



A Fresh Perspective

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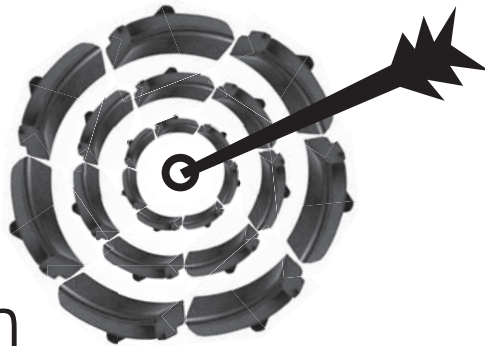
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Caution regarding forward-looking statements

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.



A Fresh Perspective

The world is changing at a rapid pace. Aided by the rapid advancements in technology, telecommunication, information technology and most significantly the new generation consumer; a new world order is fast emerging.

In addition to the changing macro environment, Automobile, our core playground, also needs to align with a constantly moving object called today's customer who demands more. Vehicle that weighs lesser, consumes lesser energy, is easy to manoeuvre, offers added features and convenience and much more. Emerging socio-economic and demographic dimensions are shaping a new automobile world order. Various reports indicate of India's ascent as a global leader both in terms of market size as well as production volumes.

As one of the leading Indian automotive component suppliers to the global OEMs, we have further strengthened our value proposition despite the low growth phase of recent years. With Indian markets poised to transit into its next phase of steady growth, our decadal journey of profitable growth has got enriched with A FRESH PERSPECTIVE.

The World of Rane Brake Lining

- ▶ Established in 1964, Rane Brake Lining Limited (RBL) is part of the Rane Group of Companies, a leading auto component group based out of Chennai
- ▶ Manufactures of friction material products such as Brake linings, Disc pads, Clutch facings, Clutch buttons, Brake Shoes and Railway brake blocks
- ▶ Market leader in India and global player in friction material
- ▶ Technical collaboration with Nisshinbo Brakes Inc, Japan for know how in asbestos free brake linings, disc pads & clutch facings
- ▶ Application in every segment of automobile industry such as passenger vehicle, commercial vehicle and 2 and 3 wheelers
- ▶ Supplier of composite brake blocks to Indian Railways, with presence in Passenger, Electrical Multiple Unit (EMU), Freight, Locomotive and Metro Rail



Vision

To be a global supplier of choice in friction material industry through technological innovation and total quality

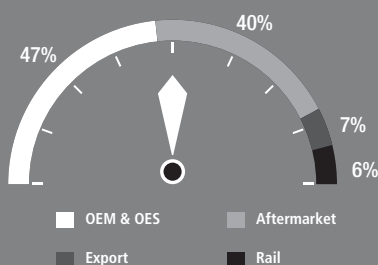
Manufacturing Plants

Locations	Products
Chennai	Brake linings, Disc pads, Clutch facings and Composite brake blocks
Hyderabad	Brake linings, Clutch facings & Sintered clutch buttons, Composite brake blocks
Puducherry	Disc pads, clutch facings and Composite brake blocks
Trichy	Disc pads & Brake linings

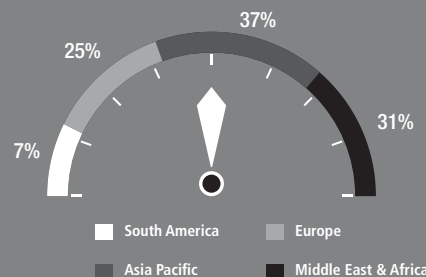
Quality Accreditation

ISO 9000:2008	Quality Management
TS16949:2009	Quality Management
OHSAS 18001:2007	Occupational Health and Safety Management
ISO 14001:2004	Environmental Management
Deming Prize	Total Quality Management (TQM)
Deming Grand Prize	Excellence in TQM
















Revenue mix by market segment (FY15)



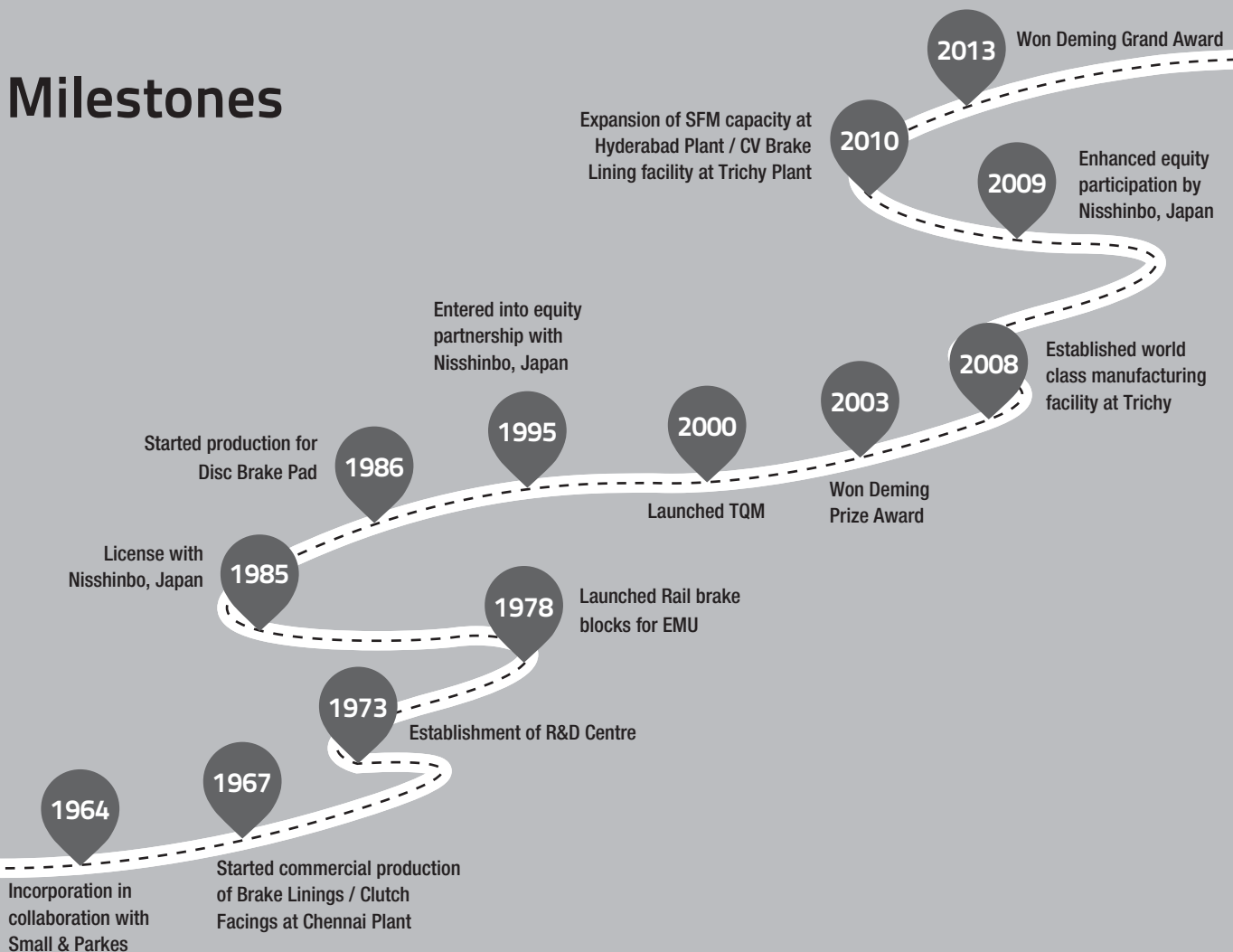
Export Revenue mix by geography (FY15)



Key Customers

OEM Category	 MARUTI SUZUKI	 TOYOTA	 HONDA	 NISSAN
	DAIMLER	 VW	 BHARATBENZ	 SKODA AUTO
Tier-1	 Brakes India Limited	 CHASSIS BRAKES INTERNATIONAL	 brembo	 ENDURANCE Complete Solutions
Others	 JMA	 SPEED-A-WAY PRIVATE LTD. PARTS AND COMPONENTS MARKETING SPECIALISTS	 GO	 PARTAP SINGH & SONS

