited	Non-Executive & Independent
	Rane (Madras) Limited	Non-Executive & Independent
	Rane Engine Valve Limited	Non-Executive & Independent

There is no inter-se relationship among Directors of the Company. The matters specified pursuant to Regulation 17(7) of SEBI LODR under PART A of Schedule II and in particular the annual operating plans and budgets, quarterly results for the Company, minutes of meetings of Audit Committee and other Committees of the Board, quarterly details of foreign

exchange exposures, risk management and mitigation measures etc. were discussed by the Board.

An annual calendar for the Board and its Committee meeting(s) was circulated in advance to the Directors. The detailed agenda, setting out the business to be transacted at the meeting(s), supported by notes and presentations and action taken reports from previous

meetings was circulated through e-mail and web-based application to the Directors, to enable them to effectively participate in discussions. Minutes of meeting(s) were circulated in a similar manner and comments of Directors, if any, were incorporated with the permission of the Chairman. Post Board meeting reviews were held by the Chairman to monitor and follow up the effective execution of the decisions, directions and suggestions of the Board and its Committees, by the management. Action taken on matters discussed at previous meeting(s) are reported in the next meeting.

The disclosure regarding meeting of Independent Directors, Board, Directors' performance evaluation and criteria for performance evaluation of Independent Directors are discussed in detail in the Directors Report. In the opinion of Board, the Independent Directors fulfill the conditions specified in SEBI LODR and the provisions of Companies Act, 2013 and are independent of the management.

The Company had issued formal letter of appointment to all the Independent Directors, whenever they are appointed / re-appointed and the terms and conditions of appointment / re-appointment of Independent Directors have also been disclosed in the website of the Company at

[www.ranegroup.com](http://www.ranegroup.com). In case of resignation of a Director before the expiry of his term, the Company obtains a formal resignation letter requiring detailing of reasons for resignation and the same is furnished to the stock exchanges. However, there was no instance of resignation during the year.

Presentations on business and performance updates of the Company, global business environment and business strategy are made to the Board and the Committee members. The details of familiarisation programme for the Independent Directors are disclosed under the Corporate Governance Section on the Investor's page on the website of the company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>.

#### Skills, expertise and competence of the Board

The Board comprises of qualified members who bring in the required skills, competence and expertise that allows them to make effective contributions to the Board and Committees. The Board ensures and maintains the highest standards of Corporate Governance. The skills, expertise and competencies identified by the Board, in the context of the automotive business in which the Company operates and for it to function effectively, inter-alia, are as follows:

Areas / Fields	Skills / Competence / Expertise	Name of the Director
Industry and Technology	Possessing industrial, technical and operational expertise and experience in automotive, ancillary and emerging technologies and associations with industrial bodies and professional network.	Mr. L Ganesh Mr. Harish Lakshman Mr. Pradip Kumar Bishnoi Dr. V Sumantran
Business development	Experience in driving business success across various geographies, diverse business environment, economic conditions and its cultures and global market opportunities.	Mr. L Ganesh Mr. Harish Lakshman Mr. Pradip Kumar Bishnoi Dr. V Sumantran
Governance	Having insight into maintaining effective Board and management relationship, protecting stakeholders' interest and observing appropriate governance practices.	Mr. L Ganesh Mr. Harish Lakshman Mr. Pradip Kumar Bishnoi Dr. V Sumantran Mr. Rajeev Gupta Dr. Brinda Jagirdar
Allied disciplines	Expertise or leadership experience in allied disciplines like finance, law, management, sales, marketing, administration, research, corporate governance, technical operations and human resource.	Mr. L Ganesh Mr. Harish Lakshman Mr. Rajeev Gupta Dr. Brinda Jagirdar

### 3. Audit Committee

#### Composition, Attendance and Meetings

The composition of the Audit Committee of the Board is in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI LODR. The Committee

met five (5) times during the year on May 12, 2023, May 31, 2023, August 04, 2023, November 09, 2023 and February 08, 2024 with requisite quorum present throughout these meetings. The details of members and their attendance as on March 31, 2024 are as below:

Name of the Director	Category	No. of Meetings attended
Dr. V Sumantran	Chairman, Non-Executive & Independent	5
Mr. L Ganesh	Member, Executive & Promoter	5
Mr. Rajeev Gupta	Member, Non-Executive & Independent	3
Mr. Pradip Kumar Bishnoi	Member, Non-Executive & Independent	4

**Note:**

1. Dr. Sheela Bhide (DIN:01843547) ceased to be member of the Committee with effect from May 12, 2023. During the year, she attended one (1) meeting held on May 12, 2023.
2. Mr. Pradip Kumar Bishnoi (DIN:00732640) was inducted as member of the Committee with effect from May 13, 2023.

All the members of the Audit Committee are financially literate and possess accounting and related financial management expertise. The Company Secretary acts as the Secretary to the Committee.

The Statutory Auditor and the Internal Auditor were present as invitees in the meetings. The President - Finance & Group - CFO & Executive Vice President - Finance & Chief Financial Officer (CFO) of the Company attended the meetings by invitation. Based on the requirement, other Directors also attended the meetings by invitation. All the recommendations of the Audit Committee during the year, were considered, accepted and approved by the Board. The Chairman of the Audit Committee was present at the last AGM of the Company held on August 04, 2023.

**Overall purpose and terms of reference**

The purpose of the Audit Committee is to assist the Board of Directors in reviewing the financial information which is disseminated to the shareholders and others, reviewing the systems of internal controls established in the Company, appointing, retaining and reviewing the performance of Internal Auditor and overseeing the Company's accounting and financial reporting processes and the audit of the Company's financial statements.

The terms of reference of the Audit Committee are as per the provisions of the SEBI LODR read with Section 177 of the Companies Act, 2013 and other applicable provisions of the SEBI LODR and the act, as amended from time to time. In line with these provisions, the Company has framed an Audit Committee Charter, which is subject to review by the Board of Directors.

The terms of reference and roles of the Audit Committee is in line with the provisions of SEBI LODR / Companies Act, 2013 which are mentioned hereunder:

- Review of financial statements with statutory auditors and management before submission to the Board.
- Review Internal control systems, findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Review Internal audit function, internal audit reports relating to internal control weaknesses and functioning of whistle blower mechanism and prohibition of insider trading.
- Evaluation of internal financial controls and risk management systems.
- Review Management discussion and analysis of financial condition, results of operation.
- Review Defaults, if any, in payments to depositors, shareholders/creditors and the status of the inter-corporate loans and investments for scrutiny in detail.
- Approve related party transactions, including any subsequent modifications thereto.
- Compliance with listing and other legal requirements relating to financial statements.
- Changes, if any, in accounting policies and practices and reasons for the same, major accounting entries involving estimates based on the exercise of judgement by management and significant adjustments made in the financial statements arising out of the audit findings.
- Review Valuation of undertakings or assets of the Company, as and when required.
- Review / Approve Financial statements, in particular, the investments made by any unlisted subsidiary of the Company.
- Utilization of loans and / or advances from/investment by the Company to its subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans / advances / investments.
- Recommending appointment and remuneration of Auditors and CFO.

- Discuss the scope of audit and post-audit area of concern and qualifications, if any, with Statutory Auditor / Internal Auditor.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee reviews the quarterly unaudited / annual audited financial results of the Company. The unaudited results are subjected to limited review by the Statutory Auditor of the Company. The Statutory Auditor is eligible to issue limited review report as the audit firm has been subjected to peer review process of The Institute of Chartered Accountants of India (ICAI). The Audit Committee approves payments to Statutory Auditor for audit and non-audit services.

In accordance with the provisions of the Companies Act, 2013 read with relevant rules made thereunder and provisions of SEBI LODR, the Audit Committee accords prior approval for all Related party transactions (RPT), including any modifications thereto, as per the policy on RPT.

The Audit Committee annually grants omnibus approvals for transactions that are routine or repetitive in nature and which are proposed to be undertaken / entered in the ordinary course of business at arm's length basis. While according omnibus approvals, the Audit Committee takes into consideration the following factors, viz., maximum value of the transactions, including value per transaction, nature of transaction and interest, basis, valuation, justification and material terms of the proposed transactions, their frequency, value as a percentage of consolidated turnover, extent and manner of disclosures made to the Audit Committee.

During the year, the Committee:

- Reviewed findings of internal audit and risk assessment framework.
- Reviewed the performance and effectiveness of M/s. BSR & Co., LLP, Chartered Accountants, as Statutory Auditors.
- Recommended the re-appointment of M/s. Capri Assurance and Advisory Services as Internal Auditors for a further period of one year from July 01, 2023 to June 30, 2024.
- Recommended the divestment of shareholding in t4u for a consideration by way of share swap arrangement with eTrans Solutions Private Limited.

- Recommended on the Audit fees. Payable to Statutory Auditor and Internal Auditor.

#### 4. Nomination and Remuneration Committee (NRC)

##### Composition, Attendance and Meetings

The NRC is constituted in terms of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI LODR. The Company Secretary acts as the Secretary to the Committee. The Committee met three (3) times during the year on May 12, 2023, July 07, 2023 and February 08, 2024 with requisite quorum present throughout these meetings. The details of members and their attendance as on March 31, 2024 are as below:

Name of the Director	Category	No. of Meetings attended
Dr. V Sumantran	Chairman, Non-Executive & Independent	3
Mr. Pradip Kumar Bishnoi	Member, Non-Executive & Independent	3
Dr. Brinda Jagirdar	Member, Non-Executive & Independent	2

##### Note:

1. Dr. Sheela Bhide (DIN:01843547) ceased to be member of the Committee with effect from May 12, 2023. During the year, she attended one (1) meeting held on May 12, 2023.
2. Dr. Brinda Jagirdar (DIN:06979864) was inducted as member of the Committee with effect from May 13, 2023.

##### Overall purpose and terms of reference

The terms of reference and roles of the NRC are in line with the provisions of SEBI LODR / Companies Act, 2013 and, inter-alia, are as under:

- To formulate criteria for determining qualifications, positive attributes and Independence of Director for evaluation of performance of Independent Directors and the Board;
- To approve the remuneration policy of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP);
- To devise policy on Board diversity;
- To provide guidance to the Board on matters relating to appointment of Directors, Independent Directors, KMP and SMP, i.e., the core management team one level below the CEO / Managing Directors;
- To evaluate performance, recommend and review remuneration of the Executive Directors based on their performance;

- To recommend to the board, the extension / continuation of term of appointment and removal and to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either internally by the NRC / by the Board or by an independent external agency and review its implementation and compliance;
- To consider and recommend professional indemnity and liability insurance for Directors, KMPs and SMPs;
- To recommend to the Board, all remuneration, in whatever form, payable to senior management.

During the year, the NRC, inter alia:

- Reviewed and recommended the process of evaluation of Board, its committees and Directors.
- Recommended the commission payable to Chairman & Managing Director for FY 2022-23.
- Considered and recommended the appointment of Dr. Brinda Jagirdar, as an Independent Director.
- Reviewed and approved the compensation benefits of Senior Management Personnel (SMP) and Key Managerial Personnel (KMP).

During the year under review, the Board amended the Nomination and Remuneration Committee Charter to cover specific functions identified across the Company viz., Marketing, Materials & Manufacturing, Human Resource and Operations in accordance with SEBI (LODR) Amendment Regulations, 2023.

## Remuneration Policy

The policy on appointment and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) is available under the Corporate Governance Section on the Investor's page on the website of the Company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>. This policy is designed to attract, motivate, and retain talented employees who drive the Company's success and aims at aligning compensation to goals of the Company, performance of the individual, internal equity, market trends and industry practices, legal requirements and appropriate governance standards.

## Remuneration to Directors

In accordance with the said policy and the approval accorded by members' way of a special resolution under Section 197 of the Companies Act, 2013 and the Rules made thereunder, Mr. L Ganesh, Chairman and Managing Director is entitled to commission on profits calculated as per Section 198 of the Companies Act, 2013. Accordingly, for the FY 2023-24 the Company has provided a sum of ₹178 Lakhs, as commission to Mr. L Ganesh. The same represents 2% of the net profits of the Company for the FY 2023-24.

Other Non-Executive Directors receive sitting as remuneration for attending the Board and Committee meetings.

## Sitting Fees

The Directors are eligible for sitting fees, apart from reimbursement of their actual travel and out-of-pocket expenses, if any, for attending the meetings of the Board / Committee(s). The sitting fees payable per meeting of Board and its Committees are as under:

Type of Meeting	Sitting fees per meeting (in ₹)
Board	45,000
Audit Committee	15,000
Nomination & Remuneration Committee	10,000
Corporate Social Responsibility Committee	5,000
Stakeholders' Relationship Committee	5,000

## Details of Remuneration paid to Directors

The details of remuneration including sitting fees paid to the Directors and their shareholding as at the year ended March 31, 2024 are as follows:

Name of the Director	Sitting Fees (in ₹)	Remuneration (in ₹)	Shares held as on March 31, 2024
Mr. L Ganesh	NA	5,21,40,461	12,16,433
Mr. Harish Lakshman	NA	1,30,70,047	1,39,882
Dr. V Sumantran	3,75,000	-	-
Dr. Brinda Jagirdar	2,50,000	-	-
Mr. Rajeev Gupta	2,25,000	-	-
Mr. Pradip Kumar Bishnoi	3,60,000	-	-
<b>Total</b>	<b>12,10,000</b>	<b>6,52,10,508</b>	<b>13,56,315</b>

**Note:**

1. During the year, Dr. Sheela Bhide was paid sitting fees of ₹1,25,000. She ceased to be the Director with effect from May 12, 2023.
2. Shareholding includes joint holdings & HUF, if any.
3. No other remuneration except sitting fees was paid to Non-Executive Directors.
4. Remuneration paid to Mr. L Ganesh, Chairman & Managing Director are based on shareholder's approval at the 84<sup>th</sup> AGM of the Company.
5. The remuneration paid to Mr. L Ganesh comprises of salaries & allowances - ₹2,56,67,310/-; perquisites - ₹86,43,151/-; and commission & performance linked incentive - ₹1,78,30,000/-, based on approval of the Board of Directors at their meeting held on May 15, 2024.
6. Mr. Harish Lakshman, Vice-Chairman & Joint Managing Director receives remuneration in the form of rent free accommodation only, which includes facilities in the nature of telecommunication, gas, electricity, in accordance with provisions of Income Tax Act, 1961. The monetary equivalent of the same is ₹1,30,70,047/- for the FY 2023-24. He does not receive any other remuneration from the Company and receives remuneration from one of the group companies, viz., ZF Rane Automotive India Private Limited. The total remuneration received by him from both the Company and ZRAL is within the limits prescribed under the Companies Act, 2013.
7. Mr. L Ganesh, Chairman and Managing Director of the Company receives remuneration in the form of sitting fees for attending meetings of the Board and Committee(s) and commission (where applicable), as per Section 197 of the Companies Act, 2013 from three of the subsidiary companies viz., Rane (Madras) Limited, Rane Brake Lining Limited and Rane Engine Valve Limited.
8. No shares of the Company were pledged by the Directors. There is no stock option scheme prevailing in the Company.

**5. Stakeholders' Relationship Committee (SRC)**

**Composition, Attendance and Meetings**

The Stakeholder's Relationship Committee looks into grievances of shareholders and redresses them expeditiously in accordance with Section 178 of the Companies Act, 2013 and as per the requirements under Regulation 20 of SEBI LODR. The Company Secretary is the compliance officer of the Company and acts as the Secretary to the Committee. The Committee met two (2) times during the year on May 12, 2023 and November 09, 2023 with requisite quorum present throughout these meetings. The details of members and their attendance as on March 31, 2024 are stated below:

Name of the Director	Category	No. of meetings attended
Dr. Brinda Jagirdar	Chairperson, Non - Executive & Independent	1
Mr. L Ganesh	Member, Executive & Promoter	2
Mr. Harish Lakshman	Member, Executive & Promoter	2

**Note:**

1. Dr. Sheela Bhide (DIN:01843547) ceased to be Chairperson & member of the Committee with effect from May 12, 2023.

2. Dr. Brinda Jagirdar (DIN:06979864) was inducted as Chairperson & member of the Committee with effect from May 13, 2023.

**Overall purpose and terms of reference**

The terms of reference and roles of the SRC are in line with provisions of SEBI LODR and Companies Act, 2013 viz., as detailed hereunder:

- To resolve the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- To review measures taken for effective exercise of voting rights by shareholders.
- To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

During the year, no complaints were received and remain unresolved as at the end of the financial year 2023-24. The Chairman of the SRC was present at the last AGM of the Company held on August 04, 2023.

**The SRC during the year reviewed:**

- The investor complaints / queries received and redressed.
- The measures taken for effective exercise of voting rights by shareholders at the AGM, wherein the Company engaged CDSL for providing remote e-voting facilities.
- Various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company
- The Internal Audit Report for FY 2022-23 on Integrated Registry Management Services Private Limited (RTA) carried out by P Sriram, Practicing Company Secretary in line with the SEBI Circular dated April 20, 2018.

**6. Corporate Social Responsibility (CSR) Committee**

Education, Healthcare, Community Development and Environment are the four focus areas under Corporate Social Responsibility (CSR) policy of the Company. The CSR projects and activities undertaken by the Company are in line with the



CSR Policy and recommendations of the CSR Committee which are in accordance with the areas or subjects specified under the Companies Act, 2013, as amended from time to time. The Committee met once (1) during the year on May 12, 2023. The Company Secretary acts as the Secretary to the Committee. The details of members and their attendance as on March 31, 2024 are stated below:

Name of the Director	Category	No. of meetings attended
Mr. L Ganesh	Chairman, Executive & Promoter	1
Dr. Brinda Jagirdar	Member, Non-Executive & Independent	NA
Mr. Harish Lakshman	Member, Non-Executive & Promoter	1

**Note:**

1. Dr. Sheela Bhide (DIN:01843547) ceased to be member of the Committee with effect from May 12, 2023. During the year, she attended one (1) meeting held on May 12, 2023.
2. Dr. Brinda Jagirdar (DIN:06979864) was inducted as member of the Committee with effect from May 13, 2023.

**Overall purpose and terms of reference**

The terms of reference of the Committee are as follows:

- Formulate and recommend CSR Policy, for approval of the Board.
- Formulate and recommend to the Board, an annual action plan in pursuance of CSR policy.
- Approve projects that are in line with the CSR policy.
- Implement CSR projects / programmes directly and through registered implementing agencies.
- Have monitoring and reporting mechanisms in place to track the progress of implementation of each project / programmes and for multiyear projects.
- Recommend the CSR expenditure to the Board for approval
- Carry out impact assessment of project/ programmes, where required.
- Ensure utilization of CSR expenditure.
- Such other terms as required under any statutory obligation.

During the year, the Board:

- Reviewed and recommended the CSR Report on the Projects undertaken during the FY 2022-23 to the Board.

- Reviewed and recommended Annual Action Plan of FY 2023-24.

The annual report on CSR activities undertaken during the year 2023-24 as approved by the CSR Committee in consultation with the Board is annexed to Report of Board of Directors as 'Annexure D'.

**7. Risk Management Committee (RMC)**

The Company has constituted a Risk Management Committee in compliance with the SEBI LODR.

The Committee comprises of members from the Board and senior member(s) from leadership team. The Committee met two (2) times on September 15, 2023 & March 12, 2024. The committee reviewed the Risk Review Plan and reviewed various risks including Environmental, Social & governance (ESG) related risks. The details of members and their attendance as on March 31, 2024 are stated below:

Name of the Director	Category	No. of meetings attended
Mr. L Ganesh	Chairman, Executive & Promoter	2
Mr. Harish Lakshman	Member, Executive & Promoter	2
Dr. V Sumantran	Member, Non - Executive & Independent	2
Dr. P A Padmanabhan	Member, President - Finance, Management Group	2

The Company's approach towards risk management is to mitigate risks to an acceptable level within its tolerances, protect Rane Group's reputation and brand and strive to achieve operational and strategic business objectives.

Risk Assessment is conducted once in two years and the Company has mechanism to identify, assess, mitigate and monitor various risks to key business objectives.

Business process and compliance risk evaluation is an on-going process within the Company. The Company has a dynamic risk management framework to identify, monitor, mitigate and minimise risks.

The Committee is governed by a charter per the terms of reference prescribed under LODR viz.,

- To formulate a detailed risk management policy which shall include:

- a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  - To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  - To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
  - To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
  - The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
  - The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
  - Power to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The RMC during the year:

- Reviewed the strategic risk, mitigation strategies, extreme risks identified, SOP framework and the internal audit observations on the SOPs.
- Discussed the action plans on process related observation together with improvement measures.
- Reviewed the Business Continuity Plan (BCP) and ensured that all critical business plans are encompassed in the BCP.

## 8. Other Committees

### Share Transfer Committee

To expedite the process relating to share registry, the Board has delegated the power of

share transfer, transmission, dematerialization / rematerialization / split / consolidation, issue of duplicate share certificates etc. to a committee comprising of such senior officials designated from time to time. The Committee meets on a case to case basis to approve share registry related activities and the details of which are reported to the Stakeholders' Relationship Committee of the Board. No sitting fees is payable to the committee members.

### Investment Committee

To execute the investment decisions as delegated by the Board in a timely manner, in accordance with the annual operating plan, an Investment committee comprising of senior officials meets from time to time. No sitting fees is payable to the committee members. During the year no meeting was held.

### Finance Committee

A Finance Committee comprising of Mr. L Ganesh and Mr. Harish Lakshman as its members. The Committee is authorised to approve borrowings and connected matters, in accordance with the as per the delegations made by the Board, from time to time. No sitting fees is payable to the Committee members. The Company Secretary acts as Secretary to the Finance Committee of the Board. During the year no meeting was held.

### Executive Committee

An Executive Committee, comprising of Mr. L Ganesh and Mr. Harish Lakshman as its members, is authorized to carry out activities in connection with change in authorization to officials under various legislations, operation of bank accounts and other administrative matters between two consecutive meetings of the Board. No sitting fees is payable to the Committee members. The Company Secretary acts as Secretary to the Executive Committee of the Board. During the year no meeting was held.

### Separate Meeting of Independent Directors

During the year, in line with requirement under the Companies Act, 2013 and SEBI LODR, the Independent Directors had separate meetings on April 06, 2023 and March 25, 2024, without the presence of the other Directors and Management.

The Lead Independent Director, elected at the meeting, discusses the outcome of such meeting(s) with the Chairman, for any action.

## 9. Code of conduct

The Board of Directors has laid down a code of conduct i.e. "Ethical Standards of Behaviour - RANE COMPASS" for all Board members and employees of the Company in furtherance of its emphasis towards good Corporate Governance practices. The same has been posted in the

the Corporate Governance Section on the Investor's page on the website of the Company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>. The Board members and Senior Management Personnel have affirmed their compliance with the code of conduct. A declaration from the Chairman & Managing Director of the Company to this effect forms part of this report in 'Annexure (i)'.

### Prevention of Insider Trading

The Board of Directors have formulated "Rane Code to regulate, monitor and report trading by insiders" and "Rane Code of practices and procedures for fair disclosure of unpublished price sensitive information" in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, to prevent misuse of any unpublished price sensitive information

and prohibit insider trading activity. The Company Secretary is the Compliance Officer under this code. The code of fair disclosure practices and procedures for unpublished price sensitive information is available under the Corporate Governance Section on the Investor's page on the website of the Company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>. Further, the Company maintains a Structured Digital Database as required under Regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 with adequate internal controls, checks, time stamping and audit trails.

## 10. General Body Meetings

Details of last three (3) Annual General Meetings (AGM) are as under:

Date of AGM	Special resolutions passed	Time	Venue / Mode
August 04, 2023 (87 <sup>th</sup> AGM)	Appointment of Dr. Brinda Jagirdar (DIN:06979864) as an Independent Director	14:00 hrs (IST)	Video Conferencing / Other Audio Visual Means (VC / OAVM)
June 29, 2022 (86 <sup>th</sup> AGM)	Re-appointment of Mr. Rajeev Gupta (DIN:00241501) as an Independent Director for a second term	14:00 hrs (IST)	
August 06, 2021 (85 <sup>th</sup> AGM)	Amendment of Articles of Association of the Company	15:00 hrs (IST)	

No resolution was passed through postal ballot or Extra-Ordinary General Meeting during the financial year 2023-24.

## 11. Other Disclosures

- i. During the year, the Company had not entered into any transaction of material nature with any of the promoters, Directors, management or relatives or subsidiaries etc., except as disclosed in 'Annexure C' to the report of the Board of Directors. The details of transactions in the nature of loans, advances and investments in subsidiary companies is available in the notes to the financial statements. The transactions entered with related parties during the year were in the ordinary course, at arms' length and not in conflict with the interests of the Company. All routine and periodic transactions with related parties were covered in the omnibus approval of the Audit Committee. The details of the related party transactions including those with persons/ entities belonging to promoter / promoter group as per Ind AS as stated in note no. 40 of the financial statements. The policy on related party transaction is available under the Corporate Governance Section on the Investor's page on the website of the Company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>.
- ii. There was no instance of non-compliance by the Company on any matters relating to the capital markets; nor was there any penalty / strictures imposed by the stock exchanges or SEBI or any other statutory authority on such matters during the last three years.
- iii. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company.
- iv. The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.
- v. The Company has complied with the following non-mandatory requirements prescribed under Part - E of Schedule II, Chapter IV of the SEBI LODR:
  - a. adopted best practices to ensure a regime of financial results / statement with unmodified audit opinion.
  - b. internal auditor directly reports to the Audit Committee.
- vi. In order to comply with all laws governing the operations and conduct of affairs of the

Company in accordance with the highest ethical and legal standards, the Company has adopted a Statutory Compliance Kit (STACK). STACK is a structured process providing comprehensive reference framework to facilitate education to dealing personnel, execution, escalation and regular reviews to strengthen compliance management. The STACK is electronically integrated through an online platform (e-STACK) to improve the compliance management system and its efficiency. The master lists of statutory requirements are effectively complied through practice of Daily Routine Management (DRM) and Vital Activity Monitoring (VAM) charts. Reports relating to the compliance with various laws applicable to the Company are regularly reviewed and the vital issues are presented to the Audit Committee and the Board.

- vii. The Company has material subsidiaries under SEBI LODR which are listed. The prescribed details under Schedule V(C) (10(n)) of SEBI LODR are available in the respective Company's Annual Reports on the website [www.ranegroup.com](http://www.ranegroup.com). The Company has framed a policy for determining "material subsidiary" and the same is available under the Corporate Governance Section on the Investor's page on the website of the Company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>.
- viii. The Company has obtained Certificate from a Company Secretary in Practice that none of the Director(s) on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the companies by the Board / Ministry of Corporate Affairs or any such statutory authority. The Certificate obtained is attached as an 'Annexure (ii)' to the Corporate Governance report.
- ix. The Independent Directors have confirmed and declared that they meet the criteria of 'Independence' as stipulated under Section

149 including the compliance with the code of conduct as prescribed in Schedule - IV of the Companies Act, 2013 and Regulations 16 and 25 of SEBI LODR and other provisions of the Act and SEBI LODR, as amended from time to time and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge duties with an objective independent judgment and without any external influence.

- x. In terms of Regulation 25 of SEBI LODR the Company has in place policy for Directors and Officers insurance ('D & O insurance') covering all the independent Directors, of such quantum and for such risks which commensurate to the operations of the Company and in line with the industry standards.
- xi. The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report.
- xii. The Managing Director and CFO of the Company have certified to the Board on the integrity of the financial results / statements, effectiveness of internal controls and significant changes in internal control / accounting policies during the year as required under Regulation 17(8) of the SEBI LODR and Companies Act, 2013.
- xiii. The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of SEBI LODR.
- xiv. The Board has accepted / considered all the recommendation(s) made by its Committee(s) during the relevant financial year.
- xv. The total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor (including all entities in the network firm / network entity) is given hereunder:

(₹ in Crores)

Name of the entity	Paid by the Company	Paid by the Subsidiaries	Paid by the Company	Paid by the Subsidiaries
	FY 2023-24		FY 2022-23	
BSR & Co., Chartered Accountants	0.26	0.82	0.23	0.60
Network entities and firms of BSR & Co. (if any)	-	-	-	-
<b>Total</b>	<b>0.26</b>	<b>0.82</b>	<b>0.23</b>	<b>0.60</b>

- xvi. During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement, hence, the details of utilization of funds does not arise. There are no convertible instruments due for conversion into Equity.
- xvii. The Dividend Distribution Policy of the Company is available under the Corporate Governance Section on the Investor's page on the website of the Company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>.
- xviii. The Company on a periodical basis reviews various policies framed under the Companies Act, 2013 and SEBI LODR and such other statutes, as applicable and amends them based on the requirement to ensure conformity with relevant regulatory changes and industry practices.
- xix. There were no loan / advances given to firms / companies in which directors are interested during the year under review and no outstanding as at the year ended March 31, 2024.
- xx. There are no agreements that require disclosure under Clause 5A of Paragraph A of Part A of Schedule III of the of the SEBI LODR.
- xxi. Particulars of senior management including the changes therein since the close of the previous financial year are discussed in detail in the Directors Report.
- xxii. Information about Directors seeking appointment / re-appointment at the ensuing AGM in compliance with Regulation 36(3) of SEBI LODR and Secretarial Standard on General Meetings (SS-2) is available in the Notice to Members.

## 12. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company does not have any exposure hedged through Commodity derivatives. The Company has well defined forex exposure guidelines approved by the Board of Directors and forex exposures are suitably hedged through plain vanilla forward covers.

## 13. Whistle blower mechanism

The Company has a whistle blower policy, which provides the vigil mechanism for reporting with reliable information on any improper or unethical practices or actions which are violative (actual or potential) of the code of the Company by any employee or others dealing with the Company. During the year under review, the working of the policy was reviewed and approval of the Board was secured to amend certain provisions to strengthen and align the internal mechanism for dealing with

any reliable information under this policy. It also addresses the protection to whistle blower who makes protected disclosures under the policy and provides for direct access to the Chairman of the Audit Committee.

The policy and the mechanism for reporting have been appropriately communicated across all locations of the Company. During the year under review the Board of Directors amended certain provisions to strengthen the policy on procedural matters especially those governing the anonymous disclosures, committees, ombudsperson and timelines for detailed enquiry. No person has been denied access to the ombudsperson / Audit Committee. The whistle blower policy is available under the Corporate Governance Section on the Investor's page on the website of the Company at the web-link: <https://ranegroup.com/investors/rane-holdings-limited/>.

## 14. Means of communication

The quarterly / annual financial results were published in "Business Standard" (English) and "Hindu Tamizh Thisai" (Tamil). The financial results, shareholding pattern and other disclosures / filings requirements under Regulation 17 to 27 and 46(2)(b) to (i), of SEBI LODR, wherever applicable, were also uploaded in the websites of the Stock Exchanges and the Company viz., [www.ranegroup.com](http://www.ranegroup.com). During the year, press release and presentations that were made to analysts / institutional investors were made available on the website of the Company.

In view of exemption available vide General circular 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs ("MCA") read with SEBI circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 the company did not dispatch hard copies of the Annual Report to the shareholders. The full Annual Report was made available on the website of the Company and also disseminated to the stock exchanges where shares of the Company are listed. The electronic copies of the annual report and the notice convening the 87<sup>th</sup> AGM were sent to all the members whose e-mail addresses were registered with the Company or their respective Depository Participants (DP).

The Company has sent KYC reminder letters to all physical shareholders by registered post to update their e-mail ID, PAN & Bank Account details.

In compliance with SEBI Circular SEBI/HO/MIRSD/POD - 1/P/CIR/2023/181 dated November 27, 2023, the Company has disseminated in its website regarding simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination for creating awareness.

## 15. General Shareholder Information

### i. Annual General Meeting

August 02, 2024 (Friday) at 14:00 hrs (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

### ii. Financial Year: April 01, 2024 - March 31, 2025

#### Financial Calendar:

Board meeting for approval of	Tentative Schedule
Audited Annual financial results and financial statements* for the year ended March 31, 2024	May 15, 2024
Unaudited financial results* for the 1 <sup>st</sup> quarter ending June 30, 2024	By first week of August 2024
Unaudited financial results* for the 2 <sup>nd</sup> quarter ending September 30, 2024	By first week of November 2024
Unaudited financial results* for the 3 <sup>rd</sup> quarter ending December 31, 2024	By second week of February 2025

(\*both standalone and consolidated financial statements and financial results)

The above dates are only tentative in nature and may undergo changes based on the legal / administrative requirements.

### iii. Dividend

The Board of Directors of the Company at their meeting held on May 15, 2024 have considered and recommended a dividend of 250% (₹25/- per share) on the equity share capital for approval of the shareholders at the ensuing 88<sup>th</sup> AGM to be held on August 02, 2024. The dividend, if declared, would be paid for those eligible shareholders whose name appeared in the register of members of the Company as on Friday, July 26, 2024 (being the Record Date) fixed for this purpose. The dividend will be paid to the shareholders on August 12, 2024.

### iv. Listing on Stock Exchanges

Stock Exchanges	Stock Code
National Stock Exchange of India Limited (NSE) Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051	RANEHOLDIN
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	505800

#### Listing Fee

The shares of the Company are listed on NSE & BSE which provide nationwide access to trade and deal in Company's equity shares across the country. The Company has paid the Annual Listing fee for the financial year 2023-24 to NSE & BSE where the shares of the Company continue to be listed. The shares of the Company were not suspended from trading during the FY 2023-24.

### v. Unpaid / Unclaimed Dividends

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend for the financial year ended March 31, 2016 and thereafter which remain unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government within the respective due dates.

The Company had transferred unclaimed interim dividend of ₹7,77,800/- for the financial year ended March 31, 2016 and unclaimed interim dividend of ₹3,24,359.50/- for the financial year ended March 31, 2017 to IEPF. The Company has sent reminder letters to each of the shareholder's whose dividend is remaining unclaimed as per the records available with the Company. Information in respect of such unclaimed dividends when due for transfer to the said fund is given below:

Year	Date of declaration	Dividend per share <sup>#</sup> (in ₹)	Amount outstanding in Unclaimed Dividend Account (as on 31.03.2024) (in ₹) <sup>^</sup>	Last Date for claiming unpaid dividend	Due date for transfer to IEPF
31.03.2017	31.08.2017	5	4,65,075.00	06.10.2024	05.11.2024
31.03.2018*	06.02.2018	5.5	2,76,617.00	14.03.2025	13.04.2025
31.03.2018	02.08.2018	9	4,48,848.00	07.09.2025	07.10.2025
31.03.2019*	07.02.2019	8	3,73,376.00	15.03.2026	14.04.2026
31.03.2019	08.08.2019	11	5,20,025.00	14.09.2026	14.10.2026
31.03.2020*	06.02.2020	4	2,40,640.00	13.03.2027	12.04.2027
31.03.2020	14.08.2020	4	2,08,639.00	20.09.2027	20.10.2027
31.03.2022	29.06.2022	12	8,20,670.00	05.08.2029	04.09.2029
31.03.2023	04.08.2023	17	10,05,862.00	10.09.2030	10.10.2030

<sup>#</sup> share of paid-up value of ₹10/- per share

\* Interim dividend

<sup>^</sup> amounts reflect confirmation of balance issued by Banks

During the year, the Company had filed with Registrar of Companies, the details of all unpaid and unclaimed Dividend amounts as on March 31, 2023 in accordance with The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. The above details are also available in the investor information section of the website of the Company [www.ranegroup.com](http://www.ranegroup.com).

#### vi. Transfer of shares to IEPF Authority

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refunds) Rules, 2016, as amended from time to time, ("the Rules" / "IEPF Rules") the Company is required to transfer the equity shares in respect of which dividends are not claimed for the last 7 years by any shareholder to the IEPF Authority.

The Company has transferred to IEPF the following shares:

Year from which dividend has remained unclaimed / unpaid for seven consecutive years	No. of shares
2015-16 (Interim)	738
2016-17 (Interim)	6,047

The Company has remitted / transferred the dividends declared on the shares already transferred to the IEPF Authority and the details are available in the policies section of the website of the Company at the web-link at [www.ranegroup.com](http://www.ranegroup.com). The other benefits, if any, arising out of shares already transferred to IEPF Authority will also be received by the IEPF Authority unless those shares are claimed by the shareholders.

No claim shall lie against the Company in respect of any dividend or shares transferred to the IEPF Authority. However, the shareholders may claim their shares / dividend by filing the electronic request for the same by following the procedure available on the website of IEPF at [www.iepf.gov.in](http://www.iepf.gov.in). The shares relating to unclaimed Dividend for FY 2015-16 (Interim) & FY 2016-17 (Interim) are liable to be transferred to IEPF Authority during the current FY 2023-24. In this regard, the Company shall intimate / publish notice

in newspapers and requisite details would be made available on the Investors section of the Company's website at [www.ranegroup.com](http://www.ranegroup.com). The concerned shareholders are requested to claim their shares before the due dates of transfer of shares to the IEPF, specified therein newspapers and Company website.

