

Financial Statements

Rane (Madras) International Holdings B.V.

31 March 2016

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Rane (Madras) International Holdings B.V

Balance Sheet

as at 31 March 2016

₹ Crores

Particulars	Note	As at 31 March 2016
I. EQUITY AND LIABILITIES		
(1) Shareholders' funds		
(a) Share Capital	2	0.15
(b) Reserves and surplus	3	(0.15)
Total shareholder's funds		-
(2) Current liabilities		
(a) Short-term borrowings	4	13.34
(b) Trade payables	5	0.15
(c) Other current liabilities	6	0.09
Total Current Liabilities		13.58
TOTAL		13.58
II. ASSETS		
(1) Non-current assets		
Non-current investment	7	13.45
Total		13.45
(2) Current assets		
(a) Cash and cash equivalents	8	0.04
(b) Short-term loans and advances	9	0.09
		0.13
TOTAL		13.58

See accompanying notes forming part of the Financial Statements

For and on behalf of the Board of Directors

Devarajan Madhusudan
Director

SGG Management (Netherlands) B.V
Managing Director

Date : 13 May 2016

Statement of Profit and Loss

for the year ended 31 March 2016

		₹ Crores
Particulars	Note	For the period 22 January 2016 to 31 March 2016
I. Revenue		-
II. Finance cost		0.09
III. Other expenses		
Professional charges		0.06
IV. Profit / (Loss) for the year		(0.15)
V. Earnings per equity share (of Euro 1 each)	11	
Basic (in ₹)		(400.73)
Diluted (in ₹)		(400.73)

See accompanying notes forming part of the Financial Statements

For and on behalf of the Board of Directors

Devarajan Madhusudan
Director

SGG Management (Netherlands) B.V
Managing Director

Date : 13 May 2016

Rane (Madras) International Holdings B.V

Cash Flow Statement

for the year ended 31 March 2016

₹ Crores

Particulars	Year ended 31 March 2016
A. CASH FLOW FROM OPERATING ACTIVITIES	
Profit Before Tax	(0.15)
<i>Adjustments for:</i>	
Finance Costs	0.09
Operating Profit before Working Capital / Other Changes	(0.06)
<i>Adjustments for (increase)/decrease in operating assets:</i>	
Short Term Loans and Advances	(0.09)
<i>Adjustments for increase/(decrease) in operating liabilities:</i>	
Trade Payables	0.15
Cash Generated from Operations	-
Direct Taxes Paid (Net of Refund Received)	-
Net Cash Flow From Operations	-
B. CASH FLOW FROM INVESTING ACTIVITIES	
Investment in Wholly Owned Subsidiary	(13.45)
Net Cash Flow Used in Investing Activities	(13.45)
C. CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from other Short-Term Borrowings	13.34
Issue of equity shares	0.15
Finance Costs	-
Net Cash Flow from / (used) in Financing Activities	13.49
Net Increase in Cash and Cash Equivalents (A) + (B) + (C)	0.04
Cash and Cash Equivalents at the Beginning of the Year	-
Cash and Cash Equivalents at the End of the Year (Refer Note 8)	0.04
	0.04

See accompanying notes forming part of the Financial Statements

For and on behalf of the Board of Directors

Devarajan Madhusudan
Director

SGG Management (Netherlands) B.V
Managing Director

Date : 13 May 2016

Notes forming part of the Financial Statements

Corporate Information

Rane (Madras) International Holdings B.V, based in Netherlands, was incorporated on 22 January, 2016 to hold strategic overseas investments of the Holding Company (Rane (Madras) Limited).

During the year the Company invested in Precision Die Casting Inc.(PDC) in USA, engaged in the business of manufacturing high pressure aluminium die casting for automotive applications like steering and compressor related die casting components.

Note 1 : Significant accounting policies

1.1 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") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention method.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the normal time between the acquisition of the assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non current classification of its assets and liabilities as current and non-current.

1.2 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 that affects the reported amounts of assets and liabilities as of the Balance Sheet date, the reported amount of revenue and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as on the date of the financial statements. Actual results could differ from these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known / materialise.

1.3 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.

1.4 Cash flow statement

Cash flows are reported using the indirect method, whereby Profit / (Loss) 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.

1.5 Foreign currency transaction and translation

The transactions in foreign exchange are accounted at the exchange rate prevailing on the date of transactions. Any exchange gains or losses arising out of the subsequent fluctuations are accounted for in the statement of profit and loss.

All the assets and liabilities, both monetary and non-monetary items, are translated into the reporting currency at the exchange rates in effect at the balance sheet date and income and expense items are translated at the average rate applicable for the period. Functional currency of the Company is Euro and the reporting currency, the Indian Rupee (INR).

1.6 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.

1.7 Investments

Non-current investments are stated at cost less other than temporary diminution in the value of such investments, if any.

1.8 Provisions and contingencies

Provisions are 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 and a reliable estimate of the amount of the obligation can be made. Provisions 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.

	₹ Crores
Note : 2	As at 31 March 2016
Share Capital	
Authorised, Issued, Subscribed and Fully Paid Up	0.15
(2000 Equity shares of Euro 1 each)	
(Entire share holding held by Holding Company Rane (Madras) Limited)	
	₹ Crores
Note : 3	As at 31 March 2016
Reserves and surplus	
Profit and Loss Account	(0.15)
	₹ Crores
Note : 4	As at 31 March 2016
Short term borrowing (Unsecured)	
From Rane (Madras) Limited	13.34
(Loan repayable on demand with interest at the rate of prevailing USD LIBOR (6 Months) + 375 points per annum)	
	₹ Crores
Note : 5	As at 31 March 2016
Trade payables	
Creditors	0.15
	₹ Crores
Note : 6	As at 31 March 2016
Other current liability	
Interest accrued on borrowings	0.09
	₹ Crores
Note : 7	As at 31 March 2016
Non-Current Investment	
In Rane Precision Die Casting Inc (Wholly owned subsidiary)	13.45
	₹ Crores
Note : 8	As at 31 March 2016
Cash and Bank balances	
Bank balance in current accounts-ABN AMRO	0.04
	₹ Crores
Note : 9	As at 31 March 2016
Short term loans and advances	
Prepaid Expenses	0.09

Note : 10**Related Party Disclosures****2015-16**

- (a) List of related parties where control exists

Holding Company

Rane (Madras Limited)

Subsidiary

Rane Precision Die casting Inc.

- (b) Other Related parties

Fellow Subsidiaries

Rane Engine Valve Limited (REVL)

Rane Holdings America Inc. (RHAI)

Rane Brake Lining Limited (RBL)

- (c) The above information regarding related parties have been determined to the extent such parties have been identified on the basis of information available with the Company.

Description	₹ Crores		
	Holding Company	Subsidiary	Total
	2016	2016	2016
Transaction during the year			
Equity contribution	0.15	13.45	13.60
Term Loan payable	13.26	-	13.26
Interest on term loan payable	0.09	-	0.09
Balance as at year end			
Equity	0.15	13.45	13.60
Term Loan payable	13.26	-	13.26
Interest on term loan payable	0.09	-	0.09

₹ Crores

Note : 11**As at
31 March 2016****Earnings Per Share**

Profit after Tax (₹ Crores) (A)	(0.15)
Number of equity shares of Euro 1 each at the beginning of the year	-
Add: Equity shares issued during the year	20,000
Number of equity shares of Euro 1 each at the end of the year	20,000
Weighted average number of equity shares of Euro 1 each outstanding during the year (B)	3,836
Earnings per share (Basic and Diluted) - in ₹ (A/B)	(400.73)