Milestones



Financial Highlights

Operational Performance

Particulars	(Rs. in Cr)				
	FY15	FY14	FY13	FY12	FY11
Total Income	418.49	386.51	379.68	363.52	308.32
EBITDA	47.56	42.61	36.08	43.76	36.49
PBT	20.60	16.73	10.92	21.90	19.67
PAT	16.11	17.21	9.10	16.19	15.29

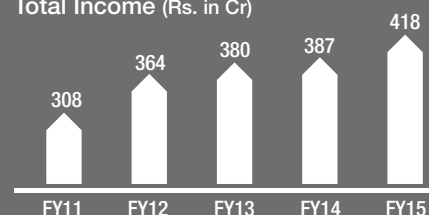
Balance Sheet Summary

Particulars	(Rs. in Cr)				
	FY15	FY14	FY13	FY12	FY11
Equity Capital	7.91	7.91	7.91	7.91	7.91
Shareholders' Funds	121.71	112.26	102.01	96.59	86.84
Non current Liabilities	23.83	39.16	56.63	59.55	46.79
Current Liabilities	109.55	116.51	102.87	95.60	73.22
Non Current Assets	129.50	143.14	148.44	132.28	115.14
Current Assets	125.60	124.81	113.07	119.46	91.71

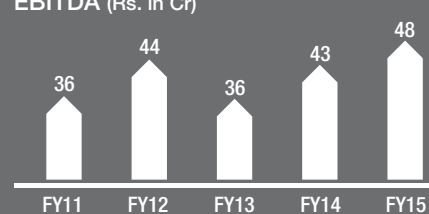
Ratios

Particulars	FY15	FY14	FY13	FY12	FY11
RoCE (%)	12.74	10.91	7.65	13.92	15.00
RoNW (%)	13.77	16.07	9.16	17.65	18.76
EPS (Rs.)	20.36	21.76	11.50	20.45	19.31
BVPS (Rs.)	153.77	141.84	128.88	122.03	109.72

Total Income (Rs. in Cr)



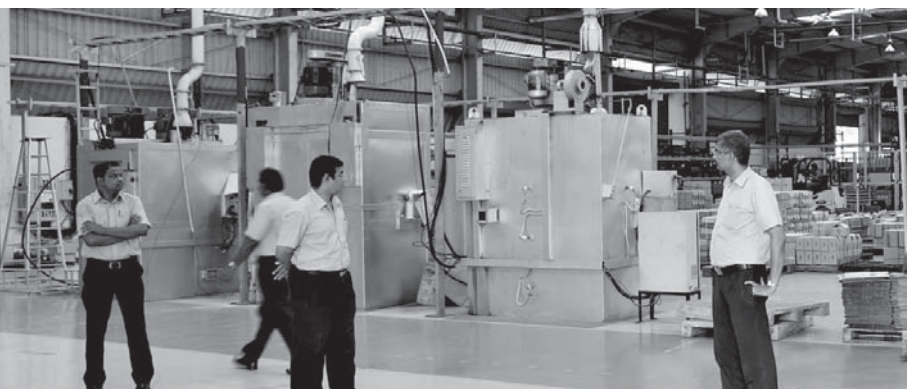
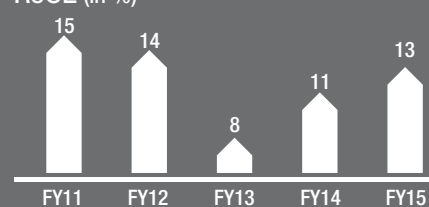
EBITDA (Rs. in Cr)



PAT (Rs. in Cr)



RoCE (In %)



Board of Directors

L GANESH

Chairman

L LAKSHMAN

S A MURALI PRASAD

ANIL KUMAR V EPUR

S SANDILYA

SURESH CHANDRA GUPTA

RANJANA KUMAR

HARISH LAKSHMAN

KAZUHIRO IWATA

*(Nominee of Nisshinbo Holdings Inc., Japan)***Audit Committee**

S SANDILYA

Chairman

S A MURALI PRASAD

L GANESH

SURESH CHANDRA GUPTA

Stakeholders' Relationship Committee

HARISH LAKSHMAN

Chairman

ANIL KUMAR V EPUR

L GANESH

President / Manager

P S RAO

Senior Vice President

VINAY LAKSHMAN

Vice President - Finance / Chief Financial Officer

M A P SRIDHAR KUMAR

Secretary

VENKATRAMAN

Listing of Shares on

BSE Limited, Mumbai

National Stock Exchange of India Limited, Mumbai

Auditors

VARMA & VARMA

Chartered Accountants

105, "Sreela Terrace" First Main Road

Gandhi Nagar, Adyar,

Chennai - 600 020

Bankers

HDFC Bank Limited

IDBI Bank Limited

Standard Chartered Bank

The Hongkong and Shanghai Banking Corporation

State Bank of India

YES Bank Limited

Registered Office

"MAITHRI",

132, Cathedral Road

Chennai 600 086

Phone : 044-28112472

Fax : 044-28112449

Email : investorservices@rane.co.in

Plants

- 1) Plot No. 30, Industrial Estate
Ambattur, Chennai 600 058
Tamil Nadu
- 2) Pregnapur Village
Gajwel Mandal
Siddipet Highway
Medak District 502 311
Telangana
- 3) RS No. 48, 49 & 50,
Sanyasikuppam Village
Mannadipet Commune
Thirubhuvanai Post
Puducherry 605 107
- 4) Sethurapatti Village
Fathima Nagar Post
Srirangam Taluk
Trichy - 620 012
Tamil Nadu

Registrar and Transfer Agent

Integrated Enterprises (India) Limited

II Floor, "Kences Towers",

No 1 Ramakrishna Street

North Usman Road,

T Nagar, Chennai 600 017

Ph: 044-28140801-03

E-mail: corpseiv@integratedindia.in

Report of the Board of Directors

Your Directors have pleasure in presenting their Tenth Annual Report together with the accounts for the year ended March 31, 2015 and other prescribed particulars:

1. Financial Performance

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

(Rs. Crores)

Particulars	2014-15	2013-14
Sales and Operating Revenues	416.41	384.11
Other Income	2.08	2.40
Profit before tax	20.60	16.73
Provision for Tax	4.49	(0.48)
Profit after tax	16.11	17.21
Surplus brought forward	46.44	37.91
Profit available for appropriation	62.55	55.12

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

The Sales and Operating Revenues grew by 8.4% the Profit before tax improved by 23% over the previous year.

Earnings per share for the year 2014-15 was Rs. 20.36/- as against Rs. 21.76/- in the previous year.

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. The Company is a subsidiary company of Rane Holdings Limited (RHL / holding company). The Company does not have any subsidiary, associate or joint venture. During the year, Rane Engine Valve Limited (REVL), a fellow subsidiary of the Company, amalgamated into itself, Kar Mobiles Limited (KML) an associate company of the holding company.

2. Appropriation

Out of the profit available for appropriation of Rs. 62.55 crores, the directors have recommended a dividend of 70% (i.e Rs. 7/-per share) for the year ended March 31, 2015. The total dividend amount inclusive of distribution tax and surcharge thereon would be Rs. 6.67 crores. After transfer of Rs. 49.21 crores to the general reserve, Rs. 6.67crores has been retained as surplus in the profit and loss account.

3. Management Discussion & Analysis

Your Company is engaged in the manufacturing and marketing of auto components for transportation industry viz., friction material (Brake Linings, Clutch Facings, Clutch Buttons, Disc Pads, Brake Shoes and Brake Blocks). A detailed analysis on the performance of the industry and the Company are enumerated in the Management Discussion and Analysis report forming part of this report and annexed as **Annexure 'A'**.