#### vii. Unclaimed share suspense

In accordance with Regulation 39 of SEBI LODR read with Schedule V of the SEBI LODR, the Company reports the movement of unclaimed shares in the unclaimed share suspense account. The voting rights of these shareholders shall remain frozen till the rightful owner of such shares claims the same. The movement of unclaimed shares in unclaimed suspense account, during the year are as follows:

Details of Unclaimed Suspense account	No. of shareholders	Outstanding shares
Aggregate at the beginning of the year	218	34,326
Requests for transfer during the year	6	4,383
Transfers to IEPF during the year	7	411
Balance at the end of the year	205	29,532

In compliance with SEBI Circular No. SEBI/HO/MIRSD/PoD1/OW/P/2022/64923 dated December 30, 2022, the Company has opened "Rane Holdings Limited - Suspense Escrow Demat Account" with M/s. Integrated Enterprises (India) Private Limited, the Depository Participant to credit securities for which demat is pending beyond 120 days from the date of issuance of letter of confirmation.

#### viii. Share Price Data

The equity shares of the Company are listed and admitted to dealings on two nationwide stock exchanges viz. National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE). The share price data as quoted on the NSE and BSE along with the movement in the respective stock index during the last financial year viz., April 01, 2023 - March 31, 2024 is given below:

Month	BSE		BSE Sensex		NSE		NSE Nifty	
	Share Prices (₹)		High	Low	Share Prices (₹)		High	Low
	High	Low			High	Low		
April 2023	950.55	845.10	61,209.46	58,793.08	937.00	844.85	18,089.15	17,312.75
May 2023	1,021.60	874.15	63,036.12	61,002.17	1,025.00	873.00	18,662.45	18,042.40
June 2023	1,207.00	933.00	64,768.58	62,359.14	1,179.65	940.00	19,201.70	18,464.55
July 2023	1,183.00	993.05	67,619.17	64,836.16	1,183.75	993.75	19,991.85	19,234.40
August 2023	1,035.05	895.85	66,658.12	64,723.63	1,040.00	895.05	19,795.60	19,223.65
September 2023	1,248.90	980.10	67,927.23	64,818.37	1,249.90	981.10	20,222.45	19,255.70
October 2023	1,315.95	1,084.00	66,592.16	63,092.98	1,314.50	1,112.90	19,849.75	18,837.85
November 2023	1,336.85	1,163.95	67,069.89	63,550.46	1,335.20	1,165.20	20,158.70	18,973.70
December 2023	1,378.10	1,142.50	72,484.34	67,149.07	1,385.30	1,145.00	21,801.45	20,183.70
January 2024	1,338.90	1,185.00	73,427.59	70,001.60	1,137.90	1,185.50	22,124.15	21,137.20
February 2024	1,318.55	1,053.15	73,413.93	70,809.84	1,320.00	1,052.60	22,297.50	21,530.20
March 2024	1,195.00	1,028.15	74,245.17	71,674.42	1,183.35	1,020.10	22,526.60	21,710.20

source: [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com)

#### ix. Registrar and Transfer Agent

The contact details of the Registrar and Transfer Agents are as follows:

**Integrated Registry Management  
Services Private Limited**  
SEBI Registration No. INR000000544  
II Floor, 'Kences Towers', No.1, Ramakrishna Street,  
North Usman Road, T. Nagar,  
Chennai - 600 017  
Phone: 28140801 - 03, Fax: 28142479, 28143378  
e-mail ID: [einward@integratedindia.in](mailto:einward@integratedindia.in)  
Website: [www.integratedregistry.in](http://www.integratedregistry.in)  
Name of the contact person:  
Mr. K Suresh Babu, Director

#### x. Share Transfer System & Share Capital Audit

The power to approve transfer of shares has been delegated by the Board to the Share Transfer Committee which approves the share transfers and demat / remat requests in co-ordination with the RTA.

The Share transfers and transmissions are approved and registered within the prescribed timelines. On a yearly basis, the compliance with the share transfer / transmission formalities is audited by a Practicing Company Secretary (PCS) in terms of Regulation 40(10) of SEBI (LODR) with the stock exchanges and a certificate to this effect is filed with the stock exchanges.

#### xi. Distribution of shareholding as on March 31, 2024

No. of shares held	Shareholders		Shares	
	Number	% to total	Number	% to total
Upto 500	13,463	90.47	10,47,844	7.34
501 - 1000	639	4.29	4,76,917	3.34
1001 - 2000	325	2.18	4,71,903	3.31
2001 - 3000	146	0.98	3,68,290	2.58
3001 - 4000	62	0.42	2,18,916	1.53
4001 - 5000	43	0.29	1,96,128	1.37
5001 - 10000	97	0.65	7,05,193	4.94
10001 & above	107	0.72	1,07,92,618	75.59
<b>Total</b>	<b>14,882</b>	<b>100.00</b>	<b>1,42,77,809</b>	<b>100.00</b>

#### xii. Shares Dematerialization

The Company has entered into the necessary agreements with National Securities Depository Limited and Central Depositories Services (India) Limited for dematerialization of the shares held by investors. As on March 31, 2024, about 99.04% of the shareholdings has been dematerialized. The promoter and promoter group hold their entire shareholding only in dematerialized form. A comparative chart of physical and demat holdings for the current and previous financial year is given below:



Particulars	Number of shares - As on		% to total capital - As on	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Physical	1,36,471	1,42,743	0.96	1.00
Demat	1,41,41,338	1,41,35,066	99.04	99.00
<b>Total</b>	<b>1,42,77,809</b>	<b>1,42,77,809</b>	<b>100.00</b>	<b>100.00</b>

A reconciliation of share capital, audited by Practicing Company Secretary (PCS) is submitted to the Stock Exchanges on a quarterly basis in terms of regulation 76 of SEBI (Depositories and Participants) Regulations, 2018. The Company is taking initiatives to reach out to investors holding shares in physical form, to dematerialize their shareholding immediately to avoid any inconvenience and avail numerous benefits of dematerialisation, which include easy liquidity / trading.

Rating Agency	Security - Type	(₹ in Crores)	Credit Rating	Outlook	Status (Assigned / Re-affirmed / Revised / Withdrawn)	Date of Credit Rating obtained
ICRA Limited	Long term	100.00	AA-	Stable	Unchanged	February 20, 2024
	Short term		A1+	-		
	Long term	51.50	AA-	Stable	Re-affirmed	December 04, 2023
	Long term	48.50	AA-	Stable	Re-affirmed	
	Short term		A1+	-		

#### xv. Address for communication:

The Compliance Officer  
**Rane Holdings Limited**  
 Rane Corporate Centre,  
 "Maithri" 132, Cathedral Road,  
 Chennai - 600 086.  
 Ph. 044 - 28112472/73;  
 e-mail ID: [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com)  
 Website: [www.ranegroup.com](http://www.ranegroup.com)

OR

Mr. K Suresh Babu, Director  
**Integrated Registry Management Services Private Limited**  
 II Floor, 'Kences Towers'  
 No.1, Ramakrishna Street, North Usman Road,  
 T. Nagar, Chennai - 600 017  
 Phone: 044 - 28140801-03, Fax: 28142479  
 e-mail ID: [einward@integratedindia.in](mailto:einward@integratedindia.in)  
 Website: [www.integratedregistry.in](http://www.integratedregistry.in)

**For and on behalf of the Board**

Place: Chennai  
 Date: May 15, 2024

**Harish Lakshman**  
 Vice-Chairman &  
 Joint Managing Director  
 DIN:00012602

**Ganesh Lakshminarayan**  
 Chairman &  
 Managing Director  
 DIN:00012583

**Annexure (i)**  
**CERTIFICATE FROM MANAGING DIRECTOR / MANAGER**

To  
The Members,  
**Rane Holdings Limited**

**Declaration by Managing Director on the Code of Conduct pursuant to Part C of Schedule V of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

I, hereby declare that to the best of my knowledge and information, all the Board members and Senior Management Personnel have affirmed compliance with 'Ethical Standards of Behaviour - RANE COMPASS', the code of conduct, for the year ended March 31, 2024.

**For and on behalf of the Board**

**Ganesh Lakshminarayan**

Chairman & Managing Director  
DIN:00012583

Place: Chennai  
Date: May 15, 2024

**Annexure (ii)**  
**CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**  
[Pursuant to Regulation 34 (3) read with Schedule V Para C (10) (i) to the Securities  
and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
**Rane Holdings Limited**  
[CIN: L35999TN1936PLC002202]  
"Maithri", No.132, Cathedral Road, Chennai - 600 086.

We hereby certify that, in our opinion, **none of the below named directors** who are on the Board of Directors of **RANE HOLDINGS LIMITED** ("the Company") **as on March 31, 2024, have been debarred or disqualified from being appointed or continuing as Directors** of companies by the Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs, Government of India (MCA).

Sl. No.	Name of the Director	Nature of Directorship	Director Identification Number (DIN)
1.	Ganesh Lakshminarayan	Chairman, Managing Director, Promoter	00012583
2.	Harish Lakshman	Vice Chairman, Joint Managing Director, Promoter	00012602
3.	Venkataramani Sumantran	Non-Executive, Independent	02153989
4.	Rajeev Gupta	Non-Executive, Independent	00241501
5.	Pradip Kumar Bishnoi	Non-Executive, Independent	00732640
6.	Brinda Jagirdar	Non-Executive, Independent	06979864

We are issuing this certificate based on the following, which to the best of our knowledge and belief were considered necessary in this regard:

1. Information relating to the directors available in the official website of the Ministry of Corporate Affairs;
2. Disclosures / declarations / confirmations provided by the said directors to the Company;
3. Registers, records, forms and returns filed / maintained by the Company; and
4. Information, explanation and representations provided by the Company, its officers and agents.

**Management's responsibility:**

The management of the Company is responsible to ensure the eligibility of a person for appointment / continuation as a Director on the Board of Directors of the Company.

### Our responsibility:

Our responsibility is to express an opinion on this, based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness of the process followed by the management of the Company with regard to appointment / continuation of a person as a Director of the Company

For **S Krishnamurthy & Co.,**  
Company Secretaries,  
[Firm Unique Identification No. P1994TN045300]  
[Peer Review Certificate No. 739/2020]

**K. Sriram,**  
Partner

Place: Chennai  
Date: **May 15, 2024**

Membership No.: **F6312**  
Certificate of Practice No.: **2215**  
UDIN: **F006312F000373459**

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### Annexure (iii)

#### **CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE INDEPENDENT AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

TO  
THE MEMBERS

#### **RANE HOLDINGS LIMITED**

1. This certificate is issued in accordance with the terms of our engagement letter dated April 19, 2024
2. We have examined the compliance of conditions of Corporate Governance by **Rane Holdings Limited** ('the Company') for the year ended 31<sup>st</sup> March, 2024 as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

#### **Management's Responsibility**

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all relevant records and documents. This responsibility includes design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

#### **Auditors' Responsibility**

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2024.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and the Guidance Note on Certification of Corporate Governance both issued by the Institute of Chartered Accountants of India ('ICAI') in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Opinion

8. In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai  
Date: May 15, 2024

## Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-00022

**S Sethuraman**  
Partner  
Membership No.: 203491  
UDIN: 24203491BKCQPI4767

## Annexure F to the Report of the Board of Directors

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 (SEBI LODR)

## Section A

**GENERAL DISCLOSURES**

I.	Details of the listed entity	Company Response
1.	Corporate Identity Number (CIN) of the Listed Entity	L35999TN1936PLC002202
2.	Name of the Listed Entity	Rane Holdings Limited
3.	Year of incorporation	1936
4.	Registered office address	"Maithri", 132, Cathedral Road, Chennai 600 086
5.	Corporate address	"Maithri", 132, Cathedral Road, Chennai 600 086
6.	E-mail	<a href="mailto:investorservices@ranegroup.com">investorservices@ranegroup.com</a>
7.	Telephone	+91-44-28112472 / 73
8.	Website	<a href="http://www.ranegroup.com">www.ranegroup.com</a>
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited & National Stock Exchange of India Limited
11.	Paid-up Capital	Rs. 14.28 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	044-28112472; <a href="mailto:l.ganesh@ranegroup.com">l.ganesh@ranegroup.com</a>
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are made on Standalone basis.

**II. Products/services****14. Details of business activities (accounting for 90% of the turnover):**

Sr. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Service fee	Employee training and development, investor services, business development and information system support	34%
2	Trade mark fee	Rane' trademark and license usage by the group companies	37%
3	Dividend income	From strategic investments held by the company	29%

**15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

Sr. No	Product/Service	NIC Code	% of Total Turnover contributed
1	Trademark fees	77400	37%
2	Dividend income	64200	29%
3	Information technology support service	62020	14%
4	Management consultancy service	70200	11%

### III. Operations

#### 16. Number of locations where plants and / or operations / offices of the entity are situated:

Sr. No	Location	Number of plants	Number of offices	Total
a)	National	-	4	4
b)	International	-	-	-

#### 17. Markets served by the entity:

##### a) Number of locations

Locations	Number
National (No. of States)	2
International (No. of Countries)	-

##### b) What is the contribution of exports as a percentage of the total turnover of the entity?

Import	Export
Nil	0.54%

##### c) A brief on types of customers:

Rane Holdings Limited, being the holding Company of Rane Group is engaged in three main-stream services viz., holding strategic investments, licensing trademark and providing services to the Rane Group Companies

### IV. Employees

#### 18. Details as at the end of Financial Year:

##### a) i) Employees (including differently abled):

Sr. No	Particulars	Total (A)	Male	(% of Total)	Female	(% of Total)
1	Permanent	106	81	76%	25	24%
2	Other than Permanent	66	41	62%	25	38%
3	Total employees	172	122	78%	50	22%

##### ii) Workers (including differently abled):

Sr. No	Particulars	Total (A)	Male	(% of Total)	Female	(% of Total)
1	Permanent	7	7	100%	-	-
2	Other than Permanent	38	31	82%	7	18%
3	Total employees	45	38	84%	7	16%

##### b) i) Differently abled Employees:

Sr. No	Particulars	Total (A)	Male	(% of Total)	Female	(% of Total)
1	Permanent	-	-	-	-	-
2	Other than Permanent	-	-	-	-	-
3	Total employees	-	-	-	-	-

##### ii) Differently abled Workers:

Sr. No	Particulars	Total (A)	Male	(% of Total)	Female	(% of Total)
1	Permanent	-	-	-	-	-
2	Other than Permanent	-	-	-	-	-
3	Total employees	-	-	-	-	-

**19. Participation/Inclusion/Representation of women:**

Sr. No	Particulars	Total (A)	Female	(% of Total)
1	Board of Directors	6	1	17%
2	Key Management Personnel	4	0	0

**20. Turnover rate for permanent employees and workers: (Disclose trends for the past 3 years)**

Particulars	FY24			FY23			FY22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10%	24%	13%	27%	16%	24%	22%	37%	26%
Permanent Workers	-	-	-	14%	-	14%	-	-	-

**V. Holding, Subsidiary and Associate Companies (including joint ventures):****(a) Names of holding / subsidiary / associate companies / joint ventures**

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1	Rane (Madras) Limited	Subsidiary	71.77	Rane's Code of Conduct covers responsible and sustainable business conduct and the same is applicable to all Companies in the Group. Irrespective of the nature and conduct of businesses the Group companies adhere to the Rane's Code of Conduct
	-Rane (Madras) International Holdings B.V	Step down Subsidiary	100	
	-Rane Automotive Components Mexico S De RL C.V <sup>1</sup>	Step down Subsidiary	100	
2	Rane Engine Valve Limited	Subsidiary	58.29	
3	Rane Brake Lining Limited	Subsidiary	50.03	
4	Rane Holdings America Inc	Subsidiary	100	
5	Rane Holdings Europe GmbH	Subsidiary	100	
6	Rane NSK Steering Systems Private Limited	Joint Venture/ Associate	49	
7	ZF Rane Automotive India Private Limited	Joint Venture/ Associate	49	
	-ZF Rane Occupant Safety Systems Private Limited	Step down Subsidiary	100	
	-TRW Sun Steering Wheels Private Limited <sup>2</sup>	Step down Subsidiary	100	

<sup>1</sup> incorporated during the financial year 2023-24.

<sup>2</sup> acquired during the financial year 2023-24

<sup>3</sup> eTrans t4u Private Limited (formerly known as Rane t4u Private Limited) (t4u) ceased to be a subsidiary w.e.f July 19, 2023.

<sup>4</sup> Rane Light Metal Castings Inc. USA (RLMCA) ceased to be a step-down subsidiary of the Rane (Madras) Limited (RML) / part of the Rane Group w.e.f September 14, 2023.

**VI. CSR Details:**

22.	1	Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	2	Turnover for the FY 2023-24	Rs. 150.47 Crores
	3	Net worth as on 31 <sup>st</sup> March 2024	Rs. 577.85 Crores

## VII. Transparency and Disclosures Compliances

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (If Yes, then provide web-link for grievance redress policy)	FY24			FY23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Not Applicable	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	2	-	-
Shareholders	Yes	-	-	-	-	-	-
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	-	-	-	-	-	-
Value Chain Partners	Yes	-	-	-	-	-	-

Web-link for the policy will be accessible at <https://ranegroup.com/investors/rane-holdings-limited/?rhl-cor-5>

### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

Being an investment Company with no manufacturing operations, no material risks with respect to sustainability are identified. However, with respect to administrative areas, the following non material risks / opportunities are identified.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Non renewable Energy usage	Risk	Responsible organisation and committed towards sustainability	Identified counter-measures include sourcing of renewable energy and identifying appropriate Channel for E-Waste disposal	Negative
2	Lack of systematic E-Waste disposal process	Risk			
3	Stakeholder expectations on sustainability (Community, Investors, Shareholders, Employees, Customers) Sustainability	Opportunity	Enhancement of Brand value	Implemented ESG framework so as to exceed Stakeholder expectations on sustainability	Positive
4	Green building	Opportunity	Responsible organisation and committed towards sustainability	Adoption of IGBC code to enhance offices to improve sustainability	



## Section B

### MANAGEMENT AND PROCESS DISCLOSURES

Disclosure	P	P	P	P	P	P	P	P	P
Questions	1	2	3	4	5	6	7	8	9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)									Yes
b. Has the policy been approved by the Board? (Yes/No)									Yes
c. Web Link of the Policies, if available									<a href="https://ranegroup.com/investors/rane-holdings-limited/?rhl-cor-5">https://ranegroup.com/investors/rane-holdings-limited/?rhl-cor-5</a>
2. Whether the entity has translated the policy into procedures. (Yes / No)									Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)									Considering the nature of the Company's structure, the Company does not have any significant value chain partners. Hence, the same is not applicable.
4. Name of the national and international codes/certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.									ISO 27001 certification obtained on Information Security Management Systems.
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.									Measurement systems to capture greenhouse gas emissions across relevant business processes are being monitored. Based on such assessment and identification of possible opportunities appropriate targets would be established in the upcoming years.
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									NA
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)									At Rane, we have always believed that being a responsible corporate citizen is central to our purpose and values. Rane Holdings Limited has adopted the Business Responsibility & Sustainability Reporting (BRSR) with an aim to build a structured and focused approach towards disclosures on our environment, social and governance principles. We remain committed to continually improve our ESG performance, enhance stakeholder value, and contribute to a better world for future generations.

### Policy and management processes

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Chairman and MD
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Mr. L. Ganesh - Chairman & Managing Director Mr. Harish Lakshman - Vice Chairman & Joint Managing Director

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
	Y	Y	Y	Y	Y	Y	Y	Y	Y
Performance against above policies and follow up action	Periodical review by the management on need basis. The necessary changes to policies and procedures are implemented accordingly.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with extant regulations as applicable.								
Frequency (Annually/ Half Yearly/ Quarterly/ Any Other - please specify)	Annually								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	Wherever required, policies are reviewed by statutory, secretarial and internal auditors.								
12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:	NA								

### Questions

a. The entity does not consider the Principles material to its business (Yes/No)	P	P	P	P	P	P	P	P	P
b. The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	1	2	3	4	5	6	7	8	9
c. The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
d. It is planned to be done in the next financial year (Yes/ No)	All principles are covered by the policies.								
e. Any other reason (please specify)									

## Section C

### PRINCIPLE WISE PERFORMANCE DISCLOSURE

#### PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

##### Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors		Directors of the Company, at the time of their appointment are familiarized on the Company's Core Values, Code of Conduct including the purpose and the business it operates in. At each meeting of the Board / Audit Committee, members also deliberate on key governance matters. As part of agenda, members also discuss various sustainable initiatives of the Company, including regulatory and economic trends in the industry.	100%
Key Managerial Personnel	Apart from the regular training to all the employee, KMP have participated in various discussion both internal and external.	<ul style="list-style-type: none"> <li>Workplace Safety related trainings conducted for all workers.</li> <li>Compliance programs include POSH awareness, Grievance Handling etc.</li> <li>Information security,</li> <li>Trends in automotive industry,</li> <li>Code of Conduct,</li> <li>Prevention of insider trading,</li> <li>Management principles,</li> <li>Vigil Mechanism,</li> <li>Function specific familiarisation and skill upgradation,</li> <li>Health &amp; Safety, etc.</li> </ul>	100%
Employees other than BoD and KMPs	5		100%
Workers	3	<ul style="list-style-type: none"> <li>Workplace Safety related trainings conducted for all workers.</li> <li>Compliance programs include POSH awareness, Grievance Handling etc.</li> </ul>	100%

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			NIL		
Compounding fee					

Non Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment Punishment			Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy :

Yes. The company adheres to the anti-corruption and anti-bribery policy in alignment with the code of conduct policy of the group with zero tolerance towards unethical business practices and prohibits bribery in any form in all of its dealing.

The company's code of conduct can be accessed via given link:

<https://ranegroup.com/investors/rane-holdings-limited/?rhl-cor-5>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption

	FY24	FY23
Directors		
KMPs		Nil
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY24		FY23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.: Nil.

**PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe****Essential Indicators**

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY24	FY23	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Rane Holdings Limited is not in the business of manufacturing goods. Therefore, the Company does not have a sizeable raw material consumption however it aligns to the culture of sustainable business practices.

- b. **If yes, what percentage of inputs were sourced sustainably?** Not Applicable

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.:**

Given the nature of the business, Rane Holdings Limited does not manufacture any products, hence the company does not currently maintain records for hazardous and other waste generation. However, recycled tissue papers are used for some activities in the office. The Company has systems in place to manage e-waste and engage with certified e-waste handlers for disposal of e-waste.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

**If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Given the nature of the Company's business, the above is not applicable.

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**  
Essential Indicators

**1. a. Details of measures for the well-being of employees:**

Category	% of employees covered by											
	Total (A)		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
	Number (B)	% (B / A)	Number (B)	% (B / A)	Number (B)	% (B / A)	Number (B)	% (B / A)	Number (B)	% (B / A)	Number (B)	% (B / A)
<b>Permanent employees</b>												
Male	81	100.00%	81	100.00%	81	100.00%	81	100.00%	81	100.00%	-	0.00%
Female	25	100.00%	25	100.00%	25	100.00%	25	100.00%	-	0.00%	-	0.00%
Total	106	100.00%	106	100.00%	106	100.00%	106	100.00%	81	100.00%	-	0.00%
<b>Other than Permanent employees</b>												
Male	41	100.00%	41	100.00%	41	100.00%	41	100.00%	-	-	-	-
Female	25	100.00%	25	100.00%	25	100.00%	25	100.00%	-	-	-	-
Total	66	100.00%	66	100.00%	66	100.00%	66	100.00%	-	-	-	-

**b. Details of measures for the well-being of workers:**

Category	% of employees covered by											
	Total (A)		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
	Number (B)	% (B / A)	Number (B)	% (B / A)	Number (B)	% (B / A)	Number (B)	% (B / A)	Number (B)	% (B / A)	Number (B)	% (B / A)
<b>Permanent workers</b>												
Male	7	100.00%	7	100.00%	7	100.00%	7	100.00%	-	-	-	-
Female	-	0.00%	-	0.00%	-	0.00%	-	-	-	-	-	-
Total	7	100.00%	7	100.00%	7	100.00%	7	100.00%	-	-	-	-
<b>Other than Permanent workers</b>												
Male	31	100.00%	31	100.00%	31	100.00%	31	100.00%	-	-	-	-
Female	7	100.00%	7	100.00%	7	100.00%	7	100.00%	-	-	-	-
Total	38	100.00%	38	100.00%	38	100.00%	38	100.00%	-	-	-	-

## 2. Details of retirement benefits, for Current financial year and Previous Financial Year

Benefits	FY24			FY23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	100%	100%	Y	100%	100%	Y
NPS	100%	100%	Y	100%	100%	Y
Superannuation	100%	100%	Y	100%	100%	Y

**Note:** The above represents benefits provided to all the employees who are eligible/have opted for the said retirement benefits.

## 3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The office locations have requisite infrastructure enabling easy access to differently abled persons. If not, whether any steps are being taken by the entity in this regard: Not Applicable

## 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, Equal opportunity is covered as part of our Code of Conduct. The company is committed to the principles of equal employment opportunity, inclusion and respect. It does not unfairly discriminate on any ground including race, colour, religion, national origin, gender, age, disability, etc. All employment-related decisions are based on company needs, job requirements and individual qualifications and the Company seeks to provide equal employment opportunity to everyone who is legally authorized to work in the country. The Company believes that having a diverse workforce, who bring a wide variety of skills, abilities, experiences and perspectives is essential to the Company's success. The code also encourages people to report suspected discrimination.

## 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	FY24		FY23	
	Permanent employees		Permanent employees	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Employees	Yes	RHL creates a culture which is fair, open and transparent and where employees can openly present their views.
Other than Permanent Employees	Yes	Employees and workers are encouraged to share their concerns with their business heads, HR or the members of the senior management. The company has always followed an open-door policy, wherein any employee/workers irrespective of hierarchy has access to the senior management.
Permanent Workers	Yes	It transparently communicates its policies and practices such as company plans, compensation, performance metrics, career enhancements, compliance etc.
Other than Permanent Workers	Yes	Code of conduct, POSH and whistle blower provides a formal platform to share grievances on various matters. The details of the grievance mechanism are shared with employees for raising their concerns, if any. Appropriate action is taken after proper investigation and the company has mechanism in place to protect the identity of the complainant/victim.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity: Nil

Category	FY24			FY23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)
Total Permanent Employees	106	0	0%	108	0	0%
Male	81	0	0%	83	0	0%
Female	25	0	0%	25	0	0%
Total Permanent Workers	7	0	0%	7	0	0%
Male	7	0	0%	7	0	0%
Female	0	0	0%	0	0	0%

8. Details of training given to employees and workers:

Category	FY24					FY23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	81	81	100%	77	95%	83	83	100%	44	53%
Female	25	25	100%	18	72%	25	25	100%	12	48%
Total	106	106	100%	95	90%	108	108	100%	56	52%
<b>Workers</b>										
Male	7	7	100%	0	0	7	7	100%	0	0
Female	0	0	0%	0	0	0	0	0%	0	0
Total	7	7	100%	0	0	7	7	100%	0	0



## 9. Details of performance and career development reviews of employees and worker:

Category	FY24			FY23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	81	81	100%	83	83	100%
Female	25	25	100%	25	25	100%
Total	106	106	100%	108	108	100%
<b>Workers</b>						
Male	7	7	100%	7	7	100%
Female	-	-	0%	-	-	0%
Total	7	7	100%	7	7	100%

## 10. Health and safety management system:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, RHL is committed to provide a productive workplace by minimizing the risk of accidents, injury and exposure to health risks. RHL has a comprehensive Health and Safety Management System which is duly certified for compliance under ISO 45001. The Company has adopted various initiatives for occupational health and safety by Standardising Work process to eliminate safety risks, setting up of Structured Training Systems to train and assess employees on Workplace Safety, Evolve Safety Standards and audit processes for compliance to such established processes. RHL trains its employees on safety protocols by conducting periodic trainings on fire safety and evacuation drills. It also conducts internal awareness campaigns on health and safety such as wear helmet, eat healthy, drink enough water, stay on the move, choose to use the stairs, etc.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Processes are assessed for Safety risk through systemic safety walkthrough audits by relevant members which enables implementation of corrective actions to mitigate risks identified. Fire protection for the premises is equipped with a power back up and sufficient water capacity. Vehicles are always parked in takeoff position for easy exit in case an emergency situation arises. Need based guidance from Government authorities are adhered to, for ensuring safety & health of the employees.

### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, A well-established process is in place to capture the Voice of the Employees through various interactions and suggestion schemes. Employees are encouraged to share their concerns with their process managers, HR or the members of the senior management. The Company has always followed an open-door policy, wherein any employee irrespective of hierarchy has access to the senior management.

### d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. All employees of the entity are covered under the Company's health insurance and personal accident policy. The Company encourages Annual Health check-up and provides necessary support, especially for senior staff members, as a measure of preventive health care.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY24	FY23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

Rane has a policy on Occupational Health, Safety & Environment covering all their employees. The exposure of employees to various risks is kept minimal on the day-to-day basis. At the same time equipped with fire detection & protection measures in case of any eventuality. The security personnel are sufficiently trained to handle the situation. Regular safety walk through is done to identify any additional risk exposures and actions taken to mitigate the risks.

**13. Number of Complaints on the following made by employees and workers:**

	FY24			FY23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions Health & Safety			Nil			

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% Internal assessments are carried out at all locations of the Company.
Working Conditions	

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions:** Not Applicable.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

Any individual or group of individuals or institution that adds value to the business chain of the Corporation is identified as a core stakeholder. This inter alia includes employees, shareholders and investors, customers, suppliers, channel partners and regulators, lenders, research analysts, communities, non-governmental organisations and others.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder and Investor	No	Earnings call and presentation	Quarterly	To update on the company's business performance, development and other relevant information
Employees	No	Town Hall Meeting / Propel / R-net communication etc.	Quarterly	To build an inclusive, conducive, growth-oriented, safe working environment
Government and Regulators	No	Physical as well as Digital	Others: Regularly	To provide timely feedback on policies and represent the industry before regulators and government bodies on various relevant issues for the benefit of the industry.
Community	Yes	Physical as well as Digital	Others: Regularly	To promote social welfare activities for inclusive growth, fair and equitable development and well-being of the community the Company operates in

**PRINCIPLE 5: Businesses should respect and promote human rights**

**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY24			FY23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	106	106	100%	108	108	100%
Other than permanent	66	66	100%	29	29	100%
<b>Total Employees</b>	<b>172</b>	<b>172</b>	<b>100%</b>	<b>137</b>	<b>137</b>	<b>100%</b>
<b>Workers</b>						
Permanent	7	7	100%	7	7	100%
Other than permanent	38	38	100%	38	38	100%
<b>Total Workers</b>	<b>45</b>	<b>45</b>	<b>100%</b>	<b>45</b>	<b>45</b>	<b>100%</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY24					FY23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Permanent	106	-	0%	106	100%	108	-	0%	108	100%
Male	81	-	0%	81	100%	83	-	0%	83	100%
Female	25	-	0%	25	100%	25	-	0%	25	100%
Other than Permanent	66	-	0%	66	100%	29	-	0%	29	100%
Male	41	-	0%	41	100%	22	-	0%	22	100%
Female	25	-	0%	25	100%	7	-	0%	7	100%
<b>Workers</b>										
Permanent	7	-	0%	7	100%	7	-	0%	7	100%
Male	7	-	0%	7	100%	7	-	0%	7	100%
Female	-	-	0%	0	0%	0	-	0%	-	0%
Other than Permanent	38	-	0%	38	100%	38	-	0%	38	100%
Male	31	-	0%	31	100%	31	-	0%	31	100%
Female	7	-	0%	7	100%	7	-	0%	7	100%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	3,60,000	1	1,87,500
Key Managerial Personnel	2	78,85,095	-	-
Employees other than BoD and KMP	66	9,39,288	20	6,89,556
Workers	7	7,73,558	-	-

Numbers under KMP category excludes Chairman & Managing Director and Vice-Chairman & Joint Managing Director, who are included in BoD.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No): Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The mechanism to redress grievances under human rights is the same as for other grievances. The 'Whistle Blower Policy' mechanism provides for employees to report instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy to the management. Further, concerns can always be raised with the reporting Manager / Functional Head / HR head.

**6. Number of Complaints on the following made by employees and workers:**

	FY24			FY23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment						
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour						NA
Wages						
Other human rights related issues						

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Whistle blower Policy and POSH Policy protects the identity of the complainant. Adequate systems are put in place to maintain confidentiality of the complainant and subject matter and safeguards are in place to ensure that there exists no scope for any discrimination in any manner.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, Human rights form a part of the Rane's Code of Conduct.

**9. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

All locations are in compliance with the all applicable laws

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above: Not Applicable****PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment****Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY24	FY23
Total electricity consumption (A) in GigaJoules	1342.57	1178.52
Total fuel consumption (B) in GigaJoules	164.20	181.86
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C) in GigaJoules	1506.77	1360.38
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	1*10 <sup>-6</sup>	1*10 <sup>-6</sup>

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:**

Not Applicable

3. Provide details of the following disclosures related to water, in the following format

The Company usage of water is restricted to human consumption purposes only. Efforts have been made to ensure that water is consumed judiciously in the office premises. In various offices, sensor based urinals and sensor based taps are installed to economise on water consumption.

Parameter	FY24	FY23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	1,122.00	953.90
(iii) Third party water	268.66	275.72
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,390.66	1,229.62
Total volume of water consumption (in kilolitres)	1,390.66	1,229.62
Water intensity per rupee of turnover (Water consumed / turnover)	1*10 <sup>-6</sup>	1*10 <sup>-6</sup>

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

Not Applicable.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY24	FY23
NOx			
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)		Not Applicable	
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others - please specify			

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? - (Y/N) If yes, name of the external agency:

Not Applicable

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY24	FY23
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) (Metric tonnes of CO <sub>2</sub> equivalent)	Tonnes of CO <sub>2</sub> equivalent	51.21	34.18
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) (Metric tonnes of CO <sub>2</sub> equivalent)	Tonnes of CO <sub>2</sub> equivalent	264.78	232.44 #
Total Scope 1 and Scope 2 emissions per rupee of turnover		2*10 <sup>-7</sup>	2*10 <sup>-7</sup>

#Indian based CO<sub>2</sub> Conversion factor used in current year and previous year data has been recalculated accordingly.

**Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Even though the Company does not have manufacturing footprint or any other similar activity which emits sizeable greenhouse gases, the Company still strives to put in efforts in optimising the GHG emissions.

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY24(In tons)	FY23(In tons)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	-	-
E-waste (B)	0.18	-
Construction and demolition waste (C)	13.50	-
Bio-medical waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste (G)		
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	11.27	8.02
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>24.95</b>	<b>8.02</b>
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	24.95	8.02
<b>Total</b>	<b>24.95</b>	<b>8.02</b>

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:**

Given the nature of the business, there is no usage of hazardous and toxic chemicals by the company. It has systems in place to manage e-waste and engages with certified e-waste handlers for such disposal.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.
			NA	

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The Company is in compliance with applicable environmental norms				

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations - 6 (Six)
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State/National)
1	Indo-American Chamber of Commerce	National
2	Indo-Australian Chamber of Commerce	National
3	Indo-Japan Chamber of Commerce	National
4	Confederation of Indian Industry	National
5	Associated Chambers of Commerce and Industry of India	National
6	Society of Indian Automobile Manufacturers	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NA		

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year: Not Applicable.
2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity: Not Applicable.
3. Describe the mechanisms to receive and redress grievances of the community.

All grievances could be submitted at [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com). This is provided in the Annual Report which is made available on the Company's website. Any such grievances could also be reported at the Corporate office.



**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY24	FY23
Directly sourced from MSMEs/ small producers		
Sourced directly from within the district and neighbouring districts		NA

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company is providing services predominantly to other group Companies. Hence customers for the Company are subsidiaries and JV/Associate companies. Since all these companies form part of the group, they can reach out to the Company's Corporate office for addressing any concerns.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100% The Company is fair and transparent in all its dealings with the customers and other stakeholders. None of the services provided by the Company withheld any relevant information needed to make informed decisions
Safe and responsible usage	information needed to make informed decisions
Recycling and/or safe disposal	information needed to make informed decisions

**3. Number of consumer complaints in respect of the following:**

	FY24			FY23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

**4. Details of instances of product recalls on account of safety issues:**

	Reasons for recall	Corrective action taken
Voluntary recalls	NA	NA
Forced recalls	NA	NA

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:** Yes, the policy is available in the policies section on the website of the Company.**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:** No Incidents.

Annexure G to the Report of the Board of Directors

# PARTICULARS OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

for the Financial Year 2023-24

Details as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Remuneration paid to Directors and Key Managerial Personnel

Name	Designation	% increase / (decrease) of remuneration FY 2023-24	Ratio of remuneration of each Director to median remuneration of employees
<b>Key Managerial Personnel</b>			
Mr. L Ganesh	Chairman & Managing Director	19%	62.95 times
Mr. Harish Lakshman	Vice-Chairman & Joint Managing Director	39%	15.78 times
Mr. M A P Sridhar Kumar	Chief Financial Officer	17%	NA
Mr. Siva Chandrasekaran	Secretary	21%	NA

**Notes:**

- (i) None of the other Directors receive any remuneration from the Company except sitting fees for attending meeting of the Board / Committee(s) thereof. Hence, the ratio of remuneration and percentage increase have not been considered.
  - (ii) Remuneration considered based on annual emoluments (including variable pay) and designation as on date.
  - (iii) The remuneration to Mr. Harish Lakshman pertains to the perquisite value of furnished housing accommodation provided by the Company.
2. Percentage decrease in median remuneration during the Financial Year 2023-24: **11%**.
  3. Number of permanent employees on the rolls of the Company as on March 31, 2024: **123**.
  4. Average percentile increase already made in salaries of employees other than the managerial personnel in the last financial year (FY 2023-24) was **15%** as against the percentile increase in managerial remuneration by **23%** in the last financial year (FY 2023-24). The increase in managerial remuneration is in line with the performance of the Company & industry practice.
  5. It is hereby affirmed that the remuneration paid is in accordance with the remuneration policy of the Company.

