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

Tel : 91 44 2811 2472
Fax : 91 44 2811 2449
URL : www.rane.co.in

CIN : L35999TN1936PLC002202

Rane Holdings Limited

RHL / SE/ 23 / 2016-17

August 16 , 2016

BSE Limited Corporate Relationship Department, 1st Floor, New Trading Ring, P J Towers, Dalal Street, **Mumbai 400 001**	**National Stock Exchange of India Ltd.** Listing Department Exchange Plaza, 5th Floor, Plot No.C/1, 'G' Block, Bandra Kurla Complex Bandra (E), **Mumbai - 400 051.**
Code No. **505800**	Code : **RANEHOLDIN**

Dear Sir / Madam,

Sub: Submission of Annual Report

Pursuant to regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), we hereby forward a copy of the Annual Report of Rane Holdings Limited, approved and adopted by the members at the 80th Annual General Meeting (AGM) held on August 11, 2016.

The Annual Report is also available on the website of the company at www.rane.co.in.

We request you to take the above as compliance under the above regulation of SEBI LODR and acknowledge receipt.

Thanking you.

Yours faithfully
For **Rane Holdings Limited**

RANE HOLDINGS LTD. "MAITHRI" 132, CATHEDRAL ROAD CHENNAI-600 086

Siva Chandrasekaran
Secretary

Rane Holdings Limited

Annual Report 2015-16

Rane

Expanding horizons

Rane

Expanding horizons

Contents

Corporate Overview

The World of Rane 02
Highlights 04
Message from the Executive Chairman 06
Session with the Vice Chairman 08
Corporate Information 10
Business Overview 12

Management Reports

Management Discussion and Analysis 18
Report of the Directors 28
Corporate Governance Report 41

Financial Statements

Standalone Financial Statements 64
Consolidated Financial Statements 93

Caution regarding forward-looking statements

In this annual report, we have disclosed some forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Dream. Design. Deliver.

It all begins with a dream. We dream, we achieve, we succeed. Rane Group has followed this simple philosophy in its journey so far. Earlier, it was our dream to focus on operational excellence via TQM. Over the past decade, Rane group pursued this dream relentlessly and succeeded. The various Deming Prizes, awards from various OEMs and national and international associations is a testimony to the success of the Group's TQM journey.

In our Dream of becoming a world-class enterprise, we take cognizance of the paradigm shift and will continue to channelize our energies to create transport solutions for the new and dynamic world of mobility.

"A dream doesn't become reality through magic; it takes sweat, determination and hard work." This quote by the American General, Colin Powell, aptly reflects the grit and resolve adopted by the Company. Hence, the third and the most important element of our Vision 2020 theme – Deliver. If we don't Deliver, then nothing matters. Delivering consistently enhanced value to each and every stakeholder is no longer a luxury but an imperative for our success.

Dream...
a world-class enterprise

Design...
transport solutions for tomorrow

Deliver...
sustained accelerated value

The World of Rane

Rane Holdings Limited (RHL), through its group companies, is engaged in manufacturing, supplying and marketing of automotive components for the transportation industry for about eight decades. We also provide consultancy and other services to our group companies. We cater to all sections of automobile industry viz., - passenger car, light commercial vehicle, medium and heavy commercial vehicle, two-wheeler, three-wheeler, multi-utility vehicle and farm tractor. We also focus on non-automotive portfolio in aerospace and defence. We operate through 24 strategically located plants across India and USA. We maintain our operational excellence through total quality management (TQM), which is reflected in three Deming Grand Prizes and four Deming Prizes bestowed upon our group companies.

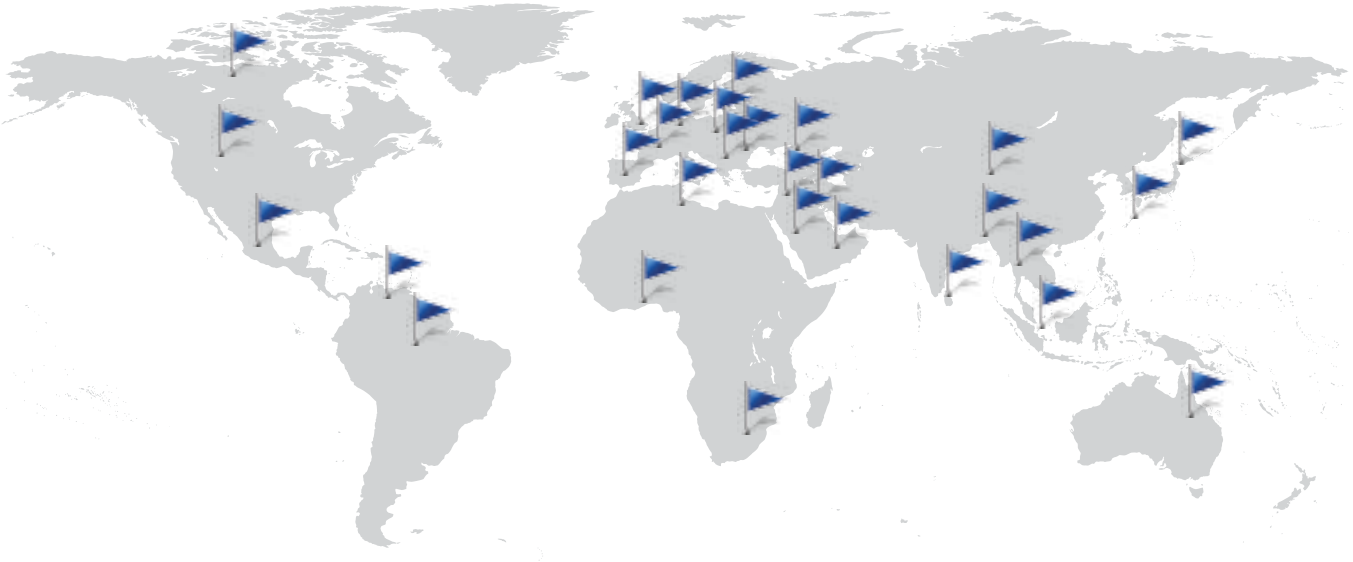
Our Vision

To maintain market leadership and achieve sales of ₹ 5,500 crores by 2018-19

Our Mission

- Provide superior products and services to our customers and maintain market leadership
- Evolve as an institution that serves the best interests of all stakeholders
- Pursue excellence through total quality management
- Ensure the highest standards of ethics and integrity in all our actions

Global Presence

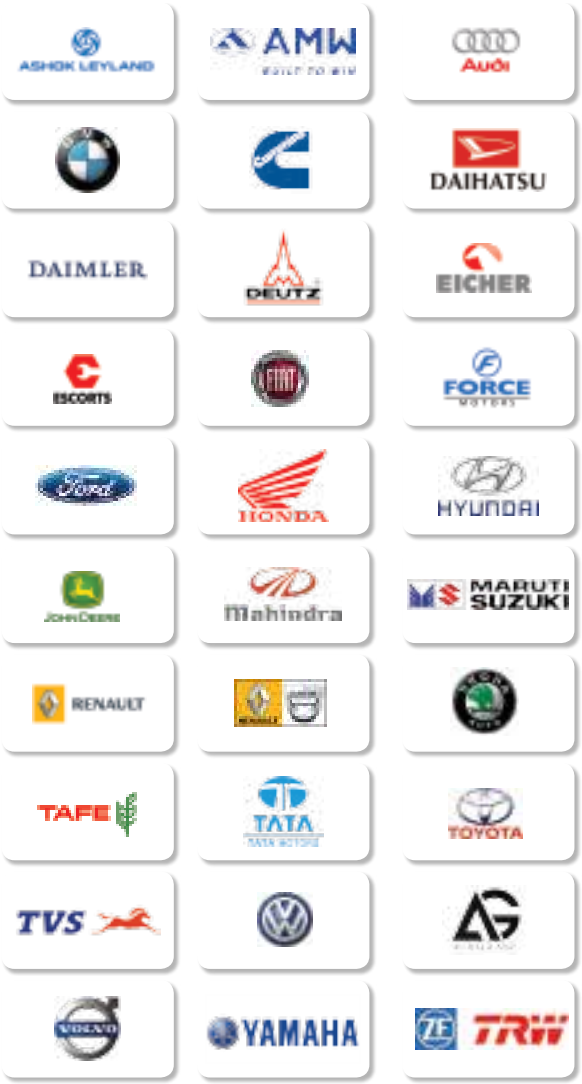


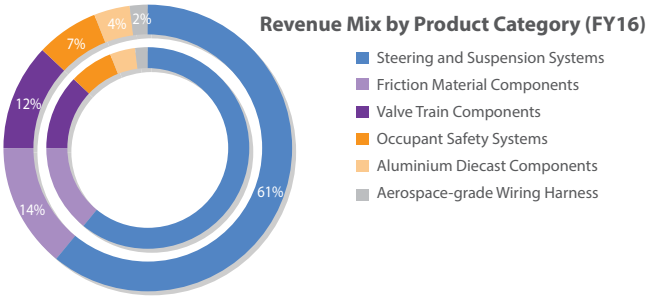
Our Corporate Structure

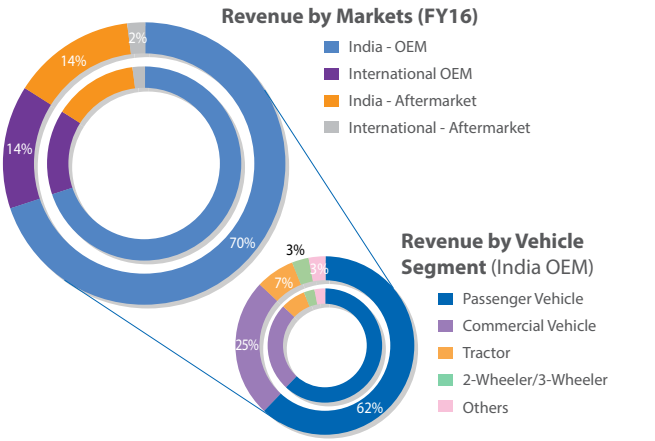
Rane Holdings Limited

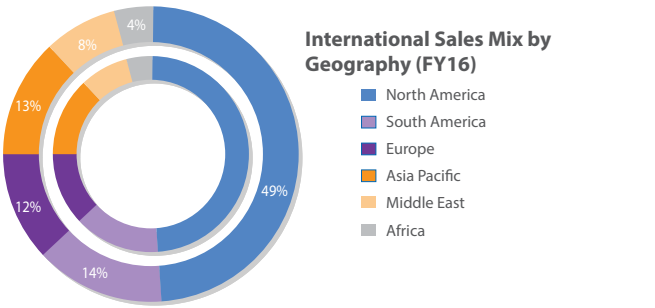
Subsidiaries	Joint Ventures	Associate
Rane (Madras) Ltd. (56.3%)	Rane TRW Steering Systems Private Ltd. (50%)	SasMos HET Technologies Ltd. (45.2%)
- Rane (Madras) International Holdings, B.V., The Netherlands (100%)	Rane NSK Steering Systems Private Ltd. (49%)	
• Rane Precision Die Casting Inc., USA (100%)	JMA Rane Marketing Ltd. (49%)	
Rane Engine Valve Ltd. (51.1%)		
Rane Brake Lining Ltd. (46.1%)		
Rane Holdings America Inc., USA (100%)		

Key Customers









Our Product Portfolio

Company	Products
Rane (Madras) Limited	Steering Gear Products, Suspension and Steering Linkage Products, Die Casting Products
Rane Engine Valve Limited	Engine Valve, Valve Guides and Tappets
Rane Brake Lining Limited	Brake Linings, Disc Pads, Clutch Facings
Rane Holdings America	Business Development services in North American region for Rane Group companies
Rane TRW Steering Systems Private Limited	Hydraulic Steering Gear, Hydraulic Pump, Seat Belt and Air Bag
Rane NSK Steering Systems Private Limited	Manual Steering Column and Electric Power Steering
JMA Rane Marketing Limited	Automotive component trading company with a pan-India dealer network
Rane Precision Die Casting Inc., USA	Die Casting Products
SasMos HET Technologies Limited	Design, prototyping and manufacture of customized electronic solutions for defence and aerospace applications

Financial Highlights

Rane Holdings Limited-Standalone

₹ in Crore

Particulars	FY16	FY15	FY14	FY13	FY12	FY11	FY10	FY09	FY08	FY07
Total Income	75.85	59.94	53.50	57.73	63.91	48.42	45.14	34.97	42.13	32.26
Earnings Before Interest, Tax, Depreciation & Amortisation	46.29	33.99	29.16	34.49	41.05	28.29	30.08	21.04	25.71	19.43
Profit Before Tax (PBT)	42.90	32.68	27.95	32.53	38.11	43.14	27.39	18.29	22.86	18.81
Profit After Tax (PAT)	35.65	25.92	21.73	25.95	34.25	40.03	25.13	16.30	20.90	16.87
Return on Capital Employed (RoCE) %	14.70	11.81	10.60	12.97	15.89	11.25	13.12	10.04	15.61	20.00
Return on Net Worth (RoNW) %	12.17	9.38	8.24	10.32	14.54	18.54	12.86	9.05	14.76	18.82
Earnings per share (₹)	24.97	18.16	15.22	18.17	23.99	28.04	17.60	11.41	14.56	20.19
Dividend (%)	100	75	65	80	100	125	80	40	60	75
Book Value per share (₹)	212.14	198.25	188.75	180.81	171.50	158.35	144.04	129.78	122.37	110.89

Balance Sheet Highlights*

Rane Holdings Limited-Standalone

₹ in Crore

Particulars	FY16	FY15	FY14	FY13	FY12	FY11
Equity Share Capital	14.28	14.28	14.28	14.28	14.28	14.28
Shareholders' Fund	302.90	283.06	269.49	258.16	244.87	226.09
Non-current Liabilities	22.40	0.64	0.84	2.65	4.11	14.58
Current Liabilities	12.23	18.47	16.93	14.25	22.06	23.82
Non-current Assets	320.74	280.92	273.17	267.38	264.33	249.36
Current Assets	16.79	21.25	14.09	7.68	6.71	15.13

**Pertains to revised schedule VI under Companies Act, 1956 / Schedule III of Companies Act, 2013, applicable years only.*

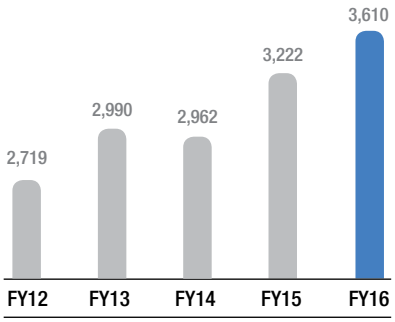
Business Highlights

- Rane (Madras) Limited (RML) acquired the US-based Precision Die Casting Inc., a high pressure aluminium die casting company
- RML successfully commissioned its second die casting plant in Hyderabad. Product supplies for customers in the US and Europe region commenced
- Rane Engine Valve Limited (REVL) consolidated the Peenya plant (Bengaluru) with the Hirehalli plant (Tumakuru) to achieve better cost efficiencies
- REVL has developed valves for Euro 6 application and CNG application requirements for European and Indian customers
- Rane TRW Steering Systems Private Limited (RTSS) commissioned a solar power plant of 1.14 MW at Arupukottai Taluk in Tamilnadu which helped to save the power cost by 15% in the FIG & Valve Plants of Steering Gear Division

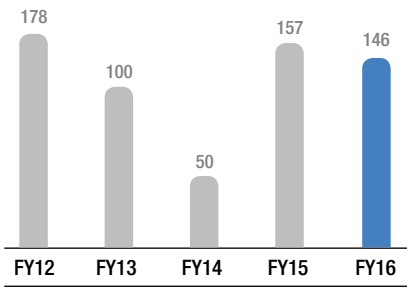
Key Performance Indicators

Group Aggregate, (Except for Earnings per Share)

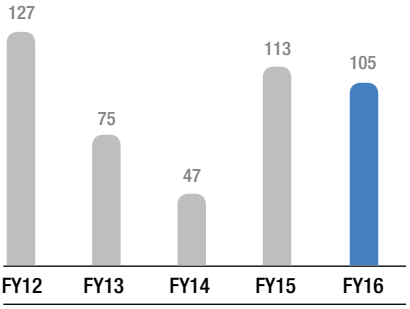
Revenue (₹ in Crore)



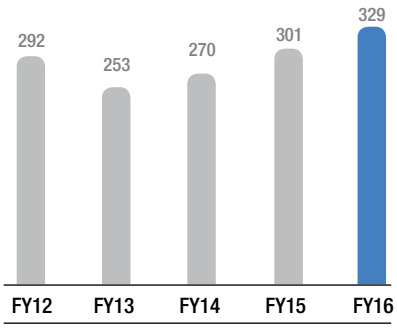
PBT (₹ in Crore)



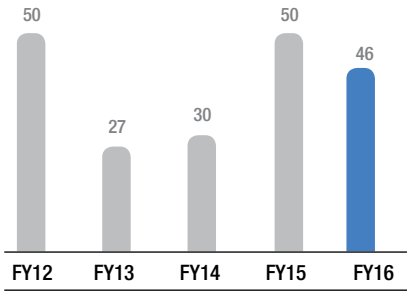
PAT (₹ in Crore)



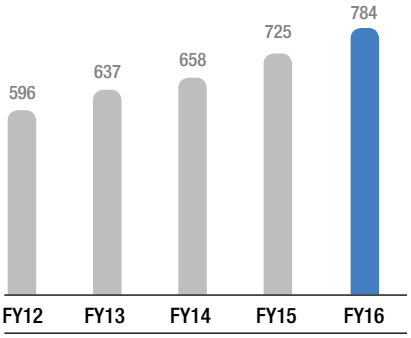
EBITDA (₹ in Crore)



EPS (in ₹)



Net Worth (₹ in Crore)



Awards

- Rane Brake Lining Limited (RBL) received
  - (a) Gold awards for Quality and Innovation by ACMA
  - (b) Gold certificate at India Manufacturing Excellence Award conducted by the Economic Times in partnership with Frost & Sullivan (F&S)
  - (c) Award for Energy Excellence from CII for best energy efficient unit
- Rane NSK Steering Systems Private Limited (RNSS) received the Award for 'Outstanding Contribution to Overall Cost Excellence' from Volvo Eicher Commercial Vehicles Ltd.
- Rane (Madras) Limited (RML) received
  - (a) R&D award from Maruti Suzuki
  - (b) 'Design to Cost' award from Renault Nissan and 'Quality Achievement' award from Polaris
- Recognition of 'Long association with Tata Motors for 25 years' for the RTSS Steering Gear Division and its Occupant Safety Division received M&M 'MSES rank B' award in recognition of manufacturing system and other processes

Message from the Executive Chairman

We, too, must relook at our existing ways of working and change to meet the demands of the new world which will see a play of new technologies in the connected auto era.

Dear Shareholders,

India was the toast of the world given its eminent status as the fastest growing economy of the world for FY16. Macro-economic factors helped this growth story. Softening oil prices, easing interest rates, rising FDI and strong domestic demand led to the management of deficits and the overall Indian growth. Various global agencies like IMF are confident that India will continue to see similar growth momentum for the next year.

The need of the hour is to give a strong impetus to infrastructure projects including roads, irrigation, power, mining, etc. and ensure that any contentious issues around these projects are quickly and permanently resolved. Beyond this, if we aspire to see a prosperous and thriving India, it is imperative to look at fundamental reforms in education, health, labour and social sector now. The governments at the centre and states have to work in harmony for national prosperity. Only then can we take the development and the consequent wealth to the rural areas and have a balanced growth across the national.

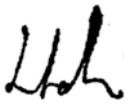
I know to make this dream a reality certainly requires a different approach. We need to break from the shackles of the past and get new thinking in the country. And such thinking has to be transferred into each and every sector of the economy, including the auto component segment. We, too, must relook at our existing ways of working and change to meet the demands of the new world which will see a play of new technologies in the connected auto era.

At Rane, we have already kick-started the change process. With the Vision 2020, we will endeavour to create new profitable spaces as we adopt our new philosophy - Dream, Design and Deliver. Our recent US acquisition is a step in this thinking where we had dreamt of being global not just by exporting but also manufacturing outside of India, designed a plan and delivered with this transaction.

Any new thinking has to be on the foundation of core values. For us at Rane, governance is a way of life and part of our DNA. Even as regulations are now mandating the broader outline of corporate reporting that calibrates and measures the level of corporate governance, the spirit of governance are embodied in the way we approach business and conduct ourselves every single day.

On behalf of the Board of Directors of Rane Holdings and its group companies, I thank our stakeholders – Customers, Employees, Partners, Vendors, Investors, Governments and Communities – for their continued support and patronage.

Yours Sincerely,



L Lakshman
Executive Chairman

Session with the Vice Chairman

L Ganesh, Vice Chairman

On performance of the Indian Automobile Sector in the FY16

After a solid performance in FY15 led by the two/three wheelers segment, FY16 saw a sober growth of 2.3% for the automobile segment. It is heartening to note that categories which are a reflection of the economic activities - the Medium and Heavy Commercial Vehicles (M& HCV) and Light Commercial Vehicles (LCV) were on a growth path. The M& HCVs production grew at a healthy clip of 27% in FY16 as against 21% for FY15. LCVs, which had de-grown last year, was on the positive side of growth in the FY16 clocking 10% against a negative 4% in FY15. An overall improvement in the economy coupled with pre-buying of the commercial vehicles due to a possible upward revision of cost as the BS-IV emission norms sets in by April 2017 led to the growth curve. Passenger vehicle production grew at 6% and reflected sustained consumer confidence in the market and the economy. New models, softening oil prices which put more disposable income in the hands of people and an accommodating interest regime supported this growth. Farm Tractors production declined 7% in FY16 marking second consecutive year of decline. Further, a lacklustre growth in the two/three wheelers segment did impact the overall growth of the industry.

On performance of the Indian Automotive Component Sector during FY16

As we depend on the automobile segment, the growth is usually in line with the industry growth. According to estimates, the auto component sector grew in the range of 3 to 5% in FY16. However, I am confident that over the medium to long term, this sector will outgrow the automobile segment as multiple factors come into play. This would be led by more International sales from and outside of India.

On Rane's performance in FY16

We have had a reasonably good year in 2015-16 with an aggregate Group Net Sales growth of 11.6% to ₹ 3,260 crore in FY16 from ₹ 2,921 crore in the previous year. Sustained cost savings initiatives, manufacturing process improvements and consolidation of plants helped aggregate EBITDA to grow by 9.1% to reach ₹ 329 crore in FY16 from ₹ 301 crore in FY15. The profit before tax and exceptional item increased by 15.8% to ₹ 133 crore in FY16 from ₹ 115 crores in FY15. We invested ₹ 212 crore in FY16 for various expansion and improvement activities.

On Company's outlook for FY17

With the Indian economy firmly on a growth path, I am confident of the future of the auto component industry and that of Rane's. India has a low penetration of passenger cars, two wheelers, commercial vehicles including public transport and this will ensure the growth of the auto industry and its ancillary segments. And we are ready to tap this increasing opportunity. At Rane, we have built capacity and capability in all aspects of the manufacturing process and can now compete with the best in the world. With these inherent advantages coupled with our proven track-record in the domestic and global markets and a well-planned future, we will continue to perform well and reward all stakeholders.

Corporate Information

Board of Directors

1 **Mr. L Lakshman**
Executive Chairman

2 **Mr. L Ganesh**
Vice Chairman

3 **Mr. Harish Lakshman**
Non-Independent Director

4 **Mr. Shujaat Khan**
Independent Director

5 **Dr. V Sumantran**
Independent Director

6 **Mr. Anjanikumar Choudhari**
Independent Director

7 **Dr. (Ms.) Sheela Bhide**
Independent Director

Board Committees

Audit Committee
Mr. Anjanikumar Choudhari, Chairman
Mr. L Ganesh
Mr. Shujaat Khan
Mr. Anil Kumar Nehru *(upto May 27, 2016)*

Stakeholders' Relationship Committee
Mr. Harish Lakshman, Chairman
Mr. L Ganesh
Dr. (Ms.) Sheela Bhide
Mr. Anil Kumar Nehru *(upto May 27, 2016)*

Nomination & Remuneration Committee
Mr. Anjanikumar Choudhari, Chairman
Mr. Anil Kumar Nehru *(upto May 27, 2016)*
Dr. V Sumantran
Mr. Harish Lakshman

Corporate Social Responsibility Committee
Mr. L Lakshman, Chairman
Mr. L Ganesh
Mr. Anjanikumar Choudhari

Management

President- Corporate Services
Mr. R Venkatanarayanan

Executive Vice President - Secretarial & Legal and Secretary
Mr. Siva Chandrasekaran

Executive Vice President - Business Development
Mr. Chandran Krishnan

General Manager - Finance & CFO
Mr. J Ananth

Exchange Listings
BSE Limited, Mumbai
National Stock Exchange of India Limited, Mumbai

Statutory Auditors
Deloitte Haskins & Sells, Chartered Accountants
'ASV N Ramana Towers', 7th Floor, Old No. 37;
New No. 52, Venkatanarayana Road,
T Nagar, Chennai - 600017.

Secretarial Auditor
S. Krishnamurthy & Co.,
Practising Company Secretaries
"Sreshtam" Old No.17, New No.16
Pattammal Street, Mandaveli, Chennai - 600 028.

Bankers
HDFC Bank Limited, Chennai - 600004
YES Bank Limited, Chennai - 600034
Citibank N A, Chennai - 600002
Indian Bank, Chennai – 600006

Registered Office
'Maithri' 132, Cathedral Road, Chennai - 600086
Phone: +91 44 2811 2472
Fax : +91 44 2811 2449
Email: investorservices@rane.co.in
Website: www.rane.co.in

Registrar and Share Transfer Agents
Integrated Enterprises (India) Limited
II Floor, 'Kences Towers', No. 1
Ramakrishna Street, North Usman Road,
T. Nagar, Chennai - 600017.
Ph: +91 44 28140801-03
Fax: + 91 44 2814249
E-mail: corpserv@integratedindia.in

Rane TRW

DREAM...
a world-class enterprise

Operational Excellence… at Rane Holdings, we set a goal to achieve operational excellence throughout our group companies. We adopted a group wide TQM philosophy and implemented it relentlessly. Over the years, the group companies were awarded with various Deming Awards showcasing their success in TQM journey.

After accomplishing operational excellence, we are focusing on another dream and are ready for another long, arduous yet gratifying journey... becoming a World-Class Enterprise.

With strong foundations of Operational Excellence, the Company envisions to set new benchmark for Business Excellence by 2020. This program will unite our employees, our customers and our suppliers by engaging them in a common set of goals and achieve a pace of change to outperform competition and differentiate the Company in the marketplace. The dream of becoming a world-class enterprise on the pillar of business excellence will help the Company to accelerate growth by finding new opportunities, in the auto and non-auto space and build a significant business even from outside India. Also, it goes beyond just exporting from India and strengthens our dream of manufacturing outside of India. Near-sourcing is fast becoming the mantra for auto behemoths and we dream to be close to the customers and work with them jointly and create best in line products not only for them but which are benchmarks for the industry.

We have a dream and are ready to achieve it.

Rane

DESIGN...
transport solutions for tomorrow

Times are changing... and changing fast, especially in the automobile industry. The industry is at a tipping point and the future will bring changes like never seen before. Traditional technology companies like Google and Apple are making a foray into the auto segment. Electric car startups are challenging the giants of the traditional auto industry. The fast reducing cost of battery is making mass electric car a reality within the reach of the average car buyers. The concept of car ownership is witnessing a massive upheaval as the new 'sharing economy' catches up. Sustainable mobility is finding a new voice, riding on the back of climate change and global warming. Governments at each level, city, state and nation, are seeking solutions to make their citizen's life healthy.

Connectedness and sustainability are becoming the new norm. This may sound a threat to many players in the auto segments; and could bring untold opportunities for the others. Will self-drive cars make steering wheels redundant? Will brake pads have sensors and talk to the safety features in a connected car... the possibilities are endless. It is not the fittest who will survive the wave of change but the most adaptable. It is now in our DNA to adapt and prosper. We have done it before and will continue to do it.

In our Dream of becoming a world-class enterprise, we take cognizance of the paradigm shift and will continue to channelize our energies to create transport solutions for the new and dynamic world of mobility.

DELIVER...
sustained accelerated value

"A dream doesn't become reality through magic; it takes sweat, determination and hard work." This quote by the American General, Colin Powell, reflects the grit and resolve adopted by the Company. Hence, the third and the most important element of our Vision 2020 theme – Deliver. If we don't Deliver, then nothing matters. Delivering consistently accelerated value to each and every stakeholder is no longer a luxury but an imperative for our success.

Our employees recognize the years of hard work put in by the Leadership and HR team to build a culture, where meritocracy is revered and engaging with employees a part of the culture. For our customers, we continue to work together and offer innovative and best in class products. We actively engage with our communities and work to understand and alleviate the development needs of the special children and attempt to mainstream people with hearing and speech disability. Finally for the shareholders, where we hold sacred that all we do is to ensure that we increase their wealth consistently.

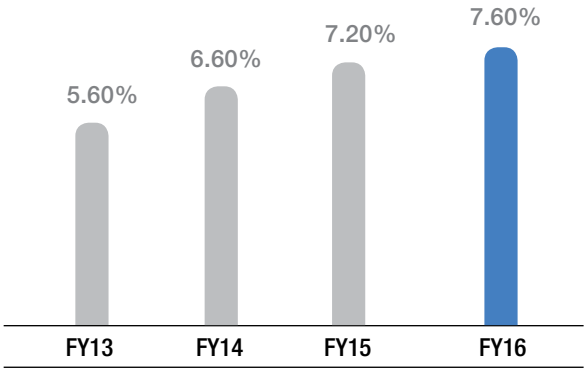
Management Discussion & Analysis

Economy and Industry

2015 saw the continued dominance of the emerging markets and developing economies as the global growth engines, which accounted for a lion's share of the global growth. According to International Monetary Fund (IMF) estimates, the global economy grew by 3.1% in 2015, lower than the growth of 3.4% in 2014. Even as developed economies saw a modest growth, emerging markets and developing economies that account for over 70% of global growth, continued to decline for the fifth consecutive year.

India remained the 'bright spot' in an otherwise muted global growth story. Estimates from the Central Statistics Office (CSO) suggest that the Indian economy would grow by 7.6% in FY16 as compared to 7.2% in FY15. The growth engines in India have been led by the sharp rise in manufacturing at 9.5% for FY16. Lower oil prices helped the government to prune its subsidy bill, further bolstering the India story.

India GDP Growth, %



Source: Central Statistical Office

Indian Automobile Industry

Even as the Indian economy grew at a stellar 7.6%, the Indian auto industry could not replicate it. In volume terms, it has grown by 2.3% in FY16 as compared to 7.9% in FY15. The key segments in terms of value - Passenger Vehicles (PV) and Commercial Vehicles (CV) - posted positive growth.

During FY16, passenger vehicle and commercial vehicle production grew by 6% and 12% respectively. M&HCV segment recorded an impressive growth of 27% in production volumes, primarily led by replacement demand and growth in mining & infrastructure sector.

Production volume of two-wheelers recorded muted growth of 2%, while three-wheelers declined by 2% during the year.

Industry Segment (Production figures)	Growth in % (YoY change)	
Vehicles	**2015-16**	**2014-15**
Passenger Cars	4%	4%
Utility Vehicles	14%	10%
Vans	6%	-12%
Passenger Vehicles	6%	4%
Medium & Heavy Commercial Vehicles	27%	21%
Light Commercial Vehicles	10%	-4%
Small Commercial Vehicles	-10%	-20%
Commercial Vehicles	12%	-
3-Wheelers	-2%	14%
2-Wheelers	2%	10%
Farm Tractors	-7%	-13%
Total	2%	8%

Source: SIAM

Domestic Sales: The passenger vehicles segment continued its 2nd year of sustained growth, posting a 7.2% in the fiscal up from 3.9% in FY15. However, it was the commercial vehicle segment which finally cleared the dark clouds with a positive growth rate of 11.5% in FY16 as against negative growth rates in the previous years.

However, in Exports, there has been a steep fall with the segment growing at a meagre 2% on the back of the weakened global story, in sharp contrast to FY15 which witnessed Exports surging at 15%.

Indian auto component industry

After improved showing by vehicle industry, auto component industry has been witnessing growth for now two consecutive years. The industry had reported 11% growth in FY15 and estimated to have grown at 8% in FY16. According to the rating agency, ICRA, the sector could continue this momentum and register a growth of 8-10% in the coming financial year.

Rane Holdings Limited (RHL)

The Company is the holding company of the group. It has strategic investments in four subsidiary companies, three joint venture companies and one associate company. RHL earns its revenues in the form of dividend, license fees against use of the Rane trademark and service fees for offering management services to the group companies.