4. Board of Directors

4.1 Composition

The composition of the Board of Directors of the Company is furnished in the Corporate Governance Report annexed 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/rbl/rbltermsid.pdf>

In terms of Section 149 of the Companies Act, 2013 (Act), Mr S A Murali Prasad, Mr S Sandilya, Mr Anil Kumar V Epur and Mr Suresh Chandra Gupta, Independent Directors were appointed by the shareholders at the 9th Annual General Meeting held on July 22, 2014, for a period of three years to hold office from the conclusion of the 9th AGM till the conclusion of 12th AGM. Ms. Ranjana Kumar was co-opted to the Board as an additional director (in the category of independent director) on January 23, 2015. The Board has recommended the appointment of Ms. Ranjana Kumar as independent director effective January 23, 2015 till the conclusion of 13th AGM. Notice has also been received from a member signifying his intention to propose her appointment as independent director of the Company at the ensuing AGM. The appointment of Ms. Ranjana Kumar also fulfils the criteria of appointment of women director on the Board under section 149(1) of the Companies Act, 2013 and clause 49 of the listing agreement.

All the independent directors have affirmed that they satisfy the criteria laid down under section 149(6) of the Companies Act, 2013 and clause 49 of the listing agreement.

4.2 Retirement by rotation

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

4.3 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.

4.4 Meeting of Independent Directors

During the year, a separate meeting of Independent Directors was held. All the Independent Directors were present at this meeting. In the said meeting, the Independent Directors assessed the quality, quantity and timeliness of flow of information between the management and the Board and expressed that the current flow of information and contents were adequate for the Board to effectively perform its duties.

5. Board and Management

5.1 Board evaluation

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the listing agreement, the annual evaluation of the Board, its committees and directors individually is carried out as per the criteria laid down by the Nomination and Remuneration Committee.

The evaluation of Board and its committees are founded on the structure, composition, 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) are 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 are taken into consideration. The evaluation methodology is comprehensive and commensurate with the size of the Board and the Company.

5.2 Familiarisation program for independent directors

The company has framed a familiarisation program for independent directors which has been put up on the website and available at <http://rane.co.in/ranebrakelining/rblinvestors.html>

5.3 Key Managerial Personnel

Mr. P S Rao, President, appointed as 'Manager' under Companies Act, 2013 and Mr MAP Sridhar Kumar, Vice-President – Finance, hold the office of Key Managerial Personnel as Manager and Chief Financial Officer, respectively.

Mr. G Karthikeyan, resigned as Secretary of the Company on February 27, 2015. Mr. Venkatraman has been appointed as Company Secretary in this vacancy, with effect from May 22, 2015 as per the recommendations of Nomination and Remuneration Committee.

5.4 Remuneration policy

The policy on appointment, remuneration and evaluation criteria for Directors and Senior Management is as per the recommendations of the Nomination and Remuneration Committee of the Board. 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 remuneration to Directors, Key Managerial Personnel and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The Nomination and Remuneration Committee recommends the remuneration of Directors and Senior Management as a group, which is approved by the Board of Directors, subject to the approval of shareholders, where necessary.

6. Audit

6.1 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 was re-constituted to act in accordance with the 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.

6.2 Statutory Auditors

M/s. Varma & Varma, Chartered Accountants were appointed as Statutory Auditors at the last (ninth) Annual General Meeting (AGM) held on July 22, 2014, for a period of three years i.e until the conclusion of the twelfth AGM. Their appointment is however, subject to ratification by the members at every AGM.

The Company has received letter from the Statutory Auditors consenting to the re-appointment and a confirmation to the effect that their appointment, would be within the prescribed limits and that they do not suffer from any disqualifications under Section 141 of the Companies Act, 2013 and the rules made thereunder. M/s. Varma & Varma have also submitted the peer review certificate issued to them by The Institute of Chartered Accountants of India. The Statutory Auditors Report does not contain any qualification, reservation, adverse remark or disclaimer.

6.3 Cost Auditors

Pursuant to section 148 of the Companies Act, 2013 and subject to notification of rules thereunder, the board of directors had on the recommendation of the audit committee appointed M/s. STR & Associates, Cost Accountants, as the cost auditors of the Company for the financial year 2014-15. However, as per Companies (cost records and audit) Rules, 2014 notified by Ministry of Corporate Affairs, cost audit is not applicable to the Company by virtue of its turnover being less than the prescribed limits. Therefore, the Board did not proceed with the appointment of cost auditor and cost audit for the year 2014-15.

6.4 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 2014-15 is annexed herewith as 'Annexure -B'. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

6.5 Internal Auditors

The Company continues to engage M/s Capri Assurance and Advisory Services, 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 Audit 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.

7. Directors' Responsibility Statement

In terms of Section 134(3)(c) read with section 134(5) of the Companies Act, 2013, the Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that they had:

- (i) followed the applicable accounting standards in the preparation of the financial statements for the financial year 2014-15 and there are 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 and
- (iv) prepared the financial statements for the financial year on a 'going concern' basis.
- (v) laid down internal financial controls to be followed by the Company and such internal financial controls were adequate and were operating effectively.
- (vi) devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

8. 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 are no materially significant related party transactions made by the Company with Related Parties which may have a 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 as approved by the Board is uploaded on the Company's website (<http://rane.co.in/pdf/policies/rblrpt.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, that may have potential conflict with interest of the Company at large.

9. 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, Committee Chairman, Mr L Ganesh, Director and Mr. S C Gupta, an independent Director as its members.

The Annual Report on CSR activities carried out during the year 2014-15 is annexed as **Annexure C**.

10. Fixed Deposits

Deposits outstanding as on March 31, 2015 amounted to Rs.4.39 crores. All deposits that matured during the year were repaid. The Company has not defaulted in repayment of any fixed deposits or any interest thereon.

The Company had discontinued accepting or renewing the fixed deposits with effect from April 1, 2014 and has not accepted deposits falling within the ambit of Chapter V, Section 73 of the Companies Act, 2013.

The Board was of the view that the premature and compulsory repayment of the fixed deposits prior to the date of maturity would cause inconvenience to the depositors. Also considering the age profile of our depositors that include many senior citizens, the Board felt that compulsory premature repayment of their deposits would abruptly result in the loss of regular interest payments to these depositors. Keeping the interests of the deposit-holders in mind, in terms of Section 74 (2) the Company has filed an application

before Company Law Board (CLB), to repay the deposits on their respective maturity dates in accordance with the terms of acceptance of such deposits. Approval of CLB is awaited.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as '**Annexure D**'.

12. 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 Annual Report. Having regard to the provisions of first proviso to sub-section (1) of Section 136 of the Act, the Annual Report excluding the aforesaid information is sent to the members. The said information is available for inspection by the members at the registered office during business hours on a working day of the Company up to the date of the ensuing Annual General Meeting. The full annual report including the aforesaid information is being sent electronically to all those members who have registered their e-mail address and is available on the Company website Url: <http://www.rane.co.in/ranebrakelining/ranebrakelininginvestors.html>.

13. Corporate Governance Report

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

14. 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. There was no instance reported during the year under review through this mechanism.
- 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 a zero tolerance towards sexual harassment. The Company has adopted a policy on prevention of sexual harassment of women at work place and put in place proper mechanism across the Company. There was no case reported during the year under review through this mechanism.

For and on behalf of the Board
L GANESH
Chairman

Chennai
May 22, 2015

HARISH LAKSHMAN
Director

Annexure – A to the Report of the Board of Directors

Management Discussion and Analysis

Overview

The focus of the Company continues to remain as manufacturing and marketing of 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. The Company operates in a single reportable business segment, viz. “components for the transportation industry”.

Industry Structure, Developments and Performance

Overall vehicle production grew by 8% in volume, driven by positive market sentiments during the second half of the year. M&HCV, MUV, 3 & 2-wheelers have all registered double digit growth, while Passenger Cars reported 5% growth. However, MPV, LCV, SCV and FT numbers declined significantly over previous year.