**For and on behalf of the Board**

**Harish Lakshman**  
 Vice Chairman &  
 Joint Managing Director  
 DIN:00012602

**Ganesh Lakshminarayan**  
 Chairman &  
 Managing Director  
 DIN:00012583

Place : Chennai  
 Date : May 15, 2024

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Rane Holdings Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of Rane Holdings Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

#### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other

information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

#### Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters

related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's

ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the

Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 01 April 2024 and 02 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 31.3 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 31.3 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- As stated in Note 18(d) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
- f. Based on our examination which included test checks, except for the instances

mentioned below, the company has used accounting software for maintaining its books of account which have a feature of audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the respective software.

- i. The feature of recording audit trail (edit log) was not enabled at the application layer for certain fields of tables relating to Payroll,
- ii. The feature of audit trail was not enabled at the application layer of the accounting software for direct data changes performed by users having privileged access,
- iii. The feature of audit trail was not enabled at the database layer of the accounting software for the entire audit period.

Further, for the periods where audit trail (edit log) facility was enabled for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022

**S Sethuraman**

*Partner*

Place : Chennai

Membership No.: 203491

Date: 15 May 2024

ICAI UDIN: 24203491BKCQPJ6779

## Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of Rane Holdings Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in 2 years. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records (registered sale deeds/ court order approving the scheme of arrangement/ amalgamation, as provided to us) of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company. In respect of certain immovable properties of land and buildings whose title deeds had been pledged with bank as security for term loans, our reporting under this clause is based on confirmations received from such bank that the immovable properties are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies, limited liability partnership and other parties (mutual funds) in respect of which the requisite information is as below. The Company has not made any investments in firms.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, limited liability partnership or any other parties during the year.
- (c) The Company has not given any loans and advances in the nature of loan to any party

during the year. Accordingly, clause (iii)(c) of the Order is not applicable to the Company.

(d) The Company has not given any loans and advances in the nature of loan to any party during the year. Accordingly, clause (iii)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records

under Section 148(1) of the Act for the services rendered by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax or other statutory dues have been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of customs and cess.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax and other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax, Duty of Customs which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Disputed amount (INR lakhs)	Amount unpaid (INR lakhs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	85	35	AY 2005-06	Assessing officer
		49	20	AY 2017-18	CIT(A)
Customs Act, 1962	Customs duty	6	6	AY 2012-13	CESTAT

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis

of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been



- declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture/ associate entities (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information

included in the Company's annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

**S Sethuraman**

*Partner*

Place : Chennai

Membership No.: 203491

Date: 15 May 2024

ICAI UDIN:24203491BKCQPJ6779

## Annexure B to the Independent Auditor's Report

on the standalone financial statements of Rane Holdings Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### Opinion

We have audited the internal financial controls with reference to financial statements of Rane Holdings Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements

and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

### Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree

of compliance with the policies or procedures may deteriorate.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

**S Sethuraman**

*Partner*

Place : Chennai

Date : 15 May 2024

Membership No.: 203491

ICAI UDIN:24203491BKCQPJ6779

# STANDALONE BALANCE SHEET

## AS AT MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	6,301	10,199
Capital work-in-progress	4.a	8	-
Right-of-use assets	5	198	249
Other intangible assets	6	218	140
Intangible assets under development	4.b	-	-
Financial assets			
- Investments	7	47,041	47,660
- Other financial assets	8	63	62
Income tax assets, net	9	276	435
Other non-current assets	10	936	14
<b>Total non-current assets</b>		<b>55,041</b>	<b>58,759</b>
<b>Current assets</b>			
Financial assets			
- Investments	12	2,417	214
- Trade receivables	13	1,079	1,049
- Cash and cash equivalents	14.a	386	254
- Bank balances other than cash and cash equivalents above	14.b	47	47
- Loans	15	0	-
- Other financial assets	8	33	449
Other current assets	16	573	402
<b>Total current assets</b>		<b>4,535</b>	<b>2,415</b>
<b>TOTAL ASSETS</b>		<b>59,576</b>	<b>61,174</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	17	1,428	1,428
Other equity	18	56,357	52,208
<b>Total equity</b>		<b>57,785</b>	<b>53,636</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	19	-	4,491
- Lease liabilities	20	83	147
Provisions	23	220	191
Deferred tax liabilities, net	11	55	334
<b>Total non-current liabilities</b>		<b>358</b>	<b>5,163</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	19	-	1,075
- Lease liabilities	20	129	100
- Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		66	67
Total outstanding dues of creditors other than micro enterprises and small enterprises		181	254
- Other financial liabilities	21	683	616
Other current liabilities	25	209	198
Provisions	24	165	65
<b>Total current liabilities</b>		<b>1,433</b>	<b>2,375</b>
<b>TOTAL LIABILITIES</b>		<b>1,791</b>	<b>7,538</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>59,576</b>	<b>61,174</b>

See accompanying notes forming part of standalone financial statements  
As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

**S Sethuraman**

Partner

Membership No.: 203491

Place: Chennai

Date: May 15, 2024

**Harish Lakshman**

Vice Chairman and Joint Managing Director

DIN:00012602

**M A P Sridhar Kumar**

Chief Financial Officer

**For and on behalf of the Board of Directors of  
Rane Holdings Limited**

**Ganesh Lakshminarayan**

Chairman and Managing Director

DIN:00012583

**Siva Chandrasekaran**

Company Secretary

# STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
I Revenue from operations	26	14,686	11,766
II Other income	27	361	53
<b>III Total income (I+II)</b>		<b>15,047</b>	<b>11,819</b>
<b>IV Expenses:</b>			
Employee benefits expense	28	2,707	2,321
Finance costs	29	467	561
Depreciation and amortisation expenses	30	508	437
Other expenses	31	2,461	2,305
<b>Total expenses</b>		<b>6,143</b>	<b>5,624</b>
<b>V Profit before exceptional item and tax (III-IV)</b>		<b>8,904</b>	<b>6,195</b>
<b>VI Exceptional item</b>	7.2	(296)	(292)
<b>VII Profit before tax (V+VI)</b>		<b>8,608</b>	<b>5,903</b>
<b>VIII Tax expense:</b>	33		
- Current tax		1,328	1,118
- Deferred tax		(26)	(45)
<b>Total tax expense</b>		<b>1,302</b>	<b>1,073</b>
<b>IX Profit for the year (VII-VIII)</b>		<b>7,306</b>	<b>4,830</b>
<b>X Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Re-measurement (losses) / gains on defined benefit plans, net		(44)	(42)
- Net (loss) / gain on FVOCI equity instruments		(950)	(21)
- Income tax relating to items that will not be reclassified to profit or loss		264	39
<b>Total other comprehensive income / (loss) (net of tax)</b>		<b>(730)</b>	<b>(24)</b>
<b>XI Total comprehensive income for the year (IX+X)</b>		<b>6,576</b>	<b>4,806</b>
<b>XII Earnings per equity share</b>	37		
- Basic (In ₹)		51.17	33.82
- Diluted (In ₹)		51.17	33.82

See accompanying notes forming part of standalone financial statements

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

**S Sethuraman**

Partner

Membership No.: 203491

Place: Chennai

Date: May 15, 2024

**For and on behalf of the Board of Directors of**

**Rane Holdings Limited**

**Harish Lakshman**

Vice Chairman and Joint Managing Director

DIN:00012602

**M A P Sridhar Kumar**

Chief Financial Officer

**Ganesh Lakshminarayan**

Chairman and Managing Director

DIN:00012583

**Siva Chandrasekaran**

Company Secretary

# STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## A. Equity share capital

Particulars	Note	Amount
<b>Balance as at April 01, 2022</b>	<b>17</b>	<b>1,428</b>
Changes in equity share capital due to prior period errors		-
<b>Restated balance as at April 01, 2022</b>		<b>1,428</b>
Changes in equity share capital during the year		-
<b>Balance as at March 31, 2023</b>	<b>17</b>	<b>1,428</b>
<b>Balance as at April 01, 2023</b>	<b>17</b>	<b>1,428</b>
Changes in equity share capital due to prior period errors		-
<b>Restated balance as at April 01, 2023</b>		<b>1,428</b>
Changes in equity share capital during the year		-
<b>Balance as at March 31, 2024</b>	<b>17</b>	<b>1,428</b>

## B. Other equity

Particulars	Reserves and Surplus				Item of OCI Equity instrument through OCI	Total Other Equity
	Capital Redemption Reserve	Securities premium	General Reserve	Retained Earnings		
<b>Balance as at April 01, 2022</b>	<b>550</b>	<b>4,433</b>	<b>31,526</b>	<b>10,616</b>	<b>1,990</b>	<b>49,115</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated balance as at April 01, 2022</b>	<b>550</b>	<b>4,433</b>	<b>31,526</b>	<b>10,616</b>	<b>1,990</b>	<b>49,115</b>
Profit for the year	-	-	-	4,830	-	4,830
Other comprehensive income / (loss) for the year	-	-	-	(32)	8	(24)
<b>Total comprehensive income for the year ended March 31, 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,798</b>	<b>8</b>	<b>4,806</b>
<b>Contributions and distributions</b>						
Dividend	-	-	-	(1,713)	-	(1,713)
Amount transferred within reserves	-	-	837	(837)	-	-
<b>Balance as at March 31, 2023</b>	<b>550</b>	<b>4,433</b>	<b>32,363</b>	<b>12,864</b>	<b>1,998</b>	<b>52,208</b>
<b>Balance as at April 01, 2023</b>	<b>550</b>	<b>4,433</b>	<b>32,363</b>	<b>12,864</b>	<b>1,998</b>	<b>52,208</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated balance as at April 01, 2023</b>	<b>550</b>	<b>4,433</b>	<b>32,363</b>	<b>12,864</b>	<b>1,998</b>	<b>52,208</b>
Profit for the year	-	-	-	7,306	-	7,306
Other comprehensive income / (loss) for the year	-	-	-	(33)	(697)	(730)
<b>Total comprehensive income for the year ended March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,273</b>	<b>(697)</b>	<b>6,576</b>
<b>Contributions and distributions</b>						
Dividend	-	-	-	(2,427)	-	(2,427)
Amount transferred within reserves	-	-	8,010	(8,010)	-	-
<b>Balance as at March 31, 2024</b>	<b>550</b>	<b>4,433</b>	<b>40,373</b>	<b>9,700</b>	<b>1,301</b>	<b>56,357</b>

See accompanying notes forming part of standalone financial statements  
As per our report of even date attached

### For B S R & Co. LLP

Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

### S Sethuraman

Partner  
Membership No.: 203491

Place: Chennai  
Date: May 15, 2024

For and on behalf of the Board of Directors of  
Rane Holdings Limited

### Harish Lakshman

Vice Chairman and Joint Managing Director  
DIN:00012602

M A P Sridhar Kumar  
Chief Financial Officer

### Ganesh Lakshminarayan

Chairman and Managing Director  
DIN:00012583

Siva Chandrasekaran  
Company Secretary

# STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
<b>A - Cash flows from operating activities</b>			
Profit for the year		7,306	4,830
<b>Adjustments for:</b>			
Tax expense	33	1,302	1,073
Depreciation and amortisation expenses	30	508	437
Net (gain) / loss on disposal of property, plant and equipment	27	(72)	(6)
Finance costs	29	467	561
Gain on current investments mandatorily measured at FVTPL	27	(249)	(38)
Impairment of investment	7.2	296	292
Interest income	27	(1)	(3)
<b>Operating profit before working capital changes</b>		<b>9,557</b>	<b>7,146</b>
<b>Working capital adjustments:</b>			
(Increase) / decrease in trade receivables		(30)	(581)
(Increase) / decrease in other assets		(149)	(209)
Increase / (decrease) in trade payables		(74)	71
Increase / (decrease) in provisions		85	48
Increase / (decrease) in other liabilities		96	140
<b>Cash generated from / (used in) operating activities</b>		<b>9,485</b>	<b>6,615</b>
Income taxes paid, net		(1,158)	(1,196)
<b>Net cash generated from / (used in) operating activities</b>		<b>8,327</b>	<b>5,419</b>
<b>B - Cash flows from investing activities</b>			
(Payment towards purchase) / proceeds from sale of current investments, net		(1,954)	(175)
Payment towards purchase of property, plant and equipment and other intangible assets		(1,464)	(373)
Proceeds from disposal of property, plant and equipment		4,034	6
Payment towards purchase of non-current investments		(234)	(913)
<b>Net cash generated from / (used in) investing activities</b>		<b>382</b>	<b>(1,455)</b>
<b>C - Cash flows from financing activities</b>			
Proceeds from borrowings	19	-	872
Repayment of borrowings	19	(5,566)	(2,224)
Dividend paid to shareholders		(2,427)	(1,713)
Interest paid		(450)	(537)
Payment of lease liabilities		(134)	(142)
<b>Net cash generated from / (used in) financing activities</b>		<b>(8,577)</b>	<b>(3,744)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>		<b>132</b>	<b>220</b>
Cash and cash equivalents at the beginning of the year	14.a	254	34
<b>Cash and cash equivalents at the end of the year</b>		<b>386</b>	<b>254</b>

See accompanying notes forming part of standalone financial statements  
As per our report of even date attached

## For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

### S Sethuraman

Partner

Membership No.: 203491

Place: Chennai

Date: May 15, 2024

## For and on behalf of the Board of Directors of

Rane Holdings Limited

### Harish Lakshman

Vice Chairman and Joint Managing Director

DIN:00012602

**M A P Sridhar Kumar**

Chief Financial Officer

### Ganesh Lakshminarayan

Chairman and Managing Director

DIN:00012583

**Siva Chandrasekaran**

Company Secretary



# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 1. Corporate Information

Rane Holdings Limited ("RHL" or "the Company") is the holding company whose main activity is investing in Rane group Companies that are engaged primarily in the manufacturing/ marketing of components and providing technological services for the transportation industry, mainly the automotive sector. The Rane Group's investment profile includes subsidiaries and joint venture / associate entities. The Company's income stream comprises of (i) dividend from the investments made in the group companies, (ii) trade mark fee for use of "RANE" trade mark and (iii) service fee primarily from group companies for providing service in the areas of management, information technology, business development and infrastructure. The Company is a public limited Company incorporated in India with its registered office in Chennai, Tamilnadu, India. The Company is listed on the Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited, Mumbai.

## 2. Material accounting policies

### 1. Statement of compliance and basis of preparation

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

### 2. Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset) / liability	Present value of defined benefit obligations less fair value of plan assets
Certain investments	Fair value

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when -

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

### 3. Use of estimates and Judgements

The preparation of the standalone financial statements in conformity with accounting principles generally accepted in India requires the management to make judgements, estimates and assumptions as considered in the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenues and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date. These estimates, judgement and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about the assumptions and estimates may result in outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

## 3.1 Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the notes;

- Note 5, 20 and 39 - Right-of-use assets and lease liabilities
- Note 7 - Impairment testing for investments

## 3.2 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are as follows;

### 3.2.1 Fair value measurements and valuation processes

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Further details are given in note 41.

### 3.2.2 Impairment of investments

The Company tests whether any of its investments have suffered any impairment on an annual basis. The recoverable value of the investment is determined based on fair value less cost to sell which require the use of assumptions. Refer note 7.

## 3.2.3 Taxation

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantively enacted. Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws and the amount and timing of future taxable income. In arriving at taxable profit and all tax bases of assets and liabilities, the Company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely expected outcome of any open tax assessments / litigations. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available. Further details are given in note 11, 33 and 34.

## 3.2.4 Defined benefit plans

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and attrition rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 36.

## 4. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 5. Financial Instruments

### i. Initial recognition

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (except trade receivables without significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Trade receivables (without significant financing component) are measured at transaction price as per Ind AS 115.

### ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through OCI - debt investment;
- Fair value through OCI - equity investment; or
- Fair value through profit and loss

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### Financial assets - Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

- how the performance of the portfolio is evaluated and reported to the Company's management
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

### Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.
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Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### iii. Derecognition

#### Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

#### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

### iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### 6. Property, plant and equipment

Items of property, plant and equipment are carried at cost, which includes capitalised borrowing costs, less accumulated depreciation and impairment losses, if any. The cost comprises its purchase price net of any trade discounts and rebates, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities) and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

#### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2016 measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Capital work-in-progress: Assets which are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest (in case of qualifying assets).

Depreciation on property, plant and equipment has been provided on the straight-line method on the basis of estimated useful life determined based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful lives of property, plant and equipment are as follows:

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Asset	Management estimate of useful life	Useful life as per Schedule II
Buildings	30 years	30 years
Plant and machinery	15 years	15 years
Vehicles	5 years	8 years
Furniture and fixtures	5 years	10 years
Office equipment	3 years	5 years
Computers and data processing units	3 years	3 to 6 years

Freehold land is not depreciated.

Depreciation method, useful lives and residual values are reviewed at the end of each financial year.

On property, plant and equipment added/(disposed off) during the year, depreciation is provided from/(upto) the month on which the asset is ready for use/(disposed off). Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

### 7. Other intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities) and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost can be measured reliably. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in which the expenditure is incurred. The amortisation expense on intangible assets is recognised in the statement of profit or loss. An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of

the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate. Other intangible assets which comprise of Software license has a useful life of 5 years.

### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016 measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

## 8. Impairment

### i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

### Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## ii. Impairment of property, plant and equipment and other intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and other intangible assets to determine whether there is any indication that those assets have suffered an

impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

When an impairment loss subsequently reverses (other than goodwill), the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

## 9. Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

recognised in the statement of profit and loss over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 10. Leases

The Company's lease asset classes primarily consist of leases for building, IT assets and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the

lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably



# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Lease liability and ROU asset have been separately presented and lease payments have been classified as financing cash flows.

## 11. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## 12. Cash flow statement

Cash flows from operating activities are reported using the indirect method, whereby profit / (loss) is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

## 13. Foreign currency transactions and translations

### (i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

### (ii) Transactions and balances

In preparing the standalone financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are reinstated at the end of accounting period.

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI);
- qualifying cash flow hedges to the extent that the hedges are effective.

## 14. Revenue recognition

The Company derives revenues primarily from rendering management and information technology services to the subsidiaries and joint venture / associate entities and from Trade Mark fee in accordance with the terms of the agreements with the Group entities. Revenue is recognized upon transfer of control of promised services to customers (i.e. upon rendering of services) at an amount that reflects the consideration that the Company expects to receive in exchange for those services.

### Dividend Income

Dividend income is accounted when the right to receive it is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

### Other income

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

## 15. Employee benefits

### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## Other Long term employee benefits

### Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Those that are expected to be encashed after 12 months from the end of the year are treated as other long-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

### Defined benefit plans

#### Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") administered by LIC covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at upon resignation, retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognised in the other comprehensive income in the year in which they arise. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service

cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### Defined contribution plans

#### Provident fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

#### Superannuation fund

This is a defined contribution plan, where a portion of the eligible employees' salary, as per the choice exercised by the respective employees, is contributed towards superannuation fund administered by the Trustees and managed by Life Insurance Corporation of India (LIC). There are no further obligations for future superannuation benefits other than the annual contributions which is recognized as expense as and when due.

## 16. Expenditure on Corporate Social Responsibility (CSR)

The Company accounts the expenditure incurred towards Corporate Social Responsibility as required under the Act as a charge to the statement of profit and loss. As at the balance sheet date, an asset / liability is recognized for the difference between the amount spent and the amount required to be spent as per the provisions of the Act.

## 17. Provisions and contingent liabilities

Provisions: Provisions are recognised when there is a present obligation as result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

present value unless the effect of time value of money is material. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

**Contingent assets:** The company does not recognise contingent assets.

**Onerous contract:** A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

## 18. Taxation

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or an item recognised directly in equity or in other comprehensive income.

### a. Current tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### b. Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

## 19. Financial and Corporate guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

## 20. Earnings per share

Basic earnings per share is computed by dividing the profit after tax (including the post tax effect of exceptional items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax (including the post tax effect of exceptional items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the additional dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares

are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

## 21. Investment in subsidiaries and joint venture / associate entities

Investment in subsidiaries and joint venture / associate entities are measured at cost less accumulated impairment as per Ind AS 27.

## 22. Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors.

## 23. Segment reporting

The Company holds strategic investments in subsidiaries and joint venture / associate entities (collectively called "the Group") that are primarily engaged in single segment viz., manufacturing/ marketing of components and providing technological services for Transportation industry and also provides consultancy and other services to the Group. Segment reporting information is provided in the consolidated financial statements of the group.

## 24. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would have been applicable from April 01, 2024.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 3. Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Total
<b>Gross carrying amount</b>							
Balance as at April 01, 2022	7,941	2,088	229	351	249	132	10,990
Additions	-	84	6	46	131	69	336
Disposals	-	-	(1)	(0)	(2)	-	(3)
Balance as at March 31, 2023	7,941	2,172	234	397	378	201	11,323
Additions	-	90	36	83	104	57	370
Disposals	(3,953)	(5)	(7)	(8)	(1)	(6)	(3,980)
<b>Balance as at March 31, 2024</b>	<b>3,988</b>	<b>2,257</b>	<b>263</b>	<b>472</b>	<b>481</b>	<b>252</b>	<b>7,713</b>
<b>Accumulated depreciation</b>							
Balance as at April 01, 2022	-	356	82	201	161	59	859
Depreciation expense	-	84	22	59	72	31	268
Disposals	-	-	(1)	(0)	(2)	-	(3)
Balance as at March 31, 2023	-	440	103	260	231	90	1,124
Depreciation expense	-	87	20	73	91	35	306
Disposals	-	(1)	(3)	(8)	(1)	(5)	(18)
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>526</b>	<b>120</b>	<b>325</b>	<b>321</b>	<b>120</b>	<b>1,412</b>
<b>Net carrying amount</b>							
As at March 31, 2023	7,941	1,732	131	137	147	111	10,199
<b>As at March 31, 2024</b>	<b>3,988</b>	<b>1,731</b>	<b>143</b>	<b>147</b>	<b>160</b>	<b>132</b>	<b>6,301</b>

- 3.1. Land and buildings aggregating to ₹Nil (March 31, 2023: ₹4,510) are mortgaged against loan availed from Axis Finance Limited and HDFC Bank Limited (Also refer note 19).
- 3.2. All title deeds of immovable properties are held in the name of the Company.
- 3.3. The Company does not have any Benami property.
- 3.4. The Company has not revalued its property, plant and equipment.
- 3.5. Refer note 35 for Capital commitments.

#### 4. a. Capital work-in-progress

Particulars	Amount
As at April 01, 2022	20
Additions	316
Capitalised	(336)
As at March 31, 2023	-
Additions	378
Capitalised	(370)
<b>As at March 31, 2024</b>	<b>8</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### Ageing schedule of CWIP balances:

#### As at March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

#### As at March 31, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	8	-	-	-	8
Projects temporarily suspended	-	-	-	-	-

### 4. b. Intangible assets under development

Particulars	Amount
<b>As at April 01, 2022</b>	95
Additions	38
Capitalised	(133)
<b>As at March 31, 2023</b>	-
Additions	-
Capitalised	-
<b>As at March 31, 2024</b>	-

### Ageing schedule of intangible assets under development:

#### As at March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

#### As at March 31, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

4.1. The Company does not have any CWIP and intangible assets under development which is overdue or has exceeded its cost compared to its original plan and hence CWIP and intangible assets under development completion schedule is not disclosed.

4.2. Refer note 35 for Capital Commitments

### 5. Right-of-use assets

Particulars	Building	Office equipment	Vehicles	Total
<b>Gross carrying amount</b>				
<b>Balance as at April 01, 2022</b>	-	219	132	351
Additions	253	-	64	317
Disposals	-	-	(37)	(37)
<b>Balance as at March 31, 2023</b>	253	219	159	631

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Building	Office equipment	Vehicles	Total
Additions	-	-	87	87
Disposals	-	(219)	(92)	(311)
<b>Balance as at March 31, 2024</b>	<b>253</b>	<b>-</b>	<b>154</b>	<b>407</b>
<b>Accumulated depreciation</b>				
<b>Balance as at April 01, 2022</b>	<b>-</b>	<b>175</b>	<b>113</b>	<b>288</b>
Depreciation expense	69	31	28	128
Disposals	-	-	(34)	(34)
<b>Balance as at March 31, 2023</b>	<b>69</b>	<b>206</b>	<b>107</b>	<b>382</b>
Depreciation expense	92	6	33	131
Disposals	-	(212)	(92)	(304)
<b>Balance as at March 31, 2024</b>	<b>161</b>	<b>-</b>	<b>48</b>	<b>209</b>
<b>Net carrying amount</b>				
<b>As at March 31, 2023</b>	<b>184</b>	<b>13</b>	<b>52</b>	<b>249</b>
<b>As at March 31, 2024</b>	<b>92</b>	<b>-</b>	<b>106</b>	<b>198</b>

5.1. Also refer note 39 - Leases

5.2. The Company has not revalued its right-of-use assets

### 6. Other intangible assets

Particulars	Software
<b>Gross carrying amount</b>	
<b>Balance as at April 01, 2022</b>	<b>153</b>
Additions	133
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>286</b>
Additions	149
Disposals	-
<b>Balance as at March 31, 2024</b>	<b>435</b>
<b>Accumulated amortisation</b>	
<b>Balance as at April 01, 2022</b>	<b>105</b>
Amortisation expense	41
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>146</b>
Amortisation expense	71
Disposals	-
<b>Balance as at March 31, 2024</b>	<b>217</b>
<b>Net carrying amount</b>	
<b>As at March 31, 2023</b>	<b>140</b>
<b>As at March 31, 2024</b>	<b>218</b>

6.1 The Company has not revalued its other intangible assets

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 7. Non-current investments

Particulars	Face value per share	As at March 31, 2024		As at March 31, 2023	
		No. of Shares (in numbers)	Amount	No. of Shares (in numbers)	Amount
<b>I. Quoted investments</b>					
<b>Investments in equity instruments at cost</b>					
<b>- Subsidiary companies</b>					
Rane (Madras) Limited	₹10	1,16,72,774	25,632	1,16,72,774	25,632
Rane Engine Valve Limited (refer note 7.1)	₹10	42,16,951	11,020	40,45,130	10,520
Rane Brake Lining Limited	₹10	38,67,440	2,965	38,67,440	2,965
<b>Total quoted investments</b>			<b>39,617</b>		<b>39,117</b>
<b>II. Unquoted investments</b>					
<b>a. Investments in equity instruments at cost</b>					
<b>- Subsidiary companies</b>					
Rane Holdings America Inc.	\$ 1	20,000	10	20,000	10
Rane Holdings Europe GmbH	€ 1	25,000	19	25,000	19
Rane t4u Private Limited (refer note 7.2)					
- In equity shares	₹10	-	-	1,77,49,174	618
- In compulsorily convertible preference shares	₹10	-	-	2,78,50,000	312
<b>- Share warrants</b>					
Rane Engine Valve Limited (refer note 7.1)					125
<b>- Joint venture / associate companies</b>					
ZF Rane Automotive India Private Limited (formerly known as Rane TRW Steering Systems Private Limited)	₹10	42,81,740	2,285	42,81,740	2,285
Rane NSK Steering Systems Private Limited	₹10	87,71,000	1,012	87,71,000	1,012
<b>b. Investments in equity (designated as FVOCI)</b>					
Autotech Fund I, L.P (refer note 7.3)			3,233		4,162
e Trans Solutions Private Limited	₹10	8,62,505	865	-	-
Wellington Corporate Foundation	₹10	60	-	60	-
<b>Total unquoted investments</b>			<b>7,424</b>		<b>8,543</b>
<b>Total non-current investments (I + II)</b>			<b>47,041</b>		<b>47,660</b>
Aggregate value of quoted investments			39,617		39,117
Aggregate market value of quoted investments			1,20,815		80,107
Aggregate value of unquoted investments			7,424		8,543
Aggregate amount of impairment in value of investments (included in the above)			-		(3,630)



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### Notes:

- 7.1 During the year ended March 31, 2024, the Company acquired 171,821 equity shares of ₹10 each fully paid up in Rane Engine Valve Limited ("REVL") pursuant to conversion of 171,821 share warrants for an aggregate consideration of ₹500 (including the share warrant exercise price of ₹125)
- 7.2 During the year ended March 31, 2024, the Company acquired 2,160,432 equity shares of Rane t4u Private Limited ("Rt4u"), an erstwhile subsidiary company for ₹216.

As per requirements of Ind AS 36, the Company has assessed the recoverable value of its total investment in its erstwhile subsidiary and has accordingly recorded an impairment loss amounting to ₹296 during the year ended March 31, 2024 (March 31, 2023 : ₹292). The Company had sold its entire investment in Rt4u for a consideration of ₹850 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.

- 7.3 The Company designated the investments shown below as equity investments at FVOCI because these equity instruments represent investments that the Company intends to hold for long-term for strategic purposes.

Particulars	Fair value at March 31, 2024	Dividend recognised during the year 2023-24	Fair value at March 31, 2023	Dividend recognised during the year 2022-23
Investment in AutoTech Fund I, L.P ("AutoTech")	3,233	-	4,162	-
Investment in e Trans Solutions Private Limited ("e Trans")	865	-	-	-

During the year ended March 31, 2024, the Company had invested an amount of ₹83 (₹124 during the year ended March 31, 2023) in AutoTech towards its share of capital contribution as one of the limited partners in the fund. The company has receivable/received an amount of ₹47 (₹393 during the year ended March 31, 2023) from AutoTech towards its share of distribution of capital arising as a result of sale of investments held by AutoTech in some of the portfolio companies. The said amount has been reduced from the cost of investments.

### 8. Other financial assets

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(Unsecured and considered good, unless otherwise stated)				
Security deposits	63	62	-	-
Rent advance	-	-	5	5
Other receivables	-	-	28	444
<b>Total</b>	<b>63</b>	<b>62</b>	<b>33</b>	<b>449</b>

8.1. The Company's exposure to credit risk and market risk are disclosed in note 41

8.2. For related party receivables refer note 40.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 9. Income tax assets, net

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Advance income-tax, net (refer note 33)</b>	<b>276</b>	<b>435</b>

### 10. Other non-current assets

Particulars	As at March 31, 2024	As at March 31, 2023
<i>(Unsecured and considered good, unless otherwise stated)</i>		
Capital advance	936	14

### 11. Deferred tax liabilities / (assets)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets	(77)	(67)
Deferred tax liabilities	132	401
<b>Deferred tax liabilities, net</b>	<b>55</b>	<b>334</b>

#### Movement in deferred tax for the year ended March 31, 2024

Particulars	As at April 01, 2023	Recognised in profit and loss during 2023-24	Recognised in OCI during 2023-2024	As at March 31, 2024
<b>Deferred tax assets</b>				
Provision for employee benefits	(67)	(6)	-	(73)
Right of use assets and lease liabilities	-	(4)	-	(4)
	<b>(67)</b>	<b>(10)</b>	<b>-</b>	<b>(77)</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment and other intangible assets	5	(16)	-	(11)
Fair valuation on equity instruments through other comprehensive income	396	-	(253)	143
	<b>401</b>	<b>(16)</b>	<b>(253)</b>	<b>132</b>
<b>Deferred tax liabilities / (assets)</b>	<b>334</b>	<b>(26)</b>	<b>(253)</b>	<b>55</b>

#### Movement in deferred tax for the year ended March 31, 2023

Particulars	As at April 01, 2022	Recognised in profit and loss during 2022- 2023	Recognised in OCI during 2022-2023	As at March 31, 2023
<b>Deferred tax assets</b>				
Provision for employee benefits	(35)	(32)	-	(67)
Right of use assets and lease liabilities	(1)	1	-	-
	<b>(36)</b>	<b>(31)</b>	<b>-</b>	<b>(67)</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	As at April 01, 2022	Recognised in profit and loss during 2022-2023	Recognised in OCI during 2022-2023	As at March 31, 2023
<b>Deferred tax liabilities</b>				
Property, plant and equipment and other intangible assets	19	(14)	-	5
Fair valuation on equity instruments through other comprehensive income	498	-	(102)	396
	<b>517</b>	<b>(14)</b>	<b>(102)</b>	<b>401</b>
<b>Deferred tax liabilities / (assets)</b>	<b>481</b>	<b>(45)</b>	<b>(102)</b>	<b>334</b>

### 12. Current investments

Particulars	As at March 31, 2024			As at March 31, 2023		
	NAV per Unit (in INR)	Quantity (in numbers)	Amount	NAV per Unit (in INR)	Quantity (in numbers)	Amount
<b>Unquoted investments</b>						
Investment in mutual fund - mandatorily measured at FVTPL						
- Aditya Birla Sun Life Liquid Fund - Growth plan	386	2,51,224	968	-	-	-
- Nippon India Liquid Fund - Growth Plan	5,844	13,921	814	5,453	1,513	83
- SBI Liquid Fund Regular - Growth plan	3,746	16,949	635	3,496	3,754	131
<b>Total</b>			<b>2,417</b>			<b>214</b>
Aggregate value of unquoted investments			2,417			214
Aggregate amount of impairment in value of investments (included in the above)			-			-

### 13. Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - secured	-	-
Considered good - unsecured	1,079	1,049
Trade receivables - which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Loss allowance	-	-
<b>Total</b>	<b>1,079</b>	<b>1,049</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### Trade receivables ageing schedule - March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	518	561	-	-	-	-	1,079
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>518</b>	<b>561</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,079</b>
(vii) Unbilled	-	-	-	-	-	-	-
<b>Total</b>	<b>518</b>	<b>561</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,079</b>

### Trade receivables ageing schedule - March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	545	504	-	-	-	-	1,049
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>545</b>	<b>504</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,049</b>
(vii) Unbilled	-	-	-	-	-	-	-
<b>Total</b>	<b>545</b>	<b>504</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,049</b>

#### Note:

The Company's receivables are predominately from its subsidiary companies and joint venture / associate entities. The Company did not have any history of bad debts in earlier years in respect of the receivables from the subsidiaries and joint venture / associate entities. Further, the Company has assessed that there is no credit risk and thus no allowance for impairment of trade receivables was required to be recognised.

The Company's exposure to currency risk is disclosed in note 41. For related party receivables, refer note 40.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 14 a. Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks -		
on current accounts	385	253
Cash on hand	1	1
<b>Total</b>	<b>386</b>	<b>254</b>

## 14 b. Bank balances other than cash and cash equivalents above

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks in earmarked accounts - Unclaimed dividend	47	47
<b>Total</b>	<b>47</b>	<b>47</b>

## 15. Loans

Particulars	As at March 31, 2024	As at March 31, 2023
<i>(Unsecured and considered good, unless otherwise stated)</i>		
Loan to employees	0	-
<b>Total</b>	<b>0</b>	<b>-</b>

15.1. The Company's exposure to credit risk and market risk are disclosed in note 41.

15.2. There are no loans or advances in the nature of loans granted and given to promoters, directors, key managerial personnel and related parties, either severally or jointly with any other person.

## 16. Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
<i>(Unsecured and considered good, unless otherwise stated)</i>		
Prepaid expenses	329	246
Advance to suppliers	16	21
Advances to employees	5	4
Others	223	131
<b>Total</b>	<b>573</b>	<b>402</b>

## 17. Equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
<b>a. Authorised share capital:</b>		
<b>Equity shares:</b>		
15,000,000 (March 31, 2023: 15,000,000) equity shares of ₹10 each	1,500	1,500
<b>Preference shares:</b>		
5,000,000 (March 31, 2023: 5,000,000) preference shares of ₹10 each	500	500
<b>b. Issued and subscribed share capital:</b>		
14,277,809 (March 31, 2023: 14,277,809) equity shares of ₹10 each fully paid-up	<b>1,428</b>	<b>1,428</b>

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 17.1 Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares of ₹10 each fully paid up</b>				
At the commencement and end of the year	1,42,77,809	1,428	1,42,77,809	1,428

### Rights, preferences and restrictions attached to equity shares

The Company has one class of equity share having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The Dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

### 17.2 Shares held by promoters at the end of the year

Promoter name	As at March 31, 2024			As at March 31, 2023		
	Number of shares held	% of total shares	% change during the year	Number of shares held	% of total shares	% change during the year
Raman T G G	14,84,056	10.39%	0%	14,84,056	10.39%	0%
Lakshman L (including joint holding with Pushpa Lakshman)	7,52,560	5.27%	0%	7,52,560	5.27%	0.35%
Ganesh L & Meenakshi Ganesh	7,19,096	5.04%	0%	7,19,096	5.04%	0%
Rathika R Sundaresan	6,25,066	4.38%	0%	6,25,066	4.38%	0%
Geetha Raman Subramanyam	6,25,065	4.38%	0%	6,25,065	4.38%	0%
Ranjini R Iyer	6,25,065	4.38%	0%	6,25,065	4.38%	0%
Meenakshi Ganesh & Ganesh L	3,05,430	2.14%	0%	3,05,430	2.14%	0%
Vanaja Aghoram	2,75,635	1.93%	0%	2,75,635	1.93%	0%
Lakshman L (Huf)	2,16,986	1.52%	0%	2,16,986	1.52%	0%
Pushpa Lakshman & Lakshman L	1,95,199	1.37%	0%	1,95,199	1.37%	0%
Ganesh L (Huf)	1,91,907	1.34%	0%	1,91,907	1.34%	0%
Shanthi Narayan (including joint holding with Subbaraman Narayan)	1,44,924	1.02%	0%	1,44,924	1.02%	0%
Harish Lakshman	1,39,817	0.98%	0%	1,39,817	0.98%	0%
Aditya Ganesh	1,14,281	0.80%	0%	1,14,281	0.80%	0%
Aparna Ganesh	68,511	0.48%	0%	68,511	0.48%	0%
Rama R Krishnan	61,452	0.43%	0%	61,452	0.43%	0%
Vinay Lakshman	56,698	0.40%	0%	56,698	0.40%	-0.35%
Malavika Lakshman (including joint holding with Harish Lakshman)	21,222	0.15%	0%	21,222	0.15%	0%
Rekha Sundar	15,610	0.11%	0%	15,610	0.11%	0%
Chitra Sundaresan	-	0.00%	-100%	8,109	0.06%	0%

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Promoter name	As at March 31, 2024			As at March 31, 2023		
	Number of shares held	% of total shares	% change during the year	Number of shares held	% of total shares	% change during the year
Narayanaswamy Sundaresan (Legal Heir of Late. Chitra Sundaresan)	8,209	0.06%	100%	NA		
Pravin Kumar	2,800	0.02%	0%	2,800	0.02%	0%
Keshav Harish Lakshman	100	0.00%	0%	100	0.00%	0%

### 17.3 Particulars of shareholders holding more than 5 percent of equity shares in the Company:

Name of the share holder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% of total shares	Number of shares held	% of total shares
Raman T G G	14,84,056	10.39%	14,84,056	10.39%
Lakshman L & Pushpa Lakshman	7,52,560	5.27%	7,52,560	5.27%
Ganesh L & Meenakshi Ganesh	7,19,096	5.04%	7,19,096	5.04%

### 17.4 Information regarding issue of shares in the last five years

There are no bonus shares or buy-back of shares or shares issued for consideration other than cash during a period of five years immediately preceding financial years as of the aforesaid reporting dates.

