

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.

Particulars of consolidation

The list of companies included in consolidation are as follows:

Companies	Equity shares held		% of voting power held	
	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.

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.

- 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 allotted 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

Description	₹ Lakhs	
	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:

Class of Shares/ Name of Shareholder/ Equity shares with voting rights	As at 31 March, 2016		As at 31 March, 2015	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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 current 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)

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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 machinery as per applicable terms of the contract of each loan.

10 TRADE PAYABLES

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

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

₹ Lakhs

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

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

14 NON-CURRENT INVESTMENTS (at cost)

Description	₹ Lakhs	
	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)) (611,399 (611,399) Shares of ₹ 10 each)	1,853	1,741
(ii) Other Entities		
Unquoted:		
Wellington Corporate Foundation (60 shares of ₹ 10/- each costing ₹ 1,000/-)	-	-
TCW Renewable Energy India (Pvt) Ltd (10,22,422 shares of ₹ 10/- each) held by subsidiaries	92	92
Clean Wind Power (Manvi) Private Limited (24,000 Shares of ₹ 10 each) held by subsidiaries	2	-
Total Non-Current Investments	1,947	1,833
Aggregate value of Investments:-		
Unquoted at Cost	1,947	1,833

15 DEFERRED TAX ASSETS (Net)

Description	₹ Lakhs	
	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 depreciation 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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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)

Description	₹ Lakhs	
	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)

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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

Description	₹ Lakhs	
	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 :

- 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)).
- 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 :

- Voluntary Retirement Scheme (VRS) expenditure in the nature of employee benefits paid to employees opted for VRS amounts to ₹ 40 Lakhs (₹ 104 Lakhs)
- Reversal of provision towards claim on recall on settlement which was made in previous year ₹ 54 Lakhs.
- ₹ 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 Accounting 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

	Fee for Services rendered	Trade Mark Fee received	Interest Income	Interest Paid	Sale of materials	Purchase of material components	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	Commission	Sitting Fee for Board and Committee Meetings	Others (Reimbursement of Expenses)	
Joint Ventures																			
Transactions during the year																			
Rane TRW Steering Systems Pvt Limited	298 (295)	343 (301)	-	21 (13)	1,135 (1,393)	3 (4)	-	-	-	-	131 (156)	-	-	-	-	-	-	-	-
Rane NSK Steering Systems Pvt Limited	260 (220)	391 (318)	-	-	-	310 (105)	-	-	-	-	-	-	-	-	-	-	-	-	-
JMA Rane Marketing Limited	-	-	-	-	1,556 (673)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances outstanding at the end of the year																			
Rane TRW Steering Systems Pvt Limited	(8)	1 (64)	-	-	166 (166)	-	-	-	164 (296)	-	-	-	-	-	-	-	-	-	7
Rane NSK Steering Systems Pvt Limited	(5)	(1)	-	-	-	(61) (13)	-	-	-	-	-	-	-	-	-	-	-	-	-
JMA Rane Marketing Limited	-	-	-	-	374 (150)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Associate																			
Transactions during the year																			
SasMos HET Technologies Limited	18 (9)	18 (7)	21 (41)	-	-	-	-	-	-	-	-	200 (249)	-	-	-	-	-	-	-
Balances outstanding at the end of the year																			
SasMos HET Technologies Limited	6 (1)	14 (9)	7 (5)	-	-	-	-	-	-	(200)	-	-	-	-	-	-	-	-	-
Key Management Personnel (KMP)																			
Transactions during the year																			
Mr. L Lakshman	-	-	-	-	-	-	-	-	-	-	-	-	-	-	93 (67)	93 (84)	93	93	7
Mr. L Ganesh	-	-	1	(3)	-	-	-	-	-	-	-	-	-	10 (10)	116 (103)	118 (17)	118	5	(1)

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

	Fee for Services rendered	Trade Mark Fee received	Interest Income	Interest Paid	Sale of materials	Purchase of material components	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	Commission	Sitting Fee for Board and Committee Meetings	Others (Reimbursement of Expenses)
Balances outstanding at the end of the year																		
Mr. L Lakshman	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	93	-	-
Mr. L Ganesh	-	-	-	-	-	-	-	-	-	-	-	-	-	5	-	(84)	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:-

Description	₹ Lakhs	
	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:

Nature of Transaction	31 March, 2016		31 March, 2015	
	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 outstanding 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

S No.	Currency	No. of Contracts	31 March, 2016		No. of Contracts	31 March, 2015	
			Notional amount of Forward Contracts FCY in Lakhs	MTM Gain/(Loss) ₹ in Lakhs		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:-

Purpose	Nature	Currency	31 March, 2016	31 March, 2015
			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

Purpose	Currency	31 March, 2016		31 March, 2015	
		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