Industry Growth

During the year under review, the volume growth in automotive industry is as given below:-

Industry Segment - YoY (Production figures)	2014-15	2013-14
Vehicles	YoY Change	YoY Change
Passenger Cars (PC)	5%	-5%
Utility Vehicles (MUV)	12%	-1%
Vans (MPV)	-12%	-18%
Small Commercial Vehicles (SCV)	-20%	-25%
Light Commercial Vehicles (LCV)	-4%	-4%
Medium & Heavy Commercial Vehicles (M & HCV)	21%	-21%
3 - Wheelers	14%	-1%
2 - Wheelers	10%	7%
Farm Tractors (FT)	-11%	27%

Source: Society of Indian Automobile Manufacturers

Domestic Market

Stable Government and its assurances for industrial growth including ‘Make in India’ campaign resulted in marginal positive reflection on markets during the financial year 2014-15.

The break-up of the sales by product lines is given below:

Domestic Sales	(Rs. in crores)		Growth in %
	2014-15	2013-14	
Brake Linings	176.54	160.72	9.84
Disc Pads	164.19	145.71	12.68
Other Products	47.58	50.74	-6.24

OEM and Aftermarket

The Company’s overall OE sales registered a growth of 8%, at par with industry average. Aftermarket registered a healthy growth of 15% due to specific initiatives like launch of new products and geographic focus. There was a decline in Railways during the financial year 2014-15.

(Rs. in crores)

Market	2014-15	2013-14	Growth in %
OEM	195.83	181.87	7.7
AM	167.34	145.54	15.0
Railway	25.13	29.76	-15.5

Exports

The Company is focusing on exports as a major thrust for overall revenue enhancement and also as a risk mitigation strategy on foreign exchange variations. The exports for the year 2014-15 was Rs. 27.58 crores registering a growth of 4.7% over the previous year.

Operational and Financial Performance

Financial Review

The net sales was Rs. 415.89 crores during the year under review, a growth of 8.4% over previous year, with new products generating 11% (i.e. Rs.45.8 crores) of the revenues. The profit before tax was Rs.20.60 crores registering an increase of 23% over the previous year. This was achieved due to the impetus given to raw material and other cost reduction initiatives.

Operations and Manufacturing Review

New product launches, specific market initiatives helped in achieving overall revenue growth. Sustenance and further focus on strategic initiatives, yield improvement projects and product mix resulted into reduction in material cost. Reasonable stability in forex markets with favourable Japanese Yen movement also added to lower material cost.

Energy savings initiatives gained further momentum. Alternate sources of energy like solar power and other production cycle optimization processes helped in cost reduction and conservation of energy.

The Company has won the following awards during the year:

- (i) Gold award from India Manufacturing Excellence Award (IMEA) conducted by The Economic Times in partnership with Frost & Sullivan (F&S)
- (ii) ACMA Bronze award towards manufacturing excellence (second consecutive year)
- (iii) Various awards on quality and productivity related matters from QCFI, CII and other reputed agencies
- (iv) National award for Energy Excellence from Confederation of Indian Industry for best energy efficient unit.
- (v) Customer awards – Award of Performance and Best efforts in Kanban implementation

Outlook

The market sentiments are looking positive due to formation of stable government. The Company is closely monitoring the specific initiatives taken by the government for promoting industrial growth.

Being a domestic market leader and with focus towards enhancing market share, strategy is directed towards cost effective product development to meet the demands of new launches of OEMs. The Company would leverage its own as well as the collaborator's strength to ensure state of art technology for applications in new generation vehicles. With profitable growth continuing to remain in focus, the Company continues to expand its horizons by adding new adjacent products and new customers.

Opportunities and Threats

Given the positive industrial climate, the growth of Indian economy is expected to improve to 7.5% of GDP. This could mean recovery and growth in Automobile industry. This will happen if the infrastructure issues like power, roads and ports are addressed and some flexibility in employment is enabled through labour reforms.

The Company's main areas of strength are:

- ❖ State of art R&D and manufacturing facility
- ❖ In-house formulation development and bench marking capability
- ❖ Market leadership
- ❖ Brand equity
- ❖ Operational excellence
- ❖ Preferred supplier for OEMs

- ❖ Strong distribution network
- ❖ Good customer contact and rapport with Tier-1 & vehicle OEM's

The main threats to which auto component industry is exposed are:-

- ❖ Unceasing cost reduction demand from OEMs from whom the major portion of the future growth is expected to come.
- ❖ Spiralling commodity prices affecting the input costs structure.
- ❖ Dumping from China.
- ❖ Apprehension about weak economic expansion in the developed countries.
- ❖ Uncertainties and steep volatility in commodity prices

Internal Control Systems

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

The internal audit function is 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 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 robustness of internal control system 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 considered in shaping the annual budgets. Other risks are covered as part of internal audit process and presented to the Audit Committee every quarter. The risk ratings are revalidated with the top management as part of the internal audit process

every quarter. The strategic risks are taken into consideration in the annual planning process and these risks together with their mitigation plan are subject to review by the management on a quarterly basis. The business processes risks and the related controls would be subjected to internal audit and reviewed on a quarterly basis. The overall re-assessment of risks at company level is carried out and presented to the Board once in two years for their review.

Human Resource Development and Industrial Relations

As the Company embarks upon an exciting phase of profitable growth, there is increased emphasis on talent management practices with special focus on leadership development that will drive business strategies to achieve the aspirations of all stakeholders. This will be an intense phase, as a variety of challenges will be encountered during this period. Intertwining the human resource with business and people value streams would enable achieve radical growth.

LEADERSHIP DEVELOPMENT

Leadership Framework: In pursuit of growth goals, the leadership competency framework is revised to significantly improve leadership capability and capacity. Keeping a three to five year horizon in mind, the refreshed framework will aim at strengthening the leadership transition at different levels of the organization. This would mean formulating structured leadership archetypes that facilitates people transition in a continuum of individual contributor to business leader, focusing both on strategic and functional leadership.

High Potential Leadership Development (HPLD): Thirteen executives from the middle and senior management participated in the development centre as part of the High Potential Leadership Development (HPLD) program; a first of its kind in the Rane group. The objective of the HPLD initiative is to:

- help people understand their strengths, development needs and align career aspirations
- enable promising talent to realize their career aspirations
- staff the critical roles with the right talent
- build a succession pipeline for future

LEARNING

Keep Educating Yourself (KEY): Towards continuously upgrading the knowledge and skills, the Company has introduced a

policy – Keep Educating Yourself (KEY). The purpose is to encourage employees to pursue part-time education and thereby acquire additional qualification / knowledge that will enhance the individual and organizational capabilities.

HR CAPABILITY BUILDING

Workforce Planning: Having realised the scope to improve business performance through white collar productivity, the HR team participated in a workshop on Workplace Planning. The objective was to build perspectives on this theme and deploy appropriate tools and techniques for optimum resource utilization.

HR Boot camp: The contribution of human resource function to business success lies in imagining and shaping the future, responding to trends and reacting swiftly to unforeseen developments. In order to realize the future growth aspirations, it is important that we have a robust design for the people processes and strong delivery mechanisms.

Driven by this purpose, a boot camp was organised for the human resource fraternity to ignite ideas in the human resource team for driving the people agenda of the organization effectively. Participants were encouraged to appreciate business challenges, enabling shifts in the way of thinking, conceptualizing change and means of implementation.

The Industrial Relations were cordial in the Plants.

RECOGNITION

Rane Brake Lining Limited has been ranked as one of the top 'Best Workplaces' in Indian auto component industry for the second year in a row by the Great Place to Work Institute. Rane Group received an award for 'Talent Management' in 5th Asia's Best Employer Brand Awards 2014.

Cautionary Statement

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

Annexure B to the Report of the Board of Directors

Secretarial Audit Report for the financial year ended March 31, 2015

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,

Rane Brake Lining Limited,

[CIN:L63011TN2004PLC054948]

“MAITHRI” No.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 M/s. **Rane Brake Lining Limited** (hereinafter called “the Company”).

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

Based on our verification of **M/s. Rane Brake Lining Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanisms 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 have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Rane Brake Lining Limited** (the Company) for the financial year ended on March 31, 2015 according to the applicable provisions of:

- (i) The Companies Act, 1956, Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent

of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act and dealing with client.