### 17.5 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and equity reserves attributable to the equity holders of the Company. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and its capital requirements. The funding requirements are met through a mixture of equity and borrowings. The Company's policy is to use long-term borrowings to meet anticipated funding requirements. The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt comprises of interest-bearing borrowings less cash and cash equivalents. Total equity comprises all components of equity.

Particulars	As at March 31, 2024	As at March 31, 2023
Total debt	-	5,566
Cash and cash equivalents	(386)	(254)
<b>Adjusted net debt</b>	<b>(386)</b>	<b>5,312</b>
Total equity	57,785	53,636
<b>Adjusted net debt to total equity ratio</b>	<b>(0.01)</b>	<b>0.10</b>

## 18. Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
General reserve	40,373	32,363
Securities premium	4,433	4,433
Capital redemption reserve	550	550
Retained earnings	9,700	12,864
Equity instruments through OCI	1,301	1,998
<b>Total</b>	<b>56,357</b>	<b>52,208</b>

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### a. General reserve

Particulars	As at March 31, 2024	As at March 31, 2023
<b>General reserve</b>		
<b>Balance at the beginning of the year</b>	32,363	31,526
Add: Addition during the year	8,010	837
<b>Balance at the end of the year</b>	<b>40,373</b>	<b>32,363</b>

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act 2013 and rules made thereunder.

### b. Securities premium

Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium	4,433	4,433
<b>Balance at the end of the year</b>	<b>4,433</b>	<b>4,433</b>

Securities premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

### c. Capital redemption reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Capital redemption reserve	550	550
<b>Balance at the end of the year</b>	<b>550</b>	<b>550</b>

The Companies Act 2013 requires that where a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the Company, in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares. The Company established this reserve pursuant to the redemption of preference shares issued in earlier years.

### d. Retained earnings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	<b>12,864</b>	<b>10,616</b>
Profit for the year	7,306	4,830
Other comprehensive income arising from remeasurement of defined benefit obligation(net of tax)	(33)	(32)
Payment of dividends	(2,427)	(1,713)
Transfer to general reserve	(8,010)	(837)
<b>Balance at the end of the year</b>	<b>9,700</b>	<b>12,864</b>

Retained earnings represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years. The balance in retained earnings can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.

Balance of retained earnings at the end of the year includes cumulative other comprehensive loss arising from remeasurement of defined benefit obligations, net of tax, amounting to ₹87 as at March 31, 2024 (March 31, 2023: ₹54).



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

In respect of the year ended March 31, 2024, the directors proposed a dividend of ₹25 /- per share (March 31, 2023: ₹17 /- per share) be paid to all holders of fully paid equity shares. This equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these standalone financial statements. The total estimated equity dividend to be paid is ₹3,569 (March 31, 2023: ₹2,427).

### e. Equity instruments through OCI

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,998	1,990
Net gain/(loss) on equity instruments through OCI (net of tax)	(697)	8
Balance at the end of the year	1,301	1,998

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within equity. The Company transfers amounts therefrom to retained earnings when the relevant equity securities are derecognised.

### 19. Borrowings

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortised cost				
Term loans				
- From banks				
Secured loans	-	341	-	75
- From others				
Secured loans	-	4,150	-	1,000
<b>Total borrowings</b>	<b>-</b>	<b>4,491</b>	<b>-</b>	<b>1,075</b>

#### Summary of borrowing arrangements

Particulars	As at March 31, 2024	As at March 31, 2023	Terms of repayment
Term loan from Axis Finance Limited	-	5,150	The loan was availed in multiple tranches. The loan is repayable in 20 unequal quarterly instalments commencing from September 2022 with 18 months of moratorium period. The loan was entirely re-paid in advance during the year.
Term loan from HDFC Bank Limited (Loan 1)	-	144	The loan was availed during the year ended March 31, 2022. The loan is repayable in 20 equal quarterly instalments commencing from June 2022. The loan was entirely re-paid in advance during the year.
Term loan from HDFC Bank Limited (Loan 2)	-	272	The loan was availed during the year ended March 31, 2023 in multiple tranches. The loan is repayable in 16 equal quarterly instalments commencing from July 2023. The loan was entirely re-paid in advance during the year.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023	Terms of repayment
Less: Current maturities	-	(1,075)	
<b>Total</b>	<b>-</b>	<b>4,491</b>	

The interest rate range from 8.57% p.a to 9.30% p.a for the loans outstanding as at March 31, 2023.

The term loans outstanding as at March 31, 2023 which were availed from HDFC Bank Limited were secured by a Pari-passu charge created on the Company's land located at Teynampet, Chennai and loan availed from Axis Finance Limited was secured by a first charge created on the Company's land and building located at Perungudi, Chennai.

### Other borrowing notes

Term loans were applied for the purpose for which they were obtained. Further, short term loans availed have not been utilised for long term purposes by the Company.

Quarterly returns or statements of current assets filed by the Company for the sanction of working capital loans with banks or financial institutions are in agreement with that of books of accounts

The Company has not been declared as wilful defaulters by any bank or financial institutions or other lender.

Information about the Company's exposure to interest rate, foreign currency and liquidity risk is disclosed in note 41.

### Breach of loan agreement

There is no breach of loan agreements.

### Reconciliation of cash flows from financing activities

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening balance</b>	<b>5,566</b>	<b>6,918</b>
<b>Changes from financing cash flows</b>		
Repayment of borrowings	(5,566)	(2,224)
Proceeds from borrowings	-	872
<b>Closing balance</b>	<b>-</b>	<b>5,566</b>

## 20. Lease liabilities

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Lease liabilities (refer note 39)	83	147	129	100
<b>Total</b>	<b>83</b>	<b>147</b>	<b>129</b>	<b>100</b>

## 21. Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Employee benefits payable	265	230
Commision payable	178	128
Unclaimed dividend (refer note 14.b)	47	47
Capital creditors (refer note 21.3)	134	149

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	-	3
Others (refer note 21.1)	59	59
<b>Total</b>	<b>683</b>	<b>616</b>

21.1 Others represents an accrued amount of ₹59 in the earlier years towards arrears of lease rent for the land taken under lease.

21.2 The Company's exposure to credit and liquidity risk related to other financial liabilities are disclosed in note 41

21.3 Capital creditors includes an amount of ₹1 (March 31, 2023 : ₹12) due to micro enterprises and small enterprises

### 22. Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	66	67
Total outstanding dues of creditors other than micro enterprises and small enterprises	181	254
<b>Total</b>	<b>247</b>	<b>321</b>

\* refer note 22.1 for details of dues to micro enterprises and small enterprises. These details have been provided based on the information available with the Company in respect of the registration status of its vendors/suppliers. All trades payables are 'current'. For related party trade payables refer note 40.

The Company's exposure to credit and liquidity risk related to trade payables is disclosed in note 41

#### Trade payables ageing schedule - March 31, 2024

Particulars	Outstanding for following periods from the due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues - MSME	54	12	-	-	-	66
(ii) Undisputed dues - Others	12	50	-	-	-	62
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	119
<b>Total</b>	<b>66</b>	<b>62</b>	-	-	-	<b>247</b>

#### Trade payables ageing schedule - March 31, 2023

Particulars	Outstanding for following periods from the due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues - MSME	-	67	-	-	-	67
(ii) Undisputed dues - Others	-	64	-	-	-	64
(iii) Disputed dues – MSME	-	-	-	-	-	-

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Outstanding for following periods from the due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(iv) Disputed dues – Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	190
<b>Total</b>	<b>-</b>	<b>131</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>321</b>

### 22.1 Dues to micro enterprises and small enterprises :

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 28, 2008, which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). In view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet dates.

Particulars	As at March 31, 2024	As at March 31, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	67	79
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

22.1.a. Amount due to MSME as on March 31, 2024 ₹67 (March 31, 2023; ₹79) represents amount payable towards trade payables of ₹66 (March 31, 2023: ₹67) and amount due to capital creditors ₹1 (March 31, 2023: ₹12)

### 23. Provisions - Non - Current

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for leave encashment	220	154
Provision for gratuity (refer note 36)	-	37
<b>Total</b>	<b>220</b>	<b>191</b>

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 24. Provisions - Current

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for leave encashment	57	65
Provision for gratuity (refer note 36)	108	-
<b>Total</b>	<b>165</b>	<b>65</b>

## 25. Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	209	198
<b>Total</b>	<b>209</b>	<b>198</b>

## 26. Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Service fee	4,992	4,476
Trade mark fee	5,430	4,847
Dividend income	4,264	2,443
<b>Total</b>	<b>14,686</b>	<b>11,766</b>

Disaggregation of revenue from contracts with customers based on location of the customers:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenue by geography</b>		
1. India (Domestic)	14,606	11,731
2. Outside India (Exports)	80	35
<b>Total</b>	<b>14,686</b>	<b>11,766</b>

## 27. Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gain on current investments mandatorily measured at FVTPL	249	38
Foreign exchange gain, net	-	1
Gain on disposal of property, plant and equipment, net	72	6
Interest income earned on financial assets		
Interest on deposit	1	3
Interest on tax refund	12	-
Other non-operating income	27	5
<b>Total</b>	<b>361</b>	<b>53</b>

## 28. Employee benefits expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	2,289	1,976
Expenses relating to post-employment benefit plans (refer note 36)	48	33

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to:		
Provident and other fund (refer note 36)	119	105
Superannuation fund (refer note 36)	33	36
National pension scheme	32	34
Staff welfare expenses	186	137
<b>Total</b>	<b>2,707</b>	<b>2,321</b>

### 29. Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense		
- On loans	447	539
- On lease liabilities	19	21
- On others	1	1
<b>Total</b>	<b>467</b>	<b>561</b>

### 30. Depreciation and amortisation expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 3)	306	268
Depreciation of right-of-use assets (refer note 5)	131	128
Amortisation of other intangible assets (refer note 6)	71	41
<b>Total</b>	<b>508</b>	<b>437</b>

### 31. Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Power and fuel	67	52
Rent (refer note 39)	16	22
Travelling and conveyance	136	102
Repairs and maintenance		
- Buildings	182	121
- Others	57	55
Insurance	117	83
Rates and taxes	32	29
Payment to auditors (refer note 31.1)	26	23
Directors' sitting fees	13	10
Information systems expenses	825	774
Professional charges	602	725
Corporate social responsibility expenditure (refer note 31.2)	62	52
Chairman and Managing Director commission (refer note 40)	178	128

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Miscellaneous expenses	148	129
<b>Total other expenses</b>	<b>2,461</b>	<b>2,305</b>

### 31.1 Payment to auditors (excluding taxes)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
For statutory audit and limited reviews	22	19
For tax audit	1	1
For certification fee	2	1
For reimbursement of expenses	1	2
<b>Total</b>	<b>26</b>	<b>23</b>

### 31.2 Expenditure on corporate social responsibility

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Amount required to be spent by the company during the year	62	52
(ii) Amount approved by the Board to be spent during the year	78	60
(iii) Amount spent during the year		
(a) Construction / acquisition of asset	-	-
(b) On purposes other than (a) above		
(i) Education	50	52
(ii) Healthcare	6	-
(iii) Community Development	22	-
(iv) Others	-	-
(v) Utilisation of carry forward from earlier periods	6	6
(iv) Shortfall / (excess) at the end of the year	(22)	(6)
(v) Total of previous years shortfall	-	-
(vi) Reason for shortfall	NA	NA
(vii) Nature of CSR activities	Education, Health care and Community development	Community development
(viii) Details of related party transactions	Refer note 40	Refer note 40
(ix) Where a provision is made with respect to a liability incurred by entering a contractual obligation	No	No

### Disclosure in respect of excess amount spent by the Company

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance	6	55
Amount required to be spent during the year	(62)	(51)
Amount spent during the year	78	2
<b>Closing balance</b>	<b>22</b>	<b>6</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 31.3. Other statutory information

- a. The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- b. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- c. The Company does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.
- d. The Company has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - 1) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - 2) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- e. The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- f. The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period as at the reporting date.
- g. The Company has complied with the number of layers prescribed under clause 87 of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- h. The Company has not entered into any scheme of arrangement as per sections 230 to 237 of the Companies Act, 2013.

### 32. Ratios as per the schedule III requirements:

#### a) Current ratio = Current assets divided by Current liabilities

Particulars	March 31, 2024	March 31, 2023
Current assets	4,535	2,415
Current liabilities	1,433	2,375
<b>Ratio</b>	<b>3.17</b>	<b>1.02</b>
<b>% Change from previous year</b>	<b>210.78%</b>	

Reason for change more than 25% : Increased investment in mutual fund and repayment of borrowings in the current year.

#### b) Debt-equity ratio = Total debt divided by total equity where total debt represents aggregate of current and non-current borrowings

Particulars	March 31, 2024	March 31, 2023
Total debt	-	5,566
Total equity	57,785	53,636
<b>Ratio</b>	<b>-</b>	<b>0.10</b>
<b>% Change from previous year</b>	<b>-100.00%</b>	

Reason for change more than 25%: Repayment of borrowings in the current year.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

**c) Debt service coverage ratio = Earnings available for debt service divided by total interest and principal repayments**

Particulars	March 31, 2024	March 31, 2023
Earnings available for debt services (refer note 1 below)	8,551	6,075
Total interest and principal repayments (refer note 2 below)	6,150	2,903
<b>Ratio</b>	<b>1.39</b>	<b>2.09</b>
<b>% change from previous year</b>	<b>-33.56%</b>	

Reason for change more than 25% : Increased profits and repayment of entire borrowings in the current year .

Note:

1. Earnings available for debt services = (Profit after tax + Depreciation and amortisation expense + Finance cost + Exceptional items), adjusted for deferred taxes.
2. Total interest and principal repayments = Interest payment on borrowings + Lease payments + principal repayments of borrowings

**d) Return on equity ratio = Profit after tax divided by average shareholder's equity**

Particulars	March 31, 2024	March 31, 2023
Profit after tax	7,306	4,830
Average shareholder's equity (Refer note below)	55,711	52,090
<b>Ratio</b>	<b>13.11%</b>	<b>9.27%</b>
<b>% Change from previous year</b>	<b>41%</b>	

Reason for change more than 25%: Increased dividend income has primarily resulted in increased profits for the current year.

**Note:** Average shareholder's equity = (Total shareholder's equity as at beginning of respective year + total shareholder's equity as at end of respective year) divided by 2

**e) Inventory turnover ratio is not applicable since the Company does not have any inventory.**

**f) Trade receivables turnover ratio = Revenue divided by average trade receivables**

Particulars	March 31, 2024	March 31, 2023
Revenue (Refer note 1 below)	10,422	9,323
Average trade receivables (Refer note 2 below)	1,064	759
<b>Ratio</b>	<b>9.80</b>	<b>12.29</b>
<b>% Change from previous year</b>	<b>-20%</b>	

Reason for change more than 25%: Not applicable.

Note 1: Revenue for the purpose of the table above represents revenue from operations excluding dividend income.

Note 2: Average trade receivables = (Total trade receivables as at the beginning of respective year + Total trade receivables as at the end of respective year) divided by 2

**g) Trade payables turnover ratio = Expenses divided by average trade payables**

Particulars	March 31, 2024	March 31, 2023
Expenses (Refer note 1 below)	2,461	2,305
Average trade payables (Refer note 2 below)	284	286
<b>Ratio</b>	<b>8.66</b>	<b>8.07</b>
<b>% Change from previous year</b>	<b>7.31%</b>	

Reason for change more than 25%: Not applicable

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Note 1: Expenses represents other expenses.

Note 2: Average trade payables = (Total trade payables as at the beginning of respective year + Total trade payables as at the end of respective year) divided by 2.

### h) Net capital turnover ratio = Revenue from operations divided by working capital

Particulars	March 31, 2024	March 31, 2023
Revenue from operations	14,686	11,766
Working capital	3,102	40
<b>Ratio</b>	<b>4.73</b>	<b>290.67</b>
<b>% Change from previous year</b>	<b>-98.37%</b>	

Reason for change more than 25% : Increased revenue, investment in mutual fund and repayment of borrowings in the current year.

**Note:** Working capital = Current assets - Current liabilities

### i) Net profit ratio = Net profit after tax divided by Revenue from operations

Particulars	March 31, 2024	March 31, 2023
Net profit after tax	7,306	4,830
Revenue from operations	14,686	11,766
<b>Ratio</b>	<b>49.75%</b>	<b>41.05%</b>
<b>% Change from previous year</b>	<b>21%</b>	

Reason for change more than 25%: Not applicable

### j) Return on capital employed= Earnings before interest and taxes (EBIT) divided by Capital employed

Particulars	March 31, 2024	March 31, 2023
Earnings before interest and taxes (Refer note 1 below)	9,075	6,464
Capital employed (Refer note 2 below)	58,051	59,783
<b>Ratio</b>	<b>15.63%</b>	<b>10.81%</b>
<b>% Change from previous year</b>	<b>45%</b>	

Reason for change more than 25%: Repayment of borrowings in the current year.

Note 1: EBIT= Profit before taxes + Finance costs

Note 2: Capital employed = Total equity + total debt + deferred tax liabilities+ lease liabilities

### k) Return on investment = Income generated from invested funds divided by average invested funds in treasury investments

Particulars	March 31, 2024	March 31, 2023
Income generated from invested funds	249	38
Average invested funds in treasury investments (Refer note below)	3,465	631
<b>Ratio</b>	<b>7.20%</b>	<b>6.10%</b>
<b>% Change from previous year</b>	<b>18%</b>	

Reason for change more than 25%: Not applicable.

Note: Invested funds in treasury investments = Weighted average of investments held during the year.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 33. Tax reconciliation:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax expense	1,328	1,118
Deferred tax expense	(26)	(45)
<b>Tax expense recognised in profit or loss</b>	<b>1,302</b>	<b>1,073</b>

#### Reconciliation of effective tax rate

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Profit before tax</b>	<b>8,608</b>	<b>5,903</b>
Income tax expense calculated at applicable statutory rate of 25.17% (FY 2022-23: 25.17%)	2,166	1,486
<b>Effect of:</b>		
Deduction under Chapter VI-A (80M)	(898)	(495)
Non-deductible expense	34	83
<b>Income tax expense recognised in profit or loss</b>	<b>1,302</b>	<b>1,073</b>

#### Income tax recognised in other comprehensive income:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax on remeasurement of defined benefit plan	11	10
Equity investment through other comprehensive income		
- Current tax	-	(73)
- Deferred tax	253	102
<b>Income tax recognised in other comprehensive income</b>	<b>264</b>	<b>39</b>

### 34. Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the company not acknowledged as debts		
- Income tax matters	112	585
- Customs matters	6	6

In addition to the above, the Company from time to time is also engaged in proceedings pending with various authorities in the ordinary course of business. Judgement is required in assessing the range of possible outcomes for some of these matters, which could change substantially over time as each of the matters progresses depending on experience on actual assessment proceedings by the respective authorities and other judicial precedents. Based on its internal assessment supported by external legal counsel views, as considered necessary, the Company believes that it will be able to sustain its positions if challenged by the authorities and accordingly no additional provision / disclosures are required for these matters. Management is of the view that above matters will not have any material adverse effect on the Company's financial position and results of operations.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 35. Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account (net of advance)	52	63
Uncalled liability on investment in Auto Tech I, L.P	188	267
Balance amount payable towards preferential allotment of shares warrants issued by REVL	-	375

### 36. Employee benefit plans

#### A. Defined contribution plans

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

##### (a) Provident fund

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees salary.

The contributions, as specified under the law, are made to the Government.

##### (b) Superannuation fund

The Company has a superannuation plan for the benefit of its employees. Employees who are members of the superannuation plan are entitled to benefits depending on the years of service and salary drawn.

The Company contributes up to 15% of the eligible employees' salary to LIC every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligation beyond this contribution.

The total expense recognised in profit or loss of ₹152 (for the year ended March 31, 2023 : ₹141) represents contributions payable to these plans by the company at rates specified in the rules of the plans. As at March 31, 2024 contributions of ₹23 (as at March 31, 2023 : ₹20) had not been paid. The amounts were paid subsequent to the end of the respective reporting periods.

#### B. Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees upon retirement, resignation, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to Life Insurance Corporation of India (LIC). The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The defined benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

### (a) Gratuity

The following table summarises the position of assets and obligations relating to the plans:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	810	713
Fair value of plan assets	702	676
<b>Net (asset) / liability recognised in the balance sheet</b>	<b>108</b>	<b>37</b>

### (i) Movement in present values of defined benefit obligations

Particulars	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	713	598
Current service cost	46	36
Interest cost	48	43
Actuarial (gain) / loss	44	45
Transfer in	15	11
Benefits paid	(56)	(20)
<b>Closing defined benefit obligation</b>	<b>810</b>	<b>713</b>

### (ii) Movements in the fair value of the plan assets

Particulars	As at March 31, 2024	As at March 31, 2023
Opening fair value of plan assets	676	636
Interest income	46	46
<b>Remeasurement gain / (loss):</b>		
Actuarial (gain) / loss	(0)	3
Contributions from the employer	36	0
Transfer in	-	11
Benefits paid	(56)	(20)
<b>Closing fair value of plan assets</b>	<b>702</b>	<b>676</b>

### (iii) Amounts recognised in statement of profit and loss and other comprehensive income in respect of these defined benefit plans are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	46	36
Net interest (income)/expense	2	(3)

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>48</b>	<b>33</b>
<b>Remeasurement on the net defined benefit liability :</b>		
Actuarial (gain) / loss on plan assets	0	(3)
Actuarial (gains) / losses on plan obligations	44	45
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>44</b>	<b>42</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

(iv) **The principal assumptions used for the purposes of the actuarial valuations were as follows.**

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	6.97%	7.21%
Salary escalation	8.00%	8.00%
Attrition	3.00%	3.00%

### Notes:

- The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
- The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- The entire plan assets are managed by Life Insurance Corporation of India (LIC).

### Sensitivity analysis

Change in assumption	March 31, 2024	March 31, 2023
<b>A. Discount rate + 50 BP</b>	<b>7.47%</b>	<b>7.71%</b>
Defined Benefit Obligation	794	699
Current service cost	49	44
<b>B. Discount rate - 50 BP</b>	<b>6.47%</b>	<b>6.71%</b>
Defined Benefit Obligation	827	726
Current service cost	54	48
<b>C. Salary escalation rate +50 BP</b>	<b>8.50%</b>	<b>8.50%</b>
Defined Benefit Obligation	827	726
Current service cost	54	48
<b>D. Salary escalation rate -50 BP</b>	<b>7.50%</b>	<b>7.50%</b>
Defined Benefit Obligation	793	699
Current service cost	49	44
<b>E. Attrition rate +50 BP</b>	<b>3.50%</b>	<b>3.50%</b>
Defined Benefit Obligation	809	712
Current service cost	51	46
<b>F. Attrition -50 BP</b>	<b>2.50%</b>	<b>2.50%</b>
Defined Benefit Obligation	811	712
Current service cost	52	46

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and attrition. The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

### Defined benefit liability and employer contributions

The Company expects to contribute an amount of ₹108 towards defined benefit plan obligations funds for year ending March 31, 2025 in view of deficit in plan assets as at March 31, 2024. The weighted average duration of the defined benefit obligation is 4.5 years (March 31, 2023 - 4.1 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	March 31, 2024	March 31, 2023
Year 1	390	371
Year 2	123	69
Year 3	62	75
Year 4	67	19
Year 5	11	94
Next 5 years	183	142

### 37. Earnings per share ('EPS')

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to the equity holders	7,306	4,830
Weighted average number of equity shares	1,42,77,809	1,42,77,809
a. Basic Earning per share (₹)	51.17	33.82
b. Diluted Earnings per share (₹)	51.17	33.82

### 38. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Board of Directors to make decisions about resources to be allocated to the segments and assess their performance. The Board of Directors are considered to be the Chief Operating Decision Maker ('CODM') within the purview of Ind AS 108 Operating Segments.

The Company holds strategic investments in subsidiaries and joint venture / associate entities (collectively called "the Group") that are primarily engaged in single segment viz., manufacturing/marketing of components and providing technological services for Transportation industry and also provides consultancy and other services to the Group. Since the Company prepares consolidated financial statements, segment information has been disclosed in the consolidated financial statements.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 39. Leases

#### A. Breakup of current and non current lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	129	100
Non-current lease liabilities	83	147
<b>Total</b>	<b>212</b>	<b>247</b>

#### B. Movement in lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening balance</b>	247	66
Additions / (deletions/termination)	80	302
Interest expense on lease liabilities	19	21
Payment of lease liabilities	(134)	(142)
<b>Closing balance</b>	<b>212</b>	<b>247</b>

#### C. Maturity analysis - contractual undiscounted cash flows

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	141	101
One to five years	90	152
<b>Total</b>	<b>231</b>	<b>253</b>

#### D. Amounts recognized in profit or loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on lease liabilities	19	21
Expenses relating to short-term leases recognised in other expenses	16	22

#### E. Amounts recognised in statement of cash flows

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total cash outflows for leases	134	142



# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 40. Related party disclosures

Description of relationship	Name of the related party
<b>List of related parties where control exists - subsidiaries / step-down subsidiaries</b>	Rane (Madras) Limited
	Rane Engine Valve Limited
	Rane Brake Lining Limited
	Rane Holdings America Inc.
	Rane Auto Components Mexico S de RLde CV
	Rane (Madras) International Holdings B.V
	Rane Light Metal Castings Inc (till September 14, 2023)
	Rane Holdings Europe GmbH
	Rane t4u Private Limited (till July 19, 2023)
	<b>Joint venture / associate entities</b>
ZF Rane Occupant Safety Systems Private Limited (subsidiary of ZRAI)	
TRW Sun Steering Wheels Private Limited (subsidiary of ZRAI effective March 28, 2024)	
Rane NSK Steering Systems Private Limited	
<b>Other related parties where transactions have taken place</b>	
	<b>Key Management Personnel (KMP)</b>
	Mr. L Ganesh
	Mr. Harish Lakshman
	<b>Relative of KMP</b>
	Mr. L Lakshman
	<b>Enterprises over which KMP or relatives of KMP can exercise significant influence</b>
	Rane Foundation
	<b>Post employment benefit plans</b>
	Rane Holdings Limited Gratuity Fund
Rane Holdings Limited Senior Executives Superannuation Fund	

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### Details of related party transactions and balances:

Description	Subsidiaries		Joint venture/ associate entities		Key Management Personnel		Relative of KMP		Enterprises over which KMP or relatives of KMP can exercise significant influence		Post employment benefit plans	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Transaction during the year</b>												
<b>Investment made</b>												
Rane t4u Private Limited	216	-	-	-	-	-	-	-	-	-	-	-
Rane Engine Valve Limited	375	750	-	-	-	-	-	-	-	-	-	-
<b>Service fee</b>												
Rane (Madras) Limited	1,637	1,389	-	-	-	-	-	-	-	-	-	-
Rane Engine Valve Limited	524	515	-	-	-	-	-	-	-	-	-	-
Rane Brake Lining Limited	533	493	-	-	-	-	-	-	-	-	-	-
Rane Light Metal Castings America Inc	17	35	-	-	-	-	-	-	-	-	-	-
ZF Rane Automotive India Private Limited	-	-	1,198	1,112	-	-	-	-	-	-	-	-
ZF Rane Occupant Safety Systems Private Limited	-	-	60	-	-	-	-	-	-	-	-	-
Rane NSK Steering Systems Private Limited	-	-	961	932	-	-	-	-	-	-	-	-
<b>Trademark fee</b>												
Rane (Madras) Limited	1,053	1,037	-	-	-	-	-	-	-	-	-	-
Rane Engine Valve Limited	278	243	-	-	-	-	-	-	-	-	-	-
Rane Brake Lining Limited	328	299	-	-	-	-	-	-	-	-	-	-
ZF Rane Automotive India Private Limited	-	-	2,007	1,774	-	-	-	-	-	-	-	-
ZF Rane Occupant Safety Systems Private Limited	-	-	60	-	-	-	-	-	-	-	-	-
Rane NSK Steering Systems Private Limited	-	-	1,704	1,494	-	-	-	-	-	-	-	-
<b>Dividend received</b>												
Rane Brake Lining Limited	967	773	-	-	-	-	-	-	-	-	-	-
ZF Rane Automotive India Private Limited	-	-	3,297	1,670	-	-	-	-	-	-	-	-

Description	Subsidiaries		Joint venture/ associate entities		Key Management Personnel		Relative of KMP		Enterprises over which KMP or relatives of KMP can exercise significant influence		Post employment benefit plans	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Salary and other perquisites</b>												
L Ganesh	-	-	-	-	343	310	-	-	-	-	-	-
Harish Lakshman	-	-	-	-	131	94	-	-	-	-	-	-
<b>Commission</b>												
L Ganesh	-	-	-	-	178	128	-	-	-	-	-	-
<b>Advisory fee</b>												
L Lakshman	-	-	-	-	-	-	125	125	-	-	-	-
<b>Reimbursement of expenses from</b>												
Rane (Madras) Limited	31	3	-	-	-	-	-	-	-	-	-	-
Rane Engine Valve Limited	-	3	-	-	-	-	-	-	-	-	-	-
Rane Brake Lining Limited	6	7	-	-	-	-	-	-	-	-	-	-
ZF Rane Automotive India Private Limited	-	-	2	1	-	-	-	-	-	-	-	-
Rane NSK Steering Systems Private Limited	-	-	6	15	-	-	-	-	-	-	-	-
<b>Reimbursement of expenses to</b>												
Rane Brake Lining Limited	-	8	-	-	-	-	-	-	-	-	-	-
L Lakshman	-	-	-	-	-	-	1	2	-	-	-	-
<b>CSR contributions to</b>												
Rane Foundation	-	-	-	-	-	-	-	-	-	-	49	42
<b>Contribution to post employment benefit plan</b>												
Rane Holdings Limited Gratuity Fund	-	-	-	-	-	-	-	-	-	-	36	33
Rane Holdings Limited Senior Executives Superannuation Fund	-	-	-	-	-	-	-	-	-	-	33	36
<b>Balance as at 31 March</b>												
<b>Commission payable</b>												
L Ganesh	-	-	-	-	178	128	-	-	-	-	-	-
<b>Trade receivables</b>												
Rane (Madras) Limited	437	523	-	-	-	-	-	-	-	-	-	-
Rane Engine Valve Limited	177	110	-	-	-	-	-	-	-	-	-	-
Rane Brake Lining Limited	37	38	-	-	-	-	-	-	-	-	-	-
Rane Light Metal Castings America Inc	-	18	-	-	-	-	-	-	-	-	-	-
ZF Rane Automotive India Private Limited	-	-	175	207	-	-	-	-	-	-	-	-

Description	Subsidiaries		Joint venture/ associate entities		Key Management Personnel		Relative of KMP		Enterprises over which KMP or relatives of KMP can exercise significant influence		Post employment benefit plans	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
ZF Rane Occupant Safety Systems Private Limited	-	-	38	-	-	-	-	-	-	-	-	-
Rane NSK Steering Systems Private Limited	-	-	173	153	-	-	-	-	-	-	-	-
<b>Trade payables</b>												
Rane Brake Lining Limited	-	1	-	-	-	-	-	-	-	-	-	-
<b>Other receivables</b>												
Rane (Madras) Limited	28	15	-	-	-	-	-	-	-	-	-	-
Rane Engine Valve Limited	-	4	-	-	-	-	-	-	-	-	-	-
Rane Brake Lining Limited	-	5	-	-	-	-	-	-	-	-	-	-
ZF Rane Automotive India Private Limited	-	-	-	13	-	-	-	-	-	-	-	-
Rane NSK Steering Systems Private Limited	-	-	-	13	-	-	-	-	-	-	-	-
<b>Investment in equity shares</b>												
Rane (Madras) Limited	25,632	25,632	-	-	-	-	-	-	-	-	-	-
Rane Engine Valve Limited	11,020	10,520	-	-	-	-	-	-	-	-	-	-
Rane Brake Lining Limited	2,965	2,965	-	-	-	-	-	-	-	-	-	-
Rane t4u Private Limited (refer note 7.2)	-	618	-	-	-	-	-	-	-	-	-	-
Rane Holdings America Inc.	10	10	-	-	-	-	-	-	-	-	-	-
Rane Holdings Europe GmbH	19	19	-	-	-	-	-	-	-	-	-	-
ZF Rane Automotive India Private Limited	-	-	2,285	2,285	-	-	-	-	-	-	-	-
Rane NSK Steering Systems Private Limited	-	-	1,012	1,012	-	-	-	-	-	-	-	-
<b>Investment in compulsorily convertible preference shares</b>												
Rane t4u Private Limited	-	312	-	-	-	-	-	-	-	-	-	-
<b>Share warrants</b>												
Rane Engine Valve Limited	-	125	-	-	-	-	-	-	-	-	-	-

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## Remuneration to Key Management Personnel

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Short term benefits paid	629	511
Other Long term benefits paid	23	21
<b>Total</b>	<b>652</b>	<b>532</b>

Note: Provision for gratuity and compensated absences for KMP amounts to INR 377 based on actuarial valuation.

## 41. Financial instruments - Fair value and risk management

### A. Accounting classification and fair values

41.1. The following table shows the carrying amounts and fair values of financial assets and financial liabilities

Particulars	Note	Carrying Amount					
		As at March 31, 2024			As at March 31, 2023		
		Measured at FVTPL	Measured at FVTOCI	Measured at amortised cost	Measured at FVTPL	Measured at FVTOCI	Measured at amortised cost
<b>Financial assets</b>							
Investments	7 & 12	2,417	4,098	42,943	214	4,162	43,498
Trade receivables	13	-	-	1,079	-	-	1,049
Cash and cash equivalents	14.a	-	-	386	-	-	254
Bank balances other than cash and cash equivalents	14.b	-	-	47	-	-	47
Loans	15	-	-	0	-	-	-
Other financial assets	8	-	-	96	-	-	511
<b>Total</b>		<b>2,417</b>	<b>4,098</b>	<b>44,551</b>	<b>214</b>	<b>4,162</b>	<b>45,359</b>
<b>Financial liabilities</b>							
Borrowings	19	-	-	-	-	-	5,566
Trade payables	22	-	-	247	-	-	321
Other financial liabilities	21	-	-	683	-	-	616
<b>Total</b>		<b>-</b>	<b>-</b>	<b>930</b>	<b>-</b>	<b>-</b>	<b>6,503</b>

### Note:

- Investment in subsidiaries, joint venture / associate entities of ₹42,943 (₹43,498) is shown at cost (net off impairment) in balance sheet as per the Ind AS 27 "Separate Financial Statements"
- The Company has not disclosed fair values of financial instruments such as trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans, other financial assets, borrowings, trade payables and other financial liabilities, since their carrying amounts are a reasonable approximation of their fair values.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 41.2. The below table summarises the fair value hierarchy of the financial assets:

Particulars	As at March 31, 2024	As at March 31, 2023	Fair Value Hierarchy (Level 1,2,3)*	Valuation technique
a. Mutual fund investments (unquoted) (mandatorily measured at FVTPL)	2,417	214	2	Fair value is determined based on Net Assets Value published by respective funds.
b. Investments in equity instruments measured at FVOCI	4,098	4,162	3	Fair value of the investment is determined based on the fair value of the net assets as furnished by the fund which inturn is determined using various significant unobservable inputs including the purchase price, developments concerning the investee company of the fund subsequent to acquisition, data and projections of investee company etc. The estimated fair value would increase or decrease depending upon changes to such inputs.
<b>Total</b>	<b>6,515</b>	<b>4,376</b>		

#### Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

Particulars	Amount
<b>Balance as at April 01, 2022</b>	<b>4,452</b>
Capital distribution, net	(269)
Unrealised gain / (loss) on account of change in fair value	(21)
<b>Balance as at March 31, 2023</b>	<b>4,162</b>
Acquisition of investments in equity instruments measured at FVOCI	850
Capital distribution, net	36
Unrealised gain / (loss) on account of change in fair value	(950)
<b>Balance as at March 31, 2024</b>	<b>4,098</b>

#### \* Fair value measurement hierarchy

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- a) Credit risk (see (ii) below);
- b) Liquidity risk (see (iii) below); and
- c) Market risk (see (iv) below).