Operational Highlights

- The group companies recalibrated their respective plans in line with Vision 2020.
- Across the Companies, initiatives focussed on achieving business excellence commenced.
- The group companies were honoured with multiple awards from top OEMs including Maruti Suzuki, Renault Nissan, Tata Motors, etc.
- Various steps were taken for cost rationalization, such aslo calization, value engineering, yield improvement projects and other strategic saving initiatives
- Created a new milestone with the acquisition of an aluminum die casting production facility in North America. It is the maiden acquisition for the group outside of the country.

Standalone Financial Highlights

- Revenue increased by 26.5% to ₹ 75.85 crore in FY16 from ₹ 59.94 crore in FY15
- EBITDA increased by 36.2% to ₹ 46.29 crore in FY16 from ₹ 33.99 crore in FY15
- PAT increased by 37.5% to ₹ 35.65 crore in FY16 from ₹ 25.92 crore in FY15

Consolidated Financial Highlights

- Revenue increased by 8.9% to ₹ 2,431.30 crore in FY16 from ₹ 2,233.30 crore in FY15
- EBITDA increased by 4.6% to ₹ 254.71 crore in FY16 from ₹ 243.41 crore in FY15
- PAT declined by 7.6% to ₹ 65.54 crore in FY16 from ₹ 70.94 crore in FY15

Outlook

The Company stated its 2020 objectives to deliver profitable growth by all group companies. Under the theme of "Dream, Desire and Deliver", our efforts are focused on two broad themes – First, Accelerate Growth through new product introductions, 'Going Global' to drive overseas share of business to 25% from the current level of 16%, expand non-auto share of business to 10% from the current level of 3%. Second, Efficient capital management by improving operational efficiency, prioritizing products with higher ROCE and optimising Capex.

Rane (Madras) Limited (RML)

RML manufactures steering & suspension linkage products (SSLP), steering gear products (SGP) and high precision aluminium die casting products. With best in class manufacturing facilities across India, RML is a key Original Equipment (OE) supplier to Indian and International Auto majors, including Tata Motors, Ashok Leyland, Mahindra & Mahindra, Renault Nissan, Maruti Suzuki, TAFE, ZFTRW, John Deere, Polaris, etc.

Manufacturing Locations

Location	Products	Customer Segments
Varanavasi (Chennai)	SSLP, SGP	Passenger car, utility vehicle mainly caters to exports market and commercial vehicle for domestic market
Mysore	SSLP, SGP & Hydraulic Products	Tractor, Passenger car segments, and hydraulic products
Puducherry	SSLP, SGP	Passenger car segment
Pantnagar (Uttarakhand)	SSLP, SGP	Tractors and small commercial vehicles catering to customers in North India
Bollaram (Hyderabad)	Die casting Products	Passenger car segment, medium and heavy commercial vehicle mainly caters to exports market
Sadashivpet (Hyderabad)		

Operational Highlights

- To expand its global presence, RML acquired the US-based Precision Die Casting Inc, a high pressure aluminium die casting company.
- Given the softening oil prices, there has been a trend in the US for SUVs over passenger cars. RML is in the process of recalibrating its business and product mix for the US market.
- RML has continued to win significant steering gear business, both in domestic as well as in overseas markets. It has also increased its linkages business to Europe.
- RML successfully commissioned its second die casting plant in Hyderabad. Products earmarked for customers in the US and European region have started.
- RML has secured its first Die Casting program from Europe.
- There is a growing acceptance for RML's Die Cast products as it bagged orders from several Tier 1 customers.
- While the year was challenging in the After Market segment, RML's decision to introduce several new products helped it grow at a healthy clip.
- To improve process efficiencies, RML continued to engage in various lean productivity, productivity improvement and cost reduction projects.
- RML's continuing pursuit of business excellence helped it win prestigious awards from its customers, including the R&D award from Maruti Suzuki, 'Design to Cost' award from Renault Nissan and 'Quality Achievement' award from Polaris.

Financial Highlights

Standalone Financial Highlights

- Net Sales increased by 9.8% to ₹ 829.37 crore in FY16 from ₹ 755.32 crore in FY15
- EBITDA increased by 14.4% to ₹ 79.69 crore in FY16 from ₹ 69.67 crore in FY15
- PAT increased by 13.2% to ₹ 14.09 crore in FY16 from ₹ 12.44 crore in FY15

Consolidated Financial Highlights

- Net Sales was ₹ 856.79 crore in FY16.
- EBITDA was ₹ 80.08 crore in FY16.
- PAT was ₹ 12.67 crore in FY16.

Outlook

Key factors like a normal monsoon forecast, the government's focus on building infrastructure and continued softening of oil prices are expected to help India post top line growth numbers, as compared to the rest of the global economies. An expected boost in CV and passenger car segment will benefit RML. RML continues to focus on new business from the Passenger car and Hydraulics segments. RML will continue its journey of globalization as it expands its die casting, steering gears and ball joints products portfolio in the European and American markets. The spotlight on the Indian replacement market will continue to offset the uncertainty of the domestic OE business.

Rane Engine Valve Limited (REVL)

REVL manufactures engine valves, guides and tappets for automotive and non-automotive applications and is a key supplier for passenger vehicles, commercial vehicles, two/three wheelers, farm tractors, stationary engines and locomotive/marine engines. A clear market leader in India, REVL supplies its world class products to leading brands including BMW, Renault Nissan, Audi, Skoda, Volkswagen, Deutz, Yamaha, Volvo, Daimler, Ashok Leyland, Hyundai, Mahindra, John Deere, Tata Motors, TVS Motors, Electromotive Diesel, Cummins etc. across the globe.

Manufacturing Locations

Location	Products
Ponneri (Chennai)	Engine Valves, Guides & Tappets
Medchal (Hyderabad)	Engine Valves
Aziz Nagar (Hyderabad)	Engine Valves
Trichy	Engine Valves
Hirehalli (Tumakuru)	Medium & Large Engine Valves

Operational Highlights

- To achieve higher cost efficiencies, REVL consolidated the Peenya plant (Bengaluru) with the Hirehalli plant (Tumakuru).
- REVL continued its cost reduction initiatives with a focus on long term productivity improvements.
- With a sharp focus on R&D, REVL continues to be on the cutting edge of power train R&D. REVL has developed valves for Euro 6 and CNG application requirements for European and Indian customers.
- REVL ramped up supplies of engine valves to major European OEM during the year.
- Customer line rejection levels were 4 parts per million.
- REVL continues its philosophy of building world class quality and environment management systems. It received accreditations / awards including -
  - All Plants have undergone surveillance audit for ISO/TS 16949: 2009.
  - All the Plants have undergone surveillance audit for ISO 14001:2004.
  - Customer award from Renault Nissan

Financial Highlights

- Net Sales dropped by 11.6% to ₹ 342.44 crore in FY16 from ₹ 387.57 crore in FY15 due to decline in domestic sales by 8.5% and exports by 18.9%
- EBITDA declined by 80.4% to ₹ 6.61 crore in FY16 from ₹ 33.72 crore in FY15
- Loss for the year was ₹ 12.54 crore as compared to profit of ₹ 23.48 crore in the previous year

Outlook

FY16 saw a lower off-take from key served customers / market segments. REVL is hopeful that the current fiscal will see improvement in demand from its Indian and overseas customers. Further, the newer emission norms and regulatory requirements will require design and development of new valve technologies combined high performance materials and special surface coating. REVL is well positioned to provide pro-active solutions to customers. It has plans to enhance its manufacturing capabilities to provide new generation engine valves and also increase the range of its large engine valve portfolio.

Rane Brake Lining Limited (RBL)

RBL is a leading player in the auto components business. It manufactures several safety critical friction material products such as brake linings, disc pads, clutch facings, clutch buttons, brake shoes and railway brake blocks for passenger cars, utility vehicles, commercial vehicles, two wheelers and railways. RBL has a technical collaboration with Nisshinbo Brakes Inc, Japan, to manufacture brake linings and disc pads.

Manufacturing Locations

Location	Products
Chennai	Brake linings, disc pads & clutch facings, Composite brake blocks, Organic pads for trainer aircraft
Hyderabad	Brake linings, sintered clutch buttons, Composite brake blocks
Puducherry	Disc pads, CV brake pads, Composite brake blocks
Trichy	Disc pads & brake linings

Operational Highlights

- The weakening of the Japanese yen supported RBL in keeping control on the overall material cost.
- Multiple initiatives including product launches for OE and Aftermarket, strategic saving efforts, building higher efficiencies in the manufacturing process and better product mix helped RBL post a higher growth rate despite a single digit growth in Net Sales.
- The continued focus on sustainability saw an increase in the use of green energy.
- With an acute focus on customers and the adoption of best practices across all locations, RBL won accolades including –
  - Awards for 'Consistent Quality' and 'New Parts Development' from key OEMs.
  - Gold awards for Quality and Innovation by ACMA
  - Gold certificate from India Manufacturing Excellence Award conducted by the Economic Times in partnership with Frost & Sullivan (F&S)
  - Award for Energy Excellence from CII for best energy efficient unit
  - Various Gold and Excellence awards on Quality and Productivity related matters from QCFI, ACMA and other reputed organisations.

Financial Highlights

- Net Sales increased by 7.7% to ₹ 447.91 crore in FY16 from ₹ 415.89 crore in FY15
- EBITDA increased by 21.2% to ₹ 57.65 crore in FY16 from ₹ 47.57 crore in FY15
- PAT increased by 59.9% to ₹ 25.76 crore in FY16 from ₹ 16.11 crore in FY15

Outlook

In the year ahead, RBL will continue to focus on initiative product development cost optimization, higher value product mix and maintaining category market leadership.

RBL will continue to improve its relationship with the collaborator and leverage the latter's strength to ensure state-of-the-art and world class technology for applications in new generation vehicles. Further, it plans to increase its geographical spread covering wide varieties with the support of its partner in the low steel technology. RBL will continue its pursuit of excellence to achieve the objective of profitable growth.

Rane TRW Steering Systems Private Limited (RTSS)

A joint venture between Rane Group and TRW Automotive J.V., LLC, USA (TRW), RTSS is a leading player in the auto segment in the manufacturer of fully integrated hydraulic steering gears, hydraulic pumps, power-rack and pinion, power steering fluid, safety seat belts, airbags and plastic reservoirs. RTSS's high focus on quality has made it a preferred supplier for OEMs across segments including commercial vehicles, passenger cars, etc.

Manufacturing Locations

Location	Products
Viralimalai (Trichy)	Hydraulic Power Steering Gears & Valves
Guduvanchery (Chennai)	Hydraulic Pumps
Guduvanchery (Chennai)	Hydraulic Power Steering Gears
Singaperumal Kovil (Chennai)	Air Bags, Seat Belts & Reservoir
Uttarakhand	Hydraulic Steering Gears & Pumps

Operational Highlights

- Increasing safety concerns and regulations saw good growth for Occupant Safety components (Airbags and seatbelts).
- Given the growing demand for Airbags, RTSS constructed a new manufacturing facility during FY16.
- As the market shifts towards EPS technology, the Power Rack & Pinion (PR&P) business saw de-growth and consequently, capacity under-utilization. The market is further expected to decline.
- RTSS also secured Tractor OEM business during this year.
- A focus on material cost reduction initiatives like localization of rubber parts, seals, bar materials, value engineering projects of Weight Reduction in castings & forgings saw RTSS save ₹ 5.41 crore in the Steering Gear division.
- The Occupant Safety division also saw remarkable savings in costs, due to multiple cost saving initiatives.

- RTSS continued to increase local sourcing during FY16 to mitigate forex related risk.
- RTSS commissioned a solar power plant of 1.14 MW at Arupukottai Taluk in Tamilnadu which helped save power cost by 15% in the FIG & Valve Plants of Steering Gear Division.
- The new product development initiatives undertaken during the year 2015-16 resulted in the development and launch of several new technology products in steering gears, pumps, airbags and seatbelts.
- RTSS received multiple awards including-
  - Recognition of 'Long association with Tata Motors for 25 years' for the Steering Gear Division and OSD division received M&M 'MSES rank B' award in recognition of manufacturing system and other processes.

Financial Highlights

- Net Sales increased by 12.9% to ₹ 706.83 crore in FY16 from ₹ 625.94 crore in FY15
- EBITDA increased by 19.3% to ₹ 83.65 crore in FY16 from ₹ 70.13 crore in FY15
- PAT increased by 26.2% to ₹ 35.89 crore in FY16 from ₹ 28.43 crore in FY15

Outlook

The Occupant Safety division is expected to continue its robust growth path as concerns for safety and regulation increases in India and across the globe. The positive growth in the commercial vehicle segment will continue to support the growth in the Steering Gear division. However, despite the projected growth in the passenger car segment, there is a clear shift to EPS Steering technology and hence will affect the final growth numbers in the segment. To mitigate the loss of business, the Company is focusing on new business opportunities in UV/LCV, M&HCV, SCV and tractor segments for its HPS gears. RTSS has bagged a major export order to Korea for the Occupant Safety division and is confident that it can increase its revenues from exports in the coming years.

Rane NSK Steering Systems Private Limited (RNSS)

A joint venture with NSK Ltd., Japan, RNSS a key player in the manufacture of electric power steering (EPS) and manual steering column (MSC) for passenger cars and commercial vehicles.

Manufacturing Locations

Location	Products
Chennai	Manual Steering Columns & I Shafts
Bawal	Electric Power Steering
Uttarakhand	Manual Steering Columns & I Shafts

Operational Highlights

- A sharp focus on productivity improvements and capacity additions helped RNSS meet the increased demand in the EPS business.
- During the year, RNSS completed four new products developments.
- RNSS made the MSC business profitable, riding on the cost reductions and improvements in operating income.
- Across RNSS, a focus on value added and value engineering through design to cost approach, has resulted in higher efficiencies and reduced costs.
- Key customers recognised the excellent work done by RNSS as it received the award for 'Outstanding Contribution to Overall Cost Excellence" from Volvo Eicher Commercial Vehicles Ltd.

Financial Highlights

- Net Sales increased by 23.0% to ₹ 766.41 crore in FY16 from ₹ 623.03 crore in FY15
- EBITDA increased by 24.6% to ₹ 91.30 crore in FY16 from ₹ 73.27 crore in FY15
- PAT increased by 34.0% to ₹ 39.63 crore in FY16 from ₹ 29.57 crore in FY15

Outlook

In FY15, RNSS had announced its capex investment of over ₹150 crore over the next three years to gear up for the growth in the automobile segment. After launching four new products, RNSS continues to strengthen its new product development and quality management processes for new EPS business. It plans to enhance its application engineering capability for EPS columns in line with the customers' expectations.

A strong growth in the commercial vehicle segment will lead to robust growth in the MSC business. RNSS will leverage its R&D to offer the latest technological solutions to the customers. Various initiatives to improve the supply chain efficiency and cost reductions will result in increased competitiveness.

Sasmos Het Technologies Limited (SASMOS)

SasMos HET Technologies Limited (SasMos) is a leading manufacturer of wiring harnesses, electro-mechanical assemblies and unit integration products for aerospace, defence and marine industries. As part of its diversification plans, RHL has invested 45.24% in the equity capital of SasMos.

Manufacturing Locations

Location	Products
Bengaluru	Wiring harnesses, electro-mechanical assemblies and unit integration products for aerospace, defence and marine industries

Operational Highlights

- The JV with Fokker Elmo i.e. Fokker Elmo SASMOS Interconnection Systems Ltd (FESIL) became operational
- Established new line for producing Boeing F-15 panels

Financial Highlights

- Consolidated Sales increased by 40.1% to ₹ 79.31 crore in FY16 from ₹ 56.61 crore in FY15
- EBITDA increased by 58.2% to ₹ 6.73 crore in FY16 from ₹ 4.26 crore in FY15
- Net Profit increased by 121.4% to ₹ 2.48 crore in FY16 from ₹ 1.12 crore in FY15

Outlook

The order book of SASMOS looks good till 2020. Business with IAI and Rafael is growing. SasMos has bright opportunities to work with Boeing, MBDA, L&T and ISRO on many new programs.

JMA Rane Marketing Limited (JMA Rane)

JMA Rane Marketing Limited (JMA Rane) is a joint venture company between RHL and Jullundur Motor Agency Company Ltd. for dealing with automobile components in the after-market. JMA Rane has wider dealer network all over the country. The financial highlights of JMA Rane for 2015-16 is as follows:

- Sales increased by 7.0% to ₹ 60.91 crore in FY16 from ₹ 56.92 crore in FY15
- EBITDA declined by 5.2% to ₹ 2.59 crore in FY16 from ₹ 2.73 crore in FY15
- PAT declined marginally by 2.3% to ₹ 1.53 crore in FY16 from ₹ 1.57 crore in FY15

Human Resources

The theme of "Dream, Design and Deliver" is the cornerstone of our HR philosophy. Rane believes that it is its people who will power the Company to greater heights, achieve market leadership across segments in the company's pursuit of accelerated profitable growth. The Company has designed key HR policies in the aspects of talent management strategy, compensation and benefits, etc., to get and give the best of its people as they get better aligned with the Company's business objectives.

People Processes and Policies

FY16 saw the Company deliver on its commitment to build a high performance culture and accordingly introduced performance pay system for the senior manager and above levels. The Company also broad-based its internal job posting policy to provide employees with exposure and opportunities across the group companies. The Company realizing the importance of social media, designed guidelines on social media presence for employees to ensure that our employees that will enable them in being brand ambassadors for the Company.

Leadership Development

Given the growth plans, it is a high priority area for the Company to have a strong leadership pipeline. The Company has implemented several programs under the refreshed leadership framework which binds individual aspirations and organizational growth together, creating a high potential talent pool across all levels. This will deliver a strong succession pipeline foundation in specific functions and enhance the overall leadership bandwidth to handle the business challenges. The Rane Institute for Employee Development

(RIED) plays the role of a nodal agency, ensuring effective design, delivery and overall program management of the interventions.

The Company launched the High Potential Leadership Development initiative last year and subsequently the Leadership Boot Camp and Executive Leadership Development programs have been rolled out.

Rane Institute For Employee Development (RIED)

RIED continues to play a significant role in delivering learning and development initiatives to realize its vision – "build core competencies for individual and business excellence". One of the focus areas during the year was sustaining the momentum of marketing excellence through post program engagement. Apart from leadership development, programs were delivered in the areas of Manufacturing Systems, Quality Assurance, Total Quality Management, Business Excellence, Soft Skills Development and General Management. During the year, RIED organised 97 programs totalling to 4547 man-days.

Leadership Boot Camp – Graduate Engineer Trainee (GET) Connect

To create Leaders for tomorrow, it is important to focus on the budding talents of today. At Rane, the GET Connect is one such program. The initiative aims to provide the GETs with a holistic view of Rane, build effective skills and provide a platform to connect with peers, recent graduates and experienced professionals across the group. The Company trained 62 as part of the GET Connect.

Executive Leadership Development (ELD)

ELD focuses on fostering functional / operational leadership. ELD is designed to enhance readiness of leaders for larger roles and responsibilities, handling multiple functions, job rotations to other businesses. 22 executives participated in this program.

The Industrial Relations were cordial in the Plants.

Corporate Social Responsibility

CSR is one of the focus areas for the Company in its core belief of 'giving back to society'. The Company focuses on four thrust areas for its CSR activities – Education, Healthcare, Environment and Community Development.

Education

In this area, the Company endeavours to offer quality technical education to the rural youth at the Rane Polytechnic, Trichy. The Financial Year 2015-16 saw 253 students completing their diploma program.

Community Development

As part of the community development initiatives, the Company continued to support two institutions - Maithree and Worth Trust. While Maithree tries to address the development needs of special children, Worth Trust focuses on mainstreaming the hearing and speech impaired people into society.

Healthcare

In the healthcare space, the Company extended support to the physically challenged people in and around Trichy through the Spastics Society, Trichy. The Company partnered with Freedom Trust, and conducted disability assessment camps and recommended mobility aids to those in need.

Flood Relief

As the rains wreaked havoc on Chennai and its residents, the Company partnered with Ramakrishna Mission and Freedom Trust to offer relief materials in the form of food and daily

essentials and giving mobility aids to physically challenged persons who lost their appliances in the flood.

The company also extended support to GanapathyIyer Girls High Secondary School, Chennai to mitigate the infrastructure damages during the Chennai floods.

In addition, the Company offered support to Satyananda yoga Charitable Trust as part of flood relief.

Information Technology

Rane's centralized IT service (Rane Data Centre) provides IT Infrastructure and application support across group companies. SAP the group's ERP system has been upgraded with enhancement pack (Ehp 7) along with the hardware infrastructure.

Continuous engagement with the businesses have been set in motion towards identifying and implementing LOB related key projects to improve process efficiencies.

As a part of our digital journey, initiatives such as vendor portal, Auto DX (EDI with Customers) have been implemented to enhance collaboration with our Suppliers and Customers. E-procurement solution has been taken up for improving the procurement efficiency. Important workflow applications have been implemented that aims at improving employee engagement, process efficiency, compliance and transparency.

ISMS operations have been strengthened to address the ever increasing cyber security threats and vulnerabilities.

Internal Controls

The Company has put in place robust internal control systems 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 outsourced to a professional firm of independent assurance service providers. The Audit Committee and the Board in consultation with the internal auditor, statutory auditor and operating management approve 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 meeting for review.

The management's responses and counter measures are discussed in the Audit Committee meetings. This process ensures the robustness of internal control systems and compliance with laws and regulations, including resource utilization and system efficacy.

Risk Management

The Company has laid down well-structured procedures for monitoring the risk management plan and implementing the 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 its impact on business.

The top management reviews the strategic risks, the risks with high probability and high impact, every quarter and presents its report along with risk mitigation plan to the Board of Directors on half-yearly basis. The strategic risks are taken into consideration in the annual planning process along with their mitigation plan. Other risks are covered as part of internal audit process and presented to the Audit Committee every quarter. The business processes 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 company level is carried out and presented to the Board of Directors once in two years for their review.

Outlook

The Company has outlined its Vision 2020 - Dream, Desire and Deliver, in the pursuit of delivering profitable growth by the group. The key pillars to realise Vision 2020 are Accelerating growth, increasing overseas share of business significantly, exploring futuristic opportunities in emerging new auto products and expanding footprint in non-auto space especially Aerospace & Defence.

For the Company, FY17 and beyond will see the next level in its evolution towards becoming a global company – from operational excellence to business excellence. With the Company's famed Rane Business Excellence Model, each company in the group is going through a detailed audit on business excellence to zero-in on areas needing improvement.

Beyond the Company, it seems that uncertainty and pessimism will continue to be part of the economic and business news

in FY17. The IMF has already made a downward revision of the global growth by 0.2% to 3.2% relative to its January 2016 World Economic Outlook update. Beyond India and the slowing and uncertain Chinese juggernaut, the economic outlook of other growth engines namely Brazil and Russia has deteriorated rapidly in the past few months.

Nevertheless, the outlook for India continues to be bullish. A forecast of a normal monsoon may see an improvement in rural demand. Domestic consumption is likely to see a boost from the implementation of the 7th Pay Commission recommendations and One Rank One Pension for the armed forces. The softer interest regime will further fuel consumer sentiments.

Even the outlook for the Auto and auto ancillary industry seems to be on the optimistic side. According to the Automotive Component Manufacturers Association of India (ACMA), the Indian auto-components industry is expected to register a turnover of US$ 100 billion by 2020. Indian auto-component makers are well positioned to benefit from the globalisation of the sector as exports potential could be increased by up to four times to US$ 40 billion by 2020.

The Rane group with various companies under its fold will certainly ride this boom. The Company is making adequate provisions on all fronts – improving process efficiencies, reducing cost, building scale in existing markets, exploring new markets and talent management. The Company continues to work with its various technology partners and OEMs to bring in the best in class products to the country and outside of the country. This is in line with Vision 2020 where the Company aims to have a significant portion of its revenue from exports.

Opportunities and Threats

With India's ranking improving in the 'Ease of Doing Business', and the better socio-economic factors, the country is seeing an interest in manufacturing across all sectors including auto, defence, etc. Given its strong brand equity, built over the years, the Company will certainly benefit from potential demand from its key segments. A stronger legislation and rising awareness about safety in cars will benefit the Company's prospect in the Occupant Safety segment.

However, the threats of economic downturn or slowdown in the key markets can lead to decreased volumes and capacity utilisation. The Company can be affected by a weak currency which can have a direct bearing on margins. Other factors, which can affect the Company, include any sharp contraction in automobile sales, increased competitive pressure, etc.

Report of the Board of Directors

Your directors take the pleasure in presenting the **Eightieth Annual Report** together with the accounts for the year ended 31 March, 2016.

1. Financial Performance

Your Company's investment profile is as given below:-

Sl. No.	Name of investee company	Products / Services	Ownership of your Company
Subsidiary companies			
1	Rane (Madras) Ltd.	Steering gear products, steering and suspension linkages, Diecasting products. Other article of aluminium.	56.3%
	a) Rane (Madras) International Holdings B.V. , The Netherlands - (RMIH)	Hold strategic overseas investments	100%
	(i) Rane Precision Die Casting Inc., (RPDC)	High pressure aluminium die casting for automotive applications	100%
2	Rane Engine Valve Ltd.*	Engine valves, valve guides and tappets	51.1%
3	Rane Brake Lining Ltd.	Brake linings, disc pads, clutch facing and clutch button	46.1%
4	Rane Holdings America Inc.	Providing business development services in North American region for Rane Group Companies	100.0%
Joint Venture Companies *			
5	Rane TRW Steering Systems Private Ltd.	Hydraulic steering gear, Hydraulic pumps, seat belt and Air Bags	50.0%
6	Rane NSK Steering Systems Private Ltd.	Manual steering columns and electric power steering.	49.0%
7	JMA Rane Marketing Ltd.	Automotive component trading with Pan India dealer network.	49.0%
Associate companies			
8	SasMos HET Technologies Ltd.	Design, prototyping and manufacture of customised electric solutions for defence and aerospace applications.	45.2%

The Company's income stream comprises of (i) dividend from the above investments, (ii) trademark fee for use of 'RANE' trademark and (iii) service fee from the group companies for providing services in the areas of management, information technology, business development and infrastructure.

The financial highlights for the year under review are as follows:

(₹ Crores)

Particulars	2015-16	2014-15
Income	75.85	59.94
Profit before tax	42.90	32.68
Provision for tax	7.25	6.76
Profit after tax	35.65	25.92
Surplus brought forward	12.88	82.44
Amount available for appropriation	32.72	108.36

Key Performance indicators, operational performance and balance sheet summary are furnished in Page No. 4-5 of this annual report.

During the year, income of your Company had increased by 26.54% over that of the previous year. The earnings per share for the year 2015-16 was ₹ 24.97 compared to last year ₹ 18.16.

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

2. Appropriation

During the year 2015-16, the board of directors declared an interim dividend of 100% (i.e., ₹ 10/- per share) on the equity share capital on March 10, 2016. The interim dividend was paid on March 23, 2016 to all the eligible shareholders whose name appeared in the register of members of the Company as on March 18, 2016 (being the Record Date) fixed for this purpose. In view of the interim dividend, the Board did not recommend any final dividend for the year ended March 31, 2016.

After transfer of ₹ 15.54 crores to General reserve, ₹ 17.18 crores has been retained as surplus in the Profit and Loss Account.

3. Management Discussion & Analysis

Your Company holds strategic investment in subsidiaries, joint ventures and an associate company (predominant called 'Rane Group') engaged in the manufacturing and marketing of components for transportation industry and also provides management and other services to Rane group. A detailed analysis of the automotive industry, group companies'

performance, internal control systems, risk management etc. are discussed in a separate section in this Annual Report under the heading 'Management Discussion & Analysis'.

4. Consolidated financial statements

The following methodology as specified under applicable accounting standards have been applied in consolidating the financial results of the group companies in the consolidated financial results attached in the annual report:-

(a) Subsidiary companies – each line item of income, expenditure, assets and liabilities have been consolidated one hundred percent. Minority interests have been appropriately considered.

(b) Joint Venture companies – each line item of income, expenditure, assets and liabilities have been consolidated based on the percentage of share held in these companies.

(c) Associate companies – share in the profit after tax based on the percentage of share held has been consolidated.

The consolidated financial statements of the Company are prepared based on the audited financial statement of the subsidiary companies, joint venture companies and associate companies.

In terms of Section 136 of the Companies Act, 2013 the Company has not attached the financial statements of the subsidiary companies. However, the financial information of the subsidiary companies duly audited by the auditors are disclosed in this annual report. The Company undertakes to make available soft or hard copy of the annual report and annual accounts of the subsidiary companies and the related detailed information to investors, as may be required by them, seeking such information at any point of time on demand. The annual accounts of the subsidiary companies have been posted in the website of the Company viz. http://rane.co.in and also kept open for inspection by any investor at the registered office of the Company and that of the respective subsidiary companies. The consolidated financial statements presented by the Company, which form part of this annual report, include financial results of its subsidiary companies.

5. Board of directors

5.1 Composition

The composition of the board of directors of the Company is furnished in the Corporate Governance Report as **Annexure-'E'** to this report. The Company has issued a letter of appointment to all independent directors and the terms and conditions of their appointment have been disclosed on the website of the Company and available at http://rane.co.in/pdf/investors/rhl/rhltermsid.pdf

Dr. V Sumantran has been co-opted to the board as an additional director (in the category of independent director) on May 27, 2016, as per the recommendations of Nomination and Remuneration Committee effective May 27, 2016 till the conclusion of eighty-second AGM. Notice has also been received from a member signifying the intention to propose his appointment as an independent director of the Company at the ensuing 80th AGM.

Mr. Anil Kumar Nehru on attaining the age of 75 years, retired from the Board effective from the conclusion of the meeting of the board of directors held on May 27, 2016, as per the retirement policy of the Company,

All the independent directors have affirmed that they satisfy the criteria laid down under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

5.2 Retirement by rotation

At the ensuing Annual General Meeting (AGM), Mr. Harish Lakshman retires by rotation and being eligible, offers himself for re-appointment. The notice convening the AGM includes the proposal for his re-appointment as director.

5.3 Board meetings

A calendar of meetings is prepared and circulated in advance to the directors. During the year five (5) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening period between two consecutive meetings was less than 120 days.

5.4 Meeting of Independent Directors

During the year, two (2) separate meetings of Independent Directors were held. In the said meetings, the independent directors assessed the quality, quantity and timeliness of flow of information between the management and the Board at the meeting and expressed that the current flow of information and contents were adequate for the Board to effectively perform its duties. Also in at the meeting of Independent Directors, the performance of the non-independent directors and the board as a whole was reviewed and the performance of the chairperson of the Company was reviewed taking into account the views of executive directors and non-executive directors.

6. Board and management

6.1 Board evaluation

During the year, a formal process for annual evaluation of performance of Board, its committees and directors individually was carried out as per the criteria laid down by the Nomination and Remuneration Committee, pursuant to the provisions of the Companies Act, 2013 (CA 2013) and clause 49 of the listing agreement.

The criteria for evaluation of board and its committees were founded on the structure, composition, board-management relationship, effectiveness in terms of roles and responsibilities and processes encompassing the information flow and functioning. The guiding standards for the assessment of performance of directors (including the independent directors)

were their attendance and participation at board meetings, sharing of their relevant domain expertise, networking in other forums, their strategic inputs and demonstration towards governance compliances.

For evaluation of performance of the Chairman additional aspects like institutional image building, providing guidance on strategy and performance, maintaining an effective and healthy relationship between the board and the management were taken into consideration.

The evaluation was carried out through a structured methodology approved by the Nomination and Remuneration Committee after ensuring that the aspects under each of the laid down criteria are comprehensive and commensurate with the size of the board and the Company.

6.2 Familiarisation program for independent directors

The familiarisation program for independent directors and details of familiarization programmes to independent directors are available at http://rane.co.in/rhlinvestors.html

6.3 Key Managerial Personnel

Mr. L Lakshman, Executive Chairman & Managing Director, Mr. L Ganesh Vice-Chairman & Joint Managing Director, Mr. Siva Chandrasekaran, Secretary and Mr. J Ananth Chief Financial Officer hold the office of Key Managerial Personnel under the Companies Act, 2013

6.4 Remuneration policy

The Nomination and Remuneration Committee has laid down a policy on appointment and remuneration of directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP). The same is annexed herewith as **'Annexure –A'**.

7. Audit

7.1 Audit Committee

In terms of the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the listing agreement, the Audit Committee of the Board is constituted to act in accordance with terms of reference prescribed therein. Detailed disclosure on compositions, terms of reference and meetings of the Audit Committee are furnished in the Corporate Governance Report.

7.2 Statutory Auditors

In terms of the appointment made by the shareholders as per the transition provisions of Section 139 of the Companies Act, 2013 and applicable rules made thereunder, M/s Deloitte Haskins and Sells (DHS) were appointed as Statutory Auditors for a period of two years to hold the office until the conclusion of the eightieth AGM (AGM 2016).