(vi) The Listing Agreements entered into by the Company with:

- (a) BSE Limited;
- (b) National Stock Exchange of India Limited; and
- (c) Madras Stock Exchange Limited (upto June 9, 2014)

2. We are informed that, for the financial year ended on March 31, 2015:

- (i) The company was not required to maintain books, papers, minute books, forms and returns filed or other records according to the provisions of the following Regulations and Guidelines prescribed under SEBI Act:
 - (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (ii) There are no laws specifically applicable to the company, the books, papers, minute books, forms and returns of which were required to be examined by us for the purpose of this report.
3. We have not examined compliance with the Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India as they become applicable only from July 1, 2015.
4. During the period under review, to the best of our knowledge and belief and according to the information and explanations given to us, the Company has complied with the provisions of the Acts, Rules, Regulations and Agreements mentioned under paragraph 1 above, to the extent applicable.
5. We further report that:
- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings along with agenda were sent at least seven days before the meeting Agenda and detailed notes on agenda were sent less than seven days before the meeting, since there was no statutory requirement during the year to send them seven days in advance of the meeting.
- (iii) 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. Majority decision is carried through. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.
- (iv) There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- (v) During the audit period:
- (a) The members of the Company have passed a special resolution under section 180(1)(c) of the Act empowering the Board of Directors to borrow moneys (apart from temporary loans from company's bankers in the ordinary course of business) provided that the amounts borrowed and outstanding at any point of time does not exceed Rs.100 crores, over and above the paid-up capital and free reserves of the Company.
- (b) The members have passed a special resolution under section 180 (1)(a) of the Act, through a postal ballot process, empowering the Board of Directors to sell / lease / mortgage / charge any of the Company's movable / immovable properties and whole of the undertaking in favour of banks/ financial institutions (lenders) / trustees of lenders, to secure their financial assistance to the Company, upto an amount not exceeding the maximum borrowing powers of the Company and the temporary loans obtained from the bankers in the ordinary course of business.
- (c) The members have passed a special resolution under section 14 of the Act adopting a new set of Articles of Association in place of the existing one.
- (d) The Company has voluntarily delisted its equity shares from the Madras Stock Exchange Limited with effect from June 10, 2014.

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

K. Sriram,
Partner.

Membership No: F6312
Certificate of Practice No:2215

Chennai
May 22, 2015

Annexure – A to Secretarial Audit Report of even date

To,

The Members,

Rane Brake Lining Limited,

[CIN:L63011TN2004PLC054948]

“MAITHRI” No.132, Cathedral Road,

Chennai-600086

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to make a report based on the secretarial records produced for our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our report.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. We have obtained the Management’s representation about the compliance of laws, rules and regulations and happening of events, wherever required.
5. Compliance with the provisions of corporate and other applicable laws, rules, regulations, standards is the

responsibility of the management. Our examination was limited to the verification of procedures on test basis. Actions carried out by the Company based on independent legal/ professional opinion obtained have not been considered as non-compliance wherever there was a scope for multiple interpretations, especially since this is first full financial year in which the Companies Act, 2013 has become operational and also on account of the listing agreement undergoing major amendments from October 1, 2014.

6. This 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.

Chennai
May 22, 2015

Membership No: F6312
Certificate of Practice No:2215

Annexure – C to the Report of the Board of Directors

Annual Report on CSR activities

(For financial year 2014-15)

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.

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

Overview of projects implemented during 2014-15:

RBL's primary focus is

1. Education –

A. Institutional Development

- i. Focus on dissemination of knowledge. In this regard, contributions were made to Rane foundation and various Institutions. RBL also focussed at primary government schools for up-liftment and hygienic environment at the respective locations.

B. Vocational Development

- i. Attempted towards women empowerment for underprivileged in the local villages with a focus to create a sustainable income and overall upkeep in their routines. In this regard, provided vocational training on tailoring and knitting.

C. Awareness Programme

- i. Promoting health and sanitation awareness for the community. Awareness programmes on health and sanitation, housekeeping and first aid was carried out for the local primary government schools and other segments.

2. Community Development – Amenities and Sanitation

- A. Focus on providing Safe Drinking Water facility in Public Health Centres (PHC) and government primary schools.

3. Environment - Plantation Drives

- A. Emphasis made on Greenery within the vicinity of our plants.

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/rblcsr.pdf>).

2. The Composition of the CSR Committee:

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

The members of the CSR committee are:

Board CSR committee	Company CSR committee
L Lakshman Committee Chairman, Non-Executive & Promoter Director	P S Rao President
L Ganesh Chairman, Non-Executive & Promoter Director	M A P Sridhar Kumar Vice President– Finance
S C Gupta Non-Executive & Independent Director	Govardhanan R DGM – Human Resource

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

(Rs. in Crores)

Particulars	2011-12	2012-13	2013-14
Net profit for the year (PAT)	16.19	9.10	17.21
Adjusted Net profit (as per section 198)	22.81	11.94	17.75
Average Net profit	17.50		

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : Rs. 0.35 Crores**5. Details of CSR spent during the financial year.**

(a) Total amount to be spent for the financial year: Rs. 0.35 Crores

(b) Amount unspent (if any) : Nil

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

(in Rs.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs – (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or program. (Sub-heads -1- Direct on projects or program 2-Overheads)	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency
(1)	Education – Institutional Development	(i) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects. (ii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.	Local Thiruvallur (Tamil Nadu), Medak (Telangana), Trichy (Tamil Nadu)	28,71,250	28,42,956	28,42,956	Direct: 42,956 Implementing Agency: Rane Foundation (Registered Trust): 28,00,000
(2)	Education – Vocational Training	(i) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Local Thiruvallur (Tamil Nadu), Medak (Telangana); Trichy (Tamil Nadu), Thirubuvanai (Pondicherry)	1,20,500	94,346	94,346	Direct: 48,025 Implementing Agency - Udhavum Nanbargal (Registered Trust): 46,321
(3)	Education – Awareness Programs	(i) Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.	Local Pillayarkuppam (Pondicherry)	14,000	14,000	14,000	Direct: 14,000

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(4)	Community Development – Amenities and Sanitation	(i) Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.	Local Thiruvallur (Tamil Nadu), Medak (Telangana)	1,03,334	98,300	98,300	Direct: 98,300
(5)	Environment – Plantation Drives	(i) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.	Local Thiruvallur (Tamil Nadu), Medak (Telangana), Sanyasikuppam (Pondicherry), Trichy (Tamil Nadu)	5,54,550	5,54,550	5,54,550	Direct: 5,54,550
Total				36,63,634	36,04,152	36,04,152	

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.

Responsibility statement of the CSR Committee

The implementation and monitoring of our CSR Policy is in compliance with the CSR objectives and policies. The Board of Directors of the Company and the CSR Committee are 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 22, 2015

P S Rao
Chief Executive Officer

L Lakshman
Chairman of CSR Committee

Annexure D to the Report of the Board of Directors

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Pursuant to provisions of section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

Steps taken or impact on conservation

- ❖ Variable Frequency Drives (VFDs) installed on specific applications resulting into speed optimization.
- ❖ Machine action study facilitated to eliminate idle running motors and also optimizing the motor capacities
- ❖ Productivity improvement projects emphasizing on energy savings were implemented
- ❖ Energy loss study through scientific approach – Theoretical Vs Actual consumption – Loss prevention by usage of alternate materials
- ❖ Technology improvement projects like
 - a. Introduction of LED lights, Solar lights and Induction lights
 - b. Thyristor controlled switches

Utilising alternate sources of energy

- ❖ Solar power utilized at Hyderabad plant.
- ❖ Utilization of wind energy started in Trichy plant.

Capital investment in energy conservation equipment

- ❖ Introduction of Induction lamps in SFM shop floor of Hyderabad plant.