#### i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies. The Company's senior management advises on financial risks and the appropriate financial risk governance framework for the Company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The board of directors oversees the compliance with respect to risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

#### ii. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company's receivables are primarily only from its subsidiary, joint venture / associate entities. The Company does not have any history of bad debts in earlier years in respect of receivable from the Group companies and as a result, the Company do not perceive a credit risk with respect to receivables from group companies and no loss allowance for trade receivables was required to be recognised.

Investments are made only with approval of Board of Directors. This primarily include investments in equity instruments of subsidiaries, joint venture/associate entities amongst others. The Company does not expect significant credit risks arising from these investments.

The Company holds cash and cash equivalents and bank balances other than cash and cash equivalents with credit worthy banks as at the reporting dates. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Other financial assets comprises of other receivables, long term deposits and rent advance. The Company does not expect any loss from non-performance by these counter-parties.

#### iii. Liquidity risks

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Taking into consideration the liquidity position of the Company as at the balance sheet date together with the existing and proposed financing arrangements made for future, the management believes that the liquidity risk is mitigated and that the Company will be able to meet all its obligations arising from settlement of financial liabilities.

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## Exposure to liquidity risk

The following are contractual maturities of financial liabilities on reporting dates. The amounts are gross and undiscounted, including contractual interest:-

Particulars	Contractual cash flows				Total contractual cash flows
	Carrying amount	Less than 1 year	1 - 5 years	5 or more years	
<b>As at March 31, 2024</b>					
Trade payables	247	247	-	-	247
Other financial liabilities	683	683	-	-	683
	<b>930</b>	<b>930</b>	-	-	<b>930</b>
<b>As at March 31, 2023</b>					
Borrowings	5,566	1,550	5,131	-	6,681
Trade payables	321	321	-	-	321
Other financial liabilities	616	616	-	-	616
	<b>6,503</b>	<b>2,487</b>	<b>5,131</b>	-	<b>7,618</b>

## iv. Market risks

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

The Company is exposed to equity price risks arising from its investments in equity investments. However all the equity investments in group companies are strategic in nature and held for long term period rather than for trading purposes.

### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily on account of investments and trade receivables.

### Exposure to currency risk

Particulars	Foreign currency in INR	
	As at March 31, 2024	As at March 31, 2023
<b>Financial assets</b>		
Investments	3,233	4,162
Trade receivables	42	18
<b>Total</b>	<b>3,275</b>	<b>4,180</b>

### Sensitivity analysis

A reasonably possible strengthening / weakening of the ₹ against USD / EURO as at the respective reporting period end would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remains constant.



# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Foreign currency movement(+/- 5%)	Impact on profit or loss		Impact on total equity	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Strengthening	(2)	(1)	(162)	(208)
Weakening	2	1	162	208

## Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. A 50 basis point increase or decrease is used and represents management's assessment of the reasonably possible changes in interest rates.

There are no borrowings outstanding as at March 31, 2024.

## Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If the fair value had been 1% higher / lower, profit for the year ended March 31, 2024 would increase / decrease by ₹41 (March 31, 2023: ₹42) as a result of the changes in fair value of equity investments which have been irrevocably designated at FVOCI.

## Offsetting financial assets and financial liabilities

The Company does not have any financial instruments that offset or are subject to enforceable master netting arrangements and other similar agreements.

## 42. Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 15, 2024.

See accompanying notes forming part of standalone financial statements

As per our report of even date attached

### For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

### S Sethuraman

Partner

Membership No.: 203491

### Harish Lakshman

Vice Chairman and Joint Managing Director

DIN:00012602

### For and on behalf of the Board of Directors of Rane Holdings Limited

### Ganesh Lakshminarayan

Chairman and Managing Director

DIN:00012583

Place: Chennai

Date: May 15, 2024

### M A P Sridhar Kumar

Chief Financial Officer

### Siva Chandrasekaran

Company Secretary

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Rane Holdings Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Rane Holdings Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its joint venture / associate entities, which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate/consolidated financial statements of such subsidiaries and joint venture / associate entities as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture / associate entities as at 31 March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs

are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its joint venture / associate entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Emphasis of Matter

We draw attention to:

- a. Note 8.2 to the consolidated financial statements, relating to one of the equity accounted investee companies, wherein the component auditor has included an emphasis of matter in their audit report regarding such entity's management's assessment of the special warranty obligations pending the ongoing discussions and negotiations amongst relevant parties.

Our opinion is not modified in respect of this matter.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate/consolidated financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Recoverability of deferred tax assets recognised in one of the subsidiaries of the Company

See Note 15 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>One of the subsidiaries of the Company (Rane Engine Valve Limited) has recognised deferred tax assets on deductible temporary differences, unused tax losses (unabsorbed depreciation) and for unused tax credits (MAT credit), that the subsidiary company believes are recoverable.</p> <p>The recoverability of recognised deferred tax assets is dependent on the subsidiary company's ability to generate future taxable profits sufficient to utilize the deductible temporary differences and tax losses and to set off the unused tax credits.</p> <p>Recognition of deferred tax assets has been identified as a key audit matter by the auditor of the subsidiary company, due to the inherent uncertainty in forecasting the amount and timing of future taxable profits and the reversal of temporary differences.</p>	<p>In view of the significance of the matter, the auditor of the subsidiary has reported that the following audit procedures were applied, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• Reconciling tax losses/ credits and expiry dates to tax returns;</li> <li>• Assessing the accuracy of forecasts of future taxable profits by comparing the assumptions, such as projected growth rates, their consistency with business plans and forecasts used for impairment testing purposes; and</li> <li>• Evaluating the adequacy of disclosures.</li> </ul>

## Recognition and recoverability of deferred tax assets in one of the subsidiaries of the Company

See Note 15 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>One of the subsidiaries of the Company (Rane (Madras) Limited ('RML')) has recorded deferred tax assets of INR 11,334 Lakhs relating to tax losses consequent to reduction / write down of its investments in the context of the sale of the stake in the underlying step-down subsidiary.</p> <p>The recognition and recoverability of these deferred tax assets involves:</p> <ul style="list-style-type: none"> <li>• assessment of the underlying tax laws;</li> <li>• dependency on the generation of sufficient future taxable income that can be set off against the losses recognized and hence, involves significant judgement. These judgements could change over time as the matter progresses depending on experience on actual assessment proceedings by tax authorities and other judicial precedents. RML has obtained legal advice on the matter.</li> </ul> <p>Recognition and recoverability of these deferred tax assets has been identified as a key audit matter due to the high degree of judgment required and significance of the amounts involved.</p>	<p>In view of the significance of the matter, the following key audit procedures were performed by us:</p> <p>Assessed the compliance of the RML's accounting policies with applicable accounting standards.</p> <p>Evaluated the design and implementation of the key internal financial controls with respect to the measurement and recognition of deferred tax assets and tested the operating effectiveness of such controls.</p> <p>Involved our tax specialists to assist us in evaluating the appropriateness of the nature of the tax losses that can be set off against the future profits.</p> <p>Considered external legal opinions and consultations made by the Company</p> <p>Evaluated the appropriateness of the key assumptions used in the projections considered for estimating future taxable profits.</p> <p>Performed sensitivity analysis on the key assumptions used in the evaluation.</p> <p>Assessed the adequacy of the disclosures in the financial statements.</p>

## Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

### Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture / associate entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its joint venture / associate entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and

other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its joint venture / associate entities are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its joint venture / associate entities are responsible for overseeing the financial reporting process of each company.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture / associate entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its joint venture / associate entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when,

in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- a. We did not audit the financial statements of 2 subsidiaries (including a step-down subsidiary), whose financial statements reflects total assets of Rs. 35,347 Lakhs as at 31 March 2024, total revenues of Rs. 66,115 Lakhs and net cash outflows amounting to Rs. 1,900 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive loss) of Rs. 5,646 Lakhs for the year ended 31 March 2024, in respect of 2 joint venture / associate entities, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture / associate entities, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture / associate entities is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- b. The financial information of 5 subsidiaries (including 2 step-down subsidiaries), whose financial information reflects total assets of Rs. 6,483 Lakhs as at 31 March 2024, total revenues of Rs. 644 Lakhs and net cash inflows amounting to Rs. 177 Lakhs for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial information have been furnished to us by the Management and our opinion on the

consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate/consolidated financial statements of such subsidiaries and joint venture / associate entities as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2024 and 02 April 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture / associate entities incorporated in India, none of the directors of the Group companies and its joint venture / associate entities incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and joint venture / associate entities incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate/ consolidated financial statements of the subsidiaries and joint venture / associate entities, as noted in the "Other Matters" paragraph:
- The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group and its joint venture / associate entities. Refer Note 41.a to the consolidated financial statements.
  - The Group and its joint venture / associate entities did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.
  - The following are the instances of delay in transferring amounts, to the Investor Education and Protection Fund by the Group and its joint venture / associate entities incorporated in India during the year ended 31 March 2024:

Name of the entity	Year	Date of declaration of dividend	Amount Outstanding in Unclaimed Dividend Account	Due date for transfer to Investor Education and Protection Fund	Actual date for transfer to Investor Education and Protection Fund
Rane (Madras) Limited	FY 2016-17	23 January 2017	INR 0.96 lakhs	1 March 2024	02 May 2024
Rane Brake Lining Limited	FY 2016-17	20 January 2017	INR 2.86 lakhs	27 March 2024	02 May 2024

- d. (i) The respective management of the Holding Company, its subsidiary companies and joint venture / associate entities incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and joint venture / associate entities respectively that, to the best of their knowledge and belief, as disclosed in the Note 36.4 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies and joint venture / associate entities to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies and joint venture / associate entities ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The respective management of the Holding Company, its subsidiary companies and joint venture / associate entities incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and joint venture / associate entities respectively that, to the best of their knowledge and belief, as disclosed in the Note 36.5 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies and joint venture / associate entities from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies and joint venture / associate entities shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies and joint venture / associate entities incorporated in India whose financial statements have been audited under the Act, nothing has come to our or the other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Holding Company, its subsidiary companies and joint venture / associate entities incorporated in India during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- As stated in Note 20(b) to the consolidated financial statements, the respective Board of Directors of the Holding Company, its subsidiary companies and joint venture / associate entities incorporated in India have proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
- f. Based on our examination which included test checks, and as communciated by the respective auditors of subsidiary companies and joint venture / associate entities, except for the instances mentioned below, the Group and joint venture / associate entities incorporated in India have used accounting softwares for maintaining its books of account which have a feature of audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
- i. The feature of recording audit trail (edit log) was not enabled at the application layer for certain fields of tables relating to Production Inventory, Payroll and price change system relating to sales / purchases



- ii. The feature of audit trail was not enabled at the application layer of the accounting software for direct data changes performed by users having privileged access,
- iii. The feature of audit trail was not enabled at the database layer of the accounting software for the entire audit period.

Further, for the periods where audit trail (edit log) facility was enabled for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

- C. In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary company and joint venture / associate entities incorporated in India which was not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and joint venture / associate entities to its directors is in accordance with the provisions of Section 197 of the Act, where applicable. The remuneration paid to any director by the Holding

Company, its subsidiary companies and joint venture / associate entities is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

**S Sethuraman**

*Partner*

Place : Chennai

Membership No.: 203491

Date : 15 May 2024 ICAI UDIN:24203491BKCQPK5276

## Annexure A to the Independent Auditor's Report

on the Consolidated Financial Statements of Rane Holdings Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company / Subsidiary / Joint venture / Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Rane (Madras) Limited	L65993TN2004PLC052856	Subsidiary	Clause (ii)(b), (ix)(e) and (xi)(c)
2	Rane Engine Valve Limited	L74999TN1972PLC006127	Subsidiary	Clause (i)(c) and (ii)(b)
3	Rane Brake Lining Limited	L63011TN2004PLC054948	Subsidiary	Clause (i)(c)
4	Rane NSK Steering Systems Private Limited	U29141TN1995PTC030621	Joint venture / Associate entity	Clause (xi)(c), (xvii) and (xix)

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022

**S Sethuraman**

*Partner*

Membership No.: 203491

ICAI UDIN: 24203491BKCQPK5276

Place : Chennai

Date : 15 May 2024

## Annexure B to the Independent Auditor's Report

on the consolidated financial statements of Rane Holdings Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### Opinion

In conjunction with our audit of the consolidated financial statements of Rane Holdings Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies and its joint venture / associate entities, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies and joint venture / associate entities, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies and its joint venture / associate entities, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and joint venture / associate entities in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

### Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and

procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness

of the internal financial controls with reference to financial statements insofar as it relates to 1 subsidiary company and 2 joint venture / associate entities, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

The internal financial controls with reference to financial information insofar as it relates to 1 subsidiary company, which is a company incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditor. In our opinion and according to the information and explanations given to us by the Management, such unaudited subsidiary company is not material to the Holding Company.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

**S Sethuraman**

*Partner*

Place : Chennai

Membership No.: 203491

Date : 15 May 2024 ICAI UDIN:24203491BKCQPK5276

# CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.a	69,592	77,742
Capital work-in-progress	3.b	4,534	3,795
Right-of-use assets	4	2,947	1,239
Investment property	5	-	-
Goodwill	6	6,891	7,093
Other intangible assets	7	452	496
Investments accounted for using equity method	8	29,692	27,343
Financial assets			
- Investments	9	4,768	4,658
- Other financial assets	12	1,743	2,771
Deferred tax assets, net	15	14,183	3,943
Income tax assets, net	13	5,103	3,204
Other non-current assets	14	3,980	3,184
<b>Total non-current assets</b>		<b>1,43,885</b>	<b>1,35,468</b>
<b>Current assets</b>			
Inventories	16	42,135	43,664
Financial assets			
- Investments	10	2,823	2,543
- Trade receivables	17	60,367	64,218
- Cash and cash equivalents	18.a	3,644	4,714
- Bank balances other than cash and cash equivalents above	18.b	98	96
- Loans	11	9	38
- Other financial assets	12	3,280	2,283
Current tax assets, net	13	-	38
Other current assets	14	8,400	6,097
<b>Total current assets</b>		<b>1,20,756</b>	<b>1,23,691</b>
<b>TOTAL ASSETS</b>		<b>2,64,641</b>	<b>2,59,159</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	19	1,428	1,428
Other equity	20	89,193	79,360
<b>Equity attributable to owners of the Company</b>		<b>90,621</b>	<b>80,788</b>
Non-controlling interest	21	26,311	24,307
<b>Total Equity</b>		<b>1,16,932</b>	<b>1,05,095</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	22	30,499	33,478
- Lease liabilities	43	2,513	944
- Other financial liabilities	23	160	151
Provisions	24	2,734	3,952
Deferred tax liabilities, net	15	177	369
Other non-current liabilities	25	379	1,297
<b>Total non-current liabilities</b>		<b>36,462</b>	<b>40,191</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	22	51,748	51,807
- Lease liabilities	43	576	404
- Trade payables	27		
Total outstanding dues of micro enterprises and small enterprises		2,885	2,411
Total outstanding dues of creditors other than micro enterprises and small enterprises		39,359	46,201
- Other financial liabilities	23	8,800	8,957
Other current liabilities	25	5,035	2,817
Provisions	24	2,813	1,275
Current tax liabilities, net	26	31	1
<b>Total current liabilities</b>		<b>1,11,247</b>	<b>1,13,873</b>
<b>TOTAL LIABILITIES</b>		<b>1,47,709</b>	<b>1,54,064</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,64,641</b>	<b>2,59,159</b>

See accompanying notes forming part of the consolidated financial statements  
As per our report of even date attached

## For B S R & Co. LLP

Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

## S Sethuraman

Partner  
Membership No.: 203491

Place: Chennai  
Date: May 15, 2024

## Harish Lakshman

Vice Chairman and Joint Managing Director  
DIN:00012602

M A P Sridhar Kumar  
Chief Financial Officer

For and on behalf of the Board of Directors of  
Rane Holdings Limited

## Ganesh Lakshminarayan

Chairman and Managing Director  
DIN:00012583

Siva Chandrasekaran  
Company Secretary

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
I Revenue from operations	28	3,52,982	3,50,833
II Other income	29	1,416	2,913
<b>III Total income (I+II)</b>		<b>3,54,398</b>	<b>3,53,746</b>
<b>IV Expenses</b>			
Cost of materials consumed	30	2,00,590	2,04,875
Purchase of stock-in-trade	31	1,051	907
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	(378)	(2,918)
Employee benefits expense	33	51,132	52,717
Finance costs	34	7,134	4,982
Depreciation and amortisation expenses	35	13,700	14,173
Other expenses	36	68,439	63,304
<b>Total expenses</b>		<b>3,41,668</b>	<b>3,38,040</b>
<b>V Profit before share of profit / (loss) of joint venture / associate entities, exceptional items and tax (III-IV)</b>		<b>12,730</b>	<b>15,706</b>
<b>VI Share of profit / (loss) of joint venture / associate entities (includes share of exceptional items, net of taxes)</b>	8	5,747	(92)
<b>VII Profit before exceptional items and tax (V+VI)</b>		<b>18,477</b>	<b>15,614</b>
<b>VIII Exceptional items</b>	44	(10,907)	(1,832)
<b>IX Profit before tax (VII+VIII)</b>		<b>7,570</b>	<b>13,782</b>
<b>X Tax expense :</b>	37		
- Current tax		3,009	5,860
- Deferred tax		(10,400)	(809)
<b>Total tax expense</b>		<b>(7,391)</b>	<b>5,051</b>
<b>XI Profit for the year (IX-X)</b>		<b>14,961</b>	<b>8,731</b>
<b>XII Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Re-measurement gains / (losses) on defined benefit plans, net		(161)	131
- Net gain / (loss) on fair value through other comprehensive income equity instruments		(950)	(21)
- Share of other comprehensive income / (loss) of equity accounted investees		(101)	(59)
- Income tax relating to items that will not be reclassified to profit or loss		282	58
		<b>(930)</b>	<b>109</b>
<b>Items that will be reclassified to profit or loss</b>			
- Exchange differences on translating financial statements of foreign operations		1,198	(1,776)
		<b>1,198</b>	<b>(1,776)</b>
<b>Total other comprehensive income / (loss), net of tax</b>		<b>268</b>	<b>(1,667)</b>
<b>XIII Total comprehensive income for the year (XI+XII)</b>		<b>15,229</b>	<b>7,064</b>
<b>Profit for the year attributable to</b>			
Owners of the Company		12,377	6,227
Non-controlling interest		2,584	2,504
		<b>14,961</b>	<b>8,731</b>
<b>Other comprehensive income attributable to</b>			
Owners of the Company		(29)	(1,230)
Non-controlling interest		297	(437)
		<b>268</b>	<b>(1,667)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		12,348	4,997
Non-controlling interest		2,881	2,067
		<b>15,229</b>	<b>7,064</b>
<b>XIV Earnings per equity share</b>	42		
- Basic (In ₹)		86.67	43.61
- Diluted (In ₹)		86.67	43.61

See accompanying notes forming part of the consolidated financial statements  
As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

**S Sethuraman**

Partner  
Membership No.: 203491

Place: Chennai  
Date: May 15, 2024

**Harish Lakshman**

Vice Chairman and Joint Managing Director  
DIN:00012602

**M A P Sridhar Kumar**  
Chief Financial Officer

**For and on behalf of the Board of Directors of  
Rane Holdings Limited**

**Ganesh Lakshminarayan**

Chairman and Managing Director  
DIN:00012583

**Siva Chandrasekaran**  
Company Secretary

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### A. Equity share capital

Particulars	Note	Amount
<b>Balance as at April 01, 2022</b>	19	1,428
Changes in equity share capital due to prior period errors		-
<b>Restated balance as at April 01, 2022</b>		1,428
Changes in equity share capital during the year		-
<b>Balance as at March 31, 2023</b>	19	1,428
<b>Balance as at April 01, 2023</b>	19	1,428
Changes in equity share capital due to prior period errors		-
<b>Restated balance as at April 01, 2023</b>		1,428
Changes in equity share capital during the year		-
<b>Balance as at March 31, 2024</b>	19	1,428

### B. Other equity

Particulars	Reserves and surplus						Items of OCI			Total attributable to owners of the Company	Attributable to NCI	Total	
	General Reserve	Retained Earnings	Capital Redemption Reserve	Capital Reserve	Securities Premium	Amalgamation adjustment Account	Capital Reserve on Consolidation	Total	Foreign Currency Translation Reserve				Equity instruments through OCI
<b>Balance as at April 01, 2023</b>	51,241	20,240	1,473	72	4,433	(13)	1,771	79,217	(1,855)	1,998	79,360	24,307	1,03,667
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at April 01, 2023</b>	51,241	20,240	1,473	72	4,433	(13)	1,771	79,217	(1,855)	1,998	79,360	24,307	1,03,667
Profit for the year	-	12,377	-	-	-	-	-	12,377	-	-	12,377	2,584	14,961
Other comprehensive income for the year, net of tax	-	(192)	-	-	-	-	-	(192)	860	(697)	(29)	297	268
<b>Total comprehensive income for the year</b>	-	12,185	-	-	-	-	-	12,185	860	(697)	12,348	2,881	15,229
<b>Transaction with owners, recorded directly in equity</b>													
<b>Distribution to owners</b>													
Dividends	-	(2,427)	-	-	-	-	-	(2,427)	-	-	(2,427)	(965)	(3,392)
Amount transferred within reserves	10,234	(10,234)	-	-	-	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries that do not result in loss of control													
Acquisition of non-controlling interests	135	(224)	-	1	-	-	-	(88)	-	-	(88)	88	-
<b>Balance as at March 31, 2024</b>	61,610	19,540	1,473	73	4,433	(13)	1,771	88,887	(995)	1,301	89,193	26,311	1,15,504

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Reserves and surplus							Items of OCI			Total attributable to owners of the Company	Attributable to NCI	Total	
	General Reserve	Retained Earnings	Capital Redemption Reserve	Capital Reserve	Securities Premium	Amalgamation adjustment Account	Capital Reserve on Consolidation	Total	Foreign Currency Translation Reserve	Equity instruments through OCI				Total
<b>Balance as at April 01, 2022</b>	49,786	17,259	1,473	69	4,433	(13)	1,771	74,778	(574)	1,990	1,416	76,194	22,932	99,126
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at April 01, 2022</b>	49,786	17,259	1,473	69	4,433	(13)	1,771	74,778	(574)	1,990	1,416	76,194	22,932	99,126
Profit for the year	-	6,227	-	-	-	-	-	6,227	-	-	-	6,227	2,504	8,731
Other comprehensive income for the year, net of tax	-	43	-	-	-	-	-	43	(1,281)	8	(1,273)	(1,230)	(437)	(1,667)
<b>Total comprehensive income for the year</b>	-	6,270	-	-	-	-	-	6,270	(1,281)	8	(1,273)	4,997	2,067	7,064
<b>Transaction with owners, recorded directly in equity</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Distribution to owners</b>	-	(1,713)	-	-	-	-	-	(1,713)	-	-	-	(1,713)	(772)	(2,485)
Dividends	-	(1,713)	-	-	-	-	-	(1,713)	-	-	-	(1,713)	(772)	(2,485)
Amount transferred within reserves	1,128	(1,128)	-	-	-	-	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests	327	(448)	-	3	-	-	-	(118)	-	-	-	(118)	80	(38)
<b>Balance as at March 31, 2023</b>	51,241	20,240	1,473	72	4,433	(13)	1,771	79,217	(1,855)	1,998	143	79,360	24,307	1,03,667

See accompanying notes forming part of the consolidated financial statements  
As per our report of even date attached

### For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

### S Sethuraman

Partner

Membership No.: 203491

Place: Chennai

Date: May 15, 2024

For and on behalf of the Board of Directors of  
Rane Holdings Limited

### Harish Lakshman

Vice Chairman and Joint Managing Director  
DIN:00012602

### Ganesh Lakshminarayan

Chairman and Managing Director  
DIN:00012583

### M A P Sridhar Kumar

Chief Financial Officer

### Siva Chandrasekaran

Company Secretary



# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flows from operating activities</b>			
Profit for the year		14,961	8,731
<b>Adjustments for:</b>			
Tax expense		(7,391)	5,051
Depreciation and amortisation expenses		13,700	14,173
Net (gain) / loss on disposal of property, plant and equipment		(90)	(29)
Government grants		(59)	(130)
Share of (profit) / loss of joint venture / associate entities		(5,747)	92
Finance costs		7,134	4,982
Impairment losses on financial assets		120	374
Provisions / liabilities no longer required written back		(31)	(682)
Gain on current investments mandatorily measured at FVTPL		(250)	(68)
Impairment of investment / goodwill / property, plant and equipment / financial assets		1,805	905
Net unrealised foreign exchange (gain) / loss		(182)	(1,481)
Interest income		(491)	(156)
Gain on sale of subsidiary		(338)	-
Loss on disposal of step-down subsidiary		8,546	-
<b>Operating profit before working capital changes</b>		<b>31,687</b>	<b>31,762</b>
<b>Movements in working capital:</b>			
(Increase) / decrease in inventories		(727)	(3,500)
(Increase) / decrease in trade receivables		409	(9,293)
(Increase) / decrease in other assets		(2,207)	4,462
Increase / (decrease) in trade payables		(3,339)	(915)
Increase / (decrease) in provisions		1,276	107
Increase / (decrease) in other liabilities		1,095	1,992
<b>Cash generated from / (used in) operating activities</b>		<b>28,194</b>	<b>24,615</b>
Income taxes paid, net		(4,853)	(5,991)
<b>Net cash generated from / (used in) operating activities</b>		<b>23,341</b>	<b>18,624</b>
<b>Cash flows from investing activities</b>			
(Payment towards purchase) / proceeds from sale of current investments, net		(30)	(1,288)
Proceeds from disposal of subsidiary		1,684	-
Dividend received from joint venture / associate entities		3,297	1,670
Payment towards purchase of property, plant and equipment and other intangible assets		(20,906)	(15,820)
Proceeds from disposal of property, plant and equipment		4,155	104
Payment towards purchase of non-current investments		184	(124)

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Interest received		218	290
Bank balances not considered under cash and cash equivalents		1	4
<b>Net cash generated from / (used in) investing activities</b>		<b>(11,397)</b>	<b>(15,164)</b>
<b>Cash flows from financing activities</b>			
Proceeds from long-term borrowings		20,293	12,776
Repayment of long-term borrowings		(23,568)	(10,757)
Proceeds from short-term borrowings, net		152	4,376
Dividends paid to shareholders		(2,427)	(1,713)
Dividends paid to non-controlling interest		(965)	(775)
Finance costs paid		(6,810)	(4,791)
Payment of lease liabilities		(467)	(495)
Acquisition of NCI		-	(39)
<b>Net cash generated from / (used in) financing activities</b>		<b>(13,792)</b>	<b>(1,418)</b>
Net increase / (decrease) in cash and cash equivalents		(1,848)	2,042
Adjustment related to disposal of step-down subsidiary		906	-
Cash and cash equivalents at the beginning of the year		4,553	2,511
<b>Cash and cash equivalents at the end of the year</b>	<b>18.a</b>	<b>3,611</b>	<b>4,553</b>

See accompanying notes forming part of the consolidated financial statements.

As per our report of even date attached.

## For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

### S Sethuraman

Partner

Membership No.: 203491

Place: Chennai

Date: May 15, 2024

## For and on behalf of the Board of Directors of

Rane Holdings Limited

### Harish Lakshman

Vice Chairman and Joint Managing Director

DIN:00012602

### M A P Sridhar Kumar

Chief Financial Officer

### Ganesh Lakshminarayan

Chairman and Managing Director

DIN:00012583

### Siva Chandrasekaran

Company Secretary

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 1. Corporate Information

Rane Holdings Limited ("RHL" or 'the Company') is the holding company whose main activity is investing and holding strategic investments in subsidiaries (collectively called "the Group") and joint venture / associate entities, that are primarily engaged in manufacturing/marketing of components and providing technological services for the transportation industry, mainly the automotive sector. The Company is a public limited Company incorporated in India with its registered office in Chennai, Tamilnadu, India. The Company is listed on the Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited, Mumbai.

### 2. Material accounting policies

#### 1. Statement of compliance and basis of preparation

a) These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

#### b) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the respective entities in the Group operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

#### 2. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including forward contracts)	Fair value
Net defined benefit (asset) / liability	Present value of defined benefit obligations less fair value of plan assets
Certain investments	Fair value

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when -

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 3. Principles of consolidation:

The consolidated financial statements relate to Rane Holdings Limited (referred as "the Company" or "the Holding Company"), its subsidiary companies (collectively referred to as "the Group") and the Group's share of profit / (loss) in its joint venture / associate entities.

The Financial statements of the subsidiaries and joint venture / associate entities used in the consolidation are drawn up to the same reporting date as that of the holding company i.e. March 31 2024.

### 4. Basis of consolidation

#### a. Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group consolidates the financial statements of the parent and its subsidiaries on a line by line basis, adding together like items of assets, liabilities, income and expenses. Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment.

#### b. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

#### c. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any

interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit and loss.

#### d. Equity accounted investees

The Group's interests in equity accounted investees comprise interests in joint venture / associate entities.

Interests in joint venture / associate entities are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit and loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

#### e. Business combination

In accordance with Ind AS 103, the Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

date and changes in the fair value of the contingent consideration are recognised in profit or loss.

### 5. Use of estimates and Judgements

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in India requires the management to make judgements, estimates and assumptions as considered in the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenues and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date. These estimates, judgement and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about the assumptions and estimates may result in outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### 5.1 Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes;

- Note 6 - Impairment testing for goodwill & Note 4 and 43- Right-of-use assets and lease liabilities

#### 5.2 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are as follows;

#### 5.2.1 Fair value measurements and valuation processes

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Further details are given in note 47.

#### 5.2.2 Impairment test of non-financial assets (Goodwill)

The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of the cash generating unit (CGU) is determined to be the fair value less costs to sell in respect goodwill allocated to CGUs represented by the quoted market prices of the underlying listed investment and in the case of others, it is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections and involves judgements. Further details are given in note 6.

#### 5.2.3 Taxation

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantively enacted. Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws and the amount and timing of future taxable income. In arriving at taxable profit and all tax bases of assets and liabilities, the Group determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely expected outcome of any open tax assessments / litigations. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available. Further details are given in note 15, 37 and 41.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 5.2.4 Defined benefit plans

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 38.

## 6. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 7. Financial Instruments

### i. Initial recognition

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (except trade receivables and contract asset) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Trade receivables are measured at transaction price as per Ind AS 115.

### ii. Classification and subsequent measurement

#### Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI - debt investment;
- Fair value through OCI - equity investment; or
- Fair value through profit and loss

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### Financial assets - Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for

derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, Interest income, foreign exchange gains and losses and impairment are recognised in profit and loss. Any gain or loss on derecognition is recognised in profit and loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit and loss.

### Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is also recognised in profit and loss.

### iii. Derecognition

#### Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

### Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit and loss.

### iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### v. Derivative Financial instruments and Hedge Accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposure. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in profit and loss.

When a derivative is designated as a cash flow hedging instrument, the effective portion of



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit and loss

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit and loss in the same period or periods as the hedged expected future cash flows affect profit and loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit and loss.

### 8. Property, plant and equipment

Items of property, plant and equipment are carried at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises its purchase price net of any trade discounts and rebates, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities) and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

#### Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Capital work-in-progress: Assets which are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest (in case of qualifying assets).

Depreciation on property, plant and equipment has been provided on the straight-line method on the basis of estimated useful life determined based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The useful lives of the assets are as below:

Asset	Management estimate of useful life (in years)	Useful life as per Schedule II (in years)
Buildings (other than factory building)	30-60 Years	60 Years
Factory buildings	30 years	30 years
Plant and equipment	1-15 years	15 years
Vehicles	4-5 years	8 years
Furniture and fixtures	5 years	10 years
Office equipment (other than computers)	3 years	5 years
Computers, servers and network	3 to 6 years	3 to 6 years

Freehold land is not depreciated. Leasehold improvements has been depreciated over the lease period or five years whichever is lower.

Depreciation method, useful lives and residual values are reviewed at the end of each financial year.

On property, plant and equipment added/discharged during the year, depreciation is provided from / (upto) the month on which the asset is ready for use/(disposed off). Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 9. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. Any gain or loss on disposal of an investment property is recognised in profit and loss.

### 10.1 Goodwill

Goodwill arising on the acquisition of a subsidiary represents the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not amortised.

### 10.2 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities) and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit and loss as incurred. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in which the expenditure is incurred. The amortisation expense on intangible assets is recognised in the statement of profit and loss. An intangible asset is derecognised on disposal or when no future economic benefits are expected

from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

#### Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Intangible assets are amortised using straight-line method over their estimated useful life as follows:

Asset	Useful life
License fee on software	5 years or license period whichever is lower
Technical know how	3 years
Customer relationships	4 years
Customer contracts	4 years

### 11. Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale in its present condition rather than through continuing use and are measured at the lower of carrying amount and fair value less costs to sell.

Once classified as held-for-sale, property, plant and equipment, intangible assets and investment properties are no longer depreciated or amortised.

### 12. Impairment

#### i. Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with

the contract and the cash flows that the Company expects to receive).

### Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit and loss and is recognised in OCI.

### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

### ii. Impairment of property, plant and equipment and intangible assets including goodwill

At the end of each reporting period, the group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Goodwill and intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that are expected to benefit

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

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from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss. An impairment loss in respect of goodwill is not subsequently reversed.

### 13. Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement

of the liability for at least 12 months after the reporting date.

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

### 14. Leases

The Group's lease asset classes primarily consist of leases for land, buildings, plant and equipment, office equipment, vehicles etc. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves the use of an identified asset (ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

ROU assets and lease liabilities are measured based on lease term that includes periods covered by an option to extend the lease when it is reasonably certain that they will be exercised and periods covered by an option to terminate

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the lease when it is reasonably certain that they will not be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option and

penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Lease liability and ROU asset have been separately presented and lease payments have been classified as financing cash flows.

### 15. Inventories

Inventories are valued at the lower of cost on weighted average basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

### 16. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### 16.1 Cash flow statement

Cash flows from operating activities are reported using the indirect method, whereby profit / (loss) is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated.

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FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 17. Foreign currency

### (i) Transactions and balances

In preparing the consolidated financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are translated into the functional currency at the exchange rate at the reporting date.

Exchange differences are recognised in profit and loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI);
- qualifying cash flow hedges to the extent that the hedges are effective.

### (ii) Foreign operations

The assets and liabilities of foreign subsidiaries including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

## 18. Revenue recognition

The Group derives revenues primarily from various products and services related to manufacture and supply of auto components and providing technological services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognized upon transfer of control of promised products or services to customers (i.e. when products are delivered to customers or when delivered to a carrier, as the case may be) at an amount that reflects the consideration that the

Group expects to receive in exchange for those products or services. Revenue is reduced for estimated discounts and other similar allowances.

Revenue from services has been recognised as and when the service has been performed.

### Other income

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

## 19. Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Such grants are valued at fair value at the initial recognition.

Government grants are recognised in profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the balance sheet and transferred to profit and loss on a systematic basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit and loss in the period in which they become receivable.

## 20. Employee benefits

### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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result of past service provided by the employee, and the amount of obligation can be estimated reliably.

### Other Long term employee benefits

#### Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Those that are expected to be encashed after 12 months from the end of the year are treated as other long-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit and loss in the period in which they arise.

#### Defined contribution plans

##### Provident fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit and loss in the periods during which the related services are rendered by employees.

##### Superannuation fund

This is a defined contribution plan, where a portion of the eligible employees' salary, as per the choice exercised by the respective employees, is contributed towards superannuation fund administered by the Trustees and managed by Life Insurance Corporation of India (LIC). There are no further obligations for future superannuation benefits other than the annual contributions which is recognized as expense as and when due.

##### Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of

defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

## 21. Expenditure on Corporate Social Responsibility (CSR)

The Group accounts the expenditure incurred towards Corporate Social Responsibility as required under the Act as a charge to the statement of profit and loss account. As at the balance sheet date, an asset / liability is recognized for the difference between the amount spent and the amount required to be spent as per the provisions of the Act.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(All amounts are in INR lakhs unless otherwise stated)

## 22. Research & development expenditure

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired intangible assets utilised for Research and Development are capitalized and depreciated in accordance with the policies stated for property, plant and equipment and intangible assets.

## 23. Provisions and contingent liabilities

**Provisions:** Provisions are recognised when there is a present obligation as result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value unless the effect of time value of money is material. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

**Contingent assets:** The company does not recognise contingent assets.

**Onerous contract:** A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation

under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

**Provisions for warranty:** The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto two years. The group accounts for the provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

## 24. Taxation

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or an item recognised directly in equity or in other comprehensive income.