Pursuant to the provisions of Section 139, 141 and read with Companies (Audit and Auditors) Rules, 2014 and any other applicable provisions of the Act including rules made thereunder, the Audit Committee at its meeting held on May 27, 2016 has reviewed the proposal to re-appoint DHS as statutory auditors of the Company for a second term of five consecutive years commencing from the conclusion of eightieth AGM (2016) until the conclusion of eighty-fifth AGM (2021) and recommended the same to the board for proposing it to the shareholders at the ensuing eightieth AGM.

The Company has received letter from DHS consenting for the re-appointment and confirmation to the effect that their appointment, if made, would be within the limits and that they are free from any disqualification specified in section 141 of the Companies Act, 2013 and the rules made thereunder. DHS have also submitted the peer review certificate issued to them by The Institute of Chartered Accountants of India. The notice of the ensuing AGM contains necessary resolution in this regard. Members may consider appointing DHS as statutory auditors of the Company as per the provisions of the Companies Act, 2013 till the conclusion of the eightieth AGM.

The statutory auditors report to the members for the year ended March 31, 2016 does not contain any qualification, reservation, adverse remark or disclaimer.

7.3 Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s S Krishnamurthy & Co., a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The report on the Secretarial Audit carried out for the year 2015 -16 is annexed herewith as **'Annexure -B'**. The secretarial audit report does not contain any qualification, reservation, adverse remark or disclaimer.

7.4 Internal Auditors

The Company continues to engage M/s. Capri Assurance and Advisory Servicies, a firm of independent assurance service professionals, as Internal Auditors of the Company. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on a regular basis to improve efficiency in operations.

8. Directors' Responsibility Statement

In terms of Section 134(3)(c) read with section 134(5) of the Companies Act, 2013, the directors, confirm that:

i. The applicable accounting standards in the preparation of financial statements for the financial year 2015 -16 had been followed and there were no material departures;

ii. selected such accounting policies and applied them consistently and made judgments 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;

iii. 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;

iv. they had prepared the financial statements for the financial year on a 'going concern' basis ;

v. 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

vi. they had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

9. Related Party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Related Parties which may have potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen 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.

The Company has put in place proper system for identification and monitoring of such transactions. The policy on Related Party Transactions and material subsidiaries as approved by the Board is uploaded on the Company's website (http://rane.co.in/pdf/policies/rhlrpt.pdf and http://www.rane.co.in/pdf/policies/rhlmsp.pdf). None of the Directors or Key Managerial Personnel or Senior Management Personnel has any material financial and commercial transactions, where they have personal interest, which may have potential conflict with interest of the Company at large.

10. Corporate Social Responsibility (CSR)

The vision on Corporate Social Responsibility (CSR) is: **"To be socially and environmentally responsive organization committed to improve quality of life within and outside"**. The CSR activities of Rane Group focus on four specific areas of (a) Education (b) Healthcare (c) Community Development (d) Environment.

The CSR activities undertaken by the Company are in line with the CSR Policy and recommendations of the CSR Committee comprising of Mr L Lakshman, Mr L Ganesh and Mr Anjanikumar Choudhari as its members.

The Annual Report on CSR activities carried out during the year 2015-16 is annexed as **Annexure 'C'**. The CSR policy of the Company is available in the Company's website (http://www.rane.co.in/pdf/policies/rhlcsr.pdf)

11. Fixed Deposits

Your Company does not accept any deposit from public in terms of Section 73 of the Companies Act, 2013 and the rules framed thereunder.

12. Energy conservation, technology absorption and foreign exchange earnings and outgo

The Company is conscious of the imperative to protect 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, provisions of Section 134 (3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

13. Particulars of Directors, Key Managerial Personnel and Employees

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors, Key Managerial Personnel (KMP) and Employees of the Company are provided in the **'Annexure D'** to this report.

14. Corporate Governance Report

Your Company has complied with the corporate governance requirements as stipulated under clause 49 of the listing agreement / Regulation 34 of SEBI LODR. Detailed report on the compliance and a certificate by the Statutory Auditors forms part of this report as **'Annexure E'**.

15. 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 details forming part of the extract of the Annual Return in form **MGT-9** is annexed herewith as **'Annexure 'F**.

e) 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.

f) 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 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 mechanism across the Company. There was no case reported during the year under review through this mechanism.

For and on behalf of the Board

Chennai	**L GANESH**	**L LAKSHMAN**
May 27, 2016	Vice- Chairman	Executive Chairman

ANNEXURE - A to the Report of the Board of Directors

Policy on Appointment and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP)

The policy on criteria for appointment and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) are as follows:

Criteria for Appointment

The appointment, re-appointment, determining qualifications, positive attributes and independence of a director are based on the following criteria:

- Academic accomplishments
- Professional experience
- Experience in other boards
- Industry relevance and experience
- Technical / functional domain expertise
- Diversity
- Global exposure
- Governance experience
- Professional network
- Association with professional forums / academic institutions
- Independence
- Innovation
- Cultural fit

The appointment of KMPs and SMPs are based on the following criteria:

- Possession of relevant educational qualifications and certifications
- Possession of the functional / domain competencies at appropriate level as assessed by the selection panel
- Evidence of required leadership competencies as per the leadership competency model, as assessed by the selection panel
- Clear background verification report
- Reference check inputs

Criteria for Remuneration

The Company recognizes that compensation is a strategic lever in the achievement of vision and goals. The compensation philosophy is designed to attract, motivate, and retain talented employees who drive the company's success and it 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.

The Nomination and Remuneration Committee recommends policy on the remuneration of Directors, KMP and Senior Management. The approval of shareholders is obtained, wherever necessary.

- **Non- Executive Directors**

Non-Executive Directors are entitled to receive remuneration by way of fees for attending the meetings of the Board or Committee thereof, within the overall limits prescribed under the Companies Act, 2013 and rules thereunder.

A Non-Executive Chairman may receive commission within the overall limits prescribed under the Companies Act, 2013 and rules thereunder, if any, approved by the shareholders and the Board on such terms and conditions, taking into consideration the overall performance of the Company and the contributions of Chairman.

- **Executive Directors (Managing Director / Whole Time Directors), Chief Executive Officers (CEOs) and Manager under Companies Act, 2013) Key Managerial Personnel (KMP) and Senior Management Personnel (SMP)**

Executive Directors are entitled to receive remuneration as approved by the shareholders and the Board and subject to the overall limits prescribed under the Companies Act, 2013 or rules thereunder.

The remuneration structure of the executive directors, CEO or Manager, KMPs and SMPs are broadly divided into fixed and variable component, which ensures that relationship of remuneration and performance benchmark is clear, there exists a balance between fixed and incentive pay and the same reflects short and long-term performance objectives appropriate to the working of the company and its goals. The fixed compensation shall comprise of salary, allowances, perquisites, amenities and other components. The variable component of the remuneration is based on the performance of the individual in achieving superior operational results and to align employees with the organizational vision and growth strategies with a view to motivate them to achieve best results.

ANNEXURE - B to the Report of the Board of Directors

Secretarial Audit Report for the financial year ended 31st March 2016

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]

To the Members of
RANE Holdings Limited [CIN: L35999TN1936PLC002202],
"MAITHRI", 132, Cathedral Road,
Chennai - 600086

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **RANE HOLDINGS LIMITED** (hereinafter called "the Company") during the financial year from 1st April 2015 to 31st March 2016 ("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 verification of the books, papers, minute books and other records maintained by the Company and furnished to us, forms/ returns filed and compliance related action taken by the Company during the year as well as after 31st March 2016 but before the issue of this report;

(ii) Compliance certificates confirming compliance with all laws applicable to the Company given by the key managerial personnel of the Company and taken on record by the Board of Directors; and

(iii) The representations made and information provided by the Company, its officers, agents and authorised representatives during our conduct of the Secretarial Audit.

In our opinion, during the audit period covering the financial year ended on 31st March 2016, the Company has complied with the statutory provisions listed hereunder and also has proper 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. We report as regards compliance with specific statutory provisions that:

1.1. We have examined the books, papers, minute books and other records maintained by the Company and made available for our verification, the forms, returns, reports, disclosures and information filed/ disseminated during the year according to the applicable provisions/ clauses of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder.

(ii) Companies Act, 1956 and the rules made thereunder.

(iii) Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.

(iv) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.

(v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May 2015);

(c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (applicable from 15th May 2015);

(d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client; and

(f) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (applicable from 1st December 2015);

(vi) The listing agreements entered into by the Company with the National Stock Exchange of India Limited and BSE Limited.

(vii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (FEMA).

(viii) Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by The Institute of Company Secretaries of India (applicable from 1st July 2015).

1.2. During the period under review, and also considering the compliance related action taken by the Company after 31st March 2016 but before the issue of this report, the Company has, to the best of our knowledge and belief

and based on the records, information, explanations and representations furnished to us:

(i) Complied with the applicable provisions/ clauses of the Acts, Rules, Regulations and Agreements mentioned under paragraph 1.1 (i) to (vii) above; and

(ii) Generally complied with the applicable Secretarial Standards mentioned under paragraph 1.1 (viii) above.

1.3. We are informed that, during/ in respect of the year:

(i) The Company was not required to comply with the following laws/ guidelines/ regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms/ returns under:

(a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings;

(b) Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(c) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(e) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

(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. We further report as regards Board processes that:

2.1 The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. The change in composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act.

2.2 Adequate notice was given to all directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent atleast seven days before the Board meetings with the exception of the following items, which were either circulated separately or at the meetings:

(i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts/ results, unaudited financial results and connected papers; and

(ii) Additional subjects/ information and supplementary notes.

Upto 30th June 2015 there was no statutory requirement to send the agenda and notes atleast seven days before the meeting. In respect of meetings held after 1st July 2015, consent of the Board for circulating them separately or at the meeting was duly obtained as required under the Secretarial Standards.

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 Board meetings:

(i) Majority decisions are 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. We further report as regards the compliance mechanism in place that:

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

4. We further report as regards specific events/ actions that:

4.1 During the audit period there were no specific events/ actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards other than the passing of the following special resolutions by the members at the 79th annual general meeting held on 12th August 2015:

(i) Under section 180(1)(a) of the Act, according consent to the Board of Directors (including any committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to takeover substantial assets of the Company in certain events in favour of banks / financial institutions and other lending agencies including the trustees for the holders of debentures / bonds / other instruments to secure the borrowings of the Company.

(ii) Under section 14 of the Act approving the replacement of the existing set of regulations in the Articles of Association with an entirely new set of regulations.

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

K. Sriram,
Partner.
Membership No: **F6312**
Certificate of Practice No: **2215**

Date: 27th May 2016
Place: Chennai

Annexure – A to Secretarial Audit Report of even date

To the Members of
RANE Holdings Limited [CIN: L35999TN1936PLC002202],
"MAITHRI", 132, Cathedral Road,
Chennai - 600086

Our Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March 2016 is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. 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.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after 31st March 2016 but before the issue of this report.
4. We have considered compliance related actions taken by the Company based on independent legal/ professional opinion obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance 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.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
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.

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

K. Sriram,
Partner.
Membership No: **F6312**
Certificate of Practice No: **2215**

Date: 27th May 2016
Place: Chennai

ANNEXURE - C to the Report of the Board of Directors

Annual Report on CSR activities (for financial year 2015 -16)

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The company's CSR vision is 'to be a socially and environmentally responsible corporate citizen'.

Overview of projects implemented during 2015 -16:

In the year 2015 -16, the company has implemented several projects primarily focusing on Education followed by Community Development and Healthcare. In addition, the company also extended support towards alleviating the loss suffered by the community due to floods during the Chennai rains.

- **Education:**

  The flagship project is the support extended to Rane Polytechnic, Trichy through the Rane Foundation. Established in the year 2011, the institution aims at offering quality technical education to the rural youth. The second batch of 121 students completed their diploma program in 2014 -15. Similarly in the year 2015 -16, 253 students completed their diploma program. The response from corporates in providing employment opportunities continues to be encouraging.

- **Community Development:**

  As part of the community development initiatives the company continued to support the institutions Maithree and Worth Trust that attends to children coping with mental and physical challenges respectively. The support to Maithree has helped the institution in addressing the development needs of 19 children. Similarly, the contribution towards Worth Trust, an institution that focuses on mainstreaming the hearing and speech impaired people into the society paved ways for 10 beneficiaries in enhancing their scope for education, employability and thus leading to livelihood enhancement.

- **Healthcare:**

  In the healthcare space, the company extended support to physically challenged people in and around Trichy through the Spastics Society, Trichy. The company partnered with Freedom Trust, a charitable trust that is specialized in conducting disability assessment camps and recommending mobility aids to the people in need. With the help of qualified Doctors and paramedical staff the disability assessment camp was conducted and mobility aids were distributed to 63 beneficiaries as part of this project.

- **Flood Relief:**

  The company offered relief materials in the form of food and daily essentials to flood affected victims in association with Ramakrishna Mission.

  Partnering with Freedom Trust, mobility aids were replenished to physically challenged persons who lost their appliances in the flood.

  The company also extended support to Ganapathy Iyer Girls High Secondary School, Chennai to mitigate the infrastructure damages during the Chennai floods.

  In addition, the company offered support to Satyananda Yoga Charitable Trust as part of flood relief.

The policy on CSR recommended by the CSR Committee was approved and adopted by the Board of Directors is available on the website of the Company (web link: http://rane.co.in/pdf/policies/rhlcsr.pdf)

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 of RHL will be headed by the Board CSR Committee. The Board level CSR Committee grants auxiliary power to the Company level CSR Working Committee of the company to act on their behalf.

The members of the CSR committee:

Board CSR committee	Company CSR committee
L Lakshman Promoter, Managing Director & Executive Chairman	R Venkatanarayanan President – Corporate Services
L Ganesh Promoter, Joint Managing Director & Vice Chairman	J Ananth General Manager - Finance
Anjanikumar Choudhari Non-Executive & Independent Director	

3. Average net profit of the company for last three financial years

₹ In Cr

Particulars	2012-13	2013-14	2014-15
Net profit for the year (PAT)	25.95	21.73	25.92
Adjusted Net profit (as per section 198)	32.85	28.34	33.07
Average Net profit		31.42	

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : ₹ 0.63 Crores

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year; ₹ 62,84,000

(b) Amount unspent, if any; NIL

(c) Manner in which the amount spent during the financial year is detailed below.

S. No.	CSR Activity	Sector in which activity is covered	Project or programs location 1) Local area or other 2) District (State)	Budget (in INR)	Amount Spend - Subheads Direct (in INR) / Overheads (in INR)	Cumulative expenditure up to the reporting period (in INR)	Amount spent: Directly or through an implementing agency (in INR)
1	Education - Institution Development	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	1) Other 2) Trichy (Tamil Nadu)	50,00,000	50,00,000 / -	50,00,000	Implementing Agency – Rane Foundation (Registered Trust) – 50,00,000
2	Community Development - Improving Quality of Life	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	1) Local 2) Chennai (Tamil Nadu), 1) Other 2) Vellore (Tamil Nadu)	4,00,000	4,00,000 / -	54,00,000	Implementing Agency – Maithree (Registered Society) – 2,00,000 Implementing Agency – Worth Trust (Registered Trust) – 2,00,000
3	Health Care- Health Camps	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	1) Other 2) Trichy (Tamil Nadu)	2,86,000	2,93,050 / -	56,93,050	Implementing Agency – Freedom Trust (Registered Trust) – 2,93,000
4	Disaster Relief - Flood Relief measures	Medical aid, promoting health care, preventive health care, food supply, eradicating hunger, poverty, malnutrition, supply of clean water, sanitation, making available safe drinking water.	1) Local 2) Chennai (Tamil Nadu) 1) Local 2) Chennai (Tamil Nadu) 1) Local 2) Chennai (Tamil Nadu) 1) Local 2) Chennai (Tamil Nadu	5,28,000	5,28,000 / -	62,21,050	Implementing Agency – Ramakrishna Mission(Registered - Trust): 58,000 Implementing Agency – Freedom Trust(Registered - Trust): 1,00,000 Implementing Agency – The Gopalapuram Educational Society - Ganapathy Girls Higher Secondary School (Registered Society) – 2,70,000 Implementing Agency – Satyanandha Yoga Educational Charitable Trust (Registered - Trust): 1,00,000
5	CSR Capacity Building	-	1) Local 2) Chennai (Tamil Nadu)	70,000	- / 70,000	62,91,050	Direct 70,000
Total				**62,84,000**	**62,91,050**	**62,91,050**	

6. In case the company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

Not Applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The implementation and monitoring of our CSR Policy of the Company is in compliance with the CSR objectives and policies. Through this report the Company seeks to communicate its commitment towards CSR to the Ministry of Corporate affairs. The implementation and monitoring of our CSR policy is in compliance with the CSR objective and policies as laid down in this report. The Board of the Company and the CSR Committee is responsible for the integrity and the objectivity of all the information provided in the disclosure above. All the projects reported have been considered and undertaken with the best of our intentions to contribute to the greater good of the society. We have undertaken and implemented these projects with careful consideration and these projects are aligned with our vision as provided in our CSR Policy. In line with the requirements of the Companies Act, 2013, we have also instituted monitoring mechanisms to ensure the projects go on smoothly as planned.

Chennai
May 27, 2016

L Ganesh
Vice Chairman

L Lakshman (Chairman of CSR Committee)
Executive Chairman

ANNEXURE - D to the Report of the Board of Directors

Particulars of Directors, Key Managerial Personnel and Employees for the year 2015-16

A. 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 (KMP)

Name	Designation	% increase/ (decrease) of remuneration FY 2015-16	% increase/ (decrease) in Profit Before Tax (PBT) for FY 2015-16	Ratio of remuneration to median remuneration of employees
Director and Key Managerial Personnel				
Mr L Lakshman	Executive Chairman and Managing Director (MD)	22%	31%	34.73
Mr L Ganesh	Vice-Chairman and Joint Managing Director (JMD)	13%	31%	21.69
Key Managerial Personnel				
Mr. Siva Chandrasekaran	Executive Vice-President-Secretarial & Legal and Secretary	15%	31%	N.A
Mr. J Ananth	Chief Financial Officer (CFO)	3%	31%	N.A

N.A – Not Applicable

Note:

(i) None of the other directors receive any remuneration from the Company except sitting fees for attending meeting of the Board / Committee(s) thereof.

2. Median remuneration of the employees of the Company for FY 2015-16 is ₹ 6 lakhs. Decrease in median remuneration during the year 2015-16 : 0.8%.

3. Number of permanent employees on the rolls of the Company as on March 31, 2016 was 85 and March 31, 2015 was 77.

4. Relationship between average increase/decrease in remuneration and company performance:

   During FY 2015-16, the total income grew by 27% and PBT grew by 31%. The average remuneration increased by 17%.

5. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

   The total remuneration of Key Managerial Personnel increased by 17% in 2015-16. The performance of the Company is furnished in 4 above.

6. Average percentile increase already made in salary of employees other than the managerial personnel in last financial year : 17%

   The percentile increase in managerial remuneration: 18% The increase in managerial remuneration is in line with the present industry standards.

7. Ratio of remuneration of the highest paid director to that of employees who are not directors but receive remuneration in excess of highest paid director during the year: Not Applicable

8. Key parameters for any variable component of remuneration availed by the directors

   There are no key variable components in the remuneration paid to the non-executive directors except in the case of Executive Chairman and Managing Director who is entitled to receive commission as per the approval of shareholders and decided by the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee.

9. (i) Variation in market capitalisation and price earnings ratio:

	March 31, 2016	March 31, 2015	% change
Market capitalisation of the Company (based on closing prices quoted on BSE) (₹ In crores)	778.45	833.11	(6.56%)
Price earnings ratio	21.84	32.13	-

(ii) Percent increase over/decrease in the market quotations of shares of the company as compared to the rate at which company came out with last public offer:

   Not applicable, as the shares of the company were not issued and allotted under any public offer.

10. It is hereby affirmed that the remuneration paid is in accordance with the remuneration policy.

B. Details as per Rule 5 (2) & 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Employed throughout the financial year with remuneration not less than ₹ 60 Lakhs per annum.

Name	Designation	Remuneration (In ₹)	Qualifications	Age (years)	Experience (years)	Date of Joining	Nature of employment (Permanent/ contractual)	Previous employment & designation	No. of shares held in Company*	Relationship with any director / manager
Mr L Lakshman	Executive Chairman	2,08,63,318	B.E., Executive MBA	69	46	1st April 2008	Permanent	Managing Director, Rane Brake Lining Ltd.	11,14,745	Relative of Mr. L Ganesh, Mr. Harish Lakhsman.
Mr L Ganesh	Vice Chairman	1,30,26,636	B.Com., ACA, MBA	62	38	1st August 2009	Permanent	Chairman & Managing Director – Rane Engine Valve Ltd.	12,09,533	Relative of Mr. L Lakshman.
Mr R Venkatanarayanan	President – Corporate Services	78,31,977	B.Sc., PG Dip. in Social Science, MHRM	54	31	17th March 2007	Permanent	General Manager – Human Resou rce, Rane Brake Lining Ltd	-	NIL

*Includes joint holdings & HUF

ii. Employed for part of the financial year with remuneration not less than ₹ 5 Lakhs per month : Nil

ANNEXURE - E to the Report of the Board of Directors

Corporate Governance Report

1. Philosophy on Code of Governance

Rane Group's time tested philosophy of governance is based on principles of integrity, transparency and fairness. The Rane businesses seek enhancement to 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".

Our belief in good corporate citizenship 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).

2. Board of Directors

Composition, Attendance & Meetings

As of March 31, 2016, the Board of the Company consisted of four non-executive directors and two executive directors with majority being independent directors. The composition of the independent directors is in conformity with the Uniform Listing Agreement entered into with stock exchanges. The directorships held by the Directors are within the limits prescribed under Section 165 of the Companies Act, 2013. In compliance with Regulation 25 of SEBI LODR, none of the Independent Directors serve as Independent Directors in more than seven (7) listed companies and where any Independent Director is serving as whole-time director in listed company such director is not serving as Independent Director in more than three (3) listed companies. 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 companies in which he/she is a director in terms of Regulation 26 of SEBI LODR.

The board met five (5) times during the financial year on May 26, 2015, August 12, 2015, November 9, 2015, February 9, 2016, and March 28, 2016. The names and categories of the directors on the Board, their attendance at Board meetings and last Annual General Meeting held during the year and the number of directorships in othe public companies and committee chairmanships / memberships held by them in all listed companies are given below:

Name of the Director / (DIN)	Category	No. of board meetings attended	Attendance at the last AGM August 12, 2015	Number of Directorship in other public limited companies #		Number of Committees @	
				C	M	C	M
Mr. L Lakshman (DIN 00012554)	Executive Chairman, Managing Director & Promoter	5	Yes	-	6	1	5
Mr. L Ganesh (DIN 00012583)	Executive Vice-Chairman, Joint Managing Director & Promoter	5	Yes	3	7	1	7
Mr. Harish Lakshman (DIN 00012602)	Non-Executive & Promoter	4	Yes	-	7	2	3
Mr. Shujaat Khan (DIN 00526891)	Non-Executive & Independent	3	Yes	-	2	-	-
Mr. Anjanikumar Choudhari (DIN 00234208)	Non-Executive & Independent	5	Yes	-	1	1	1
Mr. Anil Kumar Nehru ^ (DIN 00038849)	Non-Executive & Independent	5	Yes	-	4	2	5
Dr Sheela Bhide* (DIN 01843547)	Non-Executive & Independent	4	Yes	-	5	-	-
Dr. V Sumantran^^ (DIN 02153989)	Additional director - Non-Executive & Independent	NA	NA				

C : Chairman and M : Member

Excludes Companies exempted under Section 165 of the Companies Act, 2013 and foreign companies.

@ Membership in Audit Committee and Stakeholders' Relationship Committee of all listed companies only is considered as per Regulation 26 of SEBI LODR

* Dr. Sheela Bhide was appointed as independent director with effect from November 13, 2014 by shareholders at the Seventy Ninth Annual General Meeting (AGM) held on August 12, 2015. Her appointment also fulfils criteria of appointment of woman director under Regulation 17 of SEBI LODR.

^ Retired as per retirement policy of the company, on attaining age of 75 years, effective from conclusion of meeting of board of directors held on May 27, 2016.

^^ Appointed at the meeting of board of directors held on May 27, 2016.

Mr. L Lakshman is related to Mr. L Ganesh and Mr. Harish Lakshman.

The information as prescribed under PART A of Schedule II pursuant to Regulation 17(7) of SEBI LODR such as annual operating plans and budgets, quarterly results for the Company, minutes of meetings of audit committee and other committees of the board, risk management and mitigation measures etc. are discussed by the Board of Directors.

Annual calendar for the Board and its committee meetings is circulated in advance to the directors, to facilitate them in attending the meetings. The directors are provided with detailed agenda for the meetings along with necessary annexures to effectively participate in discussions. The Company has a post board meeting review mechanism to monitor and follow up the effective execution of the decisions, directions or suggestions of the board and its committees, by the management.

The disclosure regarding meeting of independent directors, Board and directors performance evaluation are discussed in detail in the report of the Board of Directors.

The familiarisation programme for the independent directors is disclosed on the website of the Company and is available at http://rane.co.in/rhlinvestors.html .

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 May 26, 2015, August 12, 2015, November 9, 2015, February 9, 2016 and March 28, 2016. The details of members and their attendance are as below:

Name of the Director	Category	No of Meetings Attended
Mr. Anjanikumar Choudhari	Chairman - Independent	5
Mr. Anil Kumar Nehru ^	Member- Independent	5
Mr. L Ganesh	Member- Executive, Promoter	5
Mr Shujaat Khan ^^	Member- Independent	NA

^ Retired effective conclusion of meeting of board of directors held on May 27, 2016

^^ Inducted as a member effective conclusion of meeting of board of directors held on May 27, 2016

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 auditors and the internal auditors were present as invitees in all the meetings. The Executive Chairman and General Manager – Finance & CFO of the Company attended the meetings by invitation. Based on the requirement, other directors attended the meetings by invitation. All the recommendations of the audit committee during the year were considered, accepted and approved by the board.

Overall purpose and terms of reference

The purpose of the Audit Committee is to assist the Board of Directors (the "Board") 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 auditors 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. In line with these provisions the Company has framed an Audit Committee Charter, which is subject to review by the Audit Committee.

The roles of the Audit Committee inter-alia, includes, review of:-

- Quarterly / Annual financial statements with statutory auditors and management before submission to the Board.
- 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
- Internal audit function, internal audit reports relating to internal control weaknesses and functioning of whistle blower mechanism.
- Evaluation of internal financial controls and risk management systems
- Management discussion and analysis of financial condition, results of operation financial and risk management policies of the Company.
- 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.
- Valuation of undertakings or assets of the company, as and when required

As per the charter and the terms of reference, the Audit Committee, also:

- Recommends appointment of Auditors and their remuneration and approves the appointment of CFO
- Discusses the scope of audit and post-audit area of concern and qualifications, if any, with Statutory Auditors / Internal Auditors.

The audit committee reviews the quarterly unaudited / audited annual financial results of the Company. The unaudited results are subjected to limited review by the statutory auditors of the Company. The statutory auditors are eligible to issue limited review report as the audit firm has been subjected to peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of ICAI. The Audit Committee approves payments to statutory auditors for audit and non-audit services.

In accordance with the provisions of Companies Act, 2013, rules made thereunder and provisions of listing agreement / SEBI LODR, the audit committee accords prior approval for all Related party transactions (RPTs), including any modifications thereto, as per the policy on Related Party Transactions. 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, extent and manner of disclosures made to the Audit Committee. On a quarterly basis the Audit Committee reviews related party transactions entered into by the company pursuant to each of the omnibus approval.

The Audit Committee reviews all mandatory information under Part C of Schedule II pursuant to Regulation 18 SEBI LODR, including review of internal auditor observations, if any, and statutory compliance.

4. Nomination and Remuneration Committee (NRC)

Composition, Attendance and Meetings

The Nomination and Remuneration Committee (NRC) is constituted by the Board in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI LODR. The Committee met three (3) times during the year May 26, 2015, August 12, 2015 and February 9, 2016. The details of members and their attendance are as below:

Name of the Director	Category	No of Meetings Attended
Mr. Anjanikumar Choudhari	Chairman - Independent	3
Mr. Anil Kumar Nehru ^	Member- Independent	3
Mr. Harish Lakshman	Member- Non- Executive & Promoter	2
Dr V Sumantran ^^	Member- Independent	NA

^ Retired effective conclusion of meeting of board of directors held on May 27, 2016

^^ Inducted as a member effective conclusion of meeting of board of directors held on May 27, 2016

The NRC members considered inter alia, annual performance evaluation of directors and policy on leadership development and succession management and also policy on performance pay for senior management in accordance with the remuneration policy of the Company and its terms of reference.

Terms of Reference

- 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 Executive 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 of Independent Directors based on report of performance evaluation.
- To consider and recommend professional indemnity and liability insurance for Directors,KMP and SMP.

NRC laid down the criteria for evaluation of performance of the board, its committees and directors. In order to align employees with the organizational vision and growth strategies and motivate them to achieve business results, the NRC considered a policy on performance pay laying down the applicability, standards, parameters, methodology and governing rules and approved the policy on leadership development and succession management that focuses on leadership development architecture, leadership assessment across various levels, development plans / programs, human resource systems and processes.

Remuneration Policy

The Policy on appointment and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) is available as 'Annexure B'.

Details of Remuneration paid to Directors:

Type of Meeting	Sitting Fees (₹) per meeting
Board	30,000
Audit Committee	10,000
Nomination & Remuneration Committee	10,000
Stakeholder's Relationship Committee	5,000
Corporate Social Responsibility Committee	5,000
Finance Committee	2,500
Executive Committee	-

The Company paid sitting fees to the non executive directors apart from reimbursement of actual travel and out-of-pocket expenses incurred by them for attending the meetings. The details of remuneration including sitting fees paid to the directors and their shareholding as at March 31, 2016 are as follows:

Name of the Director	Sitting Fees (₹)	Remuneration (₹)	Shares held@
Mr. L Lakshman*	NA	2,08,63,318	11,14,745
Mr. L Ganesh*	NA	1,30,26,636	12,09,533
Mr. Harish Lakshman	1,47,500	NA	1,24,882
Mr. Anjanikumar Choudhari	2,35,000	NA	-
Mr. Anil Kumar Nehru	2,40,000	NA	-
Mr. Shujaat Khan	90,000	NA	-
Ms. Sheela Bhide	1,20,000	NA	-

@ includes joint holdings & HUF

* No sitting fee is paid to Mr. L Lakshman and Mr. L Ganesh.

Note:

1. No other remuneration was paid to non-executive director except sitting fees.
2. Remuneration paid to Mr. L Lakshman, Executive Chairman and Mr. L Ganesh, Vice-Chairman are based on recommendation of Nomination and Remuneration Committee and pursuant to approval of the Board of Directors at their meeting held on August 12, 2015. The detailed break-up is provided in extract of Annual Report (MGT-9) in this Annual Report.
3. No shares were pledged by the directors. There is no stock option scheme prevailing in the Company.

5. Stakeholders' Relationship Committee

Composition, attendance and meetings

The Stakeholders' Relationship Committee looks into grievance of shareholders and redresses them expeditiously in accordance with Section 178 of the Companies Act, 2013 and the requirements under Regulation 20 of SEBI LODR. The Company Secretary is the compliance officer of the company.

The Committee met two (2) times during the year November 9, 2015 and February 9, 2016. The details of members and their attendance are stated below:

Name of the Director	Category	No. of meetings Attended
Mr. Harish Lakshman	Chairman - Non-Executive & Promoter	1
Mr. L Ganesh	Member- Executive & Promoter	2
Mr. Anil Kumar Nehru ^	Member- Independent	2
Dr. Sheela Bhide	Member- Independent	NA

^ Retired effective conclusion of meeting of board of directors held on May 27, 2016

^^ Inducted as a member effective conclusion of meeting of board of directors held on May 27, 2016

Details of investor complaints for the year reviewed by the SRC are as under:

	Nature of Complaint	Received during the year	Resolved	Pending at the end of the year
Regulatory Authorities (MCA / SEBI / Stock Exchanges)	Annual Report related	3	3	-
Through Registrar & Transfer Agent	-	-	-	-
Directly to Company	Annual Report related	1	1	-

No complaint was received under the SEBI Complaints Redressal System (SCORES). There was no investor complaints pending unresolved at the end of the financial year 2015 -16.