B. RESEARCH AND DEVELOPMENT (R & D)

Efforts towards technology absorption

The Company has a range of formulations and technology base to compete effectively in a wide range of domestic and overseas markets. The Company has been continuously benchmarking with the collaborator and similar industries towards absorbing best practices and continuous improvements in Product / Process Quality and Productivity areas. The Company has invested in new manufacturing technologies for disc pads and brake linings for Passenger Cars / Utility Vehicles to enhance product quality. The plants have continuously benchmarked and improved on the manufacturing systems.

Benefits derived (product improvement, cost reduction, product development or import substitution)

These efforts have enabled the Company to enhance the competitiveness, continue its growth in the OEM business and offer localization solutions to major global customers for their new programs.

Details of Imported Technology

Technology imported during the last 3 years reckoned from beginning of the financial year	Year of import	Has the technology been fully absorbed	Where technology not fully absorbed reason and future plan of action
Technical service and knowhow relation to design and manufacture of disc pads and brake linings from M/s. Nisshinbho Brake Inc. Japan	2010	Yes	Not applicable

Research and Development expenditure incurred

(Rs. in crores)

	Particulars	2014-15	2013-14
A	Capital expenditure	0.51	12.51
B	Recurring expenditure	9.51	6.53
C	Total	10.01	19.04
D	Total R & D expenses as a percentage of total turnover	2.40%	4.96%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. in crores)

Foreign Exchange	2014-15	2013-14
Earnings	28.12	25.71
Outgo	71.43	72.99

For and on behalf of the Board

L GANESH
Chairman

HARISH LAKSHMAN
Director

Chennai
May 22, 2015

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 Clause 49 of the Listing Agreement.

2. Board of Directors

Composition, Attendance & Meetings

As of March 31, 2015, the Board of the Company consists of nine non-executive directors with majority

being independent directors. The composition of the independent directors is in conformity with clause 49 of the 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. None of the directors on the Board, is a member of more than 10 committees or chairman of more than 5 committees across all the companies in which he/she is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2015 have been made by the directors.

The Board met five (5) times during the financial year on May 21, 2014, July 22, 2014, October 20, 2014, January 23, 2015 and March 19, 2015. The names and categories of the directors on the Board, their attendance at Board Meetings and Annual General Meeting held during the year and the number of directorships in other companies and committee chairmanships / memberships held by them in all public companies are given below:

Name of the Director/ (DIN)	Category	No of board meetings attended	Whether attended last AGM	Number of Directorship in other Public limited companies #		Number of Committees @	
				Chairman	Member	Chairman	Member
Mr. L Lakshman (00012554)	Non-Executive & Promoter	4	Yes	1	5	1	4
Mr. L Ganesh (00012583)	Chairman, Non-Executive & Promoter	4	Yes	3	4	1	5
Mr. Harish Lakshman (00012602)	Non-Executive & Promoter	5	Yes	-	7	2	1
Mr. S A Murali Prasad (00001432)	Non-Executive & Independent	5	Yes	-	-	-	1
Mr. S Sandilya (00037542)	Non-Executive & Independent	5	Yes	2	2	3	2
Mr. Anil Kumar V Epur (00202454)	Non-Executive & Independent	5	Yes	-	1	-	1
Mr. Suresh Chandra Gupta (02085068)	Non-Executive & Independent	4	Yes	-	-	-	1
Ms. Ranjana Kumar* (02930881)	Non-Executive & Independent	2	No	-	4	2	1
Mr. Koji Nishihara** (02620877)	Non-Executive & Professional	1	No	-	-	-	-
Mr. Kazuhiro Iwata** (06875329)	Non-Executive & Professional	2	No	-	-	-	-

Excludes foreign companies.

@ Membership in Audit Committee and Stakeholder Relationship Committee of public limited companies only is considered as per clause 49.

* Ms. Ranjana Kumar was appointed as additional director and independent director on January 23, 2015. Her appointment also fulfils criteria of appointment of woman director under clause 49 (II) (A) (i) of the Listing Agreement effective January 23, 2015.

** Nominees of Nishinbo Holdings Inc. Mr. Koji Nishihara ceased to be a Director w.e.f. May 21, 2014. Mr. Kazuhiro Iwata was appointed as additional director w.e.f. May 21, 2014 and subsequently by shareholders at the Ninth Annual General Meeting (AGM) held on July 22, 2014 as a director liable to retire by rotation.

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

The information as required under Annexure X to clause 49 of the listing agreement such as annual operating plans and budgets, quarterly results for the Company, minutes of meetings of audit committee and other committees of the board, quarterly details of foreign exchange exposures, risk management and mitigation measures etc. are placed before 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 Directors Report.

The familiarisation programme to the independent directors are disclosed in the website of the Company and is available at <http://rane.co.in/ranebrakelining/rblinvestors.html>

3. Audit Committee

Composition, Attendance and Meetings

The composition of audit committee is as follows:

Name of the Director	Category
Mr. S Sandilya	Chairman - Independent
Mr. Suresh Chandra Gupta	Member - Independent
Mr. S A Murali Prasad	Member - Independent
Mr. L Ganesh	Member – Non-Executive, Promoter

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 Committee met four (4) times during the year May 21, 2014, July 22, 2014, October 20, 2014 and January 23, 2015.

Name of the Director	No of Meetings Attended
Mr. S Sandilya	4
Mr. Suresh Chandra Gupta	3
Mr. S A Murali Prasad	4
Mr. L Ganesh	3

The statutory auditors and the internal auditors were present as invitees in all the meetings. The President and the Vice President (Finance) 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 will be provided 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 listing agreement 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 regular 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.
- 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.

In compliance with clause 41 of the Listing Agreement, the audit committee reviews the quarterly unaudited financial results and annual audited financial results of the Company. The quarterly unaudited financial 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 also reviews all mandatory information under clause 49 of the Listing Agreement.

4. Nomination and Remuneration Committee (NRC)

Composition, Attendance and Meetings:

The Nomination and Remuneration Committee (NRC) constituted by the Board in terms of Section 178 of the Companies Act, 2013 and the Rules notified thereunder and clause 49 of the Listing Agreement, comprises of the following directors as its members:

Name of the Director	Category
Mr. S Sandilya	Chairman - Independent
Mr. S A Murali Prasad	Member - Independent
Mr. Suresh Chandra Gupta	Member - Independent
Mr. L Ganesh	Member - Non-Executive & Promoter

The Committee met two (2) times during the year on July 22, 2014 and October 20, 2014.

Name of the Director	No of Meetings Attended
Mr. S Sandilya	2
Mr. Suresh Chandra Gupta	2
Mr. S A Murali Prasad	2
Mr. L Ganesh	2

Terms of Reference:

- To formulate criteria for determining qualifications, positive attributes and independence of director and evaluation of Independent Directors and the Board.
- To formulate policies for remuneration of Directors, Key Managerial Personnel, Senior Management Personnel who are Functional Heads one level below the Board.
- To devise policy on Board diversity
- To identify persons for the position of Director, Key Managerial Personnel, Sr. Management Personnel who are Functional Heads one level below the Board.
- To recommend to the Board on appointment / removal of Directors, Key Managerial Personnel, Senior Management Personnel who are Functional Heads one level below the Board
- To evaluate the performance of Directors (other than Independent Directors) and make recommendation to the Board and Key Managerial Personnel, Senior Management Personnel who are Functional Heads one level below the Board, as a team.

Remuneration Policy

The remuneration policy of the Company is discussed in the directors report.

Details of Remuneration to Directors:

Taking into account the increased role of directors in the light of new governance norms under Companies Act, 2013 and the requirements under the listing agreement, as per the recommendations of the Nomination and Remuneration Committee, the Board approved revision in sitting fee payable to directors for attending the meetings of the Board / Committee(s) thereof with effect from July, 2014 as detailed below:

	Board (Rs.)	Audit Committee (Rs.)	Stakeholder's relationship committee (Rs.)	Finance Committee (Rs.)	Nomination & Remuneration Committee (Rs.)	CSR Committee (Rs.)
Upto June 2014	20,000	20,000	2,500	2,500	-	-
July 2014 onwards	30,000	25,000	5,000	2,500	10,000	5,000

The above fees exclude reimbursement of actual travel and out-of-pocket expenses incurred by them for attending the meetings.