### a. Current tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### b. Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and loss at the time of the transaction;
- temporary differences related to investments in subsidiaries and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

### 25. Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the group are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

### 26. Earnings per share

Basic earnings per share is computed by dividing the profit after tax (including the post tax effect of exceptional items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax (including the post tax effect of exceptional items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the additional dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

### 27. Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Board of Directors.

### 28. Segment reporting

The Group is engaged in the activities related to manufacture and supply of auto components and providing technological services for transportation industry. The Chief Operating

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Decision Maker (Board of Directors) review the operating results of the Group as a whole for purposes of making decisions about resources to be allocated and assess its performance, the entire operations are to be classified as a single segment, namely components for transportation industry.

### 29. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would have been applicable from April 01, 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 3.a Property, plant and equipment

Particulars	Freehold land	Leasehold land improvement	Buildings	Plant and equipment	Furniture and fixtures	Office Equipment	Vehicles	Total
<b>Gross carrying amount</b>								
<b>Balance at April 01, 2022</b>	11,194	588	19,811	1,07,061	1,091	3,196	371	1,43,312
Additions	-	111	1,849	12,785	106	646	69	15,566
Transfers	31	-	-	-	-	-	-	31
Disposals	-	-	-	(141)	-	(13)	(13)	(167)
Exchange differences on translation of foreign operations	-	52	-	1,514	-	26	-	1,592
<b>Balance at March 31, 2023</b>	11,225	751	21,660	1,21,219	1,197	3,855	427	1,60,334
Additions	-	-	1,685	16,207	106	561	70	18,629
Disposals	(3,953)	-	(5)	(686)	(36)	(39)	(9)	(4,728)
Derecognition of asset on account of disposal of subsidiaries	-	(807)	-	(21,351)	-	(328)	-	(22,486)
Exchange differences on translation of foreign operations	-	56	(1)	36	-	4	-	95
<b>Balance at March 31, 2024</b>	7,272	-	23,339	1,15,425	1,267	4,053	488	1,51,844
<b>Accumulated depreciation and impairment losses</b>								
<b>Balance at April 01, 2022</b>	-	175	4,492	59,529	789	2,584	239	67,808
Depreciation expense	-	51	885	11,677	119	450	49	13,231
Disposals	-	-	-	(67)	-	(11)	(12)	(90)
Exchange differences on translation of foreign operations	-	16	-	701	-	22	-	739
Impairment loss	-	-	-	904	-	-	-	904
<b>Balance at March 31, 2023</b>	-	242	5,377	72,744	908	3,045	276	82,592
Depreciation expense	-	17	926	11,398	136	489	51	13,017
Disposals	-	-	(1)	(573)	(36)	(38)	(8)	(656)
Derecognition of asset on account of disposal of subsidiaries	-	(262)	-	(12,160)	-	(282)	-	(12,704)
Exchange differences on translation of foreign operations	-	3	(1)	1	-	-	-	3
<b>Balance at March 31, 2024</b>	-	-	6,301	71,410	1,008	3,214	319	82,252
<b>Net carrying amount</b>								
<b>As at March 31, 2023</b>	11,225	509	16,283	48,475	289	810	151	77,742
<b>As at March 31, 2024</b>	7,272	-	17,038	44,015	259	839	169	69,592

### Note:

3.1. For property, plant and equipment provided as security against borrowings, Refer note 22.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

3.2. All title deeds of immovable properties are held in the name of the Group companies.

In respect of one of the subsidiary, title deeds for a part of an immovable property in nature of land and building thereon situated at Telangana (measuring 11.2 acres), with aggregate gross carrying values of ₹298 (approximately), are disputed by The State of Telangana for which the subsidiary company has filed a writ petition with the Honourable High Court of Telangana and obtained an interim stay.

In respect of another subsidiary, land with aggregate gross carrying value of ₹52, are disputed by the local authority wherein they have claimed title of property vide writ appeal filed in the High Court of Telangana.

3.3. The Group does not have any Benami property.

3.4. The Group has not revalued its property, plant and equipment.

### 3.b. Capital work-in-progress

Particulars	As at March 31, 2024	As at March 31, 2023
Capital work-in-progress ('CWIP')	4,534	3,795

#### Ageing schedule of CWIP balances:

##### As at March 31, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4,379	155	-	-	4,534
Projects temporarily suspended	-	-	-	-	-

##### As at March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,449	346	-	-	3,795
Projects temporarily suspended	-	-	-	-	-

The Group does not have any CWIP that has exceeded its cost compared to its original plan. CWIP includes certain projects whose completion is overdue. Expected completion schedule of such projects are as follows:

##### As at March 31, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
Capacity enhancement project	121	-	-	-	121
Others	794	8	-	-	802

##### As at March 31, 2023

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
Capacity enhancement project	320	-	-	-	320
Integration project	355	-	-	-	355
Others	75	-	-	-	75

3.5. Refer note 41.b for Capital Commitments

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 4. Right-of-use assets

Particulars	Land	Buildings	Plant and Equipment	Office Equipment	Vehicles	Others	Total
<b>Gross carrying amount</b>							
<b>Balance at April 01, 2022</b>	536	332	251	376	307	18	1,820
Additions	-	292	255	-	73	-	620
Disposals	-	(127)	-	(54)	(67)	-	(248)
Exchange differences on translation of foreign operations	-	-	27	12	-	-	39
<b>Balance at March 31, 2023</b>	536	497	533	334	313	18	2,231
Additions	-	2,218	79	1	191	-	2,489
Disposals	-	-	-	(219)	(29)	-	(248)
Derecognition	-	-	(613)	(115)	-	-	(728)
Exchange differences on translation of foreign operations	-	-	1	1	-	-	2
<b>Balance at March 31, 2024</b>	536	2,715	-	2	475	18	3,746
<b>Accumulated depreciation and impairment</b>							
<b>Balance at April 01, 2022</b>	49	121	92	267	238	8	775
Depreciation expense	20	197	85	71	56	2	431
Disposals	-	(119)	-	(54)	(59)	-	(232)
Exchange differences on translation of foreign operations	-	-	10	8	-	-	18
<b>Balance at March 31, 2023</b>	69	199	187	292	235	10	992
Depreciation expense	20	221	47	16	69	2	375
Disposals	-	-	-	(212)	(28)	-	(240)
Derecognition	-	-	(235)	(95)	-	-	(330)
Exchange differences on translation of foreign operations	-	-	1	1	-	-	2
<b>Balance at March 31, 2024</b>	89	420	-	2	276	12	799
<b>Net carrying amount</b>							
<b>As at March 31, 2023</b>	467	298	346	42	78	8	1,239
<b>As at March 31, 2024</b>	447	2,295	-	-	199	6	2,947

4.1. Also refer note 43 for additional information about leases

4.2. The Group has not revalued its right-of-use assets

## 5. Investment property

Particulars	Land
<b>Gross carrying amount</b>	
<b>Balance at April 01, 2022</b>	31
Additions	-
Transfers	(31)
Disposals	-
<b>Balance at March 31, 2023</b>	-
Additions	-
Transfers	-
Disposals	-
<b>Balance at March 31, 2024</b>	-
<b>Accumulated depreciation</b>	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Land
<b>Balance at April 01, 2022</b>	-
Depreciation expense	-
Disposals	-
<b>Balance at March 31, 2023</b>	-
Depreciation expense	-
Disposals	-
<b>Balance at March 31, 2024</b>	-
<b>Net carrying amount</b>	
<b>As at March 31, 2023</b>	-
<b>As at March 31, 2024</b>	-

## 6. Goodwill

Particulars	As at March 31, 2024	As at March 31, 2023
Cost	7,250	7,452
Accumulated impairment loss	(359)	(359)
<b>Total</b>	<b>6,891</b>	<b>7,093</b>

Particulars	Amount
<b>Cost</b>	
<b>Balance at April 01, 2022</b>	<b>7,452</b>
Additions	-
Disposals	-
<b>Balance at March 31, 2023</b>	<b>7,452</b>
Additions	-
Disposals	(202)
<b>Balance at March 31, 2024</b>	<b>7,250</b>
<b>Accumulated impairment loss</b>	
<b>Balance at April 01, 2022</b>	<b>359</b>
Impairment loss	-
Disposals	-
<b>Balance at March 31, 2023</b>	<b>359</b>
Impairment loss	-
Disposals	-
<b>Balance at March 31, 2024</b>	<b>359</b>
<b>Net carrying amount</b>	
<b>As at March 31, 2023</b>	<b>7,093</b>
<b>As at March 31, 2024</b>	<b>6,891</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 6.1. Impairment tests for goodwill

For impairment testing the carrying amount of goodwill was allocated to cash generating units as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Rane (Madras) Limited	2,901	2,901
Rane Engine Valve Limited	3,874	3,874
Rane Brake Lining Limited	114	114
Rane Holdings Europe GmbH	2	2
Rane t4u Private Limited	-	202
<b>Total</b>	<b>6,891</b>	<b>7,093</b>

The Group tests whether goodwill has suffered any impairment loss on an annual basis. The recoverable amount of the cash generating unit (CGU) is determined based on fair value less costs to sell in respect of goodwill allocated to CGUs represented by the quoted market prices of the underlying listed investments (being RML, REVL, RBL) using Level 1 inputs. The key level 1 input is the closing market value of each of these CGUs.

### 7. Other intangible assets

Particulars	Software	Technical know-how	Customer relationship	Customer contracts	Total
<b>Gross carrying amount</b>					
<b>Balance at April 01, 2022</b>	<b>2,428</b>	<b>440</b>	<b>58</b>	<b>367</b>	<b>3,293</b>
Additions	331	-	-	-	331
Disposals	-	-	-	-	-
<b>Balance at March 31, 2023</b>	<b>2,759</b>	<b>440</b>	<b>58</b>	<b>367</b>	<b>3,624</b>
Additions	264	-	-	-	264
Disposals	-	-	-	-	-
<b>Balance at March 31, 2024</b>	<b>3,023</b>	<b>440</b>	<b>58</b>	<b>367</b>	<b>3,888</b>
<b>Accumulated amortisation</b>					
<b>Balance at April 01, 2022</b>	<b>2,086</b>	<b>440</b>	<b>53</b>	<b>38</b>	<b>2,617</b>
Amortisation expense	275	-	4	232	511
Disposals	-	-	-	-	-
<b>Balance at March 31, 2023</b>	<b>2,361</b>	<b>440</b>	<b>57</b>	<b>270</b>	<b>3,128</b>
Amortisation expense	211	-	-	97	308
Disposals	-	-	-	-	-
<b>Balance at March 31, 2024</b>	<b>2,572</b>	<b>440</b>	<b>57</b>	<b>367</b>	<b>3,436</b>
<b>Net carrying amount</b>					
<b>As at March 31, 2023</b>	<b>398</b>	<b>-</b>	<b>1</b>	<b>97</b>	<b>496</b>
<b>As at March 31, 2024</b>	<b>451</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>452</b>

7.1. The Group has not revalued its other intangible assets.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 8. Investments accounted for using equity method

Particulars	As at March 31, 2024	As at March 31, 2023
ZF Rane Automotive India Private Limited (formerly known as Rane TRW Steering Systems Private Limited)	27,975	26,112
[42,81,740 (March 31, 2023: 42,81,740) shares of ₹10 each]		
Rane NSK Steering Systems Private Limited	1,717	1,231
[87,71,000 (March 31, 2023: 87,71,000) shares of ₹10 each]		
	<b>29,692</b>	<b>27,343</b>

ZF Rane Automotive India Private Limited and Rane NSK Steering Systems Private Limited are equity accounted investments in which the group has 49% ownership each (March 31, 2023: 49% each).

The investment in these entities are accounted as follows:

The results of these entities are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in joint venture / associate entities are initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the entities investments. Distributions received from such entities are reduced from the carrying amount of the investments.

The following table summarises the financial information of the joint venture / associate entities and the carrying amount of group's interest in such entities:

Particulars	31-Mar-24		31-Mar-23	
	ZF Rane Automotive India Private Limited - (ZRAI)	Rane NSK Steering Systems Private Limited - (RNSS)	ZF Rane Automotive India Private Limited- (ZRAI)	Rane NSK Steering Systems Private Limited - (RNSS)
<b>Percentage ownership interest</b>	<b>49%</b>	<b>49%</b>	<b>49%</b>	<b>49%</b>
Non-current assets	72,947	33,324	53,912	31,647
Current assets	86,010	34,190	69,650	33,628
Non-current liabilities	(28,883)	(1,132)	(15,030)	(3,401)
Current liabilities	(77,061)	(65,051)	(59,322)	(61,536)
<b>Net assets</b>	<b>53,013</b>	<b>1,331</b>	<b>49,210</b>	<b>338</b>
<b>Group's share of net assets</b>	<b>25,976</b>	<b>652</b>	<b>24,113</b>	<b>166</b>
Add: Goodwill	1,999	1,065	1,999	1,065
<b>Carrying amount of interest in joint venture / associate entities</b>	<b>27,975</b>	<b>1,717</b>	<b>26,112</b>	<b>1,231</b>
<b>The above amounts of assets and liabilities include the following:</b>				
Cash and cash equivalents	3,800	35	2,697	89
Current financial liabilities (excluding trade and other payables and provisions)	39,006	34,229	24,435	31,776
Non-current financial liabilities (excluding deferred tax, trade and other payables and provisions)	27,596	402	13,990	657



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	31-Mar-24		31-Mar-23	
	ZF Rane Automotive India Private Limited - (ZRAI)	Rane NSK Steering Systems Private Limited - (RNSS)	ZF Rane Automotive India Private Limited- (ZRAI)	Rane NSK Steering Systems Private Limited - (RNSS)
<b>Percentage ownership interest</b>	<b>49%</b>	<b>49%</b>	<b>49%</b>	<b>49%</b>
Revenue	2,13,495	1,71,873	1,85,036	1,51,034
Interest income	45	8	13	14
Finance costs	2,737	3,252	1,049	2,469
Depreciation and amortisation expenses	6,428	5,226	5,288	5,147
Income tax expense	3,476	(1,560)	3,441	4,823
Profit / (loss) for the year	10,684	1,048	9,723	(9,911)
Other comprehensive income / (loss)	(156)	(49)	(103)	(12)
<b>Total comprehensive income</b>	<b>10,528</b>	<b>999</b>	<b>9,620</b>	<b>(9,923)</b>
Group's share of profit / (loss) for the year	5,234	513	4,764	(4,856)
Group's share of other comprehensive income	(76)	(25)	(50)	(6)
<b>Group's share of total comprehensive income</b>	<b>5,158</b>	<b>488</b>	<b>4,714</b>	<b>(4,862)</b>

**Note 8.1:** The Group received dividend amounting to Rs. 3,297 (March 31, 2023: Rs. 1,670) from ZRAI

## Commitments and contingent liabilities in respect of joint venture / associate entities

Commitments				
Share of capital commitment	1,979	294	1,229	269
Contingent liabilities				
Share of contingent liabilities	1,451	704	985	1,507

**Note 8.2:** Share of profit / (loss) of joint venture / associate entities disclosed in the consolidated financial statements includes the share of exceptional item, recorded by Rane NSK Steering Systems Private Limited ("RNSS") towards warranty provision amounting to Rs. 3,626 for the year ended March 31, 2023. RNSS has recorded an exceptional income of Rs. 445 for the year ended March 31, 2024, in relation to sale of scrapped parts.

## 9. Non-current investments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unquoted investments:</b>		
<b>a. Investments in equity shares carried at amortised cost</b>		
AMP Energy C&I Eight Private Limited	19	-
[1,92,500 (March 31,2023: Nil) shares of ₹10 each]		
Atria Wind (Kadambur) Private Limited	155	-
[5,11,000 (March 31,2023: Nil) shares of ₹10 each]		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Clean Wind Power (Manvi) Private Limited [43,200 (March 31, 2023: 43,200) shares of ₹10 each]	4	4
Capsol Energy Private Limited [21,00,000 (March 31, 2023: 21,00,000) shares of ₹10 each]	210	210
CWRE Wind Power Private Limited [947 (March 31, 2023: 947) shares of ₹10 each]	-	-
Shree MTK Textiles Private Limited [8,820 (March 31, 2023: 8,820) shares of ₹100 each]	282	282
<b>b. Investments in equity (designated as fair value through other comprehensive income)</b>		
AutoTech Fund I, L.P (refer note 9.1)	3,233	4,162
E-Trans Solutions Private Limited (refer note below)	865	-
Wellington Corporate Foundation	-	-
	4,768	4,658
Aggregate value of unquoted investments	4,768	4,658
Aggregate amount of impairment in value of investments (included in the above)	-	-

### 9.1. Investments in Equity instruments at FVOCI:

The Group designated the investments shown below as equity investments at FVOCI because these equity instruments represent investments that the Group intends to hold for long-term for strategic purposes.

Particulars	Fair value at March 31, 2024	Dividend recognised during the year 2023-24	Fair value at March 31, 2023	Dividend recognised during the year 2022-23
Investment in AutoTech Fund I, L.P ("AutoTech")	3,233	-	4,162	-
E-Trans Solutions Private Limited	865	-	-	-

During the year ended March 31, 2024, the Company had invested an amount of ₹83 (₹124 during the year ended March 31, 2023) in AutoTech towards its share of capital contribution as one of the limited partners in the fund. The company has received/receivable an amount of ₹47 (₹393 during the year ended March 31, 2023) from AutoTech towards its share of distribution of capital arising as a result of sale of investments held by AutoTech in some of the portfolio companies. The said amount has been reduced from the cost of investments.

Rane Holdings Limited has sold its entire investment in Rane T4U Private Limited ('Rt4u') for a consideration of ₹850 in exchange for allotment of 862,505 equity shares in eTrans Solutions Private Limited ("eTrans") representing 11.94% stake in eTrans.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 10. Current investments

Particulars	As at March 31, 2024			As at March 31, 2023		
	NAV per Unit (in ₹)	Quantity (in numbers)	Amount	NAV per Unit (₹)	Quantity (in numbers)	Amount
<b>Unquoted investments</b>						
Investment in mutual fund - mandatorily measured at FVTPL						
- Nippon India Liquid Fund - Growth plan	5,844	20,871	1,220	5,453	25,545	1,394
- SBI Liquid Fund Regular - Growth plan	3,746	16,949	634	3,496	5,385	188
- HDFC Liquid Fund - Regular plan - Growth	-	-	-	4,384	21,928	961
- Aditya Birla Sun Life Liquid Fund - Growth	386	2,51,224	969	-	-	-
<b>Total</b>			<b>2,823</b>			<b>2,543</b>
Aggregate value of unquoted investments			2,823			2,543
Aggregate amount of impairment in value of investments (included in the above)			-			-

## 11. Loans

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(Unsecured and considered good, unless otherwise stated)				
Loans to employees	-	-	9	38
	-	-	9	38

The Group's exposure to credit risk and market risk are disclosed in note 47. There are no loans or advances in the nature of loans granted and given to promoters, directors, key managerial personnel and related parties, either severally or jointly with any other person.

## 12. Other financial assets

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(Unsecured and considered good, unless otherwise stated)				
Security and other deposits	1,743	1,820	6	138
Interest receivable	-	-	112	78
Insurance and other claims	-	-	-	1
Claims receivable, deferred consideration amongst others	-	-	1,263	40

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Tooling related receivables	-	-	1,517	1,219
Derivative assets	-	787	33	5
Margin money deposits (refer note 12.1)	-	164	-	-
Export incentive receivables	-	-	135	166
Rebate of GST on exports receivable	-	-	168	143
Other receivable	-	-	46	493
	<b>1,743</b>	<b>2,771</b>	<b>3,280</b>	<b>2,283</b>

**Note:**

12.1 Margin money with banks includes restricted cash deposits provided as collateral for bank guarantees and borrowings.

12.2 The Group's exposure to credit risk and market risk are disclosed in note 47.

## 13. Income tax assets, net

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Advance income-tax, net	5,103	3,204	-	38
	<b>5,103</b>	<b>3,204</b>	<b>-</b>	<b>38</b>

## 14. Other assets

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured and considered good, unless otherwise stated)</b>				
Prepaid expenses	759	808	2,003	1,460
Capital advances	2,583	1,088	-	-
Balance with statutory/government authorities	638	697	3,795	2,264
Advances to suppliers	-	-	1,949	1,579
Advances to employees	-	-	134	139
Export entitlements	-	-	123	98
Others	-	591	396	557
<b>Unsecured and considered doubtful:</b>				
Capital advances	20	20	-	-
Balance with statutory/government authorities	27	68	-	-
Provision for doubtful advances / balance with statutory/government authorities	(47)	(88)	-	-
<b>Total</b>	<b>3,980</b>	<b>3,184</b>	<b>8,400</b>	<b>6,097</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 15. Deferred tax assets / (liabilities)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets, net	14,183	3,943
Deferred tax liabilities, net	(177)	(369)

### Movement in deferred tax assets, net for the year ended March 31, 2024

Particulars	As at April 01, 2023	Recognised in profit and loss during 2023-2024	Recognised in OCI during 2023-2024*	Other adjustments during 2023-2024	As at March 31, 2024
<b>Deferred tax assets</b>					
Employee benefits / Expenses deductible on payment basis	1,180	73	(17)	(27)	1,209
MAT credit	227	365	-	-	592
Tax losses carried forward	1,758	(607)	-	(154)	997
Loss allowance on trade receivables	125	38	-	(41)	122
Property, plant and equipment	218	501	-	(17)	702
Others	435	10,126	-	-	10,561
<b>Deferred tax assets</b>	<b>3,943</b>	<b>10,496</b>	<b>(17)</b>	<b>(239)</b>	<b>14,183</b>

### Movement in deferred tax liabilities, net for the year ended March 31, 2024

Particulars	As at April 01, 2023	Recognised in profit and loss during 2023-2024	Recognised in OCI during 2023-2024*	Other adjustments during 2023-2024	As at March 31, 2024
<b>Deferred tax assets</b>					
Employee benefits / Expenses deductible on payment basis	663	(48)	36	-	651
Loss allowance on trade receivables	111	(3)	-	-	108
	<b>774</b>	<b>(51)</b>	<b>36</b>	<b>-</b>	<b>759</b>
<b>Deferred tax liabilities</b>					
Fair valuation of financial instruments	(396)	-	252	-	(144)
Property, plant and equipment	(747)	(45)	-	-	(792)
	<b>(1,143)</b>	<b>(45)</b>	<b>252</b>	<b>-</b>	<b>(936)</b>
<b>Net deferred tax assets / (liabilities)</b>	<b>(369)</b>	<b>(96)</b>	<b>288</b>	<b>-</b>	<b>(177)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## Movement in deferred tax assets, net for the year ended March 31, 2023

Particulars	As at April 01, 2022	Recognised in profit and loss during 2022-2023	Recognised in OCI during 2022-2023*	Other adjustments during 2022-2023	As at March 31, 2023
<b>Deferred tax assets</b>					
Employee benefits / Expenses deductible on payment basis	822	(3)	30	331	1,180
MAT credit	194	33	-	-	227
Tax losses carried forward	1,949	(191)	-	-	1,758
Loss allowance on trade receivables	75	50	-	-	125
Property, plant and equipment	423	556	-	(761)	218
Others	1	197	-	237	435
<b>Deferred tax assets</b>	<b>3,464</b>	<b>642</b>	<b>30</b>	<b>(193)</b>	<b>3,943</b>

## Movement in deferred tax liabilities, net for the year ended March 31, 2023

Particulars	As at April 01, 2022	Recognised in profit and loss during 2022-2023	Recognised in OCI during 2022-2023*	Other adjustments during 2022-2023	As at March 31, 2023
<b>Deferred tax assets</b>					
Employee benefits / Expenses deductible on payment basis	1,242	-	(11)	(568)	663
Loss allowance on trade receivables	104	7	-	-	111
	<b>1,346</b>	<b>7</b>	<b>(11)</b>	<b>(568)</b>	<b>774</b>
<b>Deferred tax liabilities</b>					
Fair valuation of financial instruments	(514)	-	103	15	(396)
Property, plant and equipment	(1,653)	160	-	746	(747)
	<b>(2,167)</b>	<b>160</b>	<b>103</b>	<b>761</b>	<b>(1,143)</b>
<b>Net deferred tax assets / (liabilities)</b>	<b>(821)</b>	<b>167</b>	<b>92</b>	<b>193</b>	<b>(369)</b>

\*Group's share of tax on other comprehensive income pertaining to joint venture / associate entities amounting to (₹39) (March 31, 2023: ₹20) not included in the above.

## Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following tax losses relating to certain subsidiaries, because it is not probable that future taxable profit will be available against which such subsidiaries can use the benefits therefrom.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses	-	-	62,110	11,654

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Details for amount and expiry of losses carried forward

Particulars	As at March 31, 2024	
	Amount	Expiry
AY 2024-25	36,989	AY 2032-33

### 16. Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(valued at lower of cost and net realizable value)		
Raw materials and components [included goods-in-transit amounting to ₹1,634 (March 31, 2023: ₹1,203)]	14,374	14,580
Work-in-progress	5,430	6,168
Finished goods [included goods-in-transit amounting to ₹1,617 (March 31, 2023: ₹1,396)]	16,300	16,342
Stores and spares	5,771	6,346
Stock-in-trade	260	228
	<b>42,135</b>	<b>43,664</b>

#### Note:

- 16.1. The cost of inventories recognised as an expense during the year is disclosed in Note 30, 31 and 32
- 16.2. The cost of inventories recognised as an expense is disclosed in Note 32 in respect of write-down of inventory to net realisable value amounting to ₹448 (March 31, 2023: ₹398)
- 16.3. The method of valuation of inventories has been stated in material accounting policies. For the carrying value of inventories pledged as securities for borrowings, refer note 22.

### 17. Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - unsecured	61,423	65,002
Trade receivables - credit impaired	657	646
Less: Loss allowance (expected credit loss allowance)	(1,713)	(1,430)
<b>Total</b>	<b>60,367</b>	<b>64,218</b>

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience based on: a) Past trend of outstanding receivables over a rolling period of past 24 months and b) actual amount of outstanding receivables as on the reporting date. For related party receivable, refer note 39.

Movement in loss allowance on trade receivables	Year ended March 31, 2024	Year ended March 31, 2023
At beginning of the year	1,430	1,066
Loss allowance for the year (refer note 36)	1,919	374
Foreign exchange adjustment	(1,455)	5

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Movement in loss allowance on trade receivables	Year ended March 31, 2024	Year ended March 31, 2023
Amount written off during the year	(23)	(15)
Derecognition of financial asset	(158)	-
<b>At end of the year</b>	<b>1,713</b>	<b>1,430</b>

## Trade receivables ageing schedule - March 31, 2024

Particulars	Not due	Outstanding for following periods from due date of payment				
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good	51,380	9,613	357	41	-	32
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	26	206	114	114	60	137
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
<b>Sub-total</b>	<b>51,406</b>	<b>9,819</b>	<b>471</b>	<b>155</b>	<b>60</b>	<b>169</b>
(vii) Unbilled revenue	-	-	-	-	-	-
<b>Total</b>	<b>51,406</b>	<b>9,819</b>	<b>471</b>	<b>155</b>	<b>60</b>	<b>169</b>

## Trade receivables ageing schedule - March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good	55,721	8,944	115	68	22	132
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	26	165	141	119	50	114
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Not due	Outstanding for following periods from due date of payment				
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	31
<b>Sub-total</b>	<b>55,747</b>	<b>9,109</b>	<b>256</b>	<b>187</b>	<b>72</b>	<b>277</b>
(vii) Unbilled revenue	-	-	-	-	-	-
<b>Total</b>	<b>55,747</b>	<b>9,109</b>	<b>256</b>	<b>187</b>	<b>72</b>	<b>277</b>

## 18 a. Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with banks in		
- Current accounts	2,936	3,247
- EEFC account	703	710
- Deposit accounts	-	750
Cash on hand	5	7
	<b>3,644</b>	<b>4,714</b>

### Reconciliation of cash and cash equivalents as per the cash flow statement to as per the Balance sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents as per Balance sheet	3,644	4,714
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(33)	(161)
<b>Cash and cash equivalents as per the cash flow statement</b>	<b>3,611</b>	<b>4,553</b>

## 18 b. Bank balances other than cash and cash equivalents above

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balances with banks in earmarked accounts</b>		
Unclaimed dividend	98	96
	<b>98</b>	<b>96</b>

## 19. Equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
<b>a. Authorised share capital:</b>		
<b>Equity shares:</b>		
15,000,000 (March 31, 2023: 15,000,000) equity shares of ₹10 each	1,500	1,500
<b>Preference shares:</b>		
5,000,000 (March 31, 2023: 5,000,000) preference shares of ₹10 each	500	500

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>b. Issued and subscribed share capital:</b>		
14,277,809 (March 31, 2023: 14,277,809) equity shares of ₹10 each fully paid-up	1,428	1,428

## 19.1 Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares of ₹10 each fully paid up</b>				
At the commencement and end of the year	1,42,77,809	1,428	1,42,77,809	1,428

### Rights, preferences and restrictions attached to equity shares

The Company has one class of equity share having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The Dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders, repayment of capital on liquidation will be in proportion to the number of equity shares held.

## 19.2 Shares held by promoters at the end of the year

Promoter name	As at March 31, 2024			As at March 31, 2023		
	Number of shares held	% of total shares	% change during the year	Number of shares held	% of total shares	% change during the year
Raman T G G	14,84,056	10.39%	0%	14,84,056	10.39%	0%
Lakshman L (including joint holding with Pushpa Lakshman)	7,52,560	5.27%	0%	7,52,560	5.27%	0.35%
Ganesh L & Meenakshi Ganesh	7,19,096	5.04%	0%	7,19,096	5.04%	0%
Rathika R Sundaresan	6,25,066	4.38%	0%	6,25,066	4.38%	0%
Geetha Raman Subramanyam	6,25,065	4.38%	0%	6,25,065	4.38%	0%
Ranjini R Iyer	6,25,065	4.38%	0%	6,25,065	4.38%	0%
Meenakshi Ganesh & Ganesh L	3,05,430	2.14%	0%	3,05,430	2.14%	0%
Vanaja Aghoram	2,75,635	1.93%	0%	2,75,635	1.93%	0%
Lakshman L (Huf)	2,16,986	1.52%	0%	2,16,986	1.52%	0%
Pushpa Lakshman & Lakshman L	1,95,199	1.37%	0%	1,95,199	1.37%	0%
Ganesh L (Huf)	1,91,907	1.34%	0%	1,91,907	1.34%	0%
Shanthi Narayan (including joint holding with Subbaraman Narayan)	1,44,924	1.02%	0%	1,44,924	1.02%	0%
Harish Lakshman	1,39,817	0.98%	0%	1,39,817	0.98%	0%
Aditya Ganesh	1,14,281	0.80%	0%	1,14,281	0.80%	0%
Aparna Ganesh	68,511	0.48%	0%	68,511	0.48%	0%
Rama R Krishnan	61,452	0.43%	0%	61,452	0.43%	0%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Promoter name	As at March 31, 2024			As at March 31, 2023		
	Number of shares held	% of total shares	% change during the year	Number of shares held	% of total shares	% change during the year
Vinay Lakshman	56,698	0.40%	0%	56,698	0.40%	-0.35%
Malavika Lakshman (including joint holding with Harish Lakshman)	21,222	0.15%	0%	21,222	0.15%	0%
Rekha Sundar	15,610	0.11%	0%	15,610	0.11%	0%
Chitra Sundaresan	-	0.00%	-100%	8,109	0.06%	0%
Narayanaswamy Sundaresan (Legal Heir of Late. Chitra Sundaresan)	8,209	0.06%	100%	-	0.00%	0%
Pravin Kumar	2,800	0.02%	0%	2,800	0.02%	0%
Keshav Harish Lakshman	100	0.00%	0%	100	0.00%	0%

### 19.3 Particulars of shareholders holding more than 5 percent of equity shares in the Company:

Name of the shareholder	As at March 31 2024		As at March 31 2023	
	Number of shares held	% of holding in shares	Number of shares held	% of holding in shares
Raman T G G	14,84,056	10.39%	14,84,056	10.39%
Lakshman L & Pushpa Lakshman	7,52,560	5.27%	7,52,560	5.27%
Ganesh L & Meenakshi Ganesh	7,19,096	5.04%	7,19,096	5.04%

### 19.4 Information regarding issue of shares in the last five years

There are no bonus shares or buy-back of shares or shares issued for consideration other than cash during a period of five years immediately preceding financial years as of the aforesaid reporting dates.

## 20. Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
General reserve	61,610	51,241
Retained earnings	19,540	20,240
Capital redemption reserve	1,473	1,473
Capital reserve	73	72
Securities premium	4,433	4,433
Amalgamation adjustment account	(13)	(13)
Foreign currency translation reserve	(995)	(1,855)
Capital reserve on consolidation	1,771	1,771
Equity instruments through OCI	1,301	1,998
	<b>89,193</b>	<b>79,360</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## a. General reserve

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	<b>51,241</b>	<b>49,786</b>
Additions during the year	10,234	1,128
Acquisition of non-controlling interests	135	327
<b>Balance at the end of the year</b>	<b>61,610</b>	<b>51,241</b>

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act, 2013 and rules made thereunder.

## b. Retained earnings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	<b>20,240</b>	<b>17,259</b>
Profit / (loss) for the year	12,377	6,227
Other comprehensive income	(192)	43
Acquisition of non-controlling interests	(224)	(448)
Payments of dividend on equity shares	(2,427)	(1,713)
Transfer to general reserves	(10,234)	(1,128)
<b>Balance at the end of the year</b>	<b>19,540</b>	<b>20,240</b>

Retained earnings represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years. The balance in retained earnings can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.

Balance of retained earnings at the end of the year includes cumulative other comprehensive loss arising from remeasurement of defined benefit obligations, net of tax, amounting to ₹361.

In respect of the year ended March 31, 2024, the directors proposed a dividend of ₹25 per share (March 31, 2023: ₹17 per share) be paid to all holders of fully paid equity shares. This equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these consolidated financial statements. The total estimated equity dividend to be paid is ₹3,569 (March 31, 2023: ₹2,427).

## c. Capital redemption reserve

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	<b>1,473</b>	<b>1,473</b>
Acquisition of non-controlling interests	-	-
<b>Balance at the end of the year</b>	<b>1,473</b>	<b>1,473</b>

The Companies Act, 2013 requires that where a Company purchases its own shares out of free reserves or securities premium, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the Company, in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares. The Group established this reserve pursuant to the redemption of preference shares issued in earlier years.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### d. Capital reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	72	69
Acquisition of non-controlling interests	1	3
<b>Balance at the end of the year</b>	<b>73</b>	<b>72</b>

The Group recognises profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

### e. Securities premium

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning and end of the year	4,433	4,433

Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

### f. Amalgamation adjustment account

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	(13)	(13)
Acquisition of non-controlling interests	-	-
<b>Balance at the end of the year</b>	<b>(13)</b>	<b>(13)</b>

At the time of business combination under common control, amalgamation adjustment reserve of transferor company becomes the amalgamation adjustment reserve of transferee Company.

### g. Foreign currency translation reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	(1,855)	(574)
Additions during the year	860	(1,281)
<b>Balance at the end of the year</b>	<b>(995)</b>	<b>(1,855)</b>

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to statement of profit or loss when the net investment is disposed-off.

### h. Capital reserve on consolidation

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning and end of the year	1,771	1,771

It arises when the cost to the parent of its investment in a subsidiary is less than the parent's portion of equity of the subsidiary, at the date on which investment in the subsidiary is made, the difference should be treated as a capital reserve in the consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## i. Equity instruments through OCI

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	<b>1,998</b>	<b>1,990</b>
Net gain / (loss) on FVOCI equity instruments, net of tax	(697)	8
<b>Balance at the end of the year</b>	<b>1,301</b>	<b>1,998</b>

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within equity. The Group transfers amounts therefrom to retained earnings when the relevant equity securities are derecognised.