6. Corporate Social Responsibility (CSR) Committee

The CSR activities of the Company focus on four specific areas of (a) Education (b) Healthcare (c) Community Development (d) Environment. The CSR activities undertaken by the Company are in line with the CSR Policy and recommendations of the CSR Committee. The composition of the Committee is as follows:

Name of the Director	Category
Mr. L Lakshman	Chairman - Executive & Promoter
Mr. L Ganesh	Member- Executive & Promoter
Mr. Anjanikumar Choudhari	Member- Independent

The CSR Committee met once during the year on May 26, 2015 and all the Committee members attended the meeting. The Company Secretary acts as the Secretary to the Committee. The Committee approves the annual CSR report, recommends the annual CSR expenditure budget and CSR activities undertaken for the financial year to the Board, as per the CSR policy of the Company.

The terms of reference of the Committee are as follows:

1. Formulate and recommend CSR Policy, for approval of the Board
2. Approve projects that are in line with the CSR policy
3. Have monitoring mechanisms in place to track the progress of each project
4. Recommend the CSR expenditure to the Board of the company for approval
5. Review new proposals and existing projects' status

The report on CSR projects undertaken during the year 2015-16 as approved by the CSR committee in consultation with the Board is annexed to Directors' Report as **Annexure 'D'.**

7. Other Committees

Share Transfer Committee:

To expedite the process of share transfers, 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 Senior Officials designated from time to time. The Committee meets to approve share transfers and transmissions and reports the details of transfer / transmissions of securities approved by the Committee to the Board at each meeting of the Board.

No sitting fees is payable to the committee members for attending meeting(s) of this Committee.

Finance Committee

The Finance Committee has been constituted to exercise the borrowing powers delegated by the Board, to approve the financial facilities in connection with the capital expenditures and working capital expenditures of the Company, as per the Annual Operating Plans approved by the Board. The Committee met once during the year, on June 19, 2015. Leave of absence was granted to Mr. L Lakshman for this meeting.

The Committee comprises of the following members:

Name of the Director	Category
Mr. L Ganesh	Chairman - Executive & Promoter
Mr. L Lakshman	Member - Executive & Promoter
Mr. Harish Lakshman	Member - Non- Executive & Promoter

Executive Committee

The Executive Committee has been constituted to carry out activities in connection with change in operation of bank accounts and authorization of officials under various legislations and other administrative matters between two consecutive meetings of the Board. The Committee met once during the year, on June 19, 2015. Leave of absence was granted to Mr. L Lakshman for this meeting.

The Committee comprises of the following members:

Name of the Director	Category
Mr. L Ganesh	Chairman - Executive & Promoter
Mr. L Lakshman	Member - Executive & Promoter
Mr. Harish Lakshman	Member - Non- Executive & Promoter

No sitting fees is payable to the committee members for attending meeting(s) of this Committee.

8. 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 on the website of the Company and is available at, http://rane.co.in/pdf/policies/coc.pdf. The board members and senior management personnel have affirmed their compliance with the code of conduct. Declaration from the Executive Chairman & Managing Director of the Company to this effect forms part of this report.

Prevention of Insider Trading

The Board of Directors have formulated "Rane Code to regulate, monitor and report trading by insiders and practices and procedures for fair disclosure of unpublished price sensitive information" in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 to prevent misuse of any unpublished price sensitive information and prohibit insider trading activity. The code of fair disclosure practices and procedures for unpublished price sensitive information is available at the website of the Company viz., http://www.rane.co.in/pdf/policies/rhlcfd.pdf

9. General Body Meetings

Details of previous three Annual General Meetings of the Company are as under:

Date of AGM	Special Resolutions Passed	Time	Venue
August 12, 2015 (Wednesday) (Seventy Ninth AGM)	1. Mortgage / create charge on assets under section 180(1)(a) of the Companies Act, 2013. 2. Adoption of new set of Articles of Association of the Company.	10.30 a.m.	The Music Academy (Mini Hall), New No. 168, TTK Road, Royapettah, Chennai 600 014.
August 12, 2014 (Tuesday) (Seventy Eighth AGM)	1. Re-appointment of Mr. L Lakshman as Managing Director in designation of 'Executive Chairman'. 2. Re-appointment of Mr. L Ganesh as Joint Managing Director in designation of 'Vice-Chairman'. 3. Approve Borrowing powers of the Board u/s 180(1)(c) of the Companies Act, 2013.	10.15 a.m.	
August 12, 2013 (Monday) (Seventy Seventh AGM)	No special resolution was passed	10.15 a.m.	

10. Disclosures

1. 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., which were in conflict with the interests of the Company. The details of the related party transactions as per AS 18 as stated in note 30 of the standalone financial statements have been reviewed/ approved by the Audit Committee. The policy on Related party Transaction is available on the website of the Company viz., http://www.rane.co.in/pdf/policies/rhlrpt.pdf
2. 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.
3. There was no pecuniary relationship or transaction of non-executive directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.
4. The Company has in place a mechanism to inform the board members about the risk assessment and mitigation plans and the periodical reviews to ensure that the critical risks are controlled by the executive management.
5. The Company has complied with all the mandatory requirements prescribed under Chapter IV of the SEBI LODR.

   The Company has complied with the following non-mandatory requirements:-

   i. adopting best practices to ensure a regime of unqualified financial statements
   ii. individual communication of half-yearly results to shareholders
   iii. Internal Auditor directly reporting to the Audit Committee
6. 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.
7. The Company has framed a policy for determining "material subsidiary" and the same is available on the Company's website. (Link http://rane.co.in/pdf/policies/rhlmsp.pdf.)
8. The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Sec 149 of the Companies Act, 2013 and Regulation 16 of the SEBI LODR.
9. The CEO and CFO of the Company have certified to the Board on the integrity of the financial 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.
10. The Company has complied with all mandatory requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of SEBI LODR.

11. 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. It also addresses the protection of 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 has been appropriately communicated across all locations of the Company. The Whistle Blower policy has also been posted in the Company's website URL: http://rane.co.in/pdf/policies/rhlwbpolicy.pdf

No person has been denied access to the ombudsperson / audit committee.

12. Means of Communication

The consolidated quarterly / annual financial results were published in "Business Standard" (English) and "Dinamani" (Tamil). The financial results and the shareholding pattern were uploaded in the website of the stock exchanges and the Company viz. http://www.rane.co.in . During the year, presentations were made to analysts/institutional investors and was published on the website of the Company.

During last year, the shareholders of the Company whose e-mail addresses were registered with the Company / Depository Participants (DPs) were provided with a link to the annual report of the Company via e-mail and those who opted to receive the documents in physical mode were provided with a physical copy.

13. General Shareholder Information

i) Information about director seeking appointment / re-appointment in this Annual General Meeting (AGM) in compliance with Regulation 26(4) & 36(3) of SEBI LODR

Name of the Director	Mr. Harish Lakshman	Dr. V Sumantran
Father's Name	Mr. L Lakshman	Mr. Venkataramani
Director Identification Number (DIN)	00012602	02153989
Date of Birth	12.02.1974	27.09.1958
Educational Qualifications	B.E. - BITS Pilani, MSM - Purdue University, USA	MS and Ph.D. degrees in Aerospace Engineering 'Princeton University & Virginia Tech' and a Master's degree in Management of Technology. He is a Fellow of SAE International and a Fellow of the Indian National Academy of Engineers.
Experience / Expertise	Mr. Harish Lakshman has over 21 years of industrial experience and has held various positions in the areas of Marketing, Operations and Business Development Overseas. He currently spearheads the future growth plan for the Rane group.	Dr. Sumantran has over 30 years of experience and is currently the Chairman of Celeris Technologies and an advisor to several leading Fortune-100 organizations in autos, industrial equipment, defence and aerospace. He was Executive Vice-Chairman of Hinduja Automotive, UK, the auto and manufacturing sector holding company of the Hinduja Group as well as Vice Chairman of Ashok Leyland. He also served on the Science Advisory Council of the Prime Minister of India and Scientific Advisory Committee to the Cabinet of the Indian Government. He was a member of the National Manufacturing Competitiveness Council and served as Chairman, National Defence Council of the Confederation of Indian Industry until 2013.
Date of appointment	19.05.2004	27.05.2016
Relationship with other directors	Son of Mr. L Lakshman, Executive Chairman of the Company	Nil
Directorships in listed entities	**Vice-Chairman** Rane Engine Valve Ltd. **Director** 1. Rane Holdings Ltd. 2. Rane Brake Lining Ltd. 3. Rane (Madras) Limited	**Director** Ucal Fuel Systems Limited **Additional Director** Rane Holdings Ltd.

Name of the Director	Mr. Harish Lakshman	Dr. V Sumantran
Committee Memberships in listed entities	**Chairman – Stakeholders' Relationship Committee** 1. Rane Holdings Ltd. 2. Rane Brake Lining Ltd. **Member – Stakeholders' Relationship Committee** Rane (Madras) Ltd. **Member - Nomination and Remuneration Committee** Rane Holdings Ltd.	**Member - Nomination and Remuneration Committee** Rane Holdings Ltd.
Number of shares held (includes joint holding)	1,24,882*	Nil

*Includes joint shareholding

ii) **Annual General Meeting** **August 11, 2016 at 10.15 a.m.**
The Music Academy (Mini Hall)
New No.168, TTK Road,
Royapettah, Chennai 600 014

iii) **Financial Year** **1st April - 31st March**

Financial Calendar:

Board meeting for approval of	Tentative Date
Annual Accounts for the year ended March 31, 2016	May 27, 2016
Un-audited results for the 1st quarter ending June 30, 2016	August 11, 2016
Un-audited results for the half year ending September 30, 2016	By the second week of November 2016
Un-audited results for the nine months ending December 31, 2016	By the second week of February 2017
Annual Audited for the year ending March 31, 2017	By last week of May 2017

iv) **Dividend:**

Interim Dividend

During the year 2015 -16, the board of directors declared an interim dividend of 100% (i.e., ₹ 10/- per share) on the equity share capital on March 10, 2016. The interim dividend was paid on March 23, 2016 to all the eligible shareholders whose name appeared in the Registered of members of the Company as on March 18, 2016 (being the Record Date) fixed for this purpose.

The Board of Directors did not recommend any final dividend for the year 2015 -16.

v) **Listing on Stock Exchanges:**

Stock Exchange	Stock Code
National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E) Mumbai 400 051	RANEHOLDIN
BSE Ltd. (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 2016 – 17 to NSE & BSE where the shares of the Company continue to be listed.

vi) **Unpaid / Unclaimed Dividends:**

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend for the financial year ended March 31, 2009, which remain unclaimed for a period of seven years, are required be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government within the respective due dates. The Company had transferred to IEPF, an amount of ₹ 2,70,252/- pertaining to the dividend for the financial year ended March 31, 2009.

The Company has sent reminder letters to each of the shareholder whose dividend is remaining unclaimed as per the records available with the Company. Members who have not encashed the dividend warrants are requested to make their claim to the Company. Information in respect of unclaimed dividends and the due dates for transfer to the IEPF are given below:

Year	Date of declaration	Dividend per share # (₹)	Amount outstanding in Unclaimed Dividend Account (as on 31.03.2016) (₹)	Last Date for claiming Unpaid Dividend	Due date for transfer to IEPF
31.03.2010*	29.01.2010	6.00	4,25,682.00	06.03.2017	05.04.2017
31.03.2010	29.07.2010	2.00	1,36,810.00	03.09.2017	03.10.2017
31.03.2011*	03.02.2011	7.50	5,00,302.50	11.03.2018	10.04.2018
31.03.2011	05.08.2011	5.00	3,60,830.00	10.09.2018	10.10.2018
31.03.2012*	06.02.2012	6.00	4,84,848.00	13.03.2019	12.04.2019
31.03.2012	10.08.2012	4.00	2,89,492.00	15.09.2019	15.10.2019
31.03.2013*	06.02.2013	3.50	2,97,125.50	14.03.2020	13.04.2020
31.03.2013	12.08.2013	4.50	3,69,036.00	17.09.2020	17.10.2020
31.03.2014	12.08.2014	6.50	5,65,103.50	17.09.2021	17.10.2021
31.03.2015	12.08.2015	7.50	7,05,847.50	17.09.2022	17.10.2022

-Share of paid-up value of ₹ 10/- per share.
* - Interim Dividend

During the year, the Company had filed with Registrar of Companies, the details of all unpaid and unclaimed amounts as on August 12, 2015 in accordance with the Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012. The above details were also uploaded in the website of the Company viz. www.rane.co.in.

In respect of interim dividend declared by the board of directors on March 10, 2016, dividends remaining unpaid / unclaimed has been transferred to an unclaimed dividend account on April 15, 2016. The last date for claiming such amount, in terms of Section 124 of the Companies Act, 2013, shall be April 15, 2023.

vii Unclaimed share certificates:

Under clause 5A (II) of the listing agreement / Regulation 39 of SEBI LODR, the Company has previously sent three reminders to the shareholders for getting their confirmation on unclaimed shares.

Details of Unclaimed Shares Suspense account	Number of shareholders	Number of shares outstanding
Aggregate at the beginning of the year	597	80,011
Requests for transfer during the year	13	4,640
Transfers during the year	13	4,640
Balance at the end of the year	584	75,371

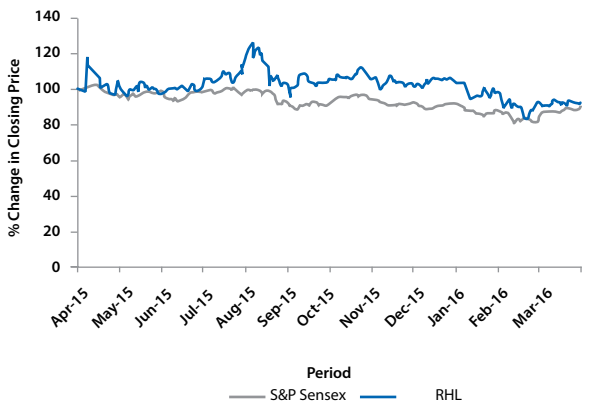
The voting rights of these shareholders remains frozen till the rightful owner of such shares claims the same.

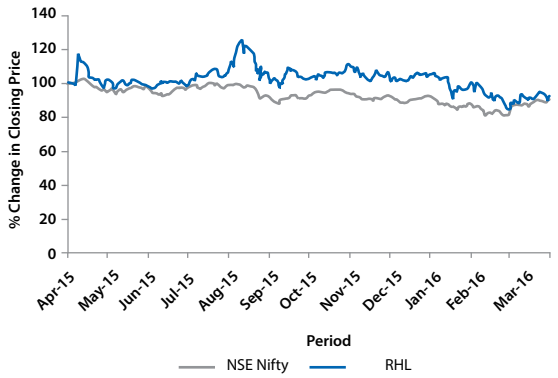
viii Share price data

The share price data (based on closing price) as quoted on the National Stock Exchange of India Ltd. and BSE Ltd. along with the movement in the respective stock index during the last financial year viz., April 1, 2015 – March 31, 2016 is given below :

Month	BSE Share Prices (₹)		BSE Sensex		NSE Share Prices (₹)		NSE Nifty	
	High	Low	High	Low	High	Low	High	Low
April 2015	697.00	570.75	29,044.44	27,011.31	696.20	573.90	8,834.00	8,181.50
May 2015	612.00	563.50	27,957.5	26,599.11	604.45	572.25	8,458.95	8,057.30
June 2015	608.75	575.00	27,895.97	26,370.98	601.55	565.35	8,433.40	7,965.35
July 2015	650.50	585.00	28,504.93	27,459.23	642.50	586.95	8,633.50	8,328.55
August 2015	741.25	602.50	28,298.13	25,714.66	742.45	600.05	8,588.65	7,791.85
September 2015	641.00	565.75	26,218.91	24,893.81	648.10	570.25	7,981.90	7,558.80
October 2015	663.00	607.00	27,470.81	26,220.95	654.75	601.55	8,295.45	7,950.90
November 2015	647.25	585.50	26,590.59	25,482.52	648.00	595.40	8,060.70	7,731.80
December 2015	630.00	592.25	26,169.41	25,036.05	625.20	594.55	7,954.90	7,610.45
January 2016	624.50	552.75	26,160.9	23,962.21	624.80	534.75	7,963.20	7,276.80
February 2016	596.50	495.00	24,824.83	22,951.83	595.80	498.40	7,555.95	6,970.60
March 2016	552.20	488.00	25,341.86	23,779.35	561.60	499.70	7,735.20	7,222.30

(Source: BSE: www.bseindia.com ; NSE: www.nseindia.com)





ix Registrar and Transfer Agent (RTA)

The contact details of the RTA are as follows:-

Integrated Enterprises (India) Ltd.,
II Floor, 'Kences Towers',
No.1, Ramakrishna Street, North Usman Road,
T. Nagar, Chennai – 600 017.
Phone: 28140801 – 03, Fax: 28142479, 28143378.
e-mail: corpserv@integratedindia.in
Name of the contact person: Mr. Suresh Babu K.
Senior Vice-President

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 de-mat / re-mat requests in coordination with the RTA. Share transfers are approved within fifteen days from date of receipt of valid request. Transmission requests are also processed within time stipulated under SEBI LODR. On a half-yearly basis the compliance with the share transfer / transmission formalities is audited by a Practising Company Secretary (PCS) in terms of clause 47(c) of the Listing Agreement / Regulation 40(10) of SEBI (LODR) with the stock exchanges and a certificate to this effect is filed with the stock exchanges.

A reconciliation of share capital audit in terms of regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 is taken up on a quarterly basis and the report of the

Practicing Company Secretary is filed with the stock exchanges certifying that the total listed capital of the Company is in agreement with the total number of shares in physical and dematerialized form and that there is no difference between the issued and the listed capital of the Company.

xi) Distribution of shareholding as on March 31, 2016

No. of Shares Held	Shareholders		Shares	
	Number	% to Total	Number	% to Total
Upto 500	7,550	88.34	6,89,147	4.83
501 - 1,000	399	4.66	3,00,641	2.11
1,000 - 2,000	241	2.82	3,49,306	2.45
2,001 - 3,000	117	1.37	297634	2.08
3,001 - 4,000	33	0.40	113789	0.80
4,001 - 5,000	27	0.32	1,23,343	0.86
5,001 - 10,000	67	0.78	4,96,059	3.47
10,000 & Above	112	1.31	1,19,07,890	83.40
Total	**8,546**	**100.00**	**1,42,77,809**	**100.00**

xii) Shares

Dematerialisation of shares and liquidity

The Company has entered into the necessary agreements with National Securities Depository Limited and Central Depository Services (India) Limited for dematerialisation of the shares held by investors. As of March 31, 2016, about 97.96% of the shareholdings have been dematerialised.

Comparative chart of physical and demat holdings for the current and previous financial year is given below:

Particulars	Number of shares		% to total capital	
	As on March 31, 2016	As on March 31, 2015	As on March 31, 2016	As on March 31, 2015
Physical	2,90,624	3,63,341	2.04	2.55
Demat	1,39,87,185	1,39,14,468	97.96	97.45
Total	1,42,77,809	1,42,77,809	100.00	100.00

The promoter and promoter group hold their entire shareholding only in dematerialised form.

Reconciliation of share capital audited by practicing company secretary is furnished every quarter to the stock exchanges, where the shares of the Company are listed.

Demat ISIN Number: **INE384A01010**

The Company has not issued any equity share with differential voting rights nor granted stock options nor sweat equity.

xv) Address for communication

The Compliance Officer
Rane Holdings Limited
Rane Corporate Centre
"Maithri" 132, Cathedral Road
Chennai 600 086.
Phone : 28112472 Fax : 28112449
E-mail: investorservices@rane.co.in

OR

Mr. Suresh Babu K.
Senior Vice-President
Integrated Enterprises (India) Ltd.,
II Floor, 'Kences Towers'
No.1, Ramakrishna Street
North Usman Road
T. Nagar, Chennai 600 017
Phone:28140801–03 Fax:28142479
E-mail: corpserv@integratedindia.in

Declaration by Chief Executive Officer on Code of Conduct

Pursuant to Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Members
Rane Holdings Limited

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, 2016.

Chennai
May 27, 2016

L Lakshman
Executive Chairman & Managing Director

Auditor's Certificate on Corporate Governance

To

The Members
Rane Holdings Limited

1. We have examined the compliance of conditions of Corporate Governance by RANE HOLDINGSLIMITED ("the Company"), for the year ended on March 31, 2016, as stipulated in:
   - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange(s) for the period from April 01, 2015 to November 30, 2015.
   - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s) for the period from April 01, 2015 to September 01, 2015.
   - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
   - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C , D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. 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.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Geetha Suryanarayanan
Partner
(Membership No. 29519)

Place: Chennai
Date: May 27, 2016

ANNEXURE - F to the Report of the Board of Directors

Extract of Annual Return as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	: L35999TN1936PLC002202
(ii)	Registration Date	: March 03, 1936
(iii)	Name of the Company	**: Rane Holdings Limited**
(iv)	Category / Sub-Category of the Company	: Public Company – Limited by Shares Indian Non-Government Company
(v)	Address of the Registered office and contact details	: 'Maithri' No.132, Cathedral Road, Chennai – 600 086 Phone: 044 – 2811 2472; Fax: 044 – 2811 2449
(vi)	Whether listed company	: Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	: Integrated Enterprises (India) Limited II Floor, 'Kences Towers', No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai – 600 017. E-mail: corpserv@integratedindia.in Phone: 044 2814 0801; Fax: 044 2814 2479

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S.No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Dividend income	642-6420-64200	32.60
2	Trademark fees	774-7740-77400	30.00
3	Information technology support service	620-6202-62020	15.63
4	Management consultancy service	702-7020-70200	12.17

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S. No	Name of the company	Address of the company	CIN/GLN	% of shares held	Applicable Section
Subsidiary Companies					
1.	Rane (Madras) Ltd.	'Maithri' No.132, Cathedral Road, Chennai – 600086 Tamil Nadu	L65993TN2004PLC052856	56.31%	2(87)
2.	Rane Engine Valve Ltd.		L74999TN1972PLC006127	51.07%	
3.	Rane Brake Lining Ltd.		L63011TN2004PLC054948	46.09%	
4.	Rane Holdings America Inc.	160 Greentree Drive, Suite 101, Dover City, County of Kent, 19904.	Not Applicable	100.00%	

S. No	Name of the company	Address of the company	CIN/GLN	% of shares held	Applicable Section
Step Down Subsidiary Companies					
5.	Rane (Madras) International Holdings B.V.	Hoogoorddreef 15,1101 BA Amsterdam, The Netherlands	Not applicable	100.00%	2(87)
6.	Rane Precision Die Casting Inc.	232 Hopkinsville Road Russellville KY 42276-1280 United States of America	Not applicable	100.00%	2(87)

S. No	Name of the company	Address of the company	CIN/GLN	% of shares held	Applicable Section
Joint Venture Companies					
7.	Rane TRW Steering Systems Private Ltd.	'Maithri' No.132, Cathedral Road, Chennai – 600086 Tamil Nadu	U35999TN1987PTC014600	50.00%	2(6)
8.	Rane NSK Steering Private Systems Ltd.		U29141TN1995PTC030621	49.00%	
9.	JMA Rane Marketing Ltd.	2E/5 Jhandewalan Extension, New Delhi - 110055	U51909DL1991PLC042645	49.00%	
Associate Company					
10.	SasMos HET Technologies Ltd.	Block GA, NPR Complex, Plot No. 311, Survey No.197 Hoody Village, K.R. Puram Hobli, Bangalore East Taluk, Bangalore, Karnataka - 560048	U72900KA2007PLC044415	45.24%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter(s)									
(1) Indian									
a) Individual/ HUF	32,48,127	-	32,48,127	22.75	32,57,696	-	32,57,696	22.82	0.07
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	32,48,127	-	32,48,127	22.75	32,57,696	-	32,57,696	22.82	0.07
(2) Foreign									
a) NRIs – Individuals	33,77,662	-	33,77,662	23.66	33,77,662	-	33,77,662	23.66	0.00
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	33,77,662	-	33,77,662	23.66	33,77,662	-	33,77,662	23.66	-
Total Promoter Shareholding (A) = (A)(1)+ (A)(2)	**66,25,789**	**-**	**66,25,789**	**46.41**	**66,35,358**	**-**	**66,35,358**	**46.48**	**0.07**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	11,05,918	150	11,06,068	7.75	12,93,008	150	12,93,158	9.057	1.31
b) Banks / FI	1,660	3,659	5,319	0.037	361	3,659	4,020	0.028	(0.009)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	6,79,573	-	6,79,573	4.76	6,79,573	-	6,79,573	4.76	-
g) FIIs	9,491	-	9,491	0.066	12,773	-	12,773	0.089	0.023
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	17,96,642	3,809	18,00,451	12.61	19,85,715	3,809	19,89,524	13.93	1.32

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	9,41,994	2,838	9,44,832	6.62	8,97,493	2,838	9,00,331	6.31	(0.31)
ii) Overseas	5,41,125	-	5,41,125	3.79	5,41,125	-	5,41,125	3.79	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	20,31,468	3,00,240	23,31,708	16.33	19,02,894	2,61,417	21,64,311	15.16	(1.17)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	17,71,926	54,294	18,26,220	12.79	18,20,808	20,400	18,41,208	12.90	0.10
c) Others (specify)									
Non Resident Indians	57,546	2,160	59,706	0.42	58,382	2,160	60,542	0.42	0.01
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	4,868	-	4,868	0.03	5,996	-	5,996	0.04	0.01
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Limited Liability Partnership	63,099	-	63,099	0.44	64,043	-	64,043	0.45	0.01
Rane Holdings Limited - Unclaimed Shares Suspense Account	80,011	-	80,011	0.56	75,371	-	75,371	0.53	(0.03)
Sub-total (B)(2):-	54,92,037	3,59,532	58,51,569	40.98	53,66,112	2,86,815	56,52,927	39.59	(1.38)
Total Public Shareholding (B) = (B)(1)+ (B)(2)	**72,88,679**	**3,63,341**	**76,52,020**	**53.59**	**73,51,827**	**2,90,624**	**76,42,451**	**53.53**	**(0.06)**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**1,39,14,468**	**3,63,341**	**1,42,77,809**	**100.00**	**1,39,87,185**	**2,90,624**	**1,42,77,809**	**100.00**	**0.01**

(ii) Shareholding of Promoters:

S. No.	Shareholder's Name	At the beginning of the year			At the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Raman T G G	14,84,056	10.39	-	14,84,056	10.39	-	0.00
2	Ganesh L & Meenakshi Ganesh	7,12,196	4.99	-	7,12,196	4.99	-	0.00
3	Lakshman L & Pushpa Lakshman	6,62,940	4.64	-	6,62,940	4.64	-	0.00
4	Rathika R Sundaresan	6,25,066	4.38	-	6,25,066	4.38	-	0.00
5	Geetha Raman Subramanyam	6,25,065	4.38	-	6,25,065	4.38	-	0.00
6	Ranjini R Iyer	6,25,065	4.38	-	6,25,065	4.38	-	0.00
7	Meenakshi Ganesh & Ganesh L	3,05,430	2.14	-	3,05,430	2.14	-	0.00
8	Vanaja Aghoram	2,75,635	1.93	-	2,75,635	1.93	-	0.00
9	L Lakshman (HUF)	2,16,986	1.52	-	2,16,986	1.52	-	0.00
10	Pushpa Lakshman & Lakshman L	1,95,199	1.37	-	1,95,199	1.37	-	0.00
11	Ganesh L (HUF)	1,91,907	1.34	-	1,91,907	1.34	-	0.00
12	Shanthi Narayan	1,35,722	0.95	-	1,35,722	0.95	-	0.00
13	Harish Lakshman	1,24,817	0.87	-	1,24,817	0.87	-	0.00

S. No.	Shareholder's Name	At the beginning of the year			At the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
14	Aditya Ganesh	1,14,281	0.80	-	1,14,281	0.80	-	0.00
15	Vinay Lakshman	1,06,698	0.75	-	1,06,698	0.75	-	0.00
16	Aparna Ganesh	68,511	0.48	-	68,511	0.48	-	0.00
17	T G Ramani	61,452	0.43	-	61,452	0.43	-	0.00
18	Lakshman L	39,620	0.28	-	39,620	0.28	-	0.00
19	Malavika Lakshman	18,657	0.13	-	18,657	0.13	-	0.00
20	Rekha Sundar	15,610	0.11	-	15,610	0.11	-	0.00
21	Pushpa Lakshman	-	-	-	10,569	0.07	-	0.07
22	Chitra Sundaresan	12,709	0.09	-	11,709	0.08	-	-0.01
23	Suchitra Narayan	2,979	0.02	-	2,979	0.02	-	0.00
24	Pravin Kumar	2,800	0.02	-	2,800	0.02	-	0.00
25	Sumant Narayan	2,223	0.02	-	2,223	0.02	-	0.00
26	Keshav Harish Lakshman	100	0.00	-	100	0.00	-	0.00
27	Malavika Lakshman & Harish Lakshman	65	0.00	-	65	0.00	-	0.00
	TOTAL	**66,25,789**	**46.41**	**-**	**66,36,358**	**46.48**	**-**	**0.06**

(iii) Change in Promoters' Shareholding:

Particulars	Shareholding at the beginning of the year (As on April 01, 2015)		Cumulative Shareholding during the year (As on March 31, 2016)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	**66,25,789**	**46.41**	**66,25,789**	**46.41**
Ganesh L & Meenakshi Ganesh	7,12,196	4.99	7,12,196	4.99
Lakshman L & PushpaLakshman	6,62,940	4.64	6,62,940	4.64
Meenakshi Ganesh	3,05,430	2.14	3,05,430	2.14
Vanaja Aghoram	2,75,635	1.93	2,75,635	1.93
L Lakshman (HUF)	2,16,986	1.52	2,16,986	1.52
Pushpa Lakshman & L Lakshman	1,95,199	1.37	1,95,199	1.37
Pushpa Lakshman	-	0.00	-	0.00
Ganesh L (HUF)	1,91,907	1.34	1,91,907	1.34
Shanthi Narayan	1,35,722	0.95	1,35,722	0.95
Harish Lakshman	1,24,817	0.87	1,24,817	0.87
Aditya Ganesh	1,14,281	0.80	1,14,281	0.80
Vinay Lakshman	1,06,698	0.75	1,06,698	0.75
Aparna Ganesh	68,511	0.48	68,511	0.48
Lakshman L	39,620	0.28	39,620	0.28
Malavika Lakshman	18,657	0.13	18,657	0.13
Keshav Harish Lakshman	100	0.00	100	0.00
Malavika Lakshman & Harish Lakshman	65	0.00	65	0.00
Raman T G G	14,84,056	10.39	14,84,056	10.39
Rathika R Sundaresan	6,25,066	4.38	6,25,066	4.38
Geetha Raman Subramanyam	6,25,065	4.38	6,25,065	4.38
Ranjini R Iyer	6,25,065	4.38	6,25,065	4.38
T G Ramani	61,452	0.43	61,452	0.43

Particulars	Shareholding at the beginning of the year (As on April 01, 2015)		Cumulative Shareholding during the year (As on March 31, 2016)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Rekha Sundar	15,610	0.11	15,610	0.11
Chitra Sundaresan	12,709	0.09	12,709	0.09
Suchitra Narayan	2,979	0.02	2,979	0.02
Pravin Kumar	2,800	0.02	2,800	0.02
Sumant Narayan	2,223	0.02	2,223	0.02
Date wise increase / decrease in Promoters shareholding during the year specifying the reasons for increase /decrease: (e.g. allotment /transfer / bonus/ sweat equity etc.)				
Chitra Sundaresan				
Sale of shares – 02.12.2015	1000	0.00	1000	0.00
Pushpa Lakshman				
Transmission of shares – 22.01.2016	10,569	0.07	10,569	0.07
At the end of the year				
Ganesh L & Meenakshi Ganesh	7,12,196	4.99	7,12,196	4.99
Lakshman L & Pushpa Lakshman	6,62,940	4.64	6,62,940	4.64
Meenakshi Ganesh	3,05,430	2.14	3,05,430	2.14
Vanaja Aghoram	2,75,635	1.93	2,75,635	1.93
L Lakshman (HUF)	2,16,986	1.52	2,16,986	1.52
Pushpa Lakshman & L Lakshman	1,95,199	1.37	1,95,199	1.37
Pushpa Lakshman	-	0.00	10569	0.07
Ganesh L (HUF)	1,91,907	1.34	1,91,907	1.34
Shanthi Narayan	1,35,722	0.95	1,35,722	0.95
Harish Lakshman	1,24,817	0.87	1,24,817	0.87
Aditya Ganesh	1,14,281	0.80	1,14,281	0.80
Vinay Lakshman	1,06,698	0.75	1,06,698	0.75
Aparna Ganesh	68,511	0.48	68,511	0.48
Lakshman L	39,620	0.28	39,620	0.28
Malavika Lakshman	18,657	0.13	18,657	0.13
Keshav Harish Lakshman	100	0.00	100	0.00
Malavika Lakshman & Harish Lakshman	65	0.00	65	0.00
Raman T G G	14,84,056	10.39	14,84,056	10.39
Rathika R Sundaresan	6,25,066	4.38	6,25,066	4.38
Geetha Raman Subramanyam	6,25,065	4.38	6,25,065	4.38
Ranjini R Iyer	6,25,065	4.38	6,25,065	4.38
T G Ramani	61,452	0.43	61,452	0.43
Rekha Sundar	15,610	0.11	15,610	0.11
Chitra Sundaresan	11,709	0.09	11,709	0.09
Suchitra Narayan	2,979	0.02	2,979	0.02
Pravin Kumar	2,800	0.02	2,800	0.02
Sumant Narayan	2,223	0.02	2,223	0.02
Total at the end	**66,25,789**	**46.41**	**66,36,358**	**46.48**