The Board approved payment of sitting fees to Mr. L Lakshman effective May 21, 2014 for attending the meetings of the Board and committees thereof.

The details of sitting fees paid to the directors for the year ended March 31, 2015 are as follows:

Name of the Director	Sitting Fees (Rs.)
Mr. S A Murali Prasad	2,55,000
Mr. S Sandilya	2,55,000
Mr. Suresh Chandra Gupta	2,20,000
Mr. Anil Kumar V Epur	1,55,000
Mr. L Lakshman	1,45,000
Mr. Harish Lakshman	1,55,000
Mr. L Ganesh	2,15,000
Mr. Koji Nishihara*	20,000
Mr. Kazuhiro Iwata*	50,000
Ms. Ranjana Kumar	60,000

* remitted to Nisshinbo Holdings Inc. Japan.

Pursuant to the approval accorded by shareholders vide special resolution passed at 7th Annual General Meeting held on July 13, 2012, a Commission of Rs. 20,72,941/- is payable for the year 2014-15 to Mr. L Ganesh, Chairman.

The Nomination and Remuneration Committee at its meeting held on May 22, 2015, has recommended revision of payment of commission to Mr L Ganesh, not exceeding 2% of the net profits of the Company, for a period of three years commencing from April 1, 2015. The Board at its meeting held on May 22, 2015 considered and approved the same subject to the approval of shareholders. This subject is being proposed to the shareholders at the ensuing Annual General Meeting to be held on July 20, 2015.

The shareholding details of directors for the year ended March 31, 2015:

Name of the Director	No. of shares	No. of Shares pledged
Mr. L Lakshman	50	Nil
Mr. L Ganesh	50	Nil
Mr. Harish Lakshman	50	Nil

None of the other directors holds any share in the Company. There is no stock option scheme prevailing in the Company.

5. Stakeholder's Relationship Committee

Composition & Attendance of Meetings:

The Stakeholder's Relationship Committee has been constituted pursuant to Section 178 of the Companies Act 2013 and as per the requirements under clause 49 of the Listing Agreement to look into all types of grievances from shareholders and redress them expeditiously. The following are its members:

Name of the Director	Category
Mr. Harish Lakshman	Chairman - Non-Executive & Promoter
Mr. L Ganesh	Member - Non-Executive & Promoter
Mr. Anil Kumar V Epur	Member - Independent

The Company Secretary is the compliance officer of the company.

The Committee met three (3) times during the year July 22, 2014, October 20, 2014 and January 23, 2015.

Name of the Director	No. of meetings Attended
Mr. Harish Lakshman	3
Mr. L Ganesh	3
Mr. Anil Kumar V Epur	3

During the year, the Company received 5 complaints from the investors and all of them were disposed off. These complaints pertained to non-receipt of dividend warrant and non-receipt of annual report etc. During the year, no complaint was received from Ministry of Corporate Affairs/ SEBI, including SEBI Complaints

Redress System (SCORES). There are no investor complaints pending unresolved at the end of the financial year 2014-15.

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 Policy was reviewed by the Board at its meeting dated May 21, 2014.

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

Name of the Director	Category
Mr. L Lakshman	Chairman - Non-Executive & Promoter
Mr. L Ganesh	Member - Non-Executive & Promoter
Mr. S C Gupta	Member - Independent

The Committee met twice (i.e. 2 times) during the year on May 21, 2014 and October 20, 2014.

Name of the Director	No. of meetings Attended
Mr. L Lakshman	2
Mr. L Ganesh	2
Mr. S C Gupta	2

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 2014-15 as approved by the CSR committee in consultation with the Board is annexed to Report of the Board of Directors.

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 such Senior Management Personnel designated from time to time. The Committee meets on a case to case basis to approve share transfers and transmissions. Share transfer process is completed within 15 days from the date of receipt of transfer documents by the Registrar and Transfer Agent (RTA). Requests for dematerialisation are generally confirmed on a weekly basis by the RTA. No sitting fee is payable to the committee members.

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 comprises of Mr. L Ganesh, Mr. L Lakshman and Mr. Harish Lakshman as its members. During the year no meetings were held.

Executive Committee

The Executive Committee has been constituted to carry out activities in connection with operation of bank accounts and authorization of officials under various legislations and other administrative matters between two consecutive meetings of the Board. The committee comprises of Mr. L Ganesh, Mr. L Lakshman and Mr. Harish Lakshman as its members. No sitting fee is payable to the committee members. No meetings were held during the year.

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 President 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 <http://www.rane.co.in/pdf/policies/rblcfd.pdf>.

9. General Body Meetings

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

Date of AGM	Special resolutions passed	Time	Venue
July 22, 2014 (Ninth AGM)	1. Approve borrowing powers. 2. Re-appointment of Mr. P.S Rao as ‘Manager’ under the Companies Act, 2013	10.15 A.M	The Music Academy (Mini Hall), New No. 168, TTK Road, Royapettah, Chennai 600 014
July 24, 2013 (Eighth AGM)	No Special resolution was passed	10.15 A.M	
July 13, 2012 (Seventh AGM)	1. Appointment of Mr. P S Rao as ‘Manager’ under the Companies Act, 1956 2. Payment of Commission to Mr. L Ganesh, Chairman	10.15 A.M	

During the year 2014-15, the company conducted a postal ballot to secure the approval of shareholders on the following subjects, through postal ballot and e-voting:

Item No. 1 : Adoption of new set of Articles of Association of the Company

Item No. 2 : Sell, lease, mortgage or otherwise dispose of the property or undertaking of the Company under section 180(1)(a) and other applicable provisions of the Companies Act, 2013 and rules made thereunder in connection with the borrowings of the Company

Item No. 3 : Appointment of Mr. Vinay Lakshman, as Senior Vice-President of the Company, in compliance with section 188(1)(f) and other applicable provisions of the Companies Act, 2013 and rules made thereunder.

Procedure for postal ballot

The Board of Directors at their meeting held on July 22, 2014 appointed Mr. R Balasubramaniam, Practising Company Secretary as Scrutinizer for conducting the postal ballot / e-voting process in a fair and transparent manner.

The procedures prescribed under Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 were duly followed for conducting the postal ballot process for approving the resolutions mentioned above.

Mr. Harish Lakshman, director announced the combined results of the postal ballot on August 28, 2014.

All the above resolutions were approved by the shareholders as special resolutions and details of the voting pattern are furnished as under:

Particulars	Special Resolutions as set out in the Notice dated July 22, 2014			
	Item No.1	Item No.2	Item No.3	
(a) Total votes cast through postal ballot form / e-voting	39,65,274	39,64,214	386,109	
(b) Less: Invalid votes	27,719	27,719	27,719	
(c) Net valid votes cast through postal ballot form / e-voting	39,37,555	39,36,495	358,390	
(d) Votes cast for the resolution	No. of Votes	39,37,508	39,36,344	358,268
	In %	99.999	99.996	99.966
(e) Votes cast against the resolution	No. of Votes	47	151	122
	In %	0.001	0.004	0.034

10. Disclosures

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 38 of the financial statements have been reviewed / approved by the Audit Committee. The policy on Related party Transaction is available on the website of the Company at <http://rane.co.in/pdf/policies/rblrpt.pdf>.

1. 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.
2. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company.
3. The Company has in place a mechanism to inform the Board members about the risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.
4. The Company has complied with all the mandatory requirements prescribed under revised clause 49 of the listing agreement.

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

- i. maintaining an office for the Chairman at the registered office of the Company
 - ii. adopting best practices to ensure a regime of unqualified financial statements
 - iii. individual communication of half-yearly results to shareholders
 - iv. separate posts for Chairman and President who heads the operations of the Company
 - v. Internal Auditor directly reporting to the Audit Committee
5. 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. During the year, the company electronically integrated the STACK 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.