## 21. Non-controlling interests

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of year	24,307	22,932
Share of profit / (loss) for the year	2,584	2,504
Share of other comprehensive income	297	(437)
Acquisition of non-controlling interests	88	80
Payments of dividend on equity shares	(965)	(772)
	<b>26,311</b>	<b>24,307</b>

The following table summarises the information relating to each of the Group's subsidiaries that has NCI, before any intra-group eliminations:

### For the year ended March 31, 2024

Particulars	Rane Engine Valve Limited	Rane (Madras) Limited	Rane Brake Lining Limited	Rane T4U Private Limited	Total
<b>NCI percentage as at March 31, 2024</b>	<b>41.71%</b>	<b>28.23%</b>	<b>49.97%</b>	<b>0.00%</b>	
Non-current assets	14,084	66,926	14,644	-	95,654
Current assets	21,299	69,990	25,428	-	1,16,717
Non-current liabilities	(5,618)	(29,782)	(702)	-	(36,102)
Current liabilities	(17,684)	(81,538)	(11,262)	-	(1,10,484)
Net assets	12,081	25,596	28,108	-	65,785
Less: Preference share subscribed by RHL	-	-	-	-	-
Net assets considered	12,081	25,596	28,108	-	65,785
<b>Net assets attributable to NCI</b>	<b>5,039</b>	<b>7,226</b>	<b>14,046</b>	<b>-</b>	<b>26,311</b>

  

Particulars	Rane Engine Valve Limited	Rane (Madras) Limited	Rane Brake Lining Limited	Rane T4U Private Limited	Total
<b>NCI percentage as at March 31, 2024</b>	<b>41.71%</b>	<b>28.23%</b>	<b>49.97%</b>	<b>0.00%</b>	
Revenue from operations	56,675	2,23,895	66,083	196	3,46,849
Profit	1,150	317	4,033	(19)	5,481

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(All amounts are in INR lakhs unless otherwise stated)

Particulars	Rane Engine Valve Limited	Rane (Madras) Limited	Rane Brake Lining Limited	Rane T4U Private Limited	Total
Other comprehensive income	75	1,129	(106)	-	1,098
Total comprehensive income	1,225	1,446	3,927	(19)	6,579
<b>Profit allocated to NCI</b>	<b>480</b>	<b>89</b>	<b>2,015</b>	<b>-</b>	<b>2,584</b>
<b>Other comprehensive income allocated to NCI</b>	<b>31</b>	<b>319</b>	<b>(53)</b>	<b>-</b>	<b>297</b>
<b>Total comprehensive income allocated to NCI</b>	<b>511</b>	<b>408</b>	<b>1,962</b>	<b>-</b>	<b>2,881</b>
Cash flows from/ (used in) operating activities	4,171	12,006	2,929	28	19,134
Cash flows from / (used in) investing activities	(2,531)	(11,926)	(1,265)	59	(15,663)
Cash flows from / (used in) financing activities (dividends to NCI - RBL - ₹965)	(2,191)	(1,392)	(1,953)	(55)	(5,591)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(551)</b>	<b>(1,312)</b>	<b>(289)</b>	<b>32</b>	<b>(2,120)</b>

## For the year ended March 31, 2023

Particulars	Rane Engine Valve Limited	Rane (Madras) Limited	Rane Brake Lining Limited	Rane T4U Private Limited	Total
<b>NCI percentage as at March 31, 2023</b>	<b>42.72%</b>	<b>28.23%</b>	<b>49.97%</b>	<b>1.41%</b>	
Non-current assets	13,673	58,499	13,649	268	86,089
Current assets	21,540	76,393	23,766	361	1,22,060
Non-current liabilities	(6,182)	(28,166)	(536)	(144)	(35,028)
Current liabilities	(18,549)	(82,576)	(10,766)	(373)	(1,12,264)
Net assets	10,482	24,150	26,113	112	60,857
Less: Preference share subscribed by RHL	-	-	-	(2,785)	(2,785)
Net assets considered	10,482	24,150	26,113	(2,673)	58,072
<b>Net assets attributable to NCI</b>	<b>4,478</b>	<b>6,818</b>	<b>13,049</b>	<b>(38)</b>	<b>24,307</b>

Particulars	Rane Engine Valve Limited	Rane (Madras) Limited	Rane Brake Lining Limited	Rane T4U Private Limited	Total
<b>NCI percentage as at March 31, 2023</b>	<b>42.72%</b>	<b>28.23%</b>	<b>49.97%</b>	<b>1.41%</b>	
Revenue from operations	49,757	2,35,444	59,880	734	3,45,815
Profit	(10)	2,987	3,341	(224)	6,094
Other comprehensive income	26	(1,651)	34	-	(1,591)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(All amounts are in INR lakhs unless otherwise stated)

Particulars	Rane Engine Valve Limited	Rane (Madras) Limited	Rane Brake Lining Limited	Rane T4U Private Limited	Total
Total comprehensive income	16	1,336	3,375	(224)	4,503
<b>Profit allocated to NCI</b>	(5)	843	1,669	(3)	2,504
<b>Other comprehensive income allocated to NCI</b>	<b>12</b>	<b>(466)</b>	<b>17</b>	<b>-</b>	<b>(437)</b>
<b>Total comprehensive income allocated to NCI</b>	<b>7</b>	<b>377</b>	<b>1,686</b>	<b>(3)</b>	<b>2,067</b>
Cash flows from/ (used in) operating activities	2,061	8,764	4,934	(118)	15,641
Cash flows from / (used in) investing activities	(1,930)	(10,603)	(4,796)	263	(17,066)
Cash flows from / (used in) financing activities (dividends to NCI - RBL - ₹772 )	574	3,512	(1,564)	(181)	2,341
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>705</b>	<b>1,673</b>	<b>(1,426)</b>	<b>(36)</b>	<b>916</b>

## Acquisition of NCI:

During the year, the Group ownership interest in Rane Engine Valve Limited increased from 57.28% in March 31, 2023 to 58.29% in March 31, 2024.

## 22. Borrowings

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Financial liabilities at amortised cost</b>				
<b>Secured</b>				
Term loans				
- from banks	20,060	26,275	35,662	8,921
- from others	9,106	4,150	2,020	1,000
Loans repayable on demand (refer note 22.3.3)	-	-	6,200	7,218
Other loans from banks	-	-	-	28,006
<b>Unsecured</b>				
Term loans				
- from banks	1,333	2,933	1,600	1,600
- from others	-	120	-	145
Other loans from banks	-	-	6,000	4,500
Bills discounting	-	-	266	417
	<b>30,499</b>	<b>33,478</b>	<b>51,748</b>	<b>51,807</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 22.1 Summary of borrowing arrangements

As at March 31 2024

### Secured

Particulars	Amount	Loan taken by	Terms of repayment
HDFC Bank - INR Long Term Loan	148	RML	Repayable in 16 equal quarterly Instalments commencing from September 2020 with 1 Year of moratorium period (after considering Moratorium announced by RBI)
HDFC Bank - INR Long Term Loan	2,955	RML	Repayable in 20 structured quarterly Instalments commencing from February 2022
HDFC Bank - INR Long Term Loan	3,122	RML	Repayable in 48 equal monthly Instalments commencing from May 2024 with 2 years of moratorium period
HDFC Bank - INR Long Term Loan	7,372	RML	Repayable in 20 equal quarterly Instalments commencing from February 2024
Federal Bank - INR Long Term Loan	708	RML	Repayable in 12 equal quarterly Instalments commencing from September 2021 with 2 years of moratorium period
Exim Bank - INR Long Term Loan	7,932	RML	Repayable in 16 equal quarterly Instalments commencing from October 2023 with 1 year of moratorium period
TATA Capital - INR Long Term Loan	6,024	RML	Repayable in 16 equal quarterly Instalments commencing from August 2024 with 1 year of moratorium period
Bajaj Finance - INR Long Term Loan	5,039	RML	Repayable in 48 equal monthly Instalments commencing from August 2024 with 1 year of moratorium period
HDFC Bank Ltd - Loan 4	366	REVL	Repayable in 12 equal quarterly instalments commencing from April 2022
Indus Ind Bank Ltd	1,586	REVL	Repayable in 16 equal quarterly instalments commencing from September 2024
Yes Bank Ltd	1,498	REVL	Repayable in 12 equal quarterly instalments commencing from September 2024.
HDFC Bank Ltd (ECLGS Loan 1)	538	REVL	Repayable in 49 equal quarterly instalments commencing from April 2022
HDFC Bank Ltd (ECLGS Loan 2)	1,093	REVL	Repayable in 48 equal quarterly instalments commencing from May 2025
Federal Bank Ltd (ECLGS Loans)	629	REVL	Repayable in 46 equal quarterly instalments commencing from April 2022

### Unsecured

Particulars	Amount	Loan taken by	Terms of repayment
Axis Bank - INR Long Term Loan	2,933	RML	Repayable in 48 equal monthly Instalments commencing from February 2022 with 1 year of moratorium period

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## As at March 31 2023

### Secured

Particulars	Amount	Loan taken by	Terms of repayment
HDFC Bank - INR Long Term Loan	527	RML	Repayable in 16 equal quarterly Instalments commencing from September 2020 with 1 Year of moratorium period (after considering Moratorium announced by RBI)
HDFC Bank - INR Long Term Loan	3,527	RML	Repayable in 20 structured quarterly Instalments commencing from February 2022
HDFC Bank - INR Long Term Loan	3,121	RML	Repayable in 48 equal monthly Instalments commencing from May 2024 with 2 years of moratorium period
Federal Bank - INR Long Term Loan	3,542	RML	Repayable in 12 equal quarterly Instalments commencing from September 2021 with 2 years of moratorium period
Exim Bank - INR Long Term Loan	9,000	RML	Repayable in 16 equal quarterly Instalments commencing from October 2023 with 1 year of moratorium period
EXIM Bank - Foreign Currency Term Loan (USD)	9,056	RML	Repayable in 12 structured quarterly Instalments commencing from February 2022 with 2 years of moratorium period
HDFC Bank Limited (Loan 1)	144	RHL	The loan was availed during the year ended March 31, 2022. The loan is repayable in 20 equal quarterly instalments commencing from June 2022 .
HDFC Bank Limited (Loan 2)	272	RHL	The loan was availed during the year ended March 31, 2023 in multiple tranches. The loan is repayable in 16 equal quarterly instalments commencing from July 2023 .
HDFC Bank Ltd - Loan 4	732	REVL	Repayable in 12 equal quarterly instalments commencing from April 2022
HDFC Bank Ltd - Loan 5	600	REVL	Repayable in 12 equal quarterly instalments commencing from December 2023
Federal Bank Ltd	566	REVL	Repayable in 14 equal quarterly instalments commencing from November 2020.
Yes Bank Ltd	1,306	REVL	Repayable in 12 equal quarterly instalments commencing from September 2024.
HDFC Bank Ltd (ECLGS Loan 1)	796	REVL	Repayable in 49 equal quarterly instalments commencing from April 2022
HDFC Bank Ltd (ECLGS Loan 2)	1,093	REVL	Repayable in 48 equal quarterly instalments commencing from May 2025
Federal Bank Ltd (ECLGS Loans)	914	REVL	Repayable in 46 equal quarterly instalments commencing from April 2022
<b>Secured loan from banks</b>	<b>35,196</b>		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Amount	Loan taken by	Terms of repayment
Term loan from Axis Finance Limited	5,150	RHL	The loan was availed in multiple tranches. The loan is repayable in 20 unequal quarterly instalments commencing from September 2022 with 18 months of moratorium period.
<b>Secured loan from others</b>	<b>5,150</b>		
<b>Unsecured</b>			
Particulars	Amount	Loan taken by	Terms of repayment
Axis Bank - INR Long Term Loan	4,533	RML	Repayable in 48 equal monthly Instalments commencing from February 2022 with 1 year of moratorium period
<b>Unsecured loan from banks</b>	<b>4,533</b>		
Term Loan from Tata Capital Financial Services Private Limited	265	Rane t4u	<p>Loan availed ₹500 is repayable in 33 equated monthly instalments of ₹15.15 each commencing from February 2018. Interest is payable on monthly basis commencing from October 31, 2017</p> <p>Loan availed ₹200 is repayable in 48 equated monthly instalments of ₹5.09 each commencing from September 2019. Interest is payable on monthly basis commencing from December 15, 2018</p> <p>Loan availed ₹200 is repayable in 48 monthly instalments of ₹4.17 each commencing from November 2020. Interest is payable on monthly basis commencing from December 15, 2019</p> <p>Loan availed ₹89 is repayable in 48 monthly instalments of ₹1.86 each commencing from April 2021. Interest is payable on monthly basis commencing from April 15, 2020</p> <p>Loan availed ₹100 is repayable in 48 equated monthly instalments of ₹2.08 each commencing from November 2020. Interest is payable on monthly basis commencing from December 15, 2019</p>
<b>Unsecured loan from others</b>	<b>265</b>		

### 22.2 Other borrowing notes

Term loans were applied for the purpose for which they were obtained. Further, short term loans availed have not been utilised for long term purposes by the Group.

None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

Information about the Group's exposure to interest rate, foreign currency and liquidity risk is disclosed in note 47.

### 22.3 Summary of borrowing arrangements

#### 1. In respect of RML:

##### Secured loan

Secured loans include loan from banks. The Secured Loans outstanding as at March 31, 2024 and March 31, 2023 are secured by a charge created on the Company's fixed assets both present and future (excluding immovable properties in Velachery).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

EXIM Bank Loan as at March 31, 2023 was secured against all movable Property, Plant and Equipment, current assets of Rane Light Metal Castings Inc., shares of Rane Light Metal Castings Inc. held by Rane (Madras) International Holdings B.V. and an unconditional and irrevocable Standby Letter of Credit provided and by a charge created on the Company's Fixed Assets both present and future (excluding Velachery and Mysuru properties). The loan has been fully repaid during the current year.

The interest rate for INR loans range from 6.78% p.a to 9.80% p.a (March 31, 2023 :6.02% p.a to 9.21% p.a.)

### Short-term borrowings

Secured loans include cash credit, packing credit, Buyers credit and working capital demand loan from banks. The Secured Loans outstanding as at March 31, 2024 and 2023 are secured on a pari passu basis by way of hypothecation of inventories and book debts.

\*\* EXIM Bank loan as at March 31, 2023 was secured against all movable property, plant and equipment, current assets of Rane Light Metal Castings Inc. and shares of Rane Light Metal Castings Inc. held by Rane (Madras) International Holdings B.V.

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 47.

The interest rate for INR loans range from 4.75% p.a to 10.76% p.a (March 31, 2023: 4.35% p.a. to 8.25% p.a.)

### 2. In respect of RHL:

The interest rate range from 8.57% p.a to 9.30% p.a for the loans outstanding as at March 31, 2023.

The term loans outstanding as at March 31, 2023 which were availed from HDFC Bank Limited were secured by a Pari-passu charge created on the Company's land located at Teynampet, Chennai and loan availed from Axis Finance Limited was secured by a first charge created on the Company's land and building located at Perungudi, Chennai.

### 3. In respect of REVL:

Rupee Term loans are secured by Pari-passu basis first charge on the company's immovable and movable fixed assets both present and future.

ECLGS loans are secured as stated below:

HDFC Bank Ltd - Secured by second rank charge on all existing primary and collateral securities including mortgages created in favour of the Bank.

Federal Bank Ltd - Security interest/charge on all movable/immovable assets created out of the ECLGS Loan. Second charge on all primary and collateral securities available for the existing facilities.

The interest rate for loans range from 8.75% p.a to 10.35% p.a (March 31, 2023: 8.75% p.a to 10.35% p.a).

- i) Short term borrowings are secured with first pari-passu charge by hypothecation of raw materials, work in progress, finished goods, stores & spares and book debts of the company, both present and future.
- ii) Bill discounting from Banks represents liability in respect of vendor financing facility availed by certain Customers with recourse to the Company.
- iii) None of the above loans have been guaranteed by any Directors or others.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 22.4 Reconciliation of cash flows from financing activities

Particulars	Total
<b>Balance as at April 01, 2022</b>	<b>77,679</b>
<b>Changes from financing cash flows</b>	
Proceeds from long term borrowings	12,776
Repayment of long term borrowings	(10,757)
Proceeds from / (repayment) of short term borrowings , net	4,376
<b>Other changes</b>	
Others	1,191
Interest expense	4,811
Interest paid	(4,791)
<b>Balance as at March 31, 2023</b>	<b>85,285</b>
<b>Changes from financing cash flows</b>	
Proceeds from long term borrowings	20,293
Repayment of long term borrowings	(23,568)
Proceeds from / (repayment) of short term borrowings , net	152
<b>Other changes</b>	
Others	(106)
Interest expense	7,001
Interest paid	(6,810)
<b>Balance as at March 31, 2024</b>	<b>82,247</b>

## 23. Other financial liabilities

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	-	-	63	62
Derivative liabilities	-	-	4	234
Security deposits	160	151	124	128
Unclaimed dividend	-	-	98	96
Employee related dues	-	-	3,600	4,069
Capital creditors	-	-	1,026	610
Commission payable	-	-	370	223
Termination benefit under voluntary retirement scheme	-	-	-	88
Others (refer note 23.1 )	-	-	3,515	3,447
	<b>160</b>	<b>151</b>	<b>8,800</b>	<b>8,957</b>

23.1 Others include an accrued amount of ₹59 in the earlier years towards arrears of lease rent for the land taken under lease and dealer incentives and royalty payable amounting to ₹2,953 and ₹501 respectively as at March 31, 2024 ( March 31, 2023 - ₹2,908 and ₹364 respectively).

23.2 The Group's exposure to credit risk and market risk are disclosed in note 47.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 24. Provisions

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Provisions for employee benefits</b>				
Gratuity (refer note 38)	495	800	835	233
Leave encashment	2,239	2,064	525	316
Pension plan (refer note 38)	-	1,088	-	-
<b>Other provisions (refer note 24.1)</b>				
Product warranty	-	-	1,453	726
Others	-	-	-	-
	<b>2,734</b>	<b>3,952</b>	<b>2,813</b>	<b>1,275</b>

Note 24.1 Movements in each class of provision are set out below:

Particulars	Product warranty		Others	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	<b>726</b>	<b>485</b>	<b>-</b>	<b>77</b>
Provision made during the year	3,015	789	-	-
Provision used against claims settled / transfer made during the year	(2,288)	(548)	-	(77)
<b>Balance at the end of the year</b>	<b>1,453</b>	<b>726</b>	<b>-</b>	<b>-</b>

### 25. Other liabilities

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Deferred income	379	-	126	63
Advances and deposits from customers	-	-	240	233
Tooling advance	-	921	1,725	85
Statutory dues	-	-	2,184	1,900
Unearned revenue	-	376	-	16
Others	-	-	760	520
	<b>379</b>	<b>1,297</b>	<b>5,035</b>	<b>2,817</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 26. Current tax liabilities, net

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for tax , net	31	1
	<b>31</b>	<b>1</b>

## 27. Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	2,885	2,411
Total outstanding dues of creditors other than micro enterprises and small enterprises	39,359	46,201
	<b>42,244</b>	<b>48,612</b>

The Group's exposure to credit and liquidity risk is disclosed in note 47

### Trade payables ageing schedule - Outstanding for following periods from the due date of payment

Particulars	Disputed dues		Undisputed dues		Total
	MSME	Others	MSME	Others	
<b>As at March 31, 2024</b>					
Not due	-	-	2,766	21,921	24,687
Less than 1 year	-	-	118	13,574	13,692
1-2 years	-	-	1	20	21
2-3 years	-	-	-	-	-
More than 3 years	-	-	-	25	25
<b>Sub-total</b>			<b>2,885</b>	<b>35,540</b>	<b>38,425</b>
Add: Unbilled dues					3,819
<b>Total</b>					<b>42,244</b>
<b>As at March 31, 2023</b>					
Not due	-	-	2,064	10,908	12,972
Less than 1 year	-	-	345	29,834	30,179
1-2 years	-	-	-	164	164
2-3 years	-	-	2	68	70
More than 3 years	-	-	-	25	25
<b>Sub-total</b>			<b>2,411</b>	<b>40,999</b>	<b>43,410</b>
Add: Unbilled dues					5,202
<b>Total</b>					<b>48,612</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 28. Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>a. Sale of products &amp; services</b>		
Sale of products	3,41,260	3,39,275
Rendering of services	6,699	6,148
<b>Sub-total</b>	<b>3,47,959</b>	<b>3,45,423</b>
<b>b. Other operating revenue</b>		
Scrap sales	3,103	3,684
Export incentives	1,593	1,366
Others	327	360
<b>Sub-total</b>	<b>5,023</b>	<b>5,410</b>
<b>Total</b>	<b>3,52,982</b>	<b>3,50,833</b>

### Reconciliation of revenue from sale of products with contract price

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gross revenues	3,46,843	3,45,236
Customer discount	(5,583)	(5,961)
<b>Net revenues from sale of products</b>	<b>3,41,260</b>	<b>3,39,275</b>

### Reconciliation of revenue from rendering of services

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gross revenues	6,699	6,148
Customer discount	-	-
<b>Net revenues from rendering of services</b>	<b>6,699</b>	<b>6,148</b>

#### a) Disaggregation of the revenue information:

The Group offers various products and services related to manufacture and supply of auto components and providing technological services for transportation industry. As per the management, the disaggregation of revenue based on geography are depicted in Note 40.

#### b) Trade receivables:

The Group classifies the right to consideration in exchange for services/deliverables as receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods are delivered to the customer/when the related services are rendered to the customer. Trade receivable are presented net of loss allowance in the Balance Sheet.

#### c) Contract balances:

The following disclosure provides information about trade receivables, contract assets and contract liabilities from contracts with customers:



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Receivables, included under trade receivables	60,367	64,218
Contract liabilities included under advance from customers	240	233
Contract liabilities included under deferred and unearned revenue	505	455

The contract liabilities primarily relate to the advance consideration received from customers for manufacturing of products.

The amount of ₹688 included in contract liabilities as at March 31, 2023, has been recognised as revenue for the year ended March 31, 2024 (March 31, 2023: ₹400).

### 29. Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income earned on financial assets		
- from bank deposits	403	106
- Others	37	11
Interest income - Income tax refund	51	39
Gain on current investments mandatorily measured at FVTPL	250	68
Foreign exchange gain, net	2	1,434
Gain on write back of financial liabilities carried at amortised cost	31	682
Gain on sale of property, plant and equipment	90	29
Government grant income	59	130
Other non-operating income	493	414
<b>Total</b>	<b>1,416</b>	<b>2,913</b>

### 30. Cost of materials consumed

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening stock of raw materials	14,580	15,159
Add: Purchase of raw materials (includes deletions on account of disposal of step-down subsidiary amounting to INR 147)	1,87,036	1,90,565
Less: Closing stock of raw materials	14,374	14,580
	<b>1,87,242</b>	<b>1,91,144</b>
Freight inward	2,722	3,250
Job work expenses	10,626	10,481
<b>Total</b>	<b>2,00,590</b>	<b>2,04,875</b>

### 31. Purchase of stock-in-trade

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Purchase of stock-in-trade	1,051	907

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 32. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Inventories at the end of the year:</b>		
Finished goods	16,300	16,342
Work-in-progress	5,430	6,168
Stock-in-trade	260	228
	21,990	22,738
<b>Inventories at the beginning of the year:</b>		
Finished goods	16,342	14,299
Work-in-progress	6,168	5,235
Stock-in-trade	228	286
	22,738	19,820
<b>Net (increase)/decrease</b>		
Finished goods	42	(2,043)
Work-in-progress	738	(933)
Stock-in-trade	(32)	58
<b>De-recognition on disposal of subsidiaries</b>		
Work-in-progress	(576)	-
Finished goods	(550)	-
<b>Total</b>	<b>(378)</b>	<b>(2,918)</b>

## 33. Employee benefits expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	43,592	44,760
Contribution to provident and other funds (refer note 38)	3,297	3,940
Staff welfare expenses	4,243	4,017
<b>Total</b>	<b>51,132</b>	<b>52,717</b>

## 34. Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense		
- On loans	6,946	4,681
- On lease liabilities	132	170
- On others	1	1
Other borrowing costs (including exchange differences)	55	130
<b>Total</b>	<b>7,134</b>	<b>4,982</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 35. Depreciation and amortisation expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment	13,017	13,231
Amortisation of intangible assets	308	511
Depreciation of right-of-use assets	375	431
<b>Total</b>	<b>13,700</b>	<b>14,173</b>

## 36. Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of stores and spares	12,845	12,302
Power and fuel	11,908	12,459
Rent (refer note 43)	216	559
Rates and taxes	993	554
Insurance	1,632	1,697
Repairs and maintenance		
- Building	608	630
- Plant and equipment	5,686	5,697
- Others	1,499	1,510
Administration expenses	552	570
Directors' sitting fees	69	55
Chairman and Managing Director commission (refer note 39)	378	223
Payment to auditors	184	136
Advertisement and sales promotion	638	519
Foreign exchange loss, net	1,386	162
Freight and cartage outward	6,564	6,786
Travel expenses	2,749	2,354
Corporate social responsibility expenditure	278	196
Professional charges	3,532	2,960
Information systems expenses	1,404	1,279
Packing, forwarding and dispatching	10,523	9,644
Warranty and other claims	1,155	789
Royalty and technical fees	632	806
Impairment of financial assets	1,925	374
Miscellaneous expenses	1,083	1,043
<b>Total</b>	<b>68,439</b>	<b>63,304</b>

36.1 The Group and its joint venture / associate entities have not traded or invested in Crypto currency or virtual currency during the financial year.

36.2 The Group and its joint venture / associate entities does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

- 36.3 The Group and its joint venture / associate entities does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.
- 36.4 The Group and its joint venture / associate entities have not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group or its joint venture / associate entities (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries other than in the ordinary course of business.
- 36.5 The Group and its joint venture / associate entities have not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group and its joint venture / associate entities shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 36.6 The Group and its joint venture / associate entities does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period as at the reporting date
- 36.7 The Group and its joint venture / associate entities has not entered into any scheme of arrangement as per sections 230 to 237 of the Companies Act, 2013.
- 36.8 The Group and its joint venture / associate entities has complied with the number of layers prescribed under the Companies Act, 2013.
- 36.9 In one of the subsidiary company, there were certain whistle blower complaints in respect of which detailed investigation is ongoing. However, based on procedures performed by such subsidiary company at this stage, the Group believes that underlying allegations have no material impact on these consolidated financial statements.
- 36.10 The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts except for two subsidiary companies, the reconciliation and reasons for discrepancies are as follows:

**RML:**

Quarter	Name of banks	Particulars of information submitted	Amount as per the subsidiary company's books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-23	(i) RBL Bank Limited	Trade receivables	36,873	35,670	1,203	The amount reported excludes debtors more than 90 days
	(ii) Kotak Mahindra Bank					
	(iii) HDFC Bank					
	(iv) DBS Bank India Limited	Trade payables	30,725	21,087	9,638	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank
	(v) Standard chartered Bank					
	(vi) Axis Bank					
	(vii) ICICI Bank					
	(viii) State Bank of India					

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Quarter	Name of banks	Particulars of information submitted	Amount as per the subsidiary company's books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Sep-23	(i) RBL Bank Limited	Trade receivables	34,957	33,668	1,289	The amount reported excludes debtors more than 90 days
	(ii) Kotak Mahindra Bank					
	(iii) HDFC Bank					
	(iv) DBS Bank India Limited	Trade payables	31,624	20,394	11,230	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank
	(v) Standard chartered Bank					
	(vi) Axis Bank					
	(vii) ICICI Bank					
	(viii) State Bank of India					
Dec-23	(i) RBL Bank Limited	Trade receivables	39,785	38,975	810	The amount reported excludes debtors more than 90 days.
	(ii) Kotak Mahindra Bank					
	(iii) HDFC Bank					
	(iv) DBS Bank India Limited	Trade payables	34,088	21,219	12,869	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank
	(v) Standard chartered Bank					
	(vi) Axis Bank					
	(vii) ICICI Bank					
	(viii) State Bank of India					
Mar-24		Trade receivables	33,956	36,943	(2,987)	The amount reported excludes debtors more than 90 days.
	(i) RBL Bank Limited	Trade payables	28,488	17,534	10,954	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank
	(ii) Kotak Mahindra Bank					
	(iii) HDFC Bank					
	(iv) DBS Bank India Limited					
	(v) Standard chartered Bank					
	(vi) Axis Bank	Inventory	24,034	23,801	233	Inventory amount as per books includes certain items of inventory that were not grouped in inventory for return submission
	(vii) ICICI Bank					
(viii) State Bank of India						

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### Notes:

1. Impact considered through cumulative information provided for the financial year during quarterly returns/statements submission except as at March 31, 2024
2. Quarterly information requirements for individual banks may be different for similar line items.
3. The above information is based on the revised returns/ statements filed.

### REVL:

Quarter	Name of banks	Particulars of information submitted	Amount as per the subsidiary company's books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-23	(i) HDFC Bank (ii) Standard chartered Bank (iii) IndusInd Bank Limited (iv) Yes Bank (v) Federal Bank	Trade receivables	10,966	10,808	158	The amount reported excludes debtors more than 90 days
		Trade payables	8,062	4,112	3,950	Unbilled expenses, provisions and non stock bills under trade payables are not considered in the quarterly return / statement submitted to bank
		Inventory	8,696	9,199	(503)	Internal provisions are not considered in the quarterly statements submitted to the bank
		Trade receivables	10,761	10,558	203	The amount reported excludes debtors more than 90 days
		Trade payables	8,833	4,036	4,797	Unbilled expenses, provisions and non stock bills under trade payables are not considered in the quarterly return / statement submitted to bank
Sep-23	(i) HDFC Bank (ii) Standard chartered Bank (iii) IndusInd Bank Limited (iv) Yes Bank (v) Federal Bank	Inventory	8,710	9,288	(578)	Internal provisions are not considered in the quarterly statements submitted to the bank

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Quarter	Name of banks	Particulars of information submitted	Amount as per the subsidiary company's books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
		Trade receivables	10,334	10,466	(132)	The amount reported excludes debtors more than 90 days
Dec-23	(i) HDFC Bank (ii) Standard chartered Bank (iii) IndusInd Bank Limited (iv) Yes Bank (v) Federal Bank	Trade payables	8,267	3,545	4,722	Unbilled expenses, provisions and non stock bills under trade payables are not considered in the quarterly return / statement submitted to bank
		Inventory	8,791	9,333	(542)	Internal provisions are not considered in the quarterly statements submitted to the bank
		Trade receivables	11,376	11,297	79	The amount reported excludes debtors more than 90 days
Mar-24	(i) HDFC Bank (ii) Standard chartered Bank (iii) IndusInd Bank Limited (iv) Yes Bank (v) Federal Bank	Trade payables	7,857	3,271	4,586	Unbilled expenses, provisions and non stock bills under trade payables are not considered in the quarterly return / statement submitted to bank
		Inventory	8,730	9,476	(746)	Internal provisions are not considered in the quarterly statements submitted to the bank

### 37. Tax reconciliation:

#### Income tax recognised in profit or loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Current tax expense</b>		
In respect of current year	3,009	5,860
<b>Deferred tax:</b>		
In respect of current year	(10,400)	(809)
<b>Total</b>	<b>(7,391)</b>	<b>5,051</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## Reconciliation of effective tax rate

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Profit before tax</b>	<b>7,570</b>	<b>13,782</b>
Income tax expense calculated at the Holding Company's tax rate of 25.17%	1,905	3,469
Effect of :		
Differences in tax rates applicable to individual entities and impact of unrecognised deferred tax assets	303	1,739
Share of profit of equity accounted investee	(1,447)	23
Impact due to change in estimates (refer note below)	(8,275)	-
Others	123	(180)
<b>Income tax expense recognised in profit or loss</b>	<b>(7,391)</b>	<b>5,051</b>

## Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax on remeasurement of defined benefit plan	29	18
Equity investment through other comprehensive income		
Current tax	-	(63)
Deferred tax	253	103
<b>Total</b>	<b>282</b>	<b>58</b>

### Note

Consequent to sale of the entire stake by Rane (Madras) Limited in Rane Light Metal Casting Inc., Rane (Madras) International Holdings B.V has carried out a reduction of capital in non-convertible redeemable preference shares and equity shares issued to Rane (Madras) Limited. Rane (Madras) Limited has determined that it is eligible to claim the tax benefit arising from the underlying losses and has accordingly recorded a deferred tax asset of INR 11,334 in the current year. Rane (Madras) Limited has also obtained legal advice in this regard and believes that it will have sufficient future taxable profits to utilise this asset.

## 38. Employee benefit plans

### A. Defined contribution plans

The Group participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Group at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Group are as below:

#### (a) Provident fund

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Group entities in India are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees of the Group in India and the Group make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the Government.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### (b) Superannuation fund

The Group entities in India have a superannuation plan for the benefit of its employees. Employees who are members of the superannuation plan are entitled to benefits depending on the years of service and salary drawn. The Group entities in India contribute up to 15% of the eligible employees' salary to LIC every year. Such contributions are recognised as an expense as and when incurred. The Group does not have any further obligation beyond this contribution.

The total expense recognised in profit or loss of ₹1,947 (for the year ended March 31, 2023 : ₹1,638) represents contributions payable to these plans by such entities at rates specified in the rules of the plans.

### B. Defined benefit plans

The defined benefit plans operated by the Group are as below:

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Gratuity liability	495	800	835	233
Provision for pension plan	-	1,088	-	-
<b>Total</b>	<b>495</b>	<b>1,888</b>	<b>835</b>	<b>233</b>

### (a) Gratuity

The Group's entities in India have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees upon resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. Some of the entities in the Group makes annual contributions to gratuity funds established as trusts or insurance companies. The Group accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The defined benefit plans typically expose the Group to actuarial risks such as investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table summarises the position of assets and obligations relating to the plan:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	8,716	8,111
Fair value of plan assets	7,386	7,078
<b>Net liability recognised in the balance sheet</b>	<b>1,330</b>	<b>1,033</b>
<b>Current</b>	<b>835</b>	<b>233</b>
<b>Non-current</b>	<b>495</b>	<b>800</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

**(i) Movements in the present value of the defined benefit obligation are as follows:**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening defined benefit obligation	8,111	7,520
Current service cost	507	505
Interest cost	572	528
<b>Remeasurement (gains) / losses :</b>		
Actuarial (gains) and losses arising from changes in demographic assumptions	258	178
Actuarial (gains) and losses arising from changes in financial assumptions	15	(43)
Actuarial (gains) and losses arising from experience adjustments	(127)	0
Transfer in/out Value	(4)	-
Benefits paid	(616)	(577)
<b>Closing defined benefit obligation</b>	<b>8,716</b>	<b>8,111</b>

**(ii) Movements in the fair value of the plan assets**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening fair value of plan assets	7,078	6,537
Interest income	503	342
<b>Remeasurement gain / (loss):</b>		
Return on plan assets (excluding amounts included in net interest expense)	(15)	139
Contributions from the employer	440	636
Transfer In	(16)	-
Benefits paid	(604)	(576)
<b>Closing fair value of plan assets</b>	<b>7,386</b>	<b>7,078</b>

**(iii) Amounts recognised in statement of profit and loss & other comprehensive income in respect of these defined benefit plans are as follows:**

Particulars	As at March 31, 2024	As at March 31, 2023
Current service cost	507	505
Net interest expense	69	47
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>576</b>	<b>552</b>
<b>Remeasurement on the net defined benefit liability*:</b>		
Actuarial (gains) / losses arising from changes in demographic assumptions	273	178
Actuarial (gains) / losses arising from changes in financial assumptions	15	(47)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Actuarial (gains) / losses arising from experience adjustments	(127)	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>161</b>	<b>131</b>
<b>Total</b>	<b>737</b>	<b>683</b>

\*Group's share of other comprehensive income pertaining to Joint Venture / associate entities amounting to ₹140 (March 31, 2023: ₹80 ) not included in the above.

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

#### (iv) Risk Exposure

The Group has invested the plan assets with the insurer managed funds. The entire plan assets are managed by Life Insurance Corporation of India (LIC). The data on plan assets has not been furnished by LIC. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The expected rate of return on plan assets is based on the composition of plan assets held (through LIC), historical results of the return on plan assets, the Group's policy for plan asset management and other relevant factors.

#### (v) The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	March 31, 2024	March 31, 2023
<b>Discount rate(s)</b>	6.97% to 7.19%	7.19% to 7.32%
<b>Salary escalation</b>		
Executives and staff	4.50% to 9.00%	4.50% to 10.00%
Operators	4.50% to 9.00%	4.50% to 9.00%
<b>Attrition rate</b>		
Executives and staff	3.00% to 8.00%	3.00% to 25.00%
Operators	1.00% to 1.82%	1.00% to 2.09%

#### (vi) Sensitivity analysis

Change in assumption	March 31, 2024	March 31, 2023
<b>A. Discount rate + 50 BP</b>	<b>7.47% to 7.69%</b>	<b>7.69% to 7.82%</b>
Defined Benefit Obligation	8,460	7,864
<b>B. Discount rate - 50 BP</b>	<b>6.47% to 6.69%</b>	<b>6.69% to 6.82%</b>
Defined Benefit Obligation	8,994	8,377
<b>C. Salary escalation rate +50 BP</b>	<b>5.00% &amp; 9.50%</b>	<b>5.00% &amp; 10.50%</b>
Defined Benefit Obligation	8,982	8,365

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Change in assumption	March 31, 2024	March 31, 2023
<b>D. Salary escalation rate -50 BP</b>	<b>4.00% &amp; 8.50%</b>	<b>4.00% &amp; 9.50%</b>
Defined Benefit Obligation	8,472	7,876

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

## Defined benefit liability

The weighted average duration of the defined obligation (range) is 4.50 to 8.80 years (March 31, 2023: 4.10 to 10.23 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	March 31, 2024	March 31, 2023
Year 1	1,080	730
Year 2	1,077	662
Year 3	884	685
Year 4	794	529
Year 5	850	645
Next 5 Years	5,457	3,289

## In respect of an erstwhile subsidiary of Rane (Madras) Limited - Rane Light Metal Casting Inc., USA

### A. Defined contribution plans

Rane Light Metal Castings Inc. has a 401k plan set up for its employees. The contributions payable to these plans by Rane Light Metal Castings Inc. are at rates specified in the rules of the schemes.

The total expense recognised in profit or loss of (₹20) (for the year ended March 31, 2023: ₹87) represents contributions payable to these plans by LMCA at rates specified in the rules of the plans.