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date (DD/MM/YYYY)	Increase/ Decrease in shareholding	% of total shares of the company	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company					No. of shares	% of total shares of the company
1	Sundaram Mutual Fund A/C Sundaram Select Micro	7,87,509	5.52	22/05/2015	2,362	0.02	Purchase	7,89,871	5.53
				29/05/2015	1,720	0.01	Purchase	7,91,591	5.54
				09/10/2015	8,634	0.06	Purchase	8,00,225	5.61
				08/01/2016	13	0.00	Purchase	8,00,308	5.61
				12/02/2016	70	0.00	Purchase	8,00,308	5.61
2	Nisshinbo Holdings Inc.	5,41,125	3.79	-	-	-	-	5,41,125	3.79
3	United India Insurance Company Limited	4,31,396	3.02	-	-	-	-	4,31,396	3.02
4	UTI Capital Protection Oriented Scheme	3,18,409	2.23	10/04/2015	28,553	0.20	Purchase	3,46,962	2.43
				24/04/2015	5,480	0.04	Purchase	3,52,442	2.47
				01/05/2015	2,657	0.02	Purchase	3,55,099	2.49
				05/06/2015	226	0.00	Purchase	3,55,325	2.49
				12/06/2015	10,173	0.07	Purchase	3,65,498	2.56
				19/06/2015	16,915	0.12	Purchase	3,82,413	2.68
				26/06/2015	3,411	0.02	Purchase	3,85,824	2.70
				30/06/2015	5,740	0.04	Purchase	3,91,564	2.74
				03/07/2015	1,800	0.01	Purchase	3,93,364	2.76
				21/08/2015	1,164	0.01	Purchase	3,94,528	2.76
				28/08/2015	6,332	0.04	Purchase	4,00,860	2.81
				04/09/2015	1	0.00	Purchase	4,00,861	2.81
				11/09/2015	3,858	0.03	Purchase	4,04,719	2.84
				18/09/2015	952	0.01	Purchase	4,05,671	2.84
				30/09/2015	186	0.00	Purchase	4,05,857	2.84
				02/10/2015	2,095	0.02	Purchase	4,07,952	2.86
				09/10/2015	2,891	0.02	Purchase	4,10,843	2.88
				16/10/2015	4,624	0.03	Purchase	4,15,467	2.91
				23/10/2015	190	0.00	Purchase	4,15,657	2.91
				30/10/2015	3,957	0.03	Purchase	4,19,614	2.94
				06/11/2015	16	0.00	Purchase	4,19,630	2.94
				20/11/2015	7,005	0.05	Purchase	4,26,635	2.99
				27/11/2015	235	0.00	Purchase	4,26,870	2.99
				04/12/2015	3,282	0.02	Purchase	4,30,152	3.01
				11/12/2015	4,445	0.03	Purchase	4,34,597	3.04
				18/12/2015	4,498	0.03	Purchase	4,39,095	3.08
				15/01/2016	6,764	0.05	Purchase	4,45,859	3.12
				22/01/2016	6,690	0.05	Purchase	4,52,549	3.17
				29/01/2016	2,341	0.02	Purchase	4,54,890	3.19
				05/02/2016	12,862	0.09	Purchase	4,67,752	3.28
				12/02/2016	12,488	0.09	Purchase	4,80,240	3.36
				19/02/2016	3,000	0.02	Purchase	4,83,240	3.39

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date (DD/MM/YYYY)	Increase/ Decrease in shareholding	% of total shares of the company	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company					No. of shares	% of total shares of the company
				26/02/2016	3,817	0.03	Purchase	4,87,057	3.41
				11/03/2016	2,509	0.02	Purchase	4,89,566	3.43
5	Enam Shares & Securities Private Limited	3,01,541	2.11	-	-	-	-	3,01,541	2.11
6	Enam Securities Pvt Ltd	3,01,541	2.11	04/03/2016	3,01,541	(2.11)	Transfer	-	-
7	General Insurance Corporation of India	2,18,623	1.53	-	-	-	-	2,18,623	1.53
8	Anil Kumar Goel	2,10,319	1.47	10/04/2015	12,681	0.09	Purchase	2,23,000	1.56
				01/05/2015	364	0.00	Purchase	2,23,364	1.56
				08/05/2015	391	0.00	Purchase	2,23,755	1.57
				15/05/2015	245	0.00	Purchase	2,24,000	1.57
				29/05/2015	500	0.00	Purchase	2,24,500	1.57
				05/06/2015	500	0.00	Purchase	2,25,000	1.58
9	Kumari Investment Corporation Private Limited	1,47,050	1.03	-	-	-	-	1,47,050	1.03
10	V S T Tillers Tractors Limited	1,25,000	0.88	-	-	-	-	1,25,000	0.88
11	Hiten Anantrai Sheth	1,16,307	0.82	-	-	-	-	1,16,307	0.82
12	Accolade Finvest Private Limited	1,13,000	0.79	27/11/2015	(1,13,000)	(0.79)	Transfer	-	-
13	Prescient Wealth Management Pvt Ltd	1,13,000	0.79	-	-	-	Purchase	1,13,000	0.79
14	Seema Goel	94,000	0.66	-	-	-	-	94,000	0.66
15	M M Narayanamma	87,968	0.62	-	-	-	-	87,968	0.62
16	Rane Holdings Limited - Unclaimed Shares Suspense	80,011	0.56	15/05/2015	(50)	0.00	Transfer	79,961	0.56
				12/06/2015	(50)	0.00	Transfer	79,911	0.56
				30/06/2015	(12)	0.00	Transfer	79,899	0.56
				03/07/2015	(100)	0.00	Transfer	79,799	0.56
				04/08/2015	(50)	0.00	Transfer	79,749	0.56
				16/10/2015	(3,147)	(0.02)	Transfer	76,602	0.54
				19/02/2016	(338)	0.00	Transfer	76,264	0.53
				26/02/2016	(655)	(0.01)	Transfer	75,609	0.53
				11/03/2016	(238)	0.00	Transfer	75,371	0.53
17	Bachaladharani	62,126	0.44	-	-	-	-	62,126	0.44
18	S. Shyam	58,245	0.41	12/06/2015	13,500	0.10	-	71,745	0.50
				19/06/2015	110	0.00		71,855	0.50
				16/10/2015	39,500	0.28		1,11,355	0.78
				22/01/2016	(30,000)	(0.21)		81,355	0.57

(v) Shareholding of Directors and Key Managerial Personnel:

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Ganesh L & Meenakshi Ganesh	7,12,196	4.99	7,12,196	4.99
Lakshman L & Pushpa Lakshman	6,62,940	4.64	6,62,940	4.64
Lakshman L (HUF)	2,16,986	1.52	2,16,986	1.52
Pushpa Lakshman & L Lakshman	1,95,199	1.37	1,95,199	1.37
Ganesh L (HUF)	1,91,907	1.34	1,91,907	1.34
Harish Lakshman	1,24,817	0.87	1,24,817	0.87
Lakshman L	39,620	0.28	39,620	0.28
Date wise Increase / Decrease in directors and key managerial personnel during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): NO CHANGE				
At the end of the year				
Ganesh L & Meenakshi Ganesh	7,12,196	4.99	7,12,196	4.99
Lakshman L & Pushpa Lakshman	6,62,940	4.64	6,62,940	4.64
Lakshman L (HUF)	2,16,986	1.52	2,16,986	1.52
Pushpa Lakshman & L Lakshman	1,95,199	1.37	1,95,199	1.37
Ganesh L (HUF)	1,91,907	1.34	1,91,907	1.34
Harish Lakshman	1,24,817	0.87	1,24,817	0.87
Lakshman L	39,620	0.28	39,620	0.28

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

in ₹

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Addition	27,00,00,000	-	-	27,00,00,000
Reduction	-	-	-	-
Net Change	27,00,00,000	-	-	27,00,00,000
Indebtedness at the end of the financial year				
i) Principal Amount	27,00,00,000	-	-	27,00,00,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	48,15,616	-	-	48,15,616
Total (i+ii+iii)	**27,48,15,616**			**27,48,15,616**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

in ₹

S.No	Particulars of Remuneration	Managing Director	Joint Managing Director	Total Amount
1.	**Gross Salary**	**L Lakshman**	**L Ganesh**	
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	88,82,618	1,09,52,048	1,98,34,666
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	27,14,300	20,74,388	47,88,888
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify…	92,66,400	-	92,66,400
5	Others, please specify	-	-	-
Total (A)		**2,08,63,318**	**1,30,26,636**	**3,38,89,954**
Ceiling as per the Act (being 10% of net profit calculated as per section 198 of the Companies Act, 2013)				**4,66,09,550**

B. Remuneration to other Directors:

in ₹

S. No.	Particulars of Remuneration	Harish Lakshman	Shujaat Khan	Anil Kumar Nehru	Anjanikumar Choudhari	Sheela Bhide	Total Amount
1	**Independent Directors**						
a	Fee for attending board / committee meetings	-	90,000	2,40,000	2,35,000	1,20,000	6,85,000
b	Commission	-	-	-	-	-	-
c	Others, please specify	-	-	-	-	-	-
	Total B(1)	**-**	**90,000**	**2,40,000**	**2,35,000**	**1,20,000**	**6,85,000**
2	Other Non-Executive Directors						
a	Fee for attending board / committee meetings	1,47,500	-	-	-	-	1,47,500
b	Commission	-	-	-	-	-	-
c	Others, please specify	-	-	-	-	-	-
	Total B(2)	**1,47,500**	**-**	**-**	**-**	**-**	**1,47,500**
	Grand Total B(1)+B(2)	**1,47,500**	**90,000**	**2,40,000**	**2,35,000**	**1,20,000**	**8,32,500**
	Total (A+B)						**3,47,22,454**
Ceiling as per the Act (being 11% of net profit calculated as per section 198 of the Companies Act, 2013)							**5,12,70,505**

C. Remuneration to key managerial personnels:

in ₹

S. No	Particulars of Remuneration	Key Managerial Personnel		
1.	Gross Salary	Chief Financial Officer J Ananth	Company Secretary Siva Chandrasekaran	Total
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29,26,749	45,93,308	75,20,057
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	30,592	1,41,834	1,72,426
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total (C)	**29,57,341**	**47,35,142**	**76,92,483**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Independent Auditors' Report

TO THE MEMBERS OF RANE HOLDINGS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Rane Holdings Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 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 March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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.
   c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement 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 Accounting Standards prescribed under Section 133 of the Act, as applicable.
   e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and

the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) 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:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 25 to the Financial Statements.

ii. The Company does not have any long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**

Chartered Accountants
(Firm's Registration No. 008072S)

Geetha Suryanarayanan
Partner
(Membership No. 29519)

Place: Chennai
Date: May 27, 2016

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Rane Holdings Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting 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". 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control

over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting 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".

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Geetha Suryanarayanan
Partner
(Membership No. 29519)

Place: Chennai
Date: May 27, 2016

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) With respect to immovable properties of acquired land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds / conveyance deeds / court order approving scheme of arrangement / amalgamation provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.

Immovable properties of land whose title deed have been pledged with the lender as security for term loan, are held in the name of the Company based on the Mortgage deed executed between the lender and the Company for which confirmations have been obtained from the lender.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.

(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations

(c) There is no amount overdue for more than 90 days at the balance sheet date.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) CARO 2016 is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax and Excise Duty which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in Lakhs)	Amount Unpaid (₹ in Lakhs)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2005-06, 2008-09, 2009-10, 2011-12 to 2013-14	1,511	749
		Income Tax Appellate Tribunal	2010-11	217	96
Finance Act, 1994	Service tax	Customs, Excise & Service Tax Appellate Tribunal	19-4-2006 to 31-3-2011	2.05	-
Customs Act,1962	Custom Duty	Customs, Excise & Service Tax Appellate Tribunal	2012-13	6	6

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions. The Company has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. The Company has not raised moneys by way of initial public offer or further public offer.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**

Chartered Accountants
(Firm's Registration No. 008072S)

Geetha Suryanarayanan
Partner
(Membership No. 29519)

Place: Chennai
Date: May 27, 2016

Balance Sheet

as at 31 March, 2016

₹ Lakhs

Particulars	Note No	As at 31 March, 2016	As at 31 March, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	1,428	1,428
(b) Reserves and Surplus	4	28,862	26,878
		30,290	**28,306**
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	2,194	-
(b) Deferred tax liabilities (Net)	6	46	64
		2,240	**64**
(3) Current Liabilities			
(a) Trade payables			
i. Dues of micro enterprises and small enterprises	27	-	-
ii. Dues of creditors other than micro enterprises and small enterprises	7	332	153
(b) Other current liabilities	8	763	255
(c) Short-term provisions	9	128	1,439
		1,223	**1,847**
Total		**33,753**	**30,217**
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	9,007	5,110
(ii) Intangible assets	10	19	21
(b) Non-current investments	11	22,250	22,245
(c) Long-term loans and advances	12	798	716
		32,074	**28,092**
(2) Current assets			
(a) Current investments	13	876	1,255
(b) Trade receivables	14	383	375
(c) Cash and bank balances	15	195	132
(d) Short-term loans and advances	16	216	358
(e) Other current assets	17	9	5
		1,679	**2,125**
Total		**33,753**	**30,217**

See accompanying notes forming part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board

Geetha Suryanarayanan
Partner

L Ganesh
Vice Chairman

L Lakshman
Executive Chairman

Place: Chennai
Date: 27 May, 2016

J. Ananth
Chief Financial Officer

Siva Chandrasekaran
Secretary

Statement of Profit and Loss

for the year ended 31 March, 2016

₹ Lakhs

Particulars	Note No	Year ended 31 March, 2016	Year ended 31 March, 2015
I. Revenue from operations	18	7,496	5,862
II. Other Income	19	89	132
III. Total Revenue (I +II)		**7,585**	**5,994**
IV. Expenses:-			
Employee benefits expense	20	1,200	1,067
Finance costs	21	224	4
Depreciation and amortization expense	10	115	127
Other expenses	22	1,756	1,528
Total Expenses		**3,295**	**2,726**
V. Profit before tax (III - IV)		**4,290**	**3,268**
VI. Tax expense:			
(1) Current tax		743	696
(2) Deferred tax		(18)	(20)
Net tax expense		725	676
VII. Profit for the year (V - VI)		**3,565**	**2,592**
VIII. Earning per equity share (of ₹10 each):			
(1) Basic (in ₹)	34	24.97	18.16
(2) Diluted (in ₹)		24.97	18.16

See accompanying notes forming part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board

Geetha Suryanarayanan
Partner

L Ganesh
Vice Chairman

L Lakshman
Executive Chairman

Place: Chennai
Date: 27 May, 2016

J. Ananth
Chief Financial Officer

Siva Chandrasekaran
Secretary

Cashflow Statement

for the year ended 31 March, 2016

₹ Lakhs

Particulars	Year ended 31 March, 2016		Year ended 31 March, 2015	
A. Cash flow from operating activities				
Profit before tax		4,290		3,268
Adjustments for:				
Depreciation and amortization	115		127	
Wealth Tax	-		40	
Finance costs	224		4	
Interest income	(21)		(60)	
Dividend Income from Current Investements	(53)		(62)	
		265		49
Operating profit before working capital changes		**4,555**		**3,317**
Changes in working capital				
Adjustments for (increase) / decrease in operating assets:				
(Increase) / Decrease in trade receivables	(8)		(267)	
(Increase) / Decrease in short-term loans and advances	(83)		43	
(Increase) / Decrease in Long-term loans and advances	(20)		-	
(Increase) / Decrease in current assets	(2)		-	
Adjustments for increase / (decrease) in operating liabilities:				
Increase / (Decrease) in trade payables	179		(137)	
Increase / (Decrease) in other current liabilities	(42)		67	
Increase / (Decrease) in short-term provisions	18		23	
		42		(271)
Cash generated from operations		4,597		3,046
Direct Taxes paid		(840)		(895)
Net cash flow from operating activities (A)		**3,757**		**2,151**
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(4,021)		(61)	
Proceeds from sale of fixed assets	-		1	
Purchase of long-term investments				
- Subsidiaries	(5)		(387)	
- Others	-		(1,023)	
Loan repaid by related parties	225		749	
Loan given to related parties	-		(249)	
Interest received	19		61	
Dividend received from Current Investments	53		62	
Net cash flow used in investing activities (B)		**(3,729)**		**(847)**

₹ Lakhs

Particulars	Year ended 31 March, 2016	Year ended 31 March, 2015
C. Cash flow from financing activities		
Proceeds from long-term borrowing	2,700	-
Finance cost	(172)	-
Dividend paid	(2,500)	(928)
Tax on dividend	(371)	(103)
Net cash flow used in financing activities (C)	**(343)**	**(1,031)**
Net increase in Cash and cash equivalents (A+B+C)	**(315)**	**273**
Cash and cash equivalents at the beginning of the year	132	387
Add: Current investments considered as cash & cash equivalents	1,255	731
Less: Unclaimed Dividend Bank Account	42	46
Adjusted Cash & Cash Equivalents as at Beginning of the year	**1,345**	**1,072**
Cash and cash equivalents at the end of the year (Note 15)	195	132
Add: Current Investments considered as Cash & Cash Equivalents (Note 13)	876	1,255
Less: Unclaimed Dividend Bank Account	41	42
Adjusted Cash and cash equivalents at the end of the year	**1,030**	**1,345**

See accompanying notes forming part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board

Geetha Suryanarayanan
Partner

L Ganesh
Vice Chairman

L Lakshman
Executive Chairman

Place: Chennai
Date: 27 May, 2016

J. Ananth
Chief Financial Officer

Siva Chandrasekaran
Secretary

Notes forming part of the financial statements

for the year ended 31 March, 2016

1 BRIEF ABOUT THE COMPANY

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 manufacture and marketing of auto components. The Rane Group's investment profile includes subsidiaries, joint ventures and associate. 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 from group companies for providing service in the areas of management, information technology, business development and infrastructure.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Also refer Note 37.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Cash and cash equivalents (for purposes of Cash Flow Statement)

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.

2.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax 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 based on the available information.

2.5 Depreciation and amortisation

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under 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.

Vehicles	-	5 Years
Furniture and Fittings	-	5 Years
Office Equipment	-	3 Years

Assets costing less than ₹ 10,000 each are fully depreciated in the year of acquisition.

Intangible assets are amortised over their estimated useful life as follows:

License Fee on Software - 3 Years or license period whichever is lower

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

2.6 Revenue recognition

2.6.1 Service Fee and Trade Mark Fee

Revenues from Service Fee and Trade Mark Fee are recognised on accrual basis in accordance with terms of the relevant agreements.

2.6.2 Other Income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.7 Fixed Assets

2.7.1 Tangible Fixed Assets

Fixed assets are carried at cost less accumulated depreciation/ amortisation and impairment losses, if any. The cost of fixed assets 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 taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

2.7.2 Intangible Fixed 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 taxing 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 on an intangible asset after its purchase / completion is recognised as an expense when incurred, unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

2.8 Investments

2.8.1 Long Term Investments

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

2.8.2 Current Investments

Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

2.9 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences.

2.9.1 Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans.

The Company contributes to a government administered provident fund on behalf of its employees, which are charged to the Statement of Profit and Loss. The Company has no obligations for future provident fund/superannuation fund benefits other than its monthly contributions.

Fixed contributions to the superannuation fund, which is administered by Company nominated trustees and managed by Life Insurance Corporation of India, are charged to the Statement of Profit and Loss.

2.9.2 Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with Actuarial Valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

2.9.3 Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

2.9.4 Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

2.10 Operating Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.11 Earnings Per Share

Basic earnings per share is computed by dividing the profit after tax (including the post tax effect of extraordinary 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 extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the 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. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.12 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable Income tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.13 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

2.14 Provisions and contingencies

Provisions are recognised when the Company has a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made.

Contingent liability is disclosed in the notes for (i) possible obligation which will be confirmed only by future events not wholly within the control of the company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding employee benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.15 Service Tax Input Credit

Service tax input credit is accounted for in the books, in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credit.

2.16 Operating cycle

Based on the nature of the activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilites as current and non-current.

3 SHARE CAPITAL

₹ Lakhs

Description		As at 31 March, 2016	As at 31 March, 2015
(a)	**Authorised:**		
	Equity Shares:		
	1,50,00,000 Shares (1,50,00,000 Shares) of ₹ 10 each	1,500	1,500
	Preference Shares:		
	50,00,000 Shares (50,00,000 Shares) 13.5% Cumulative Redeemable Preference Shares of ₹ 10 each	500	500
(b)	**Issued, Subscribed and Fully Paid Up:-**		
	Equity Shares:		
	1,42,77,809 Shares (1,42,77,809 Shares) of ₹ 10 each	1,428	1,428

3.1 Terms / Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of ₹ 10/- per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting, except in the case of interim dividend.

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. There are no restrictions attached to the equity shares.

3.2 Details of shares held by each shareholder holding more than 5% shares:

	As at 31 March, 2016		As at 31 March, 2015	
Class of Shares/ Name of Shareholder/ Equity shares with voting rights	**No of Shares**	**% of Holding**	**No of Shares**	**% of Holding**
1. Raman T G G	14,84,056	10.39%	14,84,056	10.39%
2. Sundaram Mutual Fund A/c Sundaram Smile Fund	8,00,308	5.61%	5,40,336	3.78%

3.3 There is no change in the number of shares at the beginning of the year and end of the year.

4 RESERVES AND SURPLUS

₹ Lakhs

	Description	As at 31 March, 2016	As at 31 March, 2015
a.	Capital Redemption Reserve (Refer Note 4.1)	550	550
b.	Capital Subsidy	15	15
c.	Securities Premium Account	4,433	4,433
d.	General Reserve on Merger (Refer Note 4.2)	819	819
e.	**General Reserve:**		
	Opening Balance	19,773	11,460
	Add: Transfer from Surplus in Statement of Profit and Loss	1,554	8,313
	Closing Balance	**21,327**	**19,773**
f.	**Net surplus in Statement of Profit and Loss**		
	Opening Balance	1,288	8,244
	Less:		
	Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life	-	1
	Add:		
	Profit for the year	3,565	2,592
	Less:		
	Interim Dividend @ 100 % (Previous Year - NIL)	1,428	-
	Final Dividend - Nil (Previous Year - 75%)	-	1,071
	Tax on dividend (Net of dividend tax on dividend distributed by subsidiaries available for set off)	153	163
	Transfer to General Reserve	1,554	8,313
	Net surplus in the Statement of Profit and Loss	**1,718**	**1,288**
	Total Reserves and Surplus	**28,862**	**26,878**

4.1 Capital Redemption Reserve represents amount transferred from Statement of Profit and Loss in accordance with Section 80(1)(d) of the Companies Act, 1956 on redemption of preference shares in the previous years.

4.2 General Reserve on merger represents ₹ 819 Lakhs (₹ 819 Lakhs) arising out of the amalgamation of Rane Investments Limited, a wholly owned subsidiary as approved by the shareholders of the Company and sanctioned by the High Court of Judicature at Madras with effect from 1 April, 2009.

5 LONG TERM BORROWINGS

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Secured Term Loan (Refer Note 5.1)	2,194	-
Total Long Term Borrowings	**2,194**	**-**

5.1

Description	Amount outstanding as at 31 March, 2016 (₹ Lakhs)		Rate of Interest	Terms of Repayment	Details of security offered
	Long term borrowings	Current maturities of long term borrowings			
Term Loan availed from Tata Capital Financial Services Limited [TCFSL] on 4 July 2015	2,194	506	7.1% p.a below long term lending rate of TCFSL [11.15% till 31 October 2015 & 10.85% from 1 November 2015]	Repayment in sixteen quarterly installments of ₹ 168.75 Lakhs from 31 July 2016	Charge by way of mortagage on the company's land at Chittaranjan Road, Chennai.

6 DEFERRED TAX LIABILITIES (net)

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	94	102
Tax effect of items constituting deferred tax liability (A)	**94**	**102**
Tax effect of items constituting deferred tax assets		
On expenditure related to employee benefits	48	38
Tax effect of items constituting deferred tax asset (B)	**48**	**38**
Net deferred tax liability (A)-(B)	**46**	**64**

7 TRADE PAYABLES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
- Dues of creditors other than Micro Enterprises & Small Enterprises	332	153
Total Trade Payables	**332**	**153**

8 OTHER CURRENT LIABILITIES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Current Maturities of Long Term Loan (Refer Note 5.1)	506	-
Interest accrued but not due on borrowing	48	-
Unclaimed dividends	41	42
Statutory Remittances (includes TDS, PF, VAT)	75	63
Payables on purchase of fixed assets	-	2
Gratuity (Refer Note 28 (ii))	13	51
Advance received from customers (Refer Note 30)	21	38
Others (Refer Note 26)	59	59
Total Other Current Liabilities	**763**	**255**

9 SHORT TERM PROVISIONS

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Provision for Compensated absences (Refer Note 28 (iii))	128	110
Provision for Wealth Tax	-	40
Provision for proposed equity dividend	-	1,071
Provision for tax on proposed dividend	-	218
Total Short Term Provisions	**128**	**1,439**

10 Fixed Assets

₹ Lakhs

Description	Gross Block				Accumulated Depreciation and Amortisation					Net Block	
	As at 01 Apr 2015	Additions	Disposals	As at 31 Mar 2016	As at 01 Apr 2015	For the year	Transition adjustment against opening reserves (Refer note No. 4)	Disposals	As at 31 Mar 2016	As at 31 Mar 2016	As at 31 Mar 2015
A. Tangible assets											
Land	3,989	3,953	-	7,942	-	-	-	-	-	7,942	3,989
	(3,989)	-	-	(3,989)	-	-	-	-	-	(3,989)	(3,989)
Buildings	1,076	1	-	1,077	170	18	-	-	188	889	906
	(1,076)	-	-	(1,076)	(152)	(18)	-	-	(170)	(906)	(924)
Plant and Machinery	20	-	-	20	7	2	-	-	9	11	13
	(12)	(8)	-	(20)	(5)	(1)	(1)	-	(7)	(13)	(7)
Electrical Equipment	119	-	2	117	54	20	-	2	72	45	65
	(118)	(1)	-	(119)	(34)	(19)	(1)	-	(54)	(65)	(84)
Furniture and Fixtures	230	2	3	229	122	35	-	3	154	75	108
	(219)	(19)	(8)	(230)	(88)	(40)	-	(6)	(122)	(108)	(131)
Vehicles	23	22	-	45	22	2	-	-	24	21	1
	(22)	(1)	-	(23)	(22)	-	-	-	(22)	(1)	-
Office Equipments	258	25	4	279	230	29	-	4	255	24	28
	(249)	(9)	-	(258)	(190)	(40)	-	-	(230)	(28)	(59)
Total Tangible Assets	**5,715**	**4,003**	**9**	**9,709**	**605**	**106**	**-**	**9**	**702**	**9,007**	**5,110**
	(5,685)	(38)	(8)	(5,715)	(491)	(118)	(2)	(6)	(605)	(5,110)	(5,194)
B. Intangible assets											
Computer Software Licenses	54	7	-	61	33	9	-	-	42	19	21
	(28)	(26)	-	(54)	(24)	(9)	-	-	(33)	(21)	(4)
Total Intangible Assets	**54**	**7**	**-**	**61**	**33**	**9**	**-**	**-**	**42**	**19**	**21**
	(28)	(26)	-	(54)	(24)	(9)	-	-	(33)	(21)	(4)
Total Tangible & Intangible Assets(A+B)	**5,769**	**4,010**	**9**	**9,770**	**638**	**115**	**-**	**9**	**744**	**9,026**	**5,131**
	(5,713)	(64)	(8)	(5,769)	(515)	(127)	(2)	(6)	(638)	(5,131)	(5,198)

11 NON CURRENT INVESTMENTS (at cost)

₹ Lakhs

Description	Face Value per Share	No. of Shares as at 31 March, 2016	As at 31 March, 2016	No. of Shares as at 31 March, 2015	As at 31 March, 2015
Trade					
Investment in Equity instruments (fully paid up)					
(i) Subsidiary Companies					
Quoted:					
Rane (Madras) Limited	10	59,18,156	6,602	59,16,272	6,597
Rane Engine Valve Limited (Refer Note 11.1)					
-Equity Shares alloted	10	34,31,054	8,332	28,09,686	7,695
-Shares to be allotted pursuant to scheme of Amalgamation	10	-	-	6,21,368	637
Rane Brake Lining Limited	10	36,48,311	1,607	36,48,311	1,607
Unquoted:					
Rane Holdings America Inc.	$1	20,000	10	20,000	10
(ii) Associate Company					
Unquoted:					
SasMos HET Technologies Limited	10	6,11,399	1,719	6,11,399	1,719
(iii) Joint Venture Companies					
Unquoted:					
Rane TRW Steering Systems Private Limited	10	43,69,123	2,332	43,69,123	2,332
Rane NSK Steering Systems Private Limited	10	87,71,000	1,012	87,71,000	1,012
JMA Rane Marketing Limited	10	3,60,003	36	3,60,003	36
(iv) Other Entities					
Unquoted:					
Wellingdon Corporate Foundation	10	60	-	60	-
[60 shares of ₹ 10/- each costing ₹ 1,000/-]					
Investment in Cumulative Redeemable Preference Shares (fully paid up)					
(i) Subsidiary Company					
Unquoted:					
Rane (Madras) Limited	10	82,32,164	600	82,32,164	600
Total Non Current Investments			**22,250**		**22,245**
Aggregate value of Investments:-					
Quoted at Cost			16,541		16,535
At Market Value			47,091		49,986
Unquoted at Cost			5,709		5,709

11.1 A Scheme of Amalgamation ("Scheme") approved by the shareholders of Rane Engine Valve Limited (REVL) and Kar Mobiles Limited (KML) with effect from 1 April 2014 was sanctioned by the High Court of Judicature at Madras on 26 February 2015 which was filed with the Registrar of Companies on 1 April 2015. Pursuant to the scheme, the company is entitled to receive 6,21,368 equity shares of ₹ 10/- each of REVL in exchange for 8,87,669 equity shares of ₹ 10/- each held by the Company in KML. REVL has alloted the shares to the company on 4 May 2015.

12 LONG TERM LOANS AND ADVANCES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Unsecured, considered good, unless otherwise stated		
Capital Advances	9	-
Salary advances to Employees	14	-
Security Deposits	9	3
Advance Tax [Net of Provision ₹ 4,498 lakhs (₹ 3,755 lakhs)]	766	713
Total Long Term Loans and Advances	**798**	**716**

13 CURRENT INVESTMENTS

₹ Lakhs

Description	NAV Per Unit-₹	No. of Units As at 31 March, 2016	No. of Units As at 31 March, 2015	As at 31 March, 2016	As at 31 March, 2015
Unquoted:					
Investments in Mutual Funds					
-HDFC Liquid Fund - Dividend Daily Reinvestment	1,019.8200	56,441	-	576	-
-HDFC Liquid Fund - Dividend Daily Reinvestment	10.1982	-	31,32,254	-	319
-Birla Sun Life Mutual Fund - Dividend Daily Reinvestment	100.1950	2,99,640	9,34,076	300	936
Total Current Investments				**876**	**1,255**
Note:					
Of the above, the balances that meet the definition of Cash & Cash equivalents as per AS 3 Cash Flow Statement				876	1,255

14 TRADE RECEIVABLES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Unsecured, considered good		
- Outstanding for a period exceeding six months from the due date of payment	-	-
- Other trade receivables (Refer Note 30 and Note below)	383	375
Total Trade Receivables	**383**	**375**
Note: Includes dues from related parties		
Private Company in which any director is a director or member :		
Rane TRW Steering Systems Private Limited	1	113
Total	**1**	**113**

15 CASH AND BANK BALANCES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Cash and Cash equivalents		
- Cash on hand	1	2
Balances with Banks		
- In Current Accounts	153	88

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Other Bank balances		
In earmarked accounts:		
- Unclaimed Dividend accounts	41	42
Total of Cash and bank balances	**195**	**132**
Note: Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is Cash on hand and balances with banks in current accounts.	154	90

16 SHORT-TERM LOANS AND ADVANCES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Unsecured, considered good, unless otherwise stated		
Prepaid Expenses	174	76
Security Deposits	4	9
Service Tax credit receivable	14	18
Others (includes advances to suppliers & employees)	24	30
Loans and advances to related parties (Refer Note 30)	-	225
Total Short-Term Loans and Advances	**216**	**358**

17 OTHER CURRENT ASSETS

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Interest accrued and due on loan to related parties (Refer Note 30)	7	5
Insurance claim	2	-
Total Other Current assets	**9**	**5**

18 REVENUE FROM OPERATIONS

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Dividend from Non-Current Investments		
- Subsidiaries	1,294	671
- Other companies	1,115	655
Service Fee	2,823	2,564
Trade Mark Fee	2,264	1,972
Total Revenue from Operations	**7,496**	**5,862**

19 OTHER INCOME

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Interest Income		
- From loans to related parties	21	60
Dividend Income from Current Investments	53	62
Miscellaneous Income	15	10
Total Other Income	**89**	**132**

20 EMPLOYEE BENEFITS EXPENSE (Refer Note 28)

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Salaries and Wages	1,037	868
Contribution to Provident and other funds	109	126
Staff welfare expenses	54	73
Total Employee Benefits Expense	**1,200**	**1,067**

21 FINANCE COSTS

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Interest expense		
- On Borrowings	220	-
- Others	4	4
Total Finance Costs	**224**	**4**

22 OTHER EXPENSES

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Power and fuel	34	31
Rent (Refer Note 33)	93	94
Repairs & Maintenance		
- Buildings	86	51
- Others	33	29
Insurance	25	18
Rates and Taxes	10	53
Travelling and Conveyance	167	132
Professional Charges	270	311
Information Systems expenses	597	508
Advertisement and Sales Promotion	118	47
Directors' Sitting Fees	8	8
Executive Chairman's Commission	93	84
Auditors' Remuneration		
- statutory audit	13	10
- tax audit	1	1
- other services	11	15
Donation	112	66
Administrative Expenses	83	68
Miscellaneous Expenses	2	2
Total Other Expenses	**1,756**	**1,528**

The Company has incurred an amount of ₹ 62.91 Lakhs (₹ 67.45 Lakhs) towards CSR activities during the year ended 31 March, 2016.

23 EXPENDITURE IN FOREIGN CURRENCY

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Professional and consultation fees	29	36
Travel	19	10
	48	**46**

24 REMITTANCE DURING THE YEAR OF DIVIDENDS IN FOREIGN CURRENCY

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Interim Dividend		
Number of Shareholders	1	-
Number of Shares held	5,41,125	-
Amount paid as Interim Dividend (₹ Lakhs)	54	-
Year for which dividend is remitted	2015-16	-
Final Dividend		
Number of Shareholders	1	1
Number of Shares held	5,41,125	5,41,125
Amount paid as Final Dividend (₹ Lakhs)	41	35
Year for which dividend is remitted	2014-15	2013-14

25 CONTINGENT LIABILITIES AND COMMITMENTS

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
25.1 Contingent Liabilities to the extent not provided for		
Disputed demands under appeal (Refer below)	1,736	1,834
Income Tax Act - Assessment Year (AY)		
2005-2006*	72	72
2008-2009*	450	450
2009-2010*	108	143
2010-2011*	217	305
2011-2012*	741	741
2012-2013	111	115
2013-2014	29	-
	1,728	**1,826**
Less: Deposits made under protest	**(332)**	**(304)**
Net Amount	**1,396**	**1,522**
* includes the following deposits AY 2011-2012 - ₹ 200 Lakhs (₹ 200 Lakhs) AY 2010-2011 - ₹ 38 Lakhs (₹ 10 Lakhs) AY 2009-2010 - ₹ 14 Lakhs (₹ 14 Lakhs) AY 2008-2009 - ₹ 30 Lakhs (₹ 30 Lakhs) AY 2005-2006 - ₹ 50 Lakhs (₹ 50 Lakhs)		
Service Tax **	2	2
Customs Duty	6	6
** Represent ₹1.58 lakhs (₹ 1.52 Lakhs) paid as pre deposit		
Future cash flows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.		
25.2 Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	71	-

26 The Company had accured for an amount of ₹ 59 Lakhs in the earlier years towards arrears of lease rent for the land taken under lease, as demanded by the Collector of Chennai District. The Company had filed a writ petition and obtained a stay order from the Honourable High Court of Judicature at Madras.

27 Based on, and to the extent of information received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), and relied upon by the auditors there are no dues as at 31 March, 2016 and 31 March, 2015.

28 EMPLOYEE BENEFIT PLANS

(i) Defined Contribution Plan

The Company makes Provident Fund, Pension Fund and Superannuation Fund contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 61.72 lakhs (₹ 58.36 lakhs) towards Provident Fund and Pension Fund contributions and ₹ 22.22 lakhs (₹ 18.89 lakhs) towards Superannuation Fund in the Statement of Profit and Loss. The contributions payable to these plans by the Company is at rates specified in the rules of the scheme.

(ii) Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Components of employer expense		
Current service cost	20	18
Interest cost	24	22
Expected return on plan assets	(25)	(20)
Actuarial losses/(gains)	7	29
Total expense recognised in the Statement of Profit and Loss	**26**	**49**
Actual contribution and benefit payments for year		
Actual benefit payments	(6)	(2)
Actual contributions	64	16
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	351	306
Fair value of plan assets	338	255
Funded status [Surplus / (Deficit)]	(13)	(51)
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	**(13)**	**(51)**
Change in Defined Benefit Obligations (DBO) during the year		
Present value of DBO at beginning of the year	306	238
Current service cost	20	18
Interest cost	24	22
Actuarial (gains) / losses	7	30
Past service cost	-	-
Benefits paid	(6)	(2)
Present value of DBO at the end of the year	**351**	**306**
Change in fair value of assets during the year		
Plan assets at beginning of the year	255	220
Expected return on plan assets	25	20
Actual company contributions	64	16
Actuarial gain / (loss)	-	1
Benefits paid	(6)	(2)
Plan assets at the end of the year	**338**	**255**
Actuarial assumptions		
Discount rate	7.80%	7.80%
Expected return on plan assets	8.00%	8.75%
Salary escalation	8.00%	8.00%
Attrition	4.00%	4.00%
Mortality rate	IAL(2006-08)	IAL(2006-08)

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015	Year Ended 31 March, 2014	Year Ended 31 March, 2013	Year Ended 31 March, 2012
Experience Adjustments					
Present Value of Obligation	351	306	238	219	165
Plan Assets	338	255	220	205	169
Surplus / (Deficit)	(13)	(51)	(18)	(14)	4
Experience Adjustments on Plan liabilites- (loss)/gain	(7)	(14)	(3)	(17)	-
Experience Adjustments on Plan assets- (loss)/gain	-	(1)	(1)	-	-
Enterprises' best estimate of contribution during the next year	**13**	**51**	**18**	**14**	**4**
Actual Return on Plan Assets					
Expected return on plan assets	25	20			
Actuarial gain (loss) on plan assets	-	1			
Actual return on plan assets	25	21			

Notes:

(i) 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.

(ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

(iii) The entire Plan Assets are managed by Life Insurance Corporation of India (LIC). The data on Plan Assets has not been furnished by LIC.

(iv) Experience adjustments has been disclosed based on the information available in the acturial valuation report.

(iii) Compensated absences

Principal actuarial assumptions as at the balance sheet date

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Actuarial assumptions for long-term compensated absences		
Discount rate	7.80%	7.80%
Salary escalation	8.00%	8.00%
Attrition	4.00%	4.00%

Notes

i. 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.

ii. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

29 SEGMENT REPORTING

The Company holds strategic investments in subsidiaries, joint ventures and associate (collectively called "the Group") that are primarily engaged in single segment viz., manufacture and marketing of components for Transportation industry and also provides consultancy and other services to the Group. Further the Company does not have any operations outside India. As such there are no separate reportable segments as per AS 17 "Segment Reporting".

30 RELATED PARTY TRANSACTIONS

Details of Related Parties

Description of Relationship	Names of related parties 2015-16	Names of related parties 2014-15
Subsidiaries	Rane (Madras) Limited	Rane (Madras) Limited
	Rane Engine Valve Limited	Rane Engine Valve Limited (Refer Note 11.1)
	Rane Brake Lining Limited	Rane Brake Lining Limited
	Rane Holdings America Inc.	Rane Holdings America Inc.
	Rane (Madras) International Holdings B.V (RMIH)	
	Rane Precision Diecast Inc. (RPDC)	
Joint Ventures	Rane TRW Steering Systems Private Limited	Rane TRW Steering Systems Private Limited
	Rane NSK Steering Systems Private Limited	Rane NSK Steering Systems Private Limited
	JMA Rane Marketing Limited	JMA Rane Marketing Limited
Associate	SasMos HET Technologies Limited	SasMos HET Technologies Limited
Key Management Personnel (KMP)	Mr. L Lakshman	Mr. L Lakshman
	Mr. L Ganesh	Mr. L Ganesh
Relatives of KMP	Mrs. Pushpa Lakshman	Mrs. Pushpa Lakshman
	Mr. Harish Lakshman	Mr. Harish Lakshman
	Mr. Vinay Lakshman	Mr. Vinay Lakshman
	Mrs. Meenakshi Ganesh	Mrs. Meenakshi Ganesh
	Mr. Aditya Ganesh	Mr. Aditya Ganesh
	Mrs. Aparna Ganesh	Mrs. Aparna Ganesh
	Mrs. Shanti Narayan	Mrs. Shanti Narayan
	Mrs. Hema C Kumar	Mrs. Hema C Kumar
	Mrs. Vanaja Aghoram	Mrs. Vanaja Aghoram
Enterprise in which KMP / Relatives of KMP can exercise significant influence	Rane Foundation	Rane Foundation
	Savithur Enterprises Private Limited	Savithur Enterprises Private Limited
	HL Hill Station Properties Private Limited	HL Hill Station Properties Private Limited
	RT Automotive Systems Private Limited	RT Automotive Systems Private Limited

Note: Related parties has been identified by the Management and relied upon by the auditors.

DETAILS OF RELATED PARTY TRANSACTIONS DURING THE YEAR ENDED 31 MARCH, 2016 AND BALANCES OUTSTANDING AS AT 31 MARCH, 2016

₹ Lakhs

Description	Fee for Services rendered	Trade Mark / Group Association Fee	Dividend Received	Interest Income	Donation Paid	Loans Given	Loans Repaid	Salary and Other Perquisites	Commission	Sitting Fee for Board and Committee Meetings	Contractually Reimburseable of Expenses	Others (Reimbursement of Expenses)
Subsidiaries												
Transactions during the year												
Rane (Madras) Limited	758	399	588	-	-	-	-	-	-	-	-	10
	(705)	(372)	(381)	(19)	-	-	(450)	-	-	-	-	(5)
Rane Engine Valve Limited	487	171	86	-	-	-	-	-	-	-	-	-
	(461)	(162)	(22)	-	-	-	-	-	-	-	(2)	-
Rane Brake Lining Limited	426	223	620	-	-	-	-	-	-	-	-	-
	(367)	(207)	(268)	-	-	-	-	-	-	-	((5))	-
Balances receivable at the end of the year												
Rane (Madras) Limited	99	126	-	-	-	-	-	-	-	-	-	1
	(4)	(129)	-	-	-	-	-	-	-	-	-	(7)
Rane Engine Valve Limited	50	55	-	-	-	-	-	-	-	-	-	-
	(65)	(47)	-	-	-	-	-	-	-	-	-	-
Balance payable at the end of the year												
Rane Brake Lining Limited	10	-	-	-	-	-	-	-	-	-	-	-
	(18)	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures												
Transactions during the year												
Rane TRW Steering Systems Private Limited	596	686	874	-	-	-	-	-	-	-	12	1
	(589)	(601)	(655)	-	-	-	-	-	-	-	-	(2)
Rane NSK Steering Systems Private Limited	509	767	219	-	-	-	-	-	-	-	-	1
	(433)	(623)	-	-	-	-	-	-	-	-	-	-
JMA Rane Marketing Limited	-	-	22	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Balances receivable at the end of the year												
Rane TRW Steering Systems Private Limited	-	1	-	-	-	-	-	-	-	-	-	14
	-	(113)	-	-	-	-	-	-	-	-	-	-
Balances payable at the end of the year												
Rane TRW Steering Systems Private Limited	16	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Rane NSK Steering Systems Private Limited	11	-	-	-	-	-	-	-	-	-	-	-
	(20)	(1)	-	-	-	-	-	-	-	-	-	-

₹ Lakhs

Description	Fee for Services rendered	Trade Mark / Group Association Fee	Dividend Received	Interest Income	Donation Paid	Loans Given	Loans Repaid	Salary and Other Perquisites	Commission	Sitting Fee for Board and Committee Meetings	Contractually Reimburseable of Expenses	Others (Reimbursement of Expenses)
Associate												
Transactions during the year												
SasMos HET Technologies Limited	18	18	-	21	-	-	200	-	-	-	-	-
	(9)	(7)	-	(41)	-	(249)	(249)	-	-	-	-	-
Balances receivable at the end of the year												
SasMos HET Technologies Limited	6	14	-	7	-	-	-	-	-	-	-	-
	(1)	(9)	-	(5)	-	(200)	-		-	-	-	-
Key Management Personnel (KMP)												
Transactions during the year												
Mr. L Lakshman	-	-	-	-	-	-	-	93	93	-	-	-
	-	-	-	-	-	-	-	(67)	(84)	-	-	-
Mr. L Ganesh	-	-	-	-	-	-	-	116	-	-	-	-
	-	-	-	-	-	-	-	(103)	-	-	-	-
Balance payable at the end of the year												
Mr. L Lakshman	-	-	-	-	-	-	-	-	93	-	-	-
	-	-	-	-	-	-	-	-	(84)	-	-	-
Relatives of Key Management Personnel (KMP)												
Transactions during the year												
Mr. Harish Lakshman	-	-	-	-	-	-	-	-	-	1	-	-
	-	-	-	-	-	-	-	-	-	(2)	-	-
Enterprise in which KMP / Relatives of KMP can exercise significant influence												
Transactions during the year												
Rane Foundation	-	-	-	-	50	-	25	-	-	-	-	(4)
	-	-	-	-	(53)	-	(50)	-	-	-	-	-
Balances receivable at the end of the year												
Rane Foundation	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(25)	-	-	-	-	-	-

Note:
1. Figures in bracket relates to the previous year

31 DISCLOSURE REQUIRED BY REGULATION 33 OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2016. (TO THE EXTENT APPLICABLE)

₹ Lakhs

Description	Amount outstanding as at 31 March, 2016	Amount outstanding as at 31 March, 2015	Maximum outstanding during 2015-2016	Maximum outstanding during 2014-2015
Subsidiaries				
Rane (Madras) Limited				
Loan	-	-	-	450
Interest	-	-	-	13
Associate				
SasMos HET Technologies Limited				
Loan	-	200	200	419
Interest	7	5	7	12
Rane Foundation				
Loan	-	25	25	75

32 INFORMATION ON JOINT VENTURE ENTITIES

The particulars of the Company's Joint Venture Entities as at 31 March, 2016 including percentage holding and its proportionate share of assets, liabilities, income and expenditure of the Joint Ventures are given below:-

S No.	Name of the Joint Venture	As at 31 March, 2016					2015-2016	
		% of Holding	Assets	Liabilities	Contingent Liabilities	Capital Commitments	Income	Expenses
1	Rane TRW Steering Systems Private Limited	50%	20,872	20,872	2,048	920	35,799	33,117
		50%	(18,493)	(18,493)	(2,086)	(1,009)	(31,946)	(29,897)
2	Rane NSK Steering Systems Private Limited	49%	19,955	19,955	-	610	37,726	35,099
		49%	(15,731)	(15,731)	-	(138)	(30,765)	(28,586)
3	JMA Rane Marketing Limited	49%	1,434	1,434	-	-	3,001	2,885
		49%	(1,337)	(1,337)	-	-	(2,798)	(2,680)

Notes:

1. Figures in bracket relate to the previous year.
2. All the above Joint Venture Entities are located in India.

33 OPERATING LEASES

₹ Lakhs

Description	Year Ended 31 March, 2016	Year Ended 31 March, 2015
Details of leasing arrangements		
The Company has operating lease agreements for office space and residential accommodation with option to renew with escalation.		
Lease Rental debited to the Statement of Profit and Loss	23	22
Future minimum lease payments		
- not later than one year	21	20
- later than one year and not later than five years	16	32
- later than five years	-	-
	60	**74**
Office Equipments and Cars are taken on lease for a period ranging from one year to five years and are renewable at the option of the Company.		
Lease Rental debited to the Statement of Profit and Loss	164	72
Future minimum lease payments		
- not later than one year	172	76
- later than one year and not later than five years	412	159
- later than five years	-	-
	748	**307**

34 EARNINGS PER SHARE

Description	Year Ended 31 March, 2016	Year Ended 31 March, 2015
Profit After Tax (₹ in Lakhs)	3,565	2,592
Weighted Average Number of Shares - Basic & Diluted	1,42,77,809	1,42,77,809
Earnings Per Share of ₹ 10/- each - Basic & Diluted	24.97	18.16

35 The Company did not have any unhedged Foreign currency exposure as at 31 March, 2016 and 31 March, 2015. The company did not have any derivatives.

36 AMOUNT SPENT ON CSR ACTIVITIES:

(i) Gross amount required to be spent by the Company during the year is ₹ 62.84 Lakhs (₹ 67.45 Lakhs)

(ii) Amount spent during the year on revenue expenditure is ₹ 62.91 Lakhs (₹ 67.45 Lakhs)

37 PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

Signature to Notes 1 to 37
For and on behalf of the Board

L Ganesh
Vice Chairman

L Lakshman
Executive Chairman

Place: Chennai
Date: 27 May, 2016

J. Ananth
Chief Financial Officer

Siva Chandrasekaran
Secretary

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RANE HOLDINGS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of RANE HOLDINGS LIMITED(hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the 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, its associate and jointly controlled entities as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the financial statements of 4 subsidiaries and 2 jointly controlled entities whose financial statements reflect total assets of ₹ 87,694 Lakhs as at March 31, 2016, total revenues of ₹ 121,652 Lakhs and net cash flows amounting to ₹ 111 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 of ₹ 112 Lakhs for the year ended March 31, 2016, as considered in the Consolidated Financial Statements, in respect of an associate, 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, jointly controlled entities and associate is based solely on the reports of the other auditors.

(b) We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of ₹ 1,357 Lakhs as at March 31, 2016, total revenues of ₹ Nil and net cash flows amounting to ₹ 4 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and 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 this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements 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 the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement 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 Accounting Standards prescribed under Section 133 of the Act, as applicable.

   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate company and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate company and jointly controlled companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding Company, subsidiary companies, jointly controlled companies and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's, subsidiary company's, associate company's and jointly controlled company's incorporated in India, internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditors' 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:

      i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of

the Group and its jointly controlled entities. Refer Note 32 to the Consolidated Financial Statements.

ii. The Group, its associate and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, jointly controlled companies and associate company incorporated in India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Geetha Suryanarayanan
Partner
(Membership No. 29519)

Place: Chennai
Date: May 27, 2016

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of RANE HOLDINGS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary companies, its jointly controlled companies and associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, its associate company and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting 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 (ICAI)". 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 subsidiary companies, joint controlled companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies, its jointly controlled companies and associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting 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".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 subsidiary companies, an associate company and 2 jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Geetha Suryanarayanan
Partner
(Membership No. 29519)

Place: Chennai
Date: May 27, 2016

Consolidated Balance Sheet

as at 31 March, 2016

₹ Lakhs

Particulars	Note No	As at 31 March, 2016	As at 31 March, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	1,428	1,428
(b) Reserves and Surplus	4	57,648	52,980
Minority Interest		19,090	19,304
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	24,832	14,341
(b) Deferred tax liabilities (Net)	6	2,004	1,929
(c) Other Long-term liabilities	7	107	121
(d) Long-term provisions	8	360	299
(3) Current Liabilities			
(a) Short-term borrowings	9	26,498	22,799
(b) Trade payables			
i. Dues of micro enterprises and small enterprises		1,388	1,517
ii. Dues of creditors other than micro enterprises and small enterprises	10	35,893	28,378
(c) Other current liabilities	11	17,719	18,233
(d) Short-term provisions	12	2,658	3,788
Total		**1,89,625**	**1,65,117**
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	13	88,697	72,056
(ii) Intangible assets	13	385	380
(iii) Capital work-in-progress	13	2,088	5,509
(b) Goodwill on Consolidation		8,896	8,495
(c) Non-current investments	14	1,947	1,833
(d) Deferred tax assets (net)	15	686	174
(e) Long term loans and advances	16	6,970	6,975
(f) Other non-current assets	17	46	48
(2) Current assets			
(a) Current investments	18	876	1,355
(b) Inventories	19	26,235	23,636
(c) Trade receivables	20	42,848	35,687
(d) Cash and bank balances	21	1,510	1,331
(e) Short-term loans and advances	22	6,926	6,628
(f) Other current assets	23	1,515	1,010
Total		**1,89,625**	**1,65,117**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board

Geetha Suryanarayanan
Partner

L Ganesh
Vice Chairman

L Lakshman
Executive Chairman

Place: Chennai
Date: 27 May, 2016

J. Ananth
Chief Financial Officer

Siva Chandrasekaran
Secretary

Consolidated Statement of Profit and Loss

for the year ended 31 March, 2016

₹ Lakhs

Particulars	Note No	Year ended 31 March, 2016	Year ended 31 March, 2015
I. Revenue from operations (Gross)		2,58,292	2,36,820
Less: Excise Duty		17,580	15,732
Revenue from operations (Net)	24	**2,40,712**	**2,21,088**
II. Other Income	25	2,418	2,242
III. Total Revenue (I + II)		**2,43,130**	**2,23,330**
IV. Expenses:-			
Cost of materials consumed	26	1,35,289	1,22,855
Purchase of Stock-in-Trade (Traded goods)	27	1,834	1,950
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	(1,827)	(1,337)
Employee benefits expense	29	34,651	30,747
Finance costs	30	4,493	4,612
Depreciation and amortization expense	13	11,384	10,568
Other expenses	31	47,713	44,775
Total Expenses		**2,33,537**	**2,14,170**
V. Profit before exceptional items and tax (III - IV)		9,593	9,160
VI. Exceptional Items (Refer Note 36)		1,336	4,174
VII. Profit before tax (V - VI)		**10,929**	**13,334**
VIII. Tax expense:			
(1) Current tax expense		2,567	1,711
(2) MAT Credit		(275)	(757)
(3) Additional provision for tax relating to prior years		(6)	103
(4) Share of Joint ventures		1,311	1,452
Net current tax expense		3,597	2,509
(5) Deferred tax		(635)	1,309
(6) Share of Joint ventures		199	(106)
Net tax expense		**3,161**	**3,712**
IX. Profit after tax before share of Profit/(Loss) of associate and minority interest (VII - VIII)		**7,768**	**9,622**
X. Share of Profit /(Loss) of associate		112	42
XI. Less: Minority Interest		1,326	2,570
XII. Profit for the year (IX + X - XI)		**6,554**	**7,094**
XIII. Earning per equity share (of ₹ 10 each):	43		
(1) Basic		46	50
(2) Diluted		46	50

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board

Geetha Suryanarayanan
Partner

L Ganesh
Vice Chairman

L Lakshman
Executive Chairman

Place: Chennai
Date: 27 May, 2016

J. Ananth
Chief Financial Officer

Siva Chandrasekaran
Secretary

Consolidated Cashflow Statement

for the year ended 31 March, 2016

₹ Lakhs

Particulars	Year ended 31 March, 2016		Year ended 31 March, 2015	
A. Cash flow from operating activities				
Net Profit before extraordinary items, tax, share of profit/(loss) of associate and minority interest		10,929		13,334
Adjustments for:				
Depreciation and amortisation	11,384		10,568	
Profit on sale of assets	(41)		(53)	
Loss on sale of assets / Assets written off	169		180	
Finance costs	4,493		4,612	
Stock Written off	29		-	
Interest income	(190)		(206)	
Dividend income	(66)		(66)	
Provision for Doubtful Debts / Advances	96		110	
Liability no longer required written back	(254)		(246)	
Unrealised exchange loss (Net)	160		86	
Bad debts / Advances written off	-		3	
Provision for warranty	(56)		(31)	
Exceptional Items	(2,754)		(4,648)	
Translation (gain)/loss on Fixed Asset	164		-	
Foreign Currency translation reserve	3		-	
		13,137		10,309
Operating profit before working capital changes		**24,066**		**23,643**
Changes in working capital				
Adjustments for (increase) / decrease in operating assets and liabilities:				
Increase/(Decrease) in long-term provisions	(2,063)		31	
Increase/(Decrease) in short-term borrowings	560		3,659	
Increase/(Decrease) in Trade payables	4,876		2,079	
Increase/(Decrease) in other current liabilities	1,344		715	
Increase/(Decrease) in other long term liabilities	(14)		16	
Increase/(Decrease) in short-term provisions	205		(216)	
(Increase)/Decrease in Inventories	(1,961)		(2,300)	
(Increase)/Decrease in Trade receivables	(4,152)		(2,868)	
(Increase)/Decrease in short-terms loans and advances	(499)		(1,183)	
(Increase)/Decrease in long-term loans and advances	(412)		77	
(Increase)/Decrease in other assets (current & non current)	(496)		(184)	
(Increase)/Decrease in cash balance not considered as cash and cash equivalents	(18)		(132)	
		(2,630)		(306)
Cash generated from operations		**21,436**		**23,337**
Net income tax (paid) / refunds		(4,075)		(3,551)
Net Cash flow from operativing activities (A)		**17,361**		**19,786**
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(18,848)		(15,472)	
Proceeds from sale of fixed assets	2,931		4,631	
Purchase of long-term investments	(7)		(1,410)	

₹ Lakhs

Particulars	Year ended 31 March, 2016		Year ended 31 March, 2015	
Dividend income				
- Associates	-		-	
- Others	66		66	
Interest income	184		209	
Net cash flow from investing activities (B)		**(15,674)**		**(11,976)**
C. Cash flow from financing activities				
Long term borrowings taken / (repaid)	7,296		(1,741)	
Dividend paid (including taxes)	(4,734)		(1,712)	
Interest paid	(4,566)		(4,569)	
Net cash flow from financing activities (C)		**(2,004)**		**(8,022)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**(317)**		**(212)**
Cash and cash equivalents at the beginning of the year		1,331		2,046
Add: Current Investments		1,355		731
Less: Unpaid Dividend Accounts		88		76
Less: Bank deposit with maturity more than 3 months but less than 12 months		149		1
Less: Capital Gain scheme account		-		1
Less: Others		35		76
Add: Cash and equivalents at the beginning of the year pursuant to merger of KML		-		3
Adjusted Cash and cash equivalents at the beginning of the year		**2,414**		**2,626**
Cash and cash equivalents at the end of the year		1,510		1,331
Add: Current Investments		876		1,355
Less: Unpaid Dividend and Unpaid Interest Warrants Accounts		84		88
Less: Bank deposit with maturity more than 3 months but less than 12 months		190		149
Less: Others		15		35
Adjusted Cash and cash equivalents at the end of the year		**2,097**		**2,414**
Net Increase / (Decrease)		**(317)**		**(212)**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board

Geetha Suryanarayanan
Partner

L Ganesh
Vice Chairman

L Lakshman
Executive Chairman

Place: Chennai
Date: 27 May, 2016

J. Ananth
Chief Financial Officer

Siva Chandrasekaran
Secretary

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2016

1 BRIEF ABOUT THE COMPANY

Rane Holdings Limited (RHL) is the holding company whose main activity is investing in Rane group Companies that are engaged primarily in the manufacture and marketing of auto components. The Rane Group's investment profile includes subsidiaries, joint ventures and associate. 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 from group companies for providing service in the areas of management, information technology, business development and infrastructure.

2 SIGNIFICANT ACCOUNTING POLICIES:-

2.1 Principles and Particulars of Consolidation

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"), joint ventures, and the Group's share of profit / (loss) in its associate.

The Financial statements of the Subsidiaries, Joint Ventures and Associate used in the consolidation are drawn up to the same reporting date as that of the holding company i.e. 31 March, 2016.

The Financial statements of the Company, its Subsidiaries, Joint Ventures and Investments in Associate company are consolidated in accordance with Accounting Standard 21(AS21) "Consolidated Financial Statements", Accounting Standard 27 (AS 27) – "Financial Reporting of Interests in Joint Ventures" and Accounting Standard 23 (AS 23) – "Accounting for Investments in Associates in Consolidated Financial Statements", respectively.

The Financial statements of the Company and its Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating material intra-group balances, intra-group transactions, unrealized profits/ losses on intra-company transactions and consolidation adjustments.

Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – Financial Reporting of Interests in Joint Ventures. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of Group's share in the entity.

Investment in associate company is accounted for by using equity method whereby investment is initially recorded at cost and the carrying amount is adjusted thereafter for post acquisition change in the company's share of net assets of the associate.

The excess of cost to the Group of its investments in the subsidiary companies / joint ventures over its share of equity of the subsidiary companies / jointly controlled entities, at the dates on which the investments in the subsidiary companies / joint ventures were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies / joint ventures as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements. The 'Goodwill / 'Capital Reserve' is determined separately for each subsidiary company / joint ventures and such amounts are not set off between different entities.

The carrying value of Goodwill is tested for impairment as at the end of each reporting period.

Minority interest in the net assets of the consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made in the subsidiaries and further movements in their share in the equity, subsequent to the dates of investments. Minority Interest share in the Net Profit for the year of the consolidated subsidiaries is identified and adjusted against the Profit After Tax of the group. The losses in subsidiaries attributable to the minority shareholders are recognized to the extent of their interest in the equity of subsidiaries.

Particulars of consolidation

The list of companies included in consolidation are as follows:

	Equity shares held		% of voting power held	
Companies	**As at 31 March,2016**	**As at 31 March,2015**	**As at 31 March,2016**	**As at 31 March,2015**
Subsidiaries				
Rane (Madras) Limited - (RML)	59,18,156	59,16,272	56%	56%
Rane Engine Valve Limited - (REVL) - refer note (a) below	34,31,054	34,31,054	51%	51%
Rane Brake Lining Limited - (RBL) - refer note (b) below	36,48,311	36,48,311	46%	46%
Rane Holdings America Inc.*	20,000	20,000	100%	100%
Joint Ventures				
Rane TRW Steering Systems Private Limited - (RTSS)	43,69,123	43,69,123	50%	50%
Rane NSK Steering Systems Private Limited - (RNSS)	87,71,000	87,71,000	49%	49%
JMA Rane Marketing Limited (JMA Rane)	3,60,003	3,60,003	49%	49%
Associate				
SasMos HET Technologies Limited (SasMos)**	6,11,399	6,11,399	45%	45%

* Company incorporated outside India

** SasMos is the holding company of Fokker Elmo SasMos Interconnection Systems Limited having 51% of voting power.

a) A Scheme of Amalgamation ("Scheme") approved by the shareholders of Rane Engine Valve Limited (REVL) and Kar Mobiles Limited (KML) with effect from 1 April 2014 was sanctioned by the High Court of Judicature at Madras on 26 February 2015 which was filed with the Registrar of Companies on 1 April 2015. Pursuant to the scheme, the company is entitled to receive 6,21,368 equity shares of ₹ 10/- each of REVL in exchange for 8,87,669 equity shares of ₹ 10/- each held by the Company in KML. REVL has alloted the shares to the company on 4 May 2015.

b) The shareholders of RBL had approved an amendment in the year 2009-10, to the articles of association of the company which authorizes, the Company to appoint majority of the Board of Directors of the company. As a result RBL has become a board controlled subsidiary of the Company and hence consolidated on a line-by-line basis.

2.2 Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company and its subsidiaries (together the 'Group'), joint ventures and associate have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year. Also refer Note 45.

2.3 Use of estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles in India requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the balance sheet date and the reported amount of income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.4 Inventories

Inventories are valued at lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on weighted average basis. Cost includes conversion and other costs incurred in bringing the inventories to the present location and condition. Inventories are written down for obsolete/ slow moving/non-moving items wherever necessary. Cost of loose tools is amortised over a period of 3 years. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Inventory lying in customs bonded warehouse is valued inclusive of customs duty payable on clearance.

2.5 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with Banks. Cash equivalents comprises of bank balances in current account and other short-term (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.

2.6 Cash flow statement

Cash flows are reported using indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effect of the 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 based on the available information.

2.7 Depreciation and amortisation

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 or in respect of certain categories of assets, in whose case, the life of the assets has been assessed 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.