### B. Defined benefit plans

#### Pension -

A participant is eligible for his normal retirement pension after the participant has attained age of 62 and terminates employment. A participant shall receive a monthly benefit payable at normal retirement age equal to:

- \$23:00 multiplied by years of benefit service from December 2003 to October 10, 2005; plus
- \$24:00 multiplied by years of benefit service from October 2005 to October 9, 2006; plus
- \$25:00 multiplied by years of benefit service from October 9, 2006, to October 8, 2007; plus
- \$26:00 multiplied by years of benefit service from October 8, 2007 to December 16, 2010; plus
- \$16:00 multiplied by benefit service after December 16, 2010.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### Disability benefit:

The benefit will be payable in the form of a lifetime pension until the earliest of: recovery, death or normal retirement date.

### Death benefit:

If a participant dies after he/she has become vested under the Plan but before he/she begins to receive a retirement pension benefit, his/her spouse will receive a 50% survivor benefit if he/she has been married at least one year. The liability with regards to the Plan are determined by the actuarial valuation, performed by an independent actuary, at each balance sheet date using projected unit cost method. Rane Light Metal Castings Inc. contributes all ascertained liabilities to the registered investment companies which are held under a separate trust through custodian, Charles Schwab, as permitted by the Department of Labour, USA.

**Rane Light Metal Casting Inc. is exposed to various risks in providing the above pension benefit which are as follows:**

### Interest rate risk:

The plan exposes Rane Light Metal Castings Inc. to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements)

### Investment risk:

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment

### Salary escalation risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability

### Demographic risk:

Rane Light Metal Casting Inc. has used certain mortality and attrition assumptions in valuation of the liability. LMCA is exposed to the risk of actual experience turning out to be worse compared to the assumption

### (i) Movements in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Present value of the obligation at the beginning of the year	4,505	4,847
Current service cost	(20)	49
Interest cost	-	179
<b>Re-measurement (gains)/losses:</b>	-	-
- Actuarial gains and losses arising from experience adjustment	-	(7)
- Actuarial gains and losses arising from financial assumptions	-	(787)
Benefits paid	-	(170)
Foreign currency translation adjustment	-	394
<b>Deletion on account of disposal of subsidiary</b>	<b>(4,485)</b>	
<b>Present value of the obligation at the end of the year</b>	<b>-</b>	<b>4,505</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## (ii) Movements in the fair value of the plan assets

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Opening fair value of plan assets</b>	<b>3,417</b>	<b>3,520</b>
Interest income	-	130
Contributions from the employer	-	181
Benefits paid	-	(170)
Return on plan assets, excluding interest income	-	(533)
Foreign currency translation adjustment	-	289
Deletion on account of disposal of subsidiary	(3,417)	
<b>Closing fair value of plan assets</b>	<b>-</b>	<b>3,417</b>

## (iii) The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Present value of funded defined benefit obligation	-	4,505
Fair value of plan assets	-	3,417
<b>Net liability arising from defined benefit obligation</b>	<b>-</b>	<b>1,088</b>
Current	-	-
Non-current	-	1,088

## (iv) Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	(20)	49
Net Interest expense	-	49
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>(20)</b>	<b>98</b>
<b>Components of defined benefit cost recognised in other comprehensive income</b>		
Remeasurement on the net defined benefit liability:		
- Actuarial gains and losses arising from experience adjustment	-	(7)
- Actuarial gains and losses arising from financial assumptions	-	(787)
Return on plan assets	-	533
<b>Net income / (cost) in other comprehensive income</b>	<b>-</b>	<b>(261)</b>

Assumptions	Year ended March 31, 2024	Year ended March 31, 2023
<b>Discount rate</b>	<b>3.49%</b>	<b>3.49%</b>
<b>Salary escalation</b>		
Executives Managers & below / Senior Manager & above	0.00%	0.00%
Operators	0.00%	0.00%
<b>Expected rate of attrition</b>		
<b>Rate of employee turnover</b>	<b>90% of 2003 SoA SPAT Table</b>	<b>90% of 2003 SoA SPAT Table</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Rane Light Metal Castings Inc. has generally invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

### Sensitivity analysis

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Projected benefit obligation on current assumptions</b>	-	<b>4,504</b>
Delta effect of +0.5% change in rate of discounting	NA	(254)
Delta effect of -0.5% change in rate of discounting	NA	281

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

### Defined benefit liability

The weighted average duration of the defined benefit obligation is 10 years. The expected maturity analysis is as follows:

Particulars	March 31, 2024	March 31, 2023
Year 1	NA	212
Year 2	NA	205
Year 3	NA	213
Year 4	NA	224
Year 5	NA	234
Next 5 Years	NA	1,268

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 39. Related party disclosures

Description of relationship	Name of the related party
<b>List of related parties where joint control exists</b>	
Joint venture / associate entities	ZF Rane Automotive India Private Limited ('ZRAI') (formerly known as Rane TRW Steering Systems Private Limited (RTSS))
	ZF Rane Occupant Safety Systems Private Limited (subsidiary of ZRAI)
	TRW Sun Steering Wheels Private Limited (subsidiary of ZRAI effective March 28, 2024)
	Rane NSK Steering Systems Private Limited (RNSS)
<b>Other related parties where transactions have taken place</b>	
Key Management Personnel (KMP)	Mr. L Ganesh
	Mr. Harish Lakshman
Relative of KMP	Mr. L Lakshman
	Mr. Aditya Ganesh
Enterprises over which KMP or relatives of KMP can exercise significant influence	Rane Foundation
Post employment benefit plans	Rane Holdings Limited Gratuity Fund
	Rane Holdings Limited Senior Executives Superannuation Fund
	Rane Madras Employee Gratuity Fund
	Rane Madras Employee Senior Executives Pension Fund
	Rane Engine Valve Limited Employees Gratuity Fund
	Rane Engine Valve Limited Senior Executives Pension Fund
	Rane Brake Lining Limited Employees Gratuity Fund
	Rane Brake Lining Limited Senior Executives Pension Fund



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### Details of related party transactions:

Description	Joint venture / associate entities		Key management personnel		Relative of KMP		Enterprises over which KMP or relatives of KMP can exercise significant influence		Post employment benefit plans	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Transaction during the year</b>										
<b>Fee for services rendered</b>										
ZRAI	1,310	1,215	-	-	-	-	-	-	-	-
ZROS	60	-	-	-	-	-	-	-	-	-
RNSS	988	955	-	-	-	-	-	-	-	-
<b>Trademark fee income</b>										
ZRAI	2,007	1,774	-	-	-	-	-	-	-	-
ZROS	60	-	-	-	-	-	-	-	-	-
RNSS	1,704	1,494	-	-	-	-	-	-	-	-
<b>Fee for services received</b>										
ZRAI	25	11	-	-	-	-	-	-	-	-
RNSS	-	32	-	-	-	-	-	-	-	-
<b>Sales</b>										
ZRAI	986	1,327	-	-	-	-	-	-	-	-
RNSS	1	1	-	-	-	-	-	-	-	-
<b>Purchases</b>										
ZRAI	311	211	-	-	-	-	-	-	-	-
RNSS	4,323	3,344	-	-	-	-	-	-	-	-
<b>Reimbursement of expenses from</b>										
ZRAI	38	23	-	-	-	-	-	-	-	-
RNSS	7	17	-	-	-	-	-	-	-	-
<b>Reimbursement of expenses to</b>										
ZRAI	1	4	-	-	-	-	-	-	-	-
L Lakshman	-	-	-	-	1	2	-	-	-	-
<b>Dividend received</b>										
ZRAI	3,297	1,670	-	-	-	-	-	-	-	-
<b>CSR contributions to</b>										
Rane Foundation	-	-	-	-	-	-	223	115	-	-
<b>Advisory fee paid</b>										
L Lakshman	-	-	-	-	125	125	-	-	-	-
<b>Salary and other perquisites</b>										
L Ganesh	-	-	343	310	-	-	-	-	-	-
Harish Lakshman	-	-	131	94	-	-	-	-	-	-
Aditya Ganesh	-	-	-	-	94	76	-	-	-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Description	Joint venture / associate entities		Key management personnel		Relative of KMP		Enterprises over which KMP or relatives of KMP can exercise significant influence		Post employment benefit plans	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Commission</b>										
L Ganesh	-	-	378	223	-	-	-	-	-	-
Sitting fees	-	-	20	15	-	-	-	-	-	-
<b>Contribution to post employment benefit plan</b>										
Rane Holdings Limited Gratuity Fund	-	-	-	-	-	-	-	-	36	33
Rane Holdings Limited Senior Executives Superannuation Fund	-	-	-	-	-	-	-	-	33	36
Rane Madras Employee Gratuity Fund	-	-	-	-	-	-	-	-	43	251
Rane Madras Employee Senior Executives Pension Fund	-	-	-	-	-	-	-	-	72	55
Rane Engine Valve Limited Employees Gratuity Fund	-	-	-	-	-	-	-	-	240	240
Rane Engine Valve Limited Senior Executives Pension Fund	-	-	-	-	-	-	-	-	27	26
Rane Brake Lining Limited Employees Gratuity Fund	-	-	-	-	-	-	-	-	122	78
Rane Brake Lining Limited Senior Executives Pension Fund	-	-	-	-	-	-	-	-	-	25

## Details of related party balances:

Description	Joint venture / associate entities		Key management personnel		Relative of KMP		Enterprises over which KMP or relatives of KMP can exercise significant influence		Post employment benefit plans	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Balance as at March 31</b>										
<b>Trade payable</b>										
ZRAI	95	65	-	-	-	-	-	-	-	-
RNSS	741	787	-	-	-	-	-	-	-	-
<b>Commission payable</b>										
L Ganesh	-	-	378	223	-	-	-	-	-	-
<b>Receivables</b>										
ZRAI	345	575	-	-	-	-	-	-	-	-
ZROS	38	-	-	-	-	-	-	-	-	-
RNSS	173	155	-	-	-	-	-	-	-	-
<b>Other receivables</b>										
ZRAI	-	13	-	-	-	-	-	-	-	-
RNSS	-	13	-	-	-	-	-	-	-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## Remuneration to Key Management Personnel

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term benefits paid	829	606
Other long term benefits paid	23	21
<b>Total</b>	<b>852</b>	<b>627</b>

Note: Provision for gratuity and compensated absences for KMP amounts to INR 377 based on actuarial valuation.

## 40. Segment reporting

The Group is engaged in the activities related to manufacture and supply of auto components and providing technological services for transportation industry. The Chief Operating Decision Maker (Board of Directors) reviews the operating results as a whole for purposes of making decisions about resources to be allocated and assess its performance, the entire operations are to be classified as a single segment, namely components and technological services for transportation industry. All the manufacturing facilities are located in India and United States of America. Accordingly, there is no other reportable segment as per Ind AS 108 Operating Segments.

### Geographical information

The Group's revenue from external customers by location of operations and information about its non current assets\*\* by location of operations are detailed below.

Particulars	Revenue from external customers		Non-current assets**	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
India	2,66,991	2,63,744	84,794	81,450
Rest of the world	85,991	87,089	3,602	12,099
<b>Total</b>	<b>3,52,982</b>	<b>3,50,833</b>	<b>88,396</b>	<b>93,549</b>

The geographical information considered for disclosure are - India and Rest of the World.

\*\* Non-current assets are used in the operations of the Group to generate revenues both in India and outside India. Non-current assets exclude investment accounted for using equity method, financial assets, deferred tax assets and tax assets.

### Information about major customers

The group does not have any customers contributing more than 10% of the total sales.

## 41 a. Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Group not acknowledged as debts		
- Income tax matters	3,100	3,591
- Indirect tax matters	1,246	1,054
- Labour related matters	475	506
- Others - customer claim disputed by the Group	20	86
	<b>4,841</b>	<b>5,237</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(All amounts are in INR lakhs unless otherwise stated)

## b. Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account, net of advance	4,475	3,725
Uncalled liability on investment in Auto Tech I, L.P	188	267

In addition to the above, the Group from time to time is also engaged in proceedings pending with various authorities in the ordinary course of business. Judgement is required in assessing the range of possible outcomes for some of these matters, which could change substantially over time as each of the matters progresses depending on experience on actual assessment proceedings by the respective authorities and other judicial precedents. Based on its internal assessment supported by external legal counsel views, as considered necessary, the Group believes that it will be able to sustain its positions if challenged by the authorities and accordingly no additional provision / disclosures are required for these matters. The Management is of the view that above matters will not have any material adverse effect on the Group's financial position and results of operations.

## 42. Earnings per share ('EPS')

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit after tax attributable to the owners	12,377	6,227
Weighted average number of shares	1,42,77,809	1,42,77,809
a. Basic Earning per share (₹)	86.67	43.61
b. Diluted Earnings per share (₹)	86.67	43.61

## 43. Leases

### a. Break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	576	404
Non-current lease liabilities	2,513	944
<b>Total</b>	<b>3,089</b>	<b>1,348</b>

### b. Movement in Lease liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening balance</b>	<b>1,348</b>	<b>1,126</b>
Additions	2,477	602
Interest expense on lease liabilities	132	170
Deletions	(417)	(7)
Payment of lease liabilities	(467)	(495)
Effects of foreign exchange	16	(48)
<b>Closing balance</b>	<b>3,089</b>	<b>1,348</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### c. Maturity analysis - contractual undiscounted cash flows

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	599	411
One to five years	1,873	632
More than five years	3,090	1,074
<b>Total</b>	<b>5,562</b>	<b>2,117</b>

### d. Amounts recognized in profit or loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on lease liabilities	132	170
Expenses relating to short-term leases recognised in other expenses	216	559

### e. Amounts recognised in cash flow statement

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total cash outflows for leases	467	495

## 44. Exceptional Items

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Loss on disposal of subsidiary (refer note 44.1)	(8,546)	-
Gain on disposal of subsidiary (refer note 44.2)	338	-
Voluntary retirement scheme expenditure (refer note 44.3)	(24)	(309)
Provision for customer quality claims and warranty (refer note 44.4)	(2,273)	(619)
Merger related cost (refer note 44.5)	(402)	-
Impairment of property, plant and equipment (refer note 44.6)	-	(904)
<b>Total</b>	<b>(10,907)</b>	<b>(1,832)</b>

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

44.2 Rane Holdings Limited ('RHL') had sold its entire investment in Rane T4U Private Limited ('Rt4u') for a consideration of Rs. 850 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 RHL effective July 19, 2023. The Group recorded an exceptional income of Rs. 338 for the year ended March 31, 2024, on account of sale of Rt4u in the consolidated financial statements.

44.3 Voluntary Retirement Scheme (VRS) expenditure incurred in respect of employees of certain subsidiaries who have opted for VRS aggregated to Rs. 24 (March 31, 2023: 309).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

44.4 Rane Engine Valve Limited ("REVL") incurred a provision for customer quality claims for Rs. 413 towards estimated product liability costs, in respect of certain valves supplied to certain overseas customers pending finalisation (March 31, 2023: Rs. 619). REVL has initiated insurance claim in respect of the same, which is under process. RML primarily incurred provision for one time warranty related costs of Rs. 1,860 for the year ended March 31, 2024.

44.5 Rane Brake Lining Limited ('RBL'), REVL and RML have incurred an expense of INR 122, INR 120 and INR 160 respectively towards proposed scheme of amalgamation between and amongst group entities. The same has been disclosed as an exceptional item in the consolidated financial statements for the year ended March 31, 2024.

The Board of Directors of the subsidiary companies namely Rane Brake Lining Limited ('RBL'), Rane Engine Valve Limited ('REVL') and Rane (Madras) Limited ('RML') in their respective meeting held on February 09, 2024, considered and approved the proposed scheme of amalgamation ("Scheme") wherein RBL and REVL would merge into RML with effect from April 01, 2024 ('the appointed date') under sections 230 to 232 of the Companies Act, 2013, and other applicable sections and provisions of the Companies Act, 2013 read together with the rules made thereunder. The aforesaid scheme is subject to the approval of shareholders and creditors of the respective companies, Stock Exchanges, National Company Law Tribunal and such other approvals as may be required.

44.6 As at March 31, 2023, on account of changes in market conditions and rising cost of capital, the Group has assessed the recoverable amount (higher of value in use and fair value less cost of disposal) of the net assets of Rane Light Metal Castings Inc, ('LMCA') the erstwhile step-down subsidiary of the company which represents a single cash generating unit (CGU). Based on such assessment, the Group has recorded an impairment charge of ₹904 as an exceptional item in its consolidated financial statements during the year ended March 31, 2023. In order to carry out the above assessment, Group had considered projections of future cash flows of the entity based on the most recent long-term forecasts, including selling price / related volumes and fair market value of property, plant and equipment, as applicable.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 45. Group information

The group's subsidiaries, joint venture / associate entities are set out below

Companies	Country of incorporation	% of voting power held	
		As at March 31, 2024	As at March 31, 2023
<b>a. Information about subsidiaries</b>			
Rane (Madras) Limited (RML)	India	71.77%	71.77%
- Rane (Madras) International Holdings B.V (wholly owned subsidiary of RML)	The Netherlands	71.77%	71.77%
- Rane Light Metal Castings Inc. (wholly owned subsidiary of RML) (till September 14, 2023)	The United States of America	-	71.77%
- Rane Automotive Components Mexico S De RL C. V. (step down subsidiary of RML)	Mexico	71.77%	Not applicable
Rane Engine Valve Limited	India	58.29%	57.28%
Rane Brake Lining Limited	India	50.03%	50.03%
Rane t4u Private Limited (till July 19, 2023)	India	-	98.59%
Rane Holdings America Inc.	The United States of America	100.00%	100.00%
Rane Holdings Europe GmbH	Germany	100.00%	100.00%
<b>b. Information about Joint venture / associate entities</b>			
ZF Rane Automotive India Private Limited (formerly known as Rane TRW Steering Systems Private Limited)	India	49.00%	49.00%
- ZF Rane Occupant Safety Systems Private Limited (wholly owned subsidiary of ZRAI)	India	49.00%	49.00%
- TRW Sun Steering Wheels Private Limited (wholly owned subsidiary of ZRAI)	India	49.00%	Not Applicable
Rane NSK Steering Systems Private Limited	India	49.00%	49.00%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 46. Disclosure of additional information as required by Schedule III:

Name of the entity	For the year ended March 31, 2024									
	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income			
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount	Amount	
<b>Parent:</b> Rane Holdings Limited	49.42%	57,785	48.83%	7,306	-272.31%	(730)	43.18%		6,576	
<b>Subsidiaries - Indian</b>										
<b>(Parent's share)</b>										
1. Rane (Madras) Limited - consolidated	15.71%	18,370	1.53%	228	302.50%	810	6.82%		1,038	
2. Rane Engine Valve Limited	6.02%	7,042	4.48%	670	16.18%	43	4.68%		713	
3. Rane Brake Lining Limited	12.03%	14,062	13.49%	2,018	-19.81%	(53)	12.90%		1,965	
4. Rane t4u Private Limited	0.00%	-	-0.13%	(19)	0.00%	-	-0.12%		(19)	
<b>Subsidiaries - Foreign</b>										
1. Rane Holdings America Inc.	0.12%	137	0.33%	49	0.75%	2	0.33%		51	
2. Rane Holdings Europe GmbH	0.05%	59	0.05%	7	0.00%	-	0.05%		7	
<b>Non-controlling interests</b>	22.50%	26,311	17.27%	2,584	110.94%	297	18.92%		2,881	
<b>Joint venture / associate entities (investment as per the equity method)</b>										
<b>Indian</b>										
1. ZF Rane Automotive India Private Limited - consolidated (formerly known as Rane TRW Steering Systems Private Limited)			34.99%	5,234	-28.54%	(76)	33.87%		5,158	
2. Rane NSK Steering Systems Private Limited			3.43%	513	-9.34%	(25)	3.20%		488	
<b>Consolidation adjustments</b>	-5.84%	(6,834)	-24.27%	(3,629)	0.00%	-	-23.82%		(3,629)	
<b>Total</b>	<b>100%</b>	<b>1,16,932</b>	<b>100%</b>	<b>14,961</b>	<b>100%</b>	<b>268</b>	<b>100%</b>		<b>15,229</b>	



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Name of the entity	For the year ended March 31, 2023									
	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income		Amount	As % of consolidated total comprehensive income
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income			
<b>Parent:</b> Rane Holdings Limited	51.04%	53,636	55.32%	4,830	1.44%	(24)	68.04%	4,806		
<b>Subsidiaries - Indian (Parent's share)</b>										
1. Rane (Madras) Limited - consolidated	16.49%	17,332	24.56%	2,144	71.09%	(1,185)	13.58%	959		
2. Rane Engine Valve Limited	5.71%	6,004	-0.06%	(5)	-0.84%	14	0.13%	9		
3. Rane Brake Lining Limited	12.43%	13,064	19.15%	1,672	-1.02%	17	23.91%	1,689		
4. Rane t4u Private Limited	0.14%	150	-2.53%	(221)	0.00%	-	-3.13%	(221)		
<b>Subsidiaries - Foreign</b>										
1. Rane Holdings America Inc.	0.08%	87	0.37%	32	-0.24%	4	0.51%	36		
2. Rane Holdings Europe GmbH	0.05%	52	0.07%	6	-0.18%	3	0.13%	9		
<b>Non-controlling interests</b>	23.13%	24,307	28.68%	2,504	26.21%	(437)	29.26%	2,067		
<b>Joint venture / associate entities (investment as per the equity method)</b>										
<b>Indian</b>										
1. ZF Rane Automotive India Private Limited (formerly known as Rane TRW Steering Systems Private Limited)			54.56%	4,764	3.00%	(50)	66.73%	4,714		
2. Rane NSK Steering Systems Private Limited			-55.62%	(4,856)	0.36%	(6)	-68.83%	(4,862)		
<b>Consolidation adjustments</b>	-9.07%	(9,537)	-24.50%	(2,139)	0.18%	(3)	-30.33%	(2,142)		
<b>Total</b>	<b>100%</b>	<b>1,05,095</b>	<b>100%</b>	<b>8,731</b>	<b>100%</b>	<b>(1,667)</b>	<b>100%</b>	<b>7,064</b>		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(All amounts are in INR lakhs unless otherwise stated)

## 47. Financial instruments

### 47.1 Capital management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group.

The Group's capital management is intended to create value for shareholders by achieving the long-term and short-term goals of the Group, maintain the Group as a going concern and maintain optimal capital structure.

The Group determines the amount of capital required on the basis of annual operating plan coupled with long-term and strategic investment and expansion plans. The funding needs are met through cash generated from operations, long-term and short-term bank borrowings.

The capital structure of the Group consists of net debt (borrowings offset by cash and bank balances) and total equity of the Group.

The Group monitors the capital structure on the basis of debt to equity, debt to capital employed etc. and the maturity profile of the overall debt portfolio of the Group.

The Group is not subject to any externally imposed capital requirements.

### 47.2 Gearing ratio

The table below summarises net debt to equity:

Particulars	As at March 31, 2024	As at March 31, 2023
Debt *	82,247	85,285
Cash and cash equivalents	(3,644)	(4,714)
<b>Net debt</b>	<b>78,603</b>	<b>80,571</b>
<b>Total Equity**</b>	<b>1,16,932</b>	<b>1,05,095</b>
Net debt to equity ratio	0.67	0.77

\*Debt is defined as long-term and short-term borrowings.

\*\*Equity includes all capital and reserves of the Group.

### 47.3 Fair value measurements

The following table shows the carrying amounts and fair values of financial assets and financial liabilities:

#### Financial instrument by category

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
<b>Financial assets</b>						
Loans	-	-	9	-	-	38
Investments in equity instruments	-	4,098	670	-	4,162	496
Trade receivables	-	-	60,367	-	-	64,218
Cash and cash equivalents	-	-	3,644	-	-	4,714
Bank balances other than above	-	-	98	-	-	96
Other financial assets (excluding derivative instruments)	-	-	4,990	-	-	4,262
Derivative assets	33	-	-	792	-	-

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Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Mutual fund investments (mandatorily measured at FVTPL)	2,823	-	-	2,543	-	-
<b>Sub-total (a)</b>	<b>2,856</b>	<b>4,098</b>	<b>69,778</b>	<b>3,335</b>	<b>4,162</b>	<b>73,824</b>
<b>Financial liabilities</b>						
Borrowings	-	-	82,247	-	-	85,285
Trade payables	-	-	42,244	-	-	48,612
Derivative liabilities	4	-	-	234	-	-
Other financial liabilities	-	-	8,956	-	-	8,874
<b>Sub-total (b)</b>	<b>4</b>	<b>-</b>	<b>1,33,447</b>	<b>234</b>	<b>-</b>	<b>1,42,771</b>

The group has not disclosed the fair values of financial instruments such as loans, trade receivables, cash and cash equivalents, bank balances, other financial assets (excluding derivative instruments), borrowings, trade payables and other financial liabilities because their carrying amounts are at reasonable approximation of fair value.

#### 47.3.1 The below table summarise the fair value hierarchy of the financial assets / liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023	Fair Value Hierarchy (Level 1,2,3)*	Valuation technique
<b>Financial assets</b>				
a. Mutual fund investments (unquoted) (mandatorily measured at FVTPL)	2,823	2,543	2	Fair value is determined based on Net Assets Value published by respective funds.
b. Derivative assets (forward contracts)	33	792	2	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
c. Investments in equity instruments measured at FVOCI	4,098	4,162	3	Fair value of the investment is determined based on the fair value of the net assets as furnished by the fund which in turn is determined using various significant unobservable inputs including the purchase price, developments concerning the investee company of the fund subsequent to acquisition, data and projections of investee company etc. The estimated fair value would increase or decrease depending upon changes to such inputs.
<b>Total</b>	<b>6,954</b>	<b>7,497</b>		

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Particulars	As at March 31, 2024	As at March 31, 2023	Fair Value Hierarchy (Level 1,2,3)*	Valuation technique
<b>Financial liabilities</b>				
Derivative liabilities	4	234	2	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
<b>Total</b>	<b>4</b>	<b>234</b>		
<b>Net financial assets / (liabilities)</b>	<b>6,950</b>	<b>7,263</b>		

## Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

Particulars	Amount
<b>Balance at April 01, 2022</b>	<b>4,452</b>
Unrealised gain / (loss) on account of change in fair value	(21)
Capital distribution, net	(269)
<b>Balance at March 31, 2023</b>	<b>4,162</b>
Acquisition of equity investments - FVOCI	850
Unrealised gain / (loss) on account of change in fair value	(950)
Capital distribution, net	36
<b>Balance at March 31, 2024</b>	<b>4,098</b>

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended March 31, 2024 and March 31, 2023.

### \* Fair value hierarchy (Level 1,2,3)

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## 47.4 Financial risk management

The Group has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk, credit risk, equity price risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk is influenced mainly by the individual credit profile of each customer and the concentration of risk from the top few customers.

The risk management objective of the Group is to hedge risk of change in the foreign currency exchange rates associated with its direct & indirect transactions denominated in foreign currency. Since most of the transactions of the Group are denominated in its functional currency (INR), any foreign exchange fluctuation affects the profitability of the Group and its financial position. Hedging provides stability to the financial performance by estimating the amount of future cash flows and reducing volatility.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

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### 47.4.1 Market risk

Market risk is the risk that changes in the market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group operates on a global platform and a portion of the business is transacted in multiple currencies. Consequently, the Group is exposed to foreign exchange risk through its sales in the United States, European Union and other parts of the world, and purchases from overseas suppliers in different foreign currencies. The Group holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

### 47.5 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange and option contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
	In equivalent INR	In equivalent INR
<b>Financial assets</b>		
USD	18,118	19,843
EUR	3,385	3,193
GBP	31	18
<b>Financial liabilities</b>		
USD	1,045	1,542
EUR	143	291
JPY	279	472
GBP	2	1

#### 47.5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to US Dollar and EURO currencies. The following table details the group's sensitivity to a 5% increase and decrease against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A negative number below indicates a decrease in profit or equity where the Indian Rupee strengthens by 5% against the relevant currency. For a 5% weakening of the Indian Rupee against the relevant currency, there would be a opposite impact on the profit or equity.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	Impact on profit or loss for the year		Impact on other components of equity as at the end of the reporting period	
	Strengthening	Weakening	Strengthening	Weakening
<b>Increase/decrease by 5%</b>				
<b>2023-24</b>				
USD	-692	692	-162	162
EUR	-162	162	-	-
GBP	-1	1	-	-
JPY	14	-14	-	-
<b>2022-23</b>				
USD	-499	499	-208	208
EUR	-145	145	-	-
GBP	-1	1	-	-
JPY	24	-24	-	-

In management's opinion, the sensitivity analysis is not a complete reflection of the inherent foreign exchange risk considering the fact that the exposure at the end of the reporting period does not reflect the exposure during the year.

## 47.5.2 Derivative Financial Instruments

The Group holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. It is the policy of the Group to enter into forward foreign exchange contracts to cover specific foreign currency payments and receipts within a specific range. The Group also enters into forward foreign exchange contracts to manage the risk associated with anticipated sales and purchase transactions ranging from 6 months to one year by covering a specific range of exposure generated. Adjustments are made to the initial carrying amount of non-financial hedged items when the anticipated sale or purchase transaction takes place.

The foreign exchange forward and options contracts mature within 12 months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Balance Sheet date:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Sell USD</b>		
Less than 3 months	7,282	6,903
Later than 3 months but upto 6 months	5,140	6,298
<b>Total</b>	<b>12,422</b>	<b>13,201</b>
<b>Buy JPY</b>		
Less than 3 months	(166)	(228)
<b>Total</b>	<b>(166)</b>	<b>(228)</b>
<b>Buy Euro</b>		
Less than 3 months	(82)	(62)
<b>Total</b>	<b>(82)</b>	<b>(62)</b>
<b>Sell Euro</b>		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than 3 months	2,066	1,990
Later than 3 months but upto 6 months	1,644	1,557
<b>Total</b>	<b>3,710</b>	<b>3,547</b>
<b>Sell GBP</b>		
Less than 3 months	32	16
<b>Total</b>	<b>32</b>	<b>16</b>

As at March 31, 2024, the Group does not have any foreign currency forward contracts which are designated as hedge instruments and accordingly, any impact arising out of such forward contracts have been recorded in the statement of profit and loss.

### 47.5.3 Interest rate risk management

The Group adopts appropriate policies to ensure that the interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate.

If interest rate had been 50 basis points higher / lower and all other variables were held constant, the Group's profit would decrease / increase by ₹411 (March 31, 2023: ₹426). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowing.

### 47.6 Other price risks

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group doesn't actively trade these investments.

#### 47.6.1 Equity price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If the fair value had been 1% higher / lower, profit for the year ended March 31, 2024 would increase / decrease by ₹41 (March 31, 2023: ₹42) as a result of the changes in fair value of equity investments which have been irrevocably designated at FVOCI.

### 47.7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. Credit risk arises primarily from trade receivables, cash and cash equivalents, investments, other bank balances and other financial assets. The carrying amounts of financial assets represent the maximum credit risk exposure.

The Group's trade and other receivables consists of a large number of customers, across geographies, hence the Group is not exposed to concentration risk.

#### 47.7.1 Expected credit loss for trade receivables under simplified approach

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience based on: a) Past trend of outstanding receivables over a rolling period of past 24 months and b) actual amount of outstanding receivables as on the reporting date.

#### 47.7.2 Expected credit loss for cash and cash equivalents and other bank balances

The estimated gross carrying amount of default is Nil (March 31, 2023: Nil) for cash and cash equivalents, other bank balances and other derivative instruments. Consequently there are no expected credit loss recognised for these financial assets. The credit risk on derivative financial instruments is limited because the counterparties are predominantly banks with high credit-ratings.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

### 47.7.3 Expected credit loss for investments

The investments primarily relate to investment in mutual funds, power generating companies and other equity instruments. The Group maintains its investment with reputed banks / financial institutions. The credit risk on these instruments is limited because the counterparties are banks / financial institutions with high credit ratings assigned by international credit rating agencies.

### 47.7.4 Expected credit loss for other financial assets

The other financial assets primarily includes security deposits, tooling related receivables and others. The credit risk on these instruments is limited because the Group does not expect any non-performance by the counterparties.

### 47.8 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the respective board of directors, which has established an appropriate liquidity risk management framework for the management of the respective company's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### 47.8.1 Liquidity and interest risk

The following tables detail the Group's remaining contractual maturity with agreed repayment periods. The below information has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

**The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2024**

Particulars	Carrying amount	Less than 1 year	1-5 years	5 or more years	Total contractual cash flows
Borrowings	82,247	51,748	30,499	-	82,247
Trade payables	42,244	42,244	-	-	42,244
Other financial liabilities	8,956	8,796	160	-	8,956
<b>Total</b>	<b>1,33,447</b>	<b>1,02,788</b>	<b>30,659</b>	<b>-</b>	<b>1,33,447</b>

**The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2023**

Particulars	Carrying amount	Less than 1 year	1-5 years	5 or more years	Total contractual cash flows
Borrowings	85,285	52,322	32,667	296	85,285
Trade payables	48,612	48,612	-	-	48,612
Other financial liabilities	9,108	8,957	151	-	9,108
<b>Total</b>	<b>1,43,005</b>	<b>1,09,891</b>	<b>32,818</b>	<b>296</b>	<b>1,43,005</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in INR lakhs unless otherwise stated)

## 48. Events after reporting date

The Group has evaluated subsequent events from the balance sheet date through May 15, 2024, the date on which the consolidated financial statements were authorised for issue, and determined that there are no items to disclose.

## 49. Approval of consolidated financial statements

The consolidated financial statements were approved for issue by the Board of Directors on May 15, 2024.

As per our report of even date attached

### For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

### S Sethuraman

Partner

Membership No.: 203491

Place: Chennai

Date: May 15, 2024

### For and on behalf of the Board of Directors of Rane Holdings Limited

### Harish Lakshman

Vice Chairman and Joint Managing Director

DIN:00012602

### M A P Sridhar Kumar

Chief Financial Officer

### Ganesh Lakshminarayan

Chairman and Managing Director

DIN:00012583

### Siva Chandrasekaran

Company Secretary

# FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries / joint venture / associate

## Part "A": Subsidiaries

1. Sl. No.	2. Name of the subsidiary	₹ In Lakhs					
		1	2	3	4	5	6
		Rane (Madras) Limited	Rane Engine Valve Limited	Rane Brake Lining Limited	Rane t4u Private Limited (RT4U)*	Rane Holdings America Inc.	Rane Holdings Europe GmbH
		No	No	No	No	No	No
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period						
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.					USD 1USD = ₹83.35	EURO 1EURO = ₹90.20
5.	Share capital	1,627	723	773	-	20	10
6.	Reserves & surplus	23,969	11,358	27,335	-	144	127
7.	Total assets	1,36,916	35,383	40,072	-	300	250
8.	Total Liabilities	1,11,320	23,302	11,964	-	136	114
9.	Investments	192	287	190	-	-	-
10.	Turnover (including Other Income)	2,24,353	57,034	66,297	200	1,258	1,041
11.	Profit / (Loss) before taxation	(10,236)	1,572	5,448	(17)	81	67
12.	Provision for taxation	(10,553)	422	1,415	2	22	18
13.	Profit / (Loss) after taxation	317	1,150	4,033	(19)	59	49
14.	Proposed Dividend	-	₹5 per share	₹30 per share	-	-	-
15.	% of shareholding	71.77%	58.29%	50.03%	0.00%	100.00%	100.00%

\*RT4U ceased to be a subsidiary with effect from July 19, 2023

For and on behalf of the Board of Directors of  
Rane Holdings Limited

**Harish Lakshman**  
Vice Chairman and Joint Managing Director  
DIN:00012602

**Ganesh Lakshminarayan**  
Chairman and Managing Director  
DIN:00012583

Place: Chennai  
Date: May 15, 2024

**M A P Sridhar Kumar**  
Chief Financial Officer

**Siva Chandrasekaran**  
Company Secretary

**Part "B": Joint venture / associate**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Joint Venture / associate

₹in Lakhs

Particulars	Joint venture / associate entities	
	ZF Rane Automotive India Private Limited	Rane NSK Steering Systems Private Limited
<b>1. Latest audited balance sheet date</b>	<b>March 31, 2024</b>	<b>March 31, 2024</b>
<b>2. Share of joint venture / associate entities held by the company on the year end</b>		
Number of shares	42,81,740	87,71,000
Amount of investment	2,285	1,012
Extent of holding %	49.00%	49.00%
<b>3. Description of how there is significant influence</b>	Note 1	Note 1
<b>4. Reason why the joint venture / associate entities are not consolidated</b>	Note 2	Note 2
<b>5. Networth attributable to shareholding as per latest audited balance sheet</b>	25,976	652
<b>6. Profit / (loss) for the year</b>		
i. Considered in consolidation	5,234	513
ii. Not considered in consolidation	5,450	535

Note 1 : There is significant influence due to percentage (%) of Share Capital.

Note 2 : The results of the Joint venture / associate are incorporated in the consolidated financial statements using Equity Method of accounting

**For and on behalf of the Board of Directors of  
Rane Holdings Limited**

**Harish Lakshman**  
Vice Chairman & Joint Managing Director  
DIN:00012602

**Ganesh Lakshminarayan**  
Chairman & Managing Director  
DIN:00012583

Place: Chennai  
Date: May 15, 2024

**M A P Sridhar Kumar**  
Chief Financial Officer

**Siva Chandrasekaran**  
Company Secretary



**Rane Holdings Limited**

CIN: L35999TN1936PLC002202

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