Tangible Assets	Useful life (years)
Vehicles	5
Furniture and Fittings	5
Office Equipment (other than computers)	3
Capital tooling	3
Tools and Jigs	5

Intangible Assets are amortized over their estimated useful life as follows:

Intangible Assets	Useful life (years)
Software License	3 to 6
Software	3
Technical Knowhow / License Fees for technical assistance	3 to 6
Design and Drawings	5

Assets individually costing less than ₹ 10,000 each are fully depreciated in the year of acquisition.

2.8 Revenue recognition

2.8.1 Sales

Revenue is recognized net of returns and trade discounts, when the significant risks and rewards of ownership of goods

have been passed to the buyer. Sales include excise duty but exclude sales tax , value added tax and other trade discounts and rebates wherever applicable.

2.8.2 Other Income

Income from Job work/Services is recognized on rendering the services.

Revenues from Service Fee and Trade Mark Fee are recognised on accrual basis in accordance with terms of the relevant agreements.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.8.3 Dividend Income

Dividend income is recognized when the right to receive it is established.

2.9 Fixed Assets

2.9.1 Tangible Fixed Assets

Tangible Fixed Assets are stated at cost of acquisition or construction, net of cenvat credit, depreciation and impairment loss if any. Cost includes direct cost and financing cost related to borrowing attributable to acquisition that are capitalised until the assets are ready for use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefit from the existing asset beyond its previously assessed standard of performance.

Expenses incurred in connection to the project prior to the commencement of the commercial production are treated as part of project cost and capitalized as part of fixed assets.

Losses arising from the retirement of, and gains and losses arising from disposal of fixed assets, which are carried at cost are recognised in the Consolidated Statement of Profit and Loss.

Fixed assets that are fully depreciated are retained at a value of ₹ 1/-.

2.9.2 Intangible assets

Intangible assets are stated at acquisition cost net of accumulated amortisation and accumulated impairment losses, if any.

Software/Technical Knowhow are capitalised where it is expected to provide future economic benefits.

2.9.3 Capital Work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date are disclosed as "Capital Advances" under Long term loans and advances.

2.10 Foreign currency transactions and translations

2.10.1 Initial recognition

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction.

2.10.2 Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency transactions are recorded at the exchange rates prevailing on the date of transaction.

At the year end all monetary assets and liabilities denominated in foreign currency are restated at year end exchange rates. Consolidated resultant exchange differences arising from settlement of foreign currency transactions and from year end restatement are recognized in the Statement of Profit and Loss except those arising on reporting of long term foreign currency monetary items relating to acquisition of depreciable fixed assets which are adjusted to the carrying amount of such assets and depreciated over the remaining useful life of such assets.

Premium or discount on forward exchange contracts (i.e. the difference between the forward exchange rate and the exchange rate at the date of transaction) is accounted for as income/expense over the life of the contract if such contracts relate to monetary items as at the balance sheet date. Profit or loss on cancellation of forward contracts are recognized as income/expense in the Consolidated Statement of Profit and Loss for the year in which they are cancelled.

2.10.3 Accounting of forward contracts and treatment of exchange difference

The Group enters into forward exchange contracts to hedge its risks associated with foreign currency fluctuations. The premium or discount, arising at the inception of a forward exchange contract is amortized as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Consolidated Statement of Profit & Loss in the year in which the exchange rates change.

2.11 Government Grants and Capital Subsidy

Government grants relating to depreciable tangible fixed assets are treated as deferred income and recognised in the Consolidated Statement of Profit and Loss over the remaining useful life of the related assets.

Lump sum Capital Subsidies, not relating to any specific fixed asset, received from State Government for setting up new projects are accounted as capital reserve.

2.12 Investments

2.12.1 Long Term Investments

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

2.12.2 Current Investments

Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.13 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences.

2.13.1 Defined contribution plans

Contribution to provident fund and superannuation fund in the Group are considered as Defined Contribution Plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Provident Fund

The Group contributes to a government administered Provident fund on behalf of its employees, which are charged to the consolidated statement of profit and loss. The company

has no obligations for future provident fund benefits other than its monthly contributions.

In regard to a subsidiary company, Rane Engine Valve Ltd. for certain category of employees the company administers the benefits through a recognised Provident Fund Trust. For other employees, contributions are made to the regional Provident Fund Commissioners as per law. The Government mandates the annual yield to be provided to the employees on their corpus. For the first category of employees (covered by the Trust), the company has an obligation to make good the shortfall, if any, between the yield on the investments of the trust and the yield mandated by the Government.

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.

2.13.2 Defined benefit plans

The Group makes annual contribution to a Gratuity Fund administered and managed by Life Insurance Corporation of India. The Group accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date, determined using the Projected Unit Credit method. Actuarial gains/losses are immediately recognised in the Consolidated Statement of Profit and Loss.

2.13.3 Short-term employee benefits

Short term employee benefits including accumulated compensated absences determined as per Group's policy/ scheme are recognised as expense based on expected obligation on undiscounted basis.

2.13.4 Termination benefits

Termination benefits represent compensation towards Voluntary Retirement Scheme which is expensed as incurred. Termination benefits falling due for more than twelve months after the balance sheet date are accounted using appropriate discount rates.

2.14 Borrowing Costs

Borrowing costs attributable to acquisition or construction or production of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are recognised as revenue in nature.

2.15 Operating Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight-line basis as per the lease terms.

In respect of one of the Joint Venture Companies (JMA Rane), JMA Rane has leased facilities under cancellable lease arrangements with a lease term ranging from one year to three years, which are subject to renewals at mutual consents thereafter. The cancellable arrangements can be terminated by either party after giving due notices. JMA Rane does not have any non cancellable lease arrangements.

2.16 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary 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 / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the 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.

2.17 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal tax in the future years. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. This asset is reviewed for the appropriateness of its carrying amount at each Balance Sheet date.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.18 Research and development expenses

Revenue expenditure on Research and Development is charged off in the year in which it is incurred. Capital expenditure on Research and Development is included under Fixed Assets. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making asset ready for its intended use.

2.19 Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.20 Provisions and contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding employee benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the consolidated financial statements.

2.21 Provision for Warranty

The estimated liability for product warranties is recorded when products are sold. Product warranty provisions cover the estimated liability to repair or replace products still under warranty on the Balance Sheet date and is determined by applying historical experience levels of repairs and replacements developed by using the percentage (of aggregate warranty claims on aggregate eligible sales). Product warranty liability is generally extended for a period of one to two years from the date of sale.

2.22 Hedge Accounting

In case of certain Subsidiaries and Joint Ventures exposed to foreign currency fluctuations on foreign currency assets and forecasted cash flows denominated in foreign currency, those companies limit the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The group enters into forward exchange and option contracts, to hedge its risks associated with foreign currency fluctuations.

Pursuant to ICAI Announcement "Accounting for Derivatives" on the early adoption of Accounting Standard AS 30 "Financial Instruments : Recognition and Measurement", the group has opted to follow the recognition and measurement principles relating to derivatives as specified in the Standard. Accordingly, the changes in the fair values of forward contracts and options designated as cash flow hedges are recognized directly in 'Hedge Reserve Account' being part of the shareholders' funds and reclassified into the consolidated statement of profit and loss upon the occurrence of the hedged transactions. The changes in fair value relating to the ineffective portion of the cash flow hedges and forward contracts/options not designated as cash flow hedges are recognized in the Consolidated Statement of Profit and Loss as they arise.

2.23 Derivative Contracts

In case of certain Subsidiaries and Joint Ventures exposed to foreign currency fluctuations on foreign currency assets and forecasted cash flows denominated in foreign currency, those companies limit the effects of foreign exchange rate fluctuations using derivative financial instruments such as foreign exchange forward contract, option contract, currency and interest rate swaps to hedge its exposure in movements of foreign exchange rates and interest rates relating to underlying transaction.

Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting.

All other derivative contracts are marked-to-market and losses are recognised in the Consolidated Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

2.24 Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.25 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

2.26 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3 SHARE CAPITAL

₹ Lakhs

Description		As at 31 March, 2016	As at 31 March, 2015
(a)	**Authorised:**		
	Equity Shares:		
	1,50,00,000 Shares (1,50,00,000 Shares) of ₹10 each	1,500	1,500
	Preference Shares:		
	50,00,000 Shares (50,00,000 Shares) 13.5% Cumulative Redeemable Preference Shares of ₹10 each	500	500
(b)	**Issued, Subscribed and Fully Paid Up:**		
	Equity Shares:		
	1,42,77,809 Shares (1,42,77,809 Shares) of ₹10 each	1,428	1,428

3.1 The Company has Subsidiaries, Joint Ventures and Associate. There is no Ultimate Holding Company for the Company.

3.2 Terms / Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of ₹ 10/- per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting, except in the case of interim dividend.

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.

3.3 Details of shares held by each shareholder holding more than 5% shares:

	As at 31 March, 2016		As at 31 March, 2015	
Class of Shares/ Name of Shareholder/ Equity shares with voting rights	**No of Shares**	**% of Holding**	**No of Shares**	**% of Holding**
1. Raman T G G	14,84,056	10.39%	14,84,056	10.39%
2. Sundaram Mutual Fund A/c Sundaram Smile Fund	8,00,308	5.61%	5,40,336	3.78%

3.4 There is no change in the number of shares at the beginning of the year and end of the year.

4 RESERVES AND SURPLUS

₹ Lakhs

	Description	As at 31 March, 2016	As at 31 March, 2015
a.	Capital Subsidy	113	103
	Add: Additions pursuant to merger (Refer Note 37)	-	10
	Total	**113**	**113**
b.	Export Incentive Reserve	19	19
c.	Capital Profit Reserve	99	99
d.	Capital Redemption Reserve (Refer Note 4.1)	1,067	1,028
	Add: Additions pursuant to merger (Refer Note 37)	-	39
	Total	**1,067**	**1,067**
e.	Investment allowance reserve	36	36
	Add: Additions/(Deletions) during the year	(36)	-
	Total	**-**	**36**
f.	Capital Reserve on Amalgamation	29	29
g.	General Reserve on Merger (Refer Note 4.2)	819	819
h.	Capital Reserve on Consolidation	2,069	2,069
i.	Amalgamation Adjustment Account	(20)	(20)
j.	Securities Premium	5,908	5,908
k.	Hedge Reserve account	38	43
	Add: Additions pursuant to merger (Refer Note 37)	-	10
	Add: Additions/(Deletions) during the year	(49)	(15)
	Total	**(11)**	**38**
l.	Foreign Currency Translation Reserve	5	3
	Add: Additions/(Deletions) during the year	1	2
	Total	**6**	**5**
m.	**General Reserve:**		
	Opening Balance	22,764	13,040
	Add: Additions pursuant to merger (Refer Note 37)	-	1,411
	Add: Investment allowance reserve	36	-
	Add: Transfer from Surplus in Statement of Profit and Loss	1,554	8,313
	Closing Balance	**24,354**	**22,764**
n.	**Surplus in the Statement of Profit and Loss**		
	Opening Balance	20,034	23,230
	Add:		
	Profit for the year	6,554	7,094
	Less:		
	Interim Dividend @ 100 %(Previous Year Nil)	1,428	-
	Final Dividend Nil (Previous Year 75%)	-	1,071
	Tax on dividend	410	218
	Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (net of Deferred Tax ₹ 99 Lakhs)	-	193
	Adjustments on account of merger (Refer Note 37)	-	495
	Transferred to General reserve	1,554	8,313
	Net surplus in the Statement of Profit and Loss	**23,196**	**20,034**
	Total Reserves and Surplus	**57,648**	**52,980**

4.1 Capital Redemption Reserve as at April 1, 2014 represents amount transferred from the Consolidated Statement of Profit and Loss in accordance with Section 80(1)(d) of the Companies Act, 1956 on redemption of preference shares relating to the Company in the previous years.

4.2 General Reserve on merger represents ₹ 819 Lakhs (₹ 819 Lakhs) arising out of the amalgamation of Rane Investments Limited, a wholly owned subsidiary as approved by the shareholders of the Company and sanctioned by the High Court of Judicature at Madras with effect from the appointed date April 1, 2009.

5 LONG-TERM BORROWINGS

₹ Lakhs

	Description	As at 31 March, 2016	As at 31 March, 2015
5.1	**Secured (Refer Note 5.3)**		
	Term Loans from Banks	19,422	8,863
	Term Loans from Institutions	2,194	-
	External Commercial Borrowings from Banks	-	1,659
	Loans from Related Parties (Refer Note 38)	28	141
	Share in Joint Ventures	2,103	2,531
	Total Secured Long-Term Borrowings	**23,747**	**13,194**
5.2	**Unsecured**		
	Long term Capital lease obligations	456	-
	Interest Free Sales Tax Loan (Refer note 5.4)	623	746
	Fixed Deposits (Refer note 5.5)		
	- Related Parties	1	157
	- Others	-	219
	Loans from Related Parties (Refer Note 38)	5	25
	Total Unsecured Long-Term Borrowings	**1,085**	**1,147**
	Total Long-Term Borrowings	**24,832**	**14,341**

5.3 Security

Term loans are secured by first charge on *Pari-passu* basis on respective company's immovable properties both present and future and are also secured by hypothecation of respective company's movable properties, book debts and inventories as per applicable terms of the contract of each loan.

In respect of REVL,

1. Term loans taken over pursuant to Merger (Standard Chartered Bank and Karur Vysya Bank) are secured by first charge on Pari-passu basis on all immovable and movable fixed assets, present and future, of the company's Peenya Unit and Tumkur Unit and second charge on Pari-passu basis on all currents assets, present and future, of the Peenya Unit and Tumkur Unit.
2. Other Term loans are secured on Pari-passu basis by first charge on the company's immovable and movable fixed assets (other than Property situated at Alandur-Chennai, Peenya and Tumkur) both present and future.

In respect of RML,

1. ECB Loans from Standard Chartered Bank (SCB) and DBS Bank Limited (DBS) are secured on a pari passu basis by a first charge created on the Company's immovable properties both present and future and are also secured by hypothecation of the Company's movable properties both present and future, subject to prior charge on the book debts and inventories in favour of the bankers for working capital facilities.
2. The INR Term Loans from HDFC Bank Ltd, Kotak Mahindra Bank Ltd and Canara Bank Ltd and USD-Long Term Loan from Export and Import Bank of India (EXIM) are secured on a pari passu basis by a first charge created on the Company's immovable properties both present and future and are also secured by hypothecation of the Company's movable properties both present and future, subject to prior charge on the book debts and inventories in favour of the bankers for working capital facilities.
3. The INR Term Loans from ING Vysya and Yes Bank is secured on a pari passu basis by a first charge created on the Company's Diecast Business, immovable properties both present and future and are also secured by hypothecation of the Company's Diecast Business, movable properties both present and future, subject to prior charge on the book debts and inventories in favour of the bankers for working capital facilities.
4. Loan from Rane TRW Steering Systems Pvt Ltd (Related party) :- RML has outstanding INR loan of ₹ 328 Lakhs out of which ₹ 281 Lakhs is secured by respective machinery of Diecasting Business and unsecured to the extent of ₹ 47 Lakhs.
5. Corporate Rupee loan from ICICI Bank Ltd is secured on a first Pari Passu charge on fixed assets of the company both present and future (except Velachery property) and second Pari Passu charge on Current assets both present and future.
6. The USD Term Loan from The Private and Trust Company is secured against all assets of Rane Precision Diecasting Inc.

In respect of the foreign currency loans obtained, RML, REVL, RBL and RNSS have hedged it by entering into derivative contracts whereby the principal and interest amount thereon have been swapped and firmed up into Indian Rupees at a fixed rate of interest. These arrangements have been recognized and the amount of borrowings has been stated in the books in Rupee values as per the said arrangements.

5.4 Interest free sales tax loan is repayable over a period of 14 years as per terms of sanction granted by Government of Andhra Pradesh for REVL & RBL.

5.5 Fixed Deposits

Fixed Deposits accepted from public are repayable as per terms of individual deposit ranging from 24 months to 36 months from the date of acceptance of deposits. The Interest rates payable on the above deposits varies from 9% p.a to 10% p.a as per the terms of individual deposits.

In respect of RML, REVL & RBL, Fixed Deposits which have not fallen due for repayment as at 31 March 2016 as per the original terms of acceptance of such deposits, aggregating ₹ 360 Lakhs (₹1,522 Lakhs), the companies have discontinued accepting or renewing the fixed deposits with effect from 1 April 2014 and have not accepted deposits falling within the ambit of chapter V, section 73 of the Companies Act 2013. Based on the application made by the companies in terms of section 74(2) Company Law Board (CLB) vide its order dated 16 September 2015 granted time to the companies to repay the deposits on their respective maturity dates or 31 March 2017, whichever is earlier in accordance with the terms of acceptances of such deposits.

6 DEFERRED TAX LIABILITIES (Net)

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	1,407	1,675
Others	1,783	1,675
Share in Joint Ventures	878	634
Tax effect of items constituting deferred tax liability (A)	**4,068**	**3,984**
Tax effect of items constituting deferred tax assets		
Provision for Employee Benefits	728	39
Voluntary Retirement Compensation Scheme	300	354
Unabsorbed Depreciation	-	356
Others	714	1,030
Share in Joint Ventures	322	276
Tax effect of items constituting deferred tax assets (B)	**2,064**	**2,055**
Net deferred tax liability (A)-(B)	**2,004**	**1,929**

7 OTHER LONG-TERM LIABILITIES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Termination benefit under Voluntary Retirement Scheme	14	26
Others (Refer Note 7.1)	93	95
Total Other Longer Term Liabilities	**107**	**121**

7.1 Others include, amount of ₹ 52.81 Lakhs (₹ 54.31 Lakhs) payable on investment as per the agreement with TCW Renewable Energy (India) Private Limited, in respect of REVL

8 LONG-TERM PROVISIONS

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Provision for Warranty (Refer Note 34)	360	299
Total Long-Term Provisions	**360**	**299**

9 SHORT-TERM BORROWINGS

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Secured (Refer note 9.1)		
Cash credit	675	7,173
Working Capital Loans	10,451	268
Short Term loan	550	800
Commercial Paper	4,000	4,000
Others	5,317	6,118
Share in Joint Ventures	4,897	3,432
Unsecured		
Commercial Paper	-	1,000
Working Capital Loans	600	-
Sales tax deferment from Government of Andhra Pradesh	8	8
Total Short Term Borrowings	**26,498**	**22,799**

9.1 Security

Short Term Borrowings in the nature of cash credits, Packing credit, Commercial paper, Buyers credit & Working capital loans are secured by way of hypothecation of respective company's inventories, book debts and other current assets.

In respect of RML, also by second charge on company's movable and immovable properties both present and future as per applicable terms of the contract of each loan and in respect of REVL, also by second charge on Pari-passu basis on company's Peenya Unit and Tumkur Unit on land and buildings and plant and machiney as per applicable terms of the contract of each loan.

10 TRADE PAYABLES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Acceptances	2,025	1,879
Other than Acceptances		
- dues to other than Micro Enterprises & Small Enterprises	23,556	19,650
Share in Joint Ventures	10,312	6,849
Total Trade Payables	**35,893**	**28,378**

11 OTHER CURRENT LIABILITIES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Current Maturities of Long Term Borrowings		
- Term loans from Banks	6,628	5,647
- Term loans from Institutions	506	-
- External Commercial Borrowings from Banks	210	2,693
- Loans from Related Parties (Refer Note 38)	131	130
- Fixed Deposits		
- Related Parties	-	53
- Others	360	1,093
- Interest Free Sales Tax Loan	123	110
- Others	287	105
Interest accrued but not due on borrowings	317	391
Unclaimed Dividends	94	100
Unclaimed Matured Fixed Deposits	2	4
Unclaimed interest on Fixed Deposit	1	1
Related Party (Refer Note 38)	47	17
Statutory remittances	1,586	1,698
Payables for purchase of Fixed Assets	374	608
Gratuity (Refer Note 39)	1,011	1,253
Others	2,436	621
Share in Joint Ventures	3,606	3,709
Total Other Current Liabilities	**17,719**	**18,233**

12 SHORT-TERM PROVISIONS

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
(a) Provision for employee benefits		
Provision for Compensated absences	1,602	1,497
(b) Others		
Provision for Wealth tax	-	40
Provision for warranty (Refer Note 34)	207	196
Provision for proposed dividend	-	1,071
Provision for tax on proposed dividend	-	218
Share in Joint Ventures	849	766
Total Short-Term Provisions	**2,658**	**3,788**

13 FIXED ASSETS

₹ Lakhs

Description	Gross Block							Accumulated Depreciation and Amortisation								Net Block		
	As at 1 April, 2015	Additions	Disposals	Other Adjustments	Adjustment for Merger	Effect of foreign currency exchange differences	As at 31 March, 2016	As at 1 April, 2015	For the year	Disposals	Other Adjustments	Effect of foreign currency exchange differences	Transfer to General Reserve	Adjustment for Merger	As at 31 March, 2016	As at 31 March, 2016	As at 31 March 2015
A. TANGIBLE ASSETS																	
Land	7,586	4,117	-	-	-	-	11,703	-	-	-	-	-	-	-	-	11,703	7,586
	(6,807)	(737)	-	-	(42)	-	(7,586)	-	-	-			-	-	-	(7,586)	(6,807)
Land on lease	571	-	-	163	-	(5)	729	88	15	-	-	-			103	626	483
	(571)	-	-	-	-	-	(571)	(76)	(12)	-			-	-	(88)	(483)	(495)
Buildings	19,106	2,995	223	-		-	21,878	4,365	685	122	-	-			4,928	16,950	14,741
	(15,636)	(2,725)	(104)	-	(849)	-	(19,106)	(3,552)	(622)	(13)			-	(204)	(4,365)	(14,741)	(12,084)
Plant and Machinery	111,901	14,858	2,286	5,816		(171)	130,118	63,833	9,911	2,104	398	(14)			72,024	58,094	48,068
	(100,307)	(8,110)	(1,945)	-	(5,321)	(108)	(111,901)	(53,795)	(9,192)	(1,749)			(332)	(2,263)	(63,833)	(48,068)	(46,512)
Furniture and Fixtures	1,733	250	78	-		-	1,905	1,287	176	71	-	-			1,392	513	446
	(1,464)	(202)	(66)	-	(133)	-	(1,733)	(1,083)	(164)	(56)			-	(96)	(1,287)	(446)	(381)
Vehicles	309	73	21	5		(0)	366	202	41	16	-	-			227	139	107
	(269)	(48)	(8)	-	-	-	(309)	(176)	(34)	(8)			-	-	(202)	(107)	(93)
Office equipment	3,109	357	431	64		(2)	3,097	2,484	364	423	-	-			2,425	672	625
	(2,525)	(499)	(72)	-	(157)	-	(3,109)	(2,112)	(312)	(71)			-	(131)	(2,484)	(625)	(413)
Total Tangible Assets	**144,315**	**22,650**	**3,039**	**6,048**	**-**	**(178)**	**169,796**	**72,259**	**11,192**	**2,736**	**398**	**(14)**	**-**	**-**	**81,099**	**88,697**	**72,056**
	(127,579)	(12,321)	(2,195)	-	(6,502)	(108)	(144,315)	(60,794)	(10,336)	(1,897)	-	-	(332)	(2,694)	(72,259)	(72,056)	(66,785)
B. INTANGIBLE ASSETS																	
Goodwill	162	-	-				162	162	-	-	-	-			162	-	-
	(162)	-	-		-	-	(162)	(162)	-	-			-	-	(162)	-	-
Software	153	113	-				266	110	45	-	-	-			155	111	43
	(113)	(40)	-		-	-	(153)	(79)	(31)	-			-	-	(110)	(43)	(34)
Design and Drawings	98	-	-				98	95	1	-	-	-			96	2	3
	(95)	(3)	-		-	-	(98)	(95)	-	-			-	-	(95)	(3)	-
Licenses	1,190	84	-				1,274	1,069	78	-	-	-			1,147	127	121
	(1,091)	(54)	(1)		(46)	-	(1,190)	(896)	(130)	-			-	(43)	(1,069)	(121)	(195)

₹ Lakhs

Description	Gross Block							Accumulated Depreciation and Amortisation								Net Block	
	As at 1 April, 2015	Additions	Disposals	Other Adjustments	Adjustment for Merger	Effect of foreign currency exchange differences	As at 31 March, 2016	As at 1 April, 2015	For the year	Disposals	Other Adjustments	Effect of foreign currency exchange differences	Transfer to General Reserve	Adjustment for Merger	As at 31 March, 2016	As at 31 March, 2016	As at 31 March 2015
Technical Knowhow	685	-	-				685	472	68		-	-			540	145	213
	(481)	(204)	-		-	-	(685)	(401)	(71)	-			-	-	(472)	(213)	(80)
Total Intangible Assets	**2,288**	**197**	**-**		**-**	**-**	**2,485**	**1,908**	**192**	**-**	**-**	**-**	**-**	**-**	**2,100**	**385**	**380**
	(1,942)	(301)	(1)		(46)	-	(2,288)	(1,633)	(232)	-	-	-	-	(43)	(1,908)	(380)	(309)
C. Capital work-in-progress																**2,088**	**5,509**
																(5,509)	(2,962)
Total Tangible & Intangible Assets (A+B+C)	**146,603**	**22,847**	**3,039**	**6,048**	**-**	**(178)**	**172,281**	**74,167**	**11,384**	**2,736**	**398**	**(14)**	**-**	**-**	**83,199**	**91,170**	**77,945**
	(129,521)	(12,622)	(2,196)	-	(6,548)	(108)	(146,603)	(62,427)	(10,568)	(1,897)	-	-	(332)	(2,737)	(74,167)	(77,945)	(70,056)
Share in Joint Ventures (included above):																	
Tangible Assets																**17,781**	**14,561**
																(14,561)	(14,016)
Intangible Assets																**246**	**272**
																(272)	(193)

Note In respect of RML & REVL, borrowing costs of ₹ 449 Lakhs (RML) (₹ 47 Lakhs (REVL)) has been capitalised alongwith the cost of fixed assets during the year.

14 NON-CURRENT INVESTMENTS (at cost)

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Trade		
Investment in Equity instruments (fully paid up)		
(i) Associate Company		
Unquoted:		
SasMos HET Technologies Limited (includes goodwill of ₹ 134 lakhs (₹ 22 lakhs))	1,853	1,741
(611,399 (611,399) Shares of ₹ 10 each)		
(ii) Other Entities		
Unquoted:		
Wellingdon Corporate Foundation	-	-
(60 shares of ₹ 10/- each costing ₹ 1,000/-)		
TCW Renewable Energy India (Pvt) Ltd	92	92
(10,22,422 shares of ₹ 10/- each) held by subsidiaries		
Clean Wind Power (Manvi) Private Limited	2	-
(24,000 Shares of ₹ 10 each) held by subsidiaries		
Total Non-Current Investments	**1,947**	**1,833**
Aggregate value of Investments:-		
Unquoted at Cost	1,947	1,833

15 DEFERRED TAX ASSETS (Net)

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	1,165	1,384
Tax effect of items constituting deferred tax liability (A)	1,165	1,384
Tax effect of items constituting deferred tax assets		
Provision for Employee Benefits	250	381
Provision for doubtful debts / advances	42	39
Voluntary Retirement Compensation Scheme	850	889
Unabsorbed Depreciation	672	201
Others	37	48
Tax effect of items constituting deferred tax assets (B)	**1,851**	**1,558**
Net deferred tax asset (B)-(A)	**686**	**174**

15.1 In respect of REVL,the deferred tax arising on unabsorbed depreciaton has been recognised to the extent of the availability of future taxable income by virtue of future reversal of deferred tax liability on fixed assets recognised at the Balance Sheet date in accordance with the Accounting Standard - 22.

16 LONG-TERM LOANS AND ADVANCES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Unsecured-considered good (unless otherwise stated)		
Capital Advances	216	1,029
Loans and Advances to Employees	14	-
Security Deposits	1,117	725
Rent Deposits	64	13
Advance Income Tax (Net of provision ₹ 21,640 Lakhs (₹ 19,078 Lakhs))	2,650	1,830
Loans and advances to related parties (refer note 38)	-	75
Balances with Government authorities	630	237
Minimum Alternate Tax Credit Entitlement	1,243	1,743
Other Advances - Considered good	-	426
Other Advances - Considered doubtful	10	10
Less: Provision for doubtful advances	(10)	(10)
Share in Joint Ventures	1,030	897
Share in Joint Ventures (Secured)	6	-
Total of Long-Term Loans and Advances	**6,970**	**6,975**

17 OTHER NON-CURRENT ASSETS

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Long term deposits with banks with maturity period more than 12 months	34	34
Others	12	14
Total Other Non-Current Assets	**46**	**48**

18 CURRENT INVESTMENTS (at Cost)

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Investment in Mutual Funds	876	1,255
Share in Joint Ventures	-	100
Total Current Investments	**876**	**1,355**
Considered as cash and cash equivalents as defined in AS-3 Cash Flow Statement	**876**	**1,355**

19 INVENTORIES (at Lower of Cost and Net Realisable Value)

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Raw materials and components	4,279	4,429
Raw material goods-in transit	468	433
Work-in-progress	2,682	2,253
Finished Goods	7,166	6,979
Finished goods-in transit	1,014	876
Stock in Trade (acquired for trading)	178	212
Stores and Spares	2,101	2,091
Stores and Spares in Transit	-	11
Share in Joint Ventures	8,347	6,352
Total Inventories	**26,235**	**23,636**

20 TRADE RECEIVABLES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Unsecured-considered good		
Outstanding for a period exceeding six months from the due date of payment		
Considered doubtful	239	231
Less: Provision for doubtful receivables	(239)	(231)
	-	-
Other Trade receivable	31,769	26,668
Considered doubtful	292	155
Less: Provision for doubtful receivables	(292)	(155)
	31,769	26,668
Share in Joint Ventures	11,079	9,019
Total Trade Receivables	**42,848**	**35,687**

21 CASH AND BANK BALANCES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Cash and Cash equivalents		
Cash on hand	27	21
Balances with Banks		
- In Current Accounts	521	388
- In EEFC Accounts	3	19
- In Deposits	250	292
- Bank deposit with maturity more than 3 months but less than 12 months	7	149
In earmarked accounts:		
Unpaid Dividend accounts	83	87
Unpaid Interest warrant accounts	1	1
Others	15	35
Share in Joint Ventures	603	339
Total Cash and Cash Equivalents	**1,510**	**1,331**
Note: Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is Cash and Cheques/ drafts on hand and balances with banks in current accounts	1,221	1,059

22 SHORT-TERM LOANS AND ADVANCES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Unsecured, considered good unless otherwise stated		
Loans and advances to employees	105	53
Loans and Advances to Related parties	-	350
Balance with Government authorities		
- CENVAT credit receivable	32	20
- Value added tax receivable	9	37
- Service Tax credit receivable	17	22
- Balance with Customs and Excise	2,197	2,081
- Export Entitlements	522	287
Prepaid expenses	548	489
Other Advances	1,093	1,210
Suppliers Advances	340	447
Suppliers Advances - Considered doubtful	84	84
Less: Provision for doubtful advances	(84)	(84)
Share in Joint Ventures	2,063	1,632
Total Short-Term Loans and Advances	**6,926**	**6,628**

23 OTHER CURRENT ASSETS

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Insurance Claims Receivable	289	58
Interest accrued and due from Associate (Refer Note 38)	7	5
Others	1,197	798
Share in Joint Ventures	22	149
Total Other Current Assets	**1,515**	**1,010**

24 REVENUE FROM OPERATIONS

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Sale of products	1,78,307	1,68,633
Less: Excise duty	17,580	15,732
Other Operating Revenue (net of excise duty) (Refer note 24.1)	4,081	3,169
Share in Joint Ventures (net of excise duty)	75,904	65,018
Total Revenue from Operations	**2,40,712**	**2,21,088**

24.1	**Other Operating Revenue**		
	Sale of Scrap (net of excise duty)	1,521	1,681
	Sale of Raw Materials (net of excise duty)	181	458
	Export incentive	1,003	690
	Other Operating Revenue	1,376	340
	Total Other Operating Revenue	**4,081**	**3,169**

25 OTHER INCOME

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Dividend from investments - Gross		
- Current Investments	55	63
Service Fees	620	524
Trade mark fees	752	626
Interest Income		
- Interest from Inter Corporate Loans	21	41
- Others	151	128
Profit on Sale of Assets	27	52
Provision no longer required written back	251	239
Exchange Gain	58	165
Other Income	311	130
Share in Joint Ventures	172	274
Total Other Income	**2,418**	**2,242**

26 COST OF MATERIALS CONSUMED

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Opening Stock of Raw materials	4,862	3,793
Add: Additions pursuant to merger (Refer Note 37)	-	770
Add : Purchases	85,860	81,427
Less : Closing Stock	4,747	4,862
Share in Joint Ventures	49,314	41,727
Total Raw Materials consumed	**1,35,289**	**1,22,855**

27 PURCHASE OF STOCK-IN-TRADE

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Purchase of Traded goods	737	942
Share in Joint Ventures	1,097	1,008
Total Goods Purchased	**1,834**	**1,950**

28 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS & STOCK-IN-TRADE

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Inventories at the beginning of the year (A)		
Finished goods	7,855	6,385
Work-in-process	2,253	2,131
Stock-in-Trade	212	165
	10,320	**8,681**
Pursuant to merger(B)		
Finished goods	-	346
Work-in-process	-	247
	-	**593**
Inventories at the end of the year (C)		
Finished goods	8,180	7,855
Work-in-process	2,682	2,253
Stock-in-Trade	178	212
	11,040	**10,320**
Share in Joint Ventures	(1,107)	(291)
Total Changes in Inventories (A + B - C)	**(1,827)**	**(1,337)**

29 EMPLOYEE BENEFIT EXPENSES

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Salaries and wages	23,542	20,222
Staff welfare expenses	3,042	3,211
Contributions to Provident and other funds	2,070	2,149
Share in Joint Ventures	5,997	5,165
Total Employee benefit expenses	**34,651**	**30,747**

30 FINANCE COSTS

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Interest expense		
- Borrowings from Banks	2,993	3,332
- Borrowings from Institutions	220	-
- Fixed Deposits	51	121
- Borrowings from related party	21	13
- Others	35	59
Other borrowing costs	450	410
Net loss on foreign currency transactions and translation (to the extent considered as finance costs)	101	85
Share in Joint Ventures	622	592
Total Finance Costs	**4,493**	**4,612**

31 OTHER EXPENSES

₹ Lakhs

Description	Year ended 31 March, 2016	Year ended 31 March, 2015
Consumption of stores and spare parts	6,707	6,385
Power and Fuel	6,868	6,837
Rent	322	255
Repairs and Maintenance		
- Buildings	479	394
- Plant and Machinery	2,463	2,643
- Others	1,180	1,119
Insurance	492	478
Directors' Sitting Fees & Commission	145	152
Warranty	173	193
Royalty and Technical Fees	458	472
Travelling and Conveyance	1,896	1,808
Packing and Forwarding	3,764	3,603
Freight Outward	3,380	3,285
Net loss on foreign currency transactions and translation (other than considered as finance costs)	299	122
Professional Charges	2,276	1,817
Audit Fees (includes fees to subsidiaries' auditors)		
- statutory audit	69	60
- tax audit	8	12
- other services	30	38
Bad debts/Advances written off	43	3
Stocks Written Off	29	-
Advertisement and Sales Promotion	937	1,000
Commission and Discount	4,109	3,270
Provision for Doubtful debts/Advances	50	110
Rates and Taxes	411	402
Information system Infrastructure Expenses	663	769
Other marketing expenses	48	14
Loss on Sale of Assets	169	180
Donation	187	163
Bank Charges	55	54
Administrative Expenses	297	284
Miscellaneous Expenses	1,192	1,350
Share in Joint Ventures	8,514	7,503
Total Other Expenses	**47,713**	**44,775**

The Company has incurred an amount of ₹ 226 Lakhs (₹ 234 Lakhs) towards CSR activities during the year ended 31 March, 2016.

32 CONTINGENT LIABILITIES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Letters of Credits & Guarantees issued by Bank	2,758	809
Bills discounted	2,984	2,562
Claims against the Group not acknowledged as debts	6,941	5,174
Share in Joint Ventures	2,510	2,154
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advance)	2,508	1,138
Share in Joint Ventures	1,529	1,146

Other Commitments

In respect of REVL, the levies and costs in connection with mutating / substituting the title in the revenue records pertaining to the immovable properties that stand vested with the Company pursuant to the merger, would be added to the cost of such properties upon actual payment.

33.a OPERATING LEASES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
The Group has operating lease agreements for office space and residential accommodation with option to renew with escalation.		
Lease Rental debited to the Statement of Profit and Loss	69	64
Future minimum lease payments		
- not later than one year	21	20
- later than one year and not later than five years	16	32
- later than five years	-	-
	37	**52**
Office Equipments and Cars are taken on lease for a period ranging from one year to five years and are renewable at the option of the Company.		
Lease Rental debited to the Statement of Profit and Loss	210	106
Future minimum lease payments		
- not later than one year	215	123
- later than one year and not later than five years	469	246
- later than five years	-	-
	684	**369**

Note: In respect of RML, the Company has taken vehicles under operating lease for a period of 48 months and the future minimum lease payments under non-cancellable operating lease for a period not later than 5 years amount to ₹ 100 Lakhs (₹ 134 Lakhs)

33.b FINANCE LEASES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Represents the finance lease of Rane Precision Die Casting, Inc. Acquired through Rane (Madras) International Holdings B.V (RMIH B.V). The details of the maturity profile of future Capital lease payments are furnished below:		
a. Future minimum lease payments under Finance lease for each of the following periods:		
-Not later than one year	311	-
-Later than one year and not later than five years	482	-
-Later than five years	-	-
	793	
Less: Future finance charges	50	
Present value of minimum lease payments	**743**	-
b. Lease interest recognised in the Statement of Profit and Loss	49	-

34 WARRANTIES

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Balance at the beginning of the year	495	404
Add: Provision made during the year	154	255
Less: Provision used against claims settled during the year	82	164
Balance at the end of the year	**567**	**495**
Share in Joint Ventures	402	421

35 SEGMENT REPORTING

The Company holds strategic investments in subsidiaries, joint ventures and associate (collectively called "the Group") all of which operate in single segment viz., components for Transportation industry and also provides consultancy and others services to the Group.

36 EXCEPTIONAL ITEMS

₹ Lakhs

Description	As at 31 March, 2016	As at 31 March, 2015
Voluntary Retirement Scheme (VRS)	(1,418)	(474)
Profit on sale of land	2,754	4,459
Product recall	-	189
	1,336	**4,174**

In respect of RML, exceptional items represent amount paid to employees under Voluntary Retirement Scheme (VRS) amounting to ₹ 270 Lakhs (₹ 324 Lakhs)

In respect of REVL, exceptional items represents :

a) Profit on sale of company's surplus land near Chennai amounts to ₹ 2,754 Lakhs (net of selling expenses ₹ 21 Lakhs) (₹ 4,459 Lakhs (net of selling expenses of ₹ 41 Lakhs)).

b) Voluntary Retirement Scheme (VRS) expenditure in the nature of employee benefits paid to employees opted for VRS amounts to ₹ 1,005 Lakhs (₹ NIL)

In respect of RTSS, exceptional items represents :

Voluntary Retirement Scheme (VRS) expenditure in the nature of employee benefits paid to employees opted for VRS amounts to ₹ 103 Lakhs (₹ 46 Lakhs)

In respect of RNSS, exceptional item represents :

a) Voluntary Retirement Scheme (VRS) expenditure in the nature of employee benefits paid to employees opted for VRS amounts to ₹ 40 Lakhs (₹ 104 Lakhs)

b) Reversal of provision towards claim on recall on settlement which was made in previous year ₹ 54 Lakhs.

c) ₹ 135 Lakhs represents insurance claim made by the Company towards loss incurred in the prior years owing to recall of its products because of certain quality issues. Based on the assessment made by the insurance company and upon receipt of confirmation, the same has been recognised in the previous year.

37. Note on Merger

The Board of Directors of KML and REVL, at its respective meeting held on 20 May, 2014, approved a scheme of amalgamation of Kar Mobiles Limited (KML), (the Transferor Company), with Rane Engine Valve Limited (REVL), (the Transferee Company / the Company), pursuant to sections 391 to 394 of the Companies Act, 1956 (Scheme) with the appointed date as 1 April, 2014. This scheme was sanctioned by the Honourable High Court of Judicature at Madras vide their Order dated 26 February, 2015, which was filed with the Registrar of Companies, Tamilnadu, Chennai on 1 April, 2015 (the Effective Date).

In accordance with the REVL Scheme:

i) The amalgamation has been accounted for under the "pooling of interest" method as prescribed by Accouunting Standard (AS-14) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accordingly, the assets, liabilities and reserves (including Profit & Loss account balances) of Kar Mobiles Limited as at 1 April, 2014 have been taken over at their book values and in the same form.

ii) Pursuant to the scheme, the Company is entitled to receive 6,21,368 equity shares of ₹ 10/- each of REVL in exchange for 8,87,669 equity shares of ₹10/- each held by the Company in KML as on the date of the Scheme. As at 31 March 2015, REVL has not allotted the equity shares to the Company and the same has been allotted to the Company on 4 May 2015.

38 Related party transactions

Details of related parties:

Description of relationship	Names of related parties 2015-2016	Names of related parties 2014-2015
Joint Ventures	Rane TRW Steering Systems Pvt Limited (RTSS)	Rane TRW Steering Systems Pvt Limited (RTSS)
	Rane NSK Steering Systems Pvt Limited (RNSS)	Rane NSK Steering Systems Pvt Limited (RNSS)
	JMA Rane Marketing Limited (JMA Rane)	JMA Rane Marketing Limited (JMA Rane)
Associate	SasMos HET Technologies Limited	SasMos HET Technologies Limited
Key Management Personnel (KMP)	Mr. L Lakshman	Mr. L Lakshman
	Mr. L Ganesh	Mr. L Ganesh
Relatives of KMP	Mrs. Pushpa Lakshman	Mrs. Pushpa Lakshman
	Mr. Harish Lakshman	Mr. Harish Lakshman
	Mr. Vinay Lakshman	Mr. Vinay Lakshman
	Mrs. Meenakshi Ganesh	Mrs. Meenakshi Ganesh
	Mr. Aditya Ganesh	Mr. Aditya Ganesh
	Mrs. Aparna Ganesh	Mrs. Aparna Ganesh
	Mrs. Shanti Narayan	Mrs. Shanti Narayan
	Mrs. Hema C Kumar	Mrs. Hema C Kumar
	Mrs. Vanaja Aghoram	Mrs. Vanaja Aghoram
	Mr. L Lakshman(HUF)	Mr. L Lakshman(HUF)
	Mr. L Ganesh(HUF)	Mr. L Ganesh(HUF)
Company in which KMP / Relatives of KMP can exercise significant influence	Rane Foundation	Rane Foundation
	Savithur Enterprises Private Limited	Savithur Enterprises Private Limited
	HL Hill Station Properties Private Limited	HL Hill Station Properties Private Limited
	RT Automotive Systems Private Limited	RT Automotive Systems Private Limited

Note: Related parties relationship are as identified by the Management and relied upon by the auditors.

Details of related party transactions during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016

₹ Lakhs

	Fee for Services rendered	Trade Mark Fee received	Trade Mark Fee paid	Interest Income	Interest Paid	Sale of materials	Purchase of material compo-nents	Purchase of capital goods	Donation Paid	Loan taken	Loan given	Loan recovered	Loan Repaid	Guarantee given	Fixed Deposits accepted/ renewed/ repaid	Salary and Other Perquisites	Commis-sion	Sitting Fee for Board and Committee Meetings	Others (Reim-burse-ment of Expenses)
Joint Ventures																			
Transactions during the year																			
Rane TRW Steering Systems Pvt Limited	298	343	-	-	21	1,135	3	-	-	-	-	131	-	-	-	-	-	-	-
	(295)	(301)	-	-	(13)	(1,393)	(4)	-	-	-	-	(156)	-	-	-	-	-	-	-
Rane NSK Steering Systems Pvt Limited	260	391	-	-	-	-	310	-	-	-	-	-	-	-	-	-	-	-	-
	(220)	(318)	-	-	-	-	(105)	-	-	-	-	-	-	-	-	-	-	-	-
JMA Rane Marketing Limited						1,556													
	-	-	-	-	-	(673)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances outstanding at the end of the year																			
Rane TRW Steering Systems Pvt Limited	(8)	1	-	-	-	166	-	-	-	164	-	-	-	-	-	-	-	-	7
	-	(64)	-	-	-	(166)	-	-	-	(296)	-	-	-	-	-	-	-	-	-
Rane NSK Steering Systems Pvt Limited	(5)	-					(61)												
	(20)	(1)	-	-	-	-	(13)	-	-	-	-	-	-	-	-	-	-	-	-
JMA Rane Marketing Limited	-	-	-	-	-	374	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(150)	-	-	-	-	-	-	-	-	-	-	-	-	-
Associate																			
Transactions during the year																			
SasMos HET Technologies Limited	18	18	-	21	-	-	-	-	-	-	-	-	200	-	-	-	-	-	-
	(9)	(7)	-	(41)	-	-	-	-	-	(249)	-	-	(249)	-	-	-	-	-	-
Balances outstanding at the end of the year																			
SasMos HET Technologies Limited	6	14	-	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(1)	(9)	-	(5)	-	-	-	-	-	(200)	-	-	-	-	-	-	-	-	-
Key Management Personnel (KMP)																			
Transactions during the year																			
Mr. L Lakshman	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	93	93	7	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(67)	(84)	-	-
Mr. L Ganesh					1										10	116	118	5	
	-	-	-	-	(3)	-	-	-	-	-	-	-	-	-	(10)	(103)	(17)	(1)	-

Details of related party transactions during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016

₹ Lakhs

	Fee for Services rendered	Trade Mark Fee received	Trade Mark Fee paid	Interest Income	Interest Paid	Sale of materials	Purchase of material compo-nents	Purchase of capital goods	Donation Paid	Loan taken	Loan given	Loan recovered	Loan Repaid	Guarantee given	Fixed Deposits accepted/ renewed/ repaid	Salary and Other Perquisites	Commis-sion	Sitting Fee for Board and Committee Meetings	Others (Reim-burse-ment of Expenses)
Balances outstanding at the end of the year																			
Mr. L Lakshman	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	93	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(84)	-	-
Mr. L Ganesh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	-	45	-	-
	-	-	-	-	(1)	-	-	-	-	-	-	-	-	-	(5)	-	(40)	-	-
Relatives of Key Management Personnel (KMP)																			
Transactions during the year																			
Relatives of the KMP	-	-	-	-	13	-	-	-	-	-	-	-	-	-	108	138	-	2	-
	-	-	-	-	(19)	-	-	-	-	-	-	-	-	-	(41)	(151)	-	(2)	-
Balances outstanding at the end of the year																			
Relatives of the KMP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	75	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(191)	-	-	-	-
Company in which KMP / Relatives of KMP can exercise significant influence																			
Transactions during the year																			
Rane Foundation	-	-	-	-	-	-	-	-	150	-	-	-	225	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	(178)	-	-	-	(100)	-	-	-	-	-	-
Balances outstanding at the end of the year																			
Rane Foundation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	(225)	-	-	-	-	-	-	-	-	-

Note: Figures in bracket relates to the previous year

39 DISCLOSURE AS PER AS 15 - EMPLOYEE BENEFITS (including subsidiaries and joint ventures)

The group's obligation towards the defined benefit plan of gratuity and leave encashment are as follows:-

₹ Lakhs

	Description	As at 31 March, 2016	As at 31 March, 2015
(a)	**Defined Benefit Plan - Gratuity**		
	Present value of obligation at the beginning of the year	**5,075**	**3,499**
	Pursuant to merger (Refer Note 37)	-	898
	Interest cost	359	361
	Current service cost	376	447
	Benefits paid	(1,000)	(483)
	Actuarial (gain)/loss on obligation	312	353
	Present value of obligation as at the end of the year	**5,122**	**5,075**
	Fair value of plan assets at the beginning of the year	**3,766**	**3,060**
	Pursuant to merger (Refer Note 37)	-	435
	Expected return on plan assets	326	315
	Contribution	922	446
	Benefits paid	(1,001)	(483)
	Actuarial (loss) / gain on plan assets	16	(7)
	Fair value of plan assets at the end of the year	**4,029**	**3,766**
	Amounts recognised in the Balance Sheet		
	Present value of obligation as at the end of the year	5,122	5,075
	Fair value of plan assets at the end of the year	4,029	3,766
	Funded status of the plan - liability	**1,093**	**1,309**
	Amounts recognised in the Statement of Profit and Loss		
	Current service cost	376	447
	Interest cost	359	361
	Expected return on plan assets	(326)	(315)
	Net actuarial (gain)/loss recognised in the year	296	360
	Expenses recognised in the Statement of Profit and Loss	**706**	**853**
	Enterprises' best estimate of contribution during the next year	**498**	**492**
	Principal actuarial assumptions as at Balance Sheet date		
	Discount rate	7.75% to 8.00%	7.80% to 8.00%
	Salary escalation	4.50% to 8.00%	4.50% to 8.00%
	Expected return on plan assets	8.00% to 9.00%	8.75% to 9.00%
	Attrition rate	1.80% to 20.00%	2.83% to 8.00%
(b)	**Long Term Benefits - Compensated absences**		
	Principal actuarial assumptions as at Balance Sheet date		
	Discount rates	7.80% to 9.10%	7.80% to 9.10%
	Salary escalation	4.50% to 8.00%	4.50% to 8.00%
	Attrition rate	1.80% to 8.00%	2.83% to 8.00%

40 DERIVATIVE INSTRUMENT AND UNHEDGED FOREIGN CURRENCY EXPOSURE

Rane (Madras) Limited (RML), a subsidiary company uses derivative financial instruments such as forward contracts and option contracts to limit the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into forward contract and option contracts, where the counterparty is a bank.

I. The following derivative positions are open as at 31 March 2016.

(a) Forward exchange contracts and options (being derivative instruments), which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

(i) Outstanding forward exchange contracts entered into by the Company as on 31 March 2016

Currency	Buy/Sell	Amount in ₹	Cross Currency
JPY	Buy	8,22,33,155	₹

II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	31 March, 2016		31 March, 2015	
Nature of Transaction	Receivable/ (Payable) INR in Lakhs	Receivable/ (Payable) FCY in Lakhs	Receivable/ (Payable) INR in Lakhs	Receivable/ (Payable) FCY in Lakhs
Loan Payable - USD	(5,952)	-$90.00	(4,526)	-$73
Receivables - USD	3,288	$50	2,251	$36
Receivables - EUR	191	€3	194	€3
Loan Payable - EUR	(66)	-€1	(26)	*
Payables - USD	(584)	-$9	512	$8
Payables - EUR	(38)	-€ 1	(37)	-€ 1
Payables - YEN	-	-	-	¥0
Payables - GBP	(5)	*	-	-
Advances - USD	47	$1	(87)	-$1
Advances - EUR	59	€ 1	-	-
Advances - GBP	6	*	-	-
Advances - YEN	-	-	(18)	-¥34

* Amount is below the rounding off norm adopted by the Company

Rane Engine Valve Limited (REVL), a subsidiary company uses derivative financial instruments such as forward contracts and option contracts to limit the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into forward contract and option contracts, where the counterparty is a bank.

The details of Derivative instrument outstanding's and Unhedged Foreign Currency exposure in respect of REVL detailed below:-

S. No	Purpose	Nature	Currency	31 March, 2016	31 March, 2015	31 March, 2016	31 March, 2015
				FCY in Lakhs		₹ in Lakhs	
1	**Forward Currency Swap Outstanding**						
	ECB Loan taken in USD 3,250,000 and swapped against INR	Cross Currency Swap	INR	-	2	-	110
	ECB Loan taken in USD 5,000,000 and swapped against INR	Cross Currency Swap	INR	4	18	158	788
	ECB Loan taken in USD 5,000,000 and swapped against INR	Cross Currency Swap	INR	16	28	831	1,496
	ECB Loan taken in USD 1,900,000 and swapped against INR	Cross Currency Swap	INR	-	5	-	215
2	Payable in USD	Currency Swap	INR	18	21	1187	1,331
	Receivable in USD	Currency Swap	INR	9	30	596	1,877
	Receivable in EURO	Currency Swap	INR	1	2	90	149
	Receivable in AUD	Currency Swap	INR				
3	**Unhedged Foreign Currency Exposure**						
a)	PCFC Loan in USD		USD	7	9	490	543
b)	PCFC Loan in EURO		EURO	-	-	-	-
	Buyer's Credit in USD		USD	-	6	-	380
c)	Outstanding Debtors		USD	16	38	936	2,411
			EURO	1	3	112	215
			GBP	-	*	3	2
	EEFC balance in USD		USD	2	*	1	*
d)	Outstanding Creditors - Goods		USD	3	9	218	529
			EURO		*	2	3
			GBP		*	1	(1)
			JPY		193		100
e)	Outstanding Creditors - Expenses		AUD		*		*
			EURO		*	29	19
			USD		1		39

*Amount is below the rounding off norm adopted by the Company

In respect of subsidiary company Rane Brake Lining Limited (RBL), the category wise quantitative data about derivative instruments oustanding at the balance sheet date is given below :

S. No	Particulars		31 March, 2016	31 March, 2015
I	**Foreign Currency Exposures that are directly hedged by a derivative instrument or otherwise**		FCY in Lakhs	
	1 Receivables	GBP	-	*
	2 Payables	JPY	912	209
	3 Foreign Currency Loan	DOLLAR	-	4
		JPY	298	223
II	**Foreign Currency Exposures that are not directly hedged by a derivative instrument or otherwise**			
	4 Payables	DOLLAR	1	-
		EURO	*	*
		JPY	*	109
	5 Receivables	DOLLAR	5	4
		EURO	-	1
		GBP	-	*
		AUD	-	*

* Amount is below the rounding off norm adopted by the Company

Rane TRW Steering Systems Pvt Limited (RTSS), a Joint Venture company enters into foreign currency forward contracts as per its risk management policies and procedures to manage its exposure in foreign exchange rates. The counter party is generally a bank. Generally, RTSS takes forward contracts for a period of 6 months.

The following are outstanding Foreign Exchange Forward Contracts, which have been designated as Cash Flow Hedges

		31 March, 2016			31 March, 2015		
S No.	Currency	No. of Contracts	Notional amount of Forward Contracts FCY in Lakhs	MTM Gain/(Loss) ₹ in Lakhs	No. of Contracts	Notional amount of Forward Contracts FCY in Lakhs	MTM Gain/(Loss) ₹ in Lakhs
1	USD	1	*	*	1	*	*
2	EURO	1	*	*	1	*	*

Outstanding forward exchange contracts entered into by the company as on 31 March, 2016

Currency	Buy/Sell	31 March, 2016	31 March, 2015	Cross Currency
		₹ in Lakhs	₹ in Lakhs	
USD	Buy	601	340	₹
Euro	Buy	470	535	₹
GBP	Buy	-	11	₹

Outstanding Unhedged Receivable as on :

Currency	31 March, 2016		31 March, 2015	
	FCY	₹ in Lakhs	FCY	₹ in Lakhs
USD	39,486	27	32,523	21
EUR	34,108	26	77,908	44
JPY	-	-	23,70,278	12
GBP	7,359	8	6,606	6
CHF	-		3,366	2
		61		85

Outstanding Unhedged Payable as on:

Currency	31 March, 2016		31 March, 2015	
	FCY in Lakhs	₹ in Lakhs	FCY in Lakhs	₹ in Lakhs
CHF	-	-	1,800	1
USD	2,01,058	134	1,02,557	64
EUR	5,75,369	431	93,861	63
GBP	2,319	2	791	1
JPY	45,20,915	25	18,59,162	10
RMB	3,167	0		
		593		**139**

*Amount is below the rounding off norm adopted by the Company

In respect of Rane NSK Steering Systems Pvt Limited (RNSS) the details of Derivative instrument outstanding's and Unhedged Foreign Currency exposure in respect of RNSS detailed below:-

			31 March, 2016	31 March, 2015
Purpose	**Nature**	**Currency**	**FCY in Lakhs**	**FCY in Lakhs**
Hedge of Foreign currency loan	Forward contract	USD	1	-
		JPY	783	-
		THB	112	-
Hedge against exposure to variable interest	Interest rate swaps	USD	7	10
Hedge against exposure to variable interest	Interest rate swaps	USD	14	16
Hedge against exposure to variable interest	Interest rate swaps	USD	3	4

		31 March, 2016		31 March, 2015	
Purpose	**Currency**	**FCY in Lakhs**	**₹ in Lakhs**	**FCY in Lakhs**	**₹ in Lakhs**
Unhedged Foreign Currency Exposure					
Trade Payables	USD	3	187	8	482
Trade Payables	JPY	666	393	1,007	524
Trade Payables	EURO	0	31	1	60
Trade Payables	THB	114	214	28	54
Trade Receivable	USD	0	25	-	-
Advance	USD	0	5	-	-
Advance	JPY	1	1	-	-
Advance	EURO	0	20	-	-

41 Additional information as per Schedule III to the Companies Act, 2013

₹ Lakhs

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent : Rane Holdings Limited	7%	13,059	54%	3,564
Subsidiaries				
Indian				
1. Rane (Madras) Limited	37%	69,279	19%	1,267
2. Rane Engine Valve Limited	16%	30,860	-19%	(1,254)
3. Rane Brake Lining Limited	13%	25,443	39%	2,575
Foreign				
1. Rane Holdings America Inc.	0%	75	0%	16
Minority Interests in all subsidiaries		19,090	-20%	(1,326)
Associate (Investment as per the equity method)				
Indian				
1. SasMos HET Technologies Limited	-	1,947	2%	112
Joint Ventures (as per proportionate consolidation)				
Indian				
1. Rane TRW Steering Systems Private Limited	11%	20,690	27%	1,794
2. Rane NSK Steering Systems Private Limited	10%	19,897	30%	1,941
3. JMA Rane Marketing Limited	1%	1,426	1%	74
Consolidation Adjustments	5%	8,896	-34%	(2,208)

42 Earnings Per Share

Particulars	Year ended 31 March, 2016	Year ended 31 March, 2015
Profit After Tax ₹ Lakhs	6,554	7,094
Weighted Average Number of Shares - Basic & Diluted	1,42,77,809	1,42,77,809
Earnings Per Share of ₹ 10/- each - Basic & Diluted	45.90	49.69

43 During the year, the application for renewal for Consent For Operations (CFO) under the pollution control regulations in one of the manufacturing plants of REVL located in the State of Telangana has been returned by the regulatory authority citing that industries located in the specified area were not issued CFO in the light of G.O.Ms.No.111 dated 08.03.1996. However, REVL is of the opinion that this does not impact the going concern status of REVL and its future operations. REVL has examined the matter and taken appropriate action to present its case that it is neither a polluting nor a potentially polluting industry before the pollution control authorities.

44 Long Term Settlement (LTS) with the workmen unions in the case of two of REVL's plants had expired during the year and the new agreements are pending since these matters are being discussed. Hence, REVL has made suitable provisions in the financial statements based on its estimates of the expenditure. REVL believes that the provision made is sufficient to discharge the liability.

45 Previous year's figure

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signatures to Notes 1 to 45
For and on behalf of the Board

L Ganesh
Vice Chairman

L Lakshman
Executive Chairman

Place: Chennai
Date: 27 May, 2016

J. Ananth
Chief Financial Officer

Siva Chandrasekaran
Secretary

Form AOC-I

(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 statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

₹ In Lakhs
USD in Thousands

1. Sl. No.	**1**	**2**	**3**		**4**
2. Name of the subsidiary	**Rane (Madras) Ltd**	**Rane Engine Valve Ltd**	**Rane Brake Lining Ltd**		**Rane Holdings America Inc**
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 1US$ = ₹ 66.31
				US$	INR
5. Share capital	1,874	672	791	20	10
6. Reserves & surplus	14,043	9,623	13,002	82	58
7. Total assets	70,148	30,935	25,588	147	98
8. Total Liabilities	54,231	20,640	11,795	45	30
9. Investments	-	57	37	-	-
10. Turnover	89,157	35,255	45,164	477	312
11. Profit before taxation	1,727	(1,766)	3,548	31	21
12. Provision for taxation	460	(512)	972	7	5
13. Profit after taxation	1,267	(1,254)	2,576	24	16
14. Proposed Dividend	-	-	-	-	-
15. % of shareholding	56.31%	51.07%	46.09%		100.00%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ In Lakhs

Name of Associates/Joint Ventures	Joint Venture Companies			Associate Company
	Rane TRW Steering Systems Private Ltd	Rane NSK Steering Systems Private Ltd	JMA Rane Marketing Ltd	SasMos HET Technologies Ltd
1. Latest audited Balance Sheet Date	**31 March 2016**	**31 March 2016**	**31 March 2016**	**31 March 2016**
2. Shares of Associate/Joint Ventures held by the company on the year end				
Number of Shares	4,369,123	8,771,000	360,003	611,399
Amount of Investment in Associates/Joint Venture	2,332	1,012	36	1,719
Extend of Holding %	50.0%	49.0%	49.0%	45.2%
3. Description of how there is significant influence	Note 1	Note 1	Note 1	Note 1
4. Reason why the associate/joint venture is not consolidated	-	-	-	-
5. Networth attributable to Shareholding as per latest audited Balance Sheet	11,587	6,346	951	482
6. Profit / Loss for the year				
i. Considered in Consolidation	1,795	1,942	75	112
ii. Not Considered in Consolidation	1,795	2,021	78	136

Note 1 : There is significant influence due to percentage (%) of Share Capital.

For and on behalf of the Board

L Ganesh
Vice Chairman

L Lakshman
Executive Chairman

Place: Chennai
Date: 27 May, 2016

J. Ananth
Chief Financial Officer

Siva Chandrasekaran
Secretary

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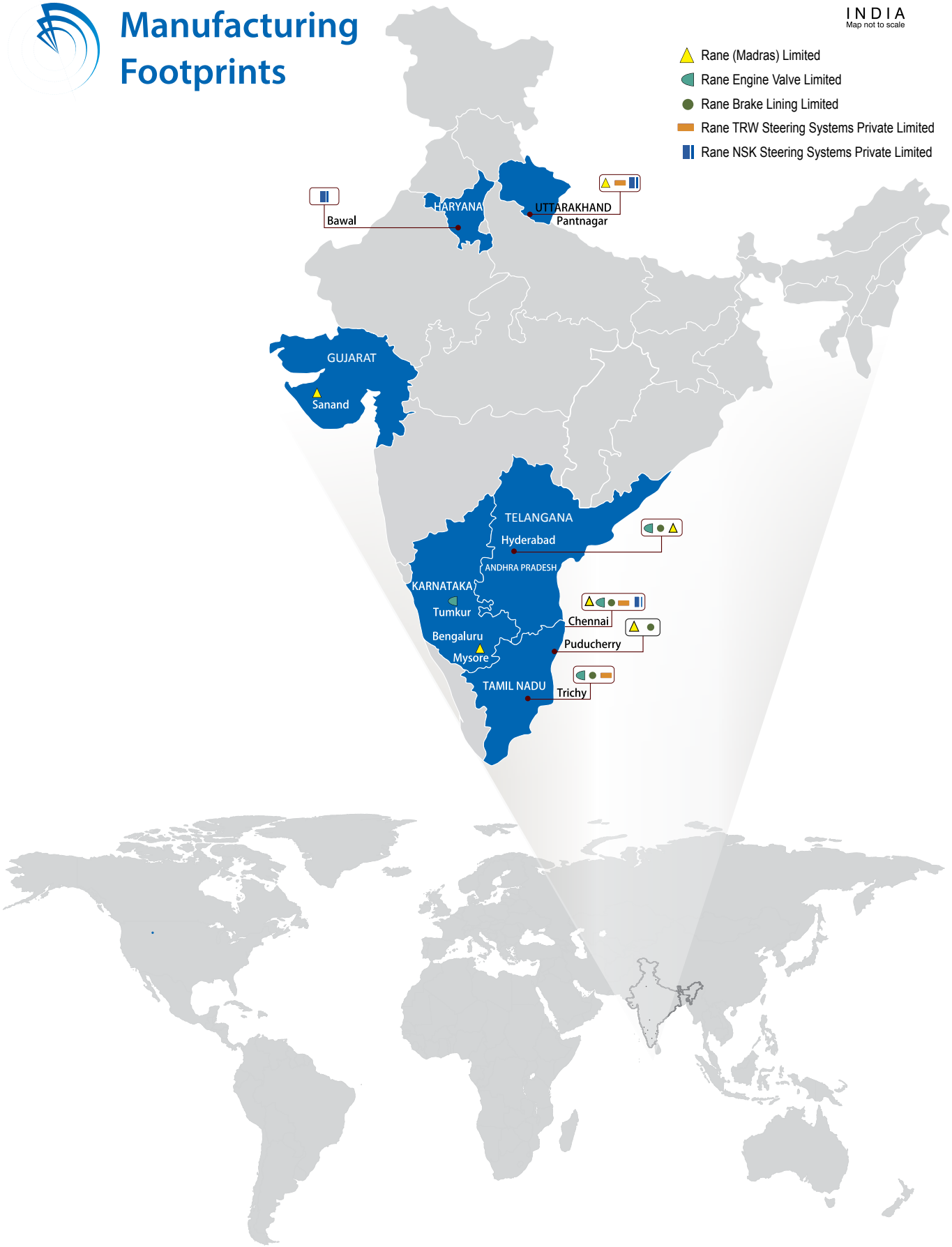
Manufacturing Footprints



Expanding horizons

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