6. The Company does not have any material listed / unlisted subsidiary companies as defined in Clause 49 of the Listing Agreement.
7. The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Clause 49 of the Listing Agreement.
8. 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 clause 49 (IX) of the Listing Agreement and Companies Act, 2013.

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 <http://rane.co.in/pdf/policies/rblwbpolicy.pdf>

During the year, no instance was reported under this policy.

12. Means of communication

The quarterly / annual financial results were published in "Business Standard" (English) and "Dinamani" (Tamil). The financial results and the shareholding pattern were uploaded in the websites of the stock exchanges and the Company viz. www.rane.co.in. During the year, a presentation was made to analysts/institutional investors and was published on the website of the Company. A management discussion and analysis report forms part of the annual report.

13. General Shareholder Information

i. Information about director seeking appointment / re-appointment in this AGM

Name of the Director	Mr. L Lakshman	Ms. Ranjana Kumar
DIN	00012554	02930881
Father's Name	L L Narayan	Late Sri Kameshwar Nath Raina
Date of Birth	July 17, 1946	December 10, 1945
Educational Qualifications	B.E, Executive MBA from London Business School	BA, CAIIB
Experience	Mr. L Lakshman has been spearheading the business of different companies in Rane Group and has more than 45 years of industrial experience.	Ms. Ranjana Kumar is a prominent banker with varied experience of around 44 years. She was also the Chairman and Managing Director of Indian Bank.
Date of Appointment	June 18, 2007	January 23, 2015
Other Directorships	Executive Chairman 1. Rane Holdings Limited Director 1. Rane (Madras) Limited 2. Rane Engine Valve Limited 3. JMA Rane Marketing Limited 4. DCM Engineering Limited 5. SRF Limited 6. Rane TRW Steering Systems Private Limited 7. Rane NSK Steering Systems Private Limited	1. Tata Global Beverages Limited 2. Coromandel International Limited 3. International Paper Appm Limited 4. Britannia Industries Limited 5. International Asset Reconstruction Company Private Limited 6. Vyome Biosciences Private Limited 7. Rainbow Children's Medicare Private Limited
Committee Memberships	Chairman – Audit Committee 1. Rane TRW Steering Systems Private Limited. 2. Rane NSK Steering Systems Private Limited. Member – Audit Committee 1. Rane Engine Valve Limited 2. Rane (Madras) Limited 3. SRF Limited 4. DCM Engineering Limited Chairman – Stakeholders Relationship Committee Rane (Madras) Limited Member – Nomination and Remuneration Committee 1. Rane (Madras) Limited 2. Rane Engine Valve Limited Chairman – Corporate Social Responsibility Committee 1. Rane (Madras) Limited 2. Rane Engine Valve Limited 3. Rane Holdings Limited	Chairman – Audit Committee 1. Vyome Biosciences Private Limited Member – Audit Committee 1. Tata Global Beverages Limited 2. International Asset Reconstruction Company Private Limited Chairman- Nomination and Remuneration Committee 1. Tata Global Beverages Limited 2. International Asset Reconstruction Company Private Limited Member – Nomination and Remuneration Committee Coromandel International Limited Chairman – Stakeholders Relationship Committee 1. Coromandel International Limited 2. International Paper APPM Limited Chairman – Corporate Social Responsibility Committee 1. Tata Global Beverages Limited 2. Coromandel International Limited Member– Corporate Social Responsibility Committee International Asset Reconstruction Company Private Limited Member– Risk Management Tata Global Beverages Limited Chairman– Risk Management Coromandel International Limited Member- Ethics and Compliance Tata Global Beverages Limited Member- Capex Rainbow Children's Medicare Private Limited
Number of shares held	50	NIL

ii. Annual General Meeting

July 20, 2015 at 10.30 a.m.
The Music Academy (Mini Hall)
New No.168, T T K 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, 2015	May 22, 2015
Un-audited results for the 1 st quarter ending June 30, 2015	July 20, 2015
Un-audited results for the 2 nd quarter ending September 30, 2015	October 19, 2015
Un-audited results for the 3 rd quarter ending December 31, 2015	January 28, 2016
Annual Accounts for the year ending March 31, 2016	By last week of May 2016

iv. Book Closure & Dividend

The book closure period is from July 13, 2015 (Monday) to July 20, 2015 (Monday), both days inclusive.

Dividend

The Board of Directors at its meeting held on May 22, 2015, has recommended a dividend of Rs.7/- per equity share. The dividend, if declared by the shareholders, will be paid on July 27, 2015 to all those members whose name appears in the register of members as on July 20, 2015 and in respect of shares in electronic form to those beneficial owners of the shares as at the end of business hours on July 12, 2015.

v. Listing on Stock Exchanges

Stock Exchanges	Stock Code
National Stock Exchange of India Limited (NSE) Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	RBL
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	532987

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. Pursuant to an application by the Company for voluntary delisting, as per SEBI (Delisting of Equity Shares) Regulations, 2009, the equity shares have been delisted from Madras Stock Exchange Ltd., effective June 10, 2014. The Company has paid the Annual Listing fee for the financial year 2015-16 to NSE & BSE where the shares of the Company continues 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, 2008 and thereafter which remain unclaimed for a period of seven years (including dividend declared by erstwhile Rane Brake Linings Limited) will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.

During the year, the Company transferred to IEPF an unclaimed dividend amount Rs.95,022/- for the financial year ended March 31, 2007. The Company has sent reminder letters to each of the shareholder's whose dividend is remaining unclaimed as per the records available with the Company. Information in respect of such unclaimed dividends when due for transfer to the said fund is given below:

Year	Date of declaration	Dividend per share # (Rs.)	Amount outstanding in Unclaimed Dividend Account (as on 31.03.2015) (Rs.)	Last Date for claiming unpaid dividend	Due date for transfer to IEPF
31.03.2008	22.07.2008	4.00	1,12,364.00	26.08.2015	25.09.2015
31.03.2009	20.07.2009	2.00	63,258.00	19.08.2016	18.09.2016
31.03.2010 *	21.01.2010	3.00	99,936.00	26.02.2017	28.03.2017
31.03.2010	21.07.2010	1.50	94,101.00	26.08.2017	25.09.2017
31.03.2011 *	25.01.2011	3.00	1,05,141.00	02.03.2018	01.04.2018
31.03.2011	22.07.2011	2.00	70,908.00	27.08.2018	26.09.2018
31.03.2012 *	25.01.2012	4.00	1,84,304.00	01.03.2019	31.03.2019
31.03.2012	13.07.2012	3.00	1,21,893.00	18.08.2019	17.09.2019
31.03.2013*	22.01.2013	2.00	81,606.00	27.02.2020	28.03.2020
31.03.2013	24.07.2013	2.00	83,778.00	29.08.2020	28.09.2020
31.03.2014	22.07.2014	7.50	3,07,477.50	27.08.2021	26.09.2021

- Share of paid-up value of Rs.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 July 22, 2014 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 have also been uploaded in the website of the Company viz. www.rane.co.in

vii Unclaimed share certificates

Under clause 5A (II) of the listing agreement entered with stock exchanges, the Company had sent three reminders to the shareholders for getting their confirmation on unclaimed shares.

Based on the response received from the shareholders, the Company had transferred 17,872 unclaimed shares pertaining to 145 shareholders in physical form into one folio in the name of "Rane Brake Lining Limited Unclaimed Shares Suspense Account" and dematerialised the same. Five shareholders had approached the company during the year for transfer of 500 shares which were transferred from the unclaimed shares suspense account of the company. The balance 17,272 shares pertaining to 140 shareholders were lying as unclaimed as on March 31, 2015. The voting

rights of these shareholders shall remain frozen till the rightful owner of such shares claims the same.

viii Green Initiative

The Ministry of Corporate Affairs ("MCA") has taken a "green initiative in the corporate governance" by allowing companies to make paperless compliances and service of notice / documents including annual reports to the shareholders of the Company through electronic mode. As a responsible corporate citizen, your Company welcomes and supports the green initiative taken by the MCA, as this will reduce paper consumption to a great extent and allow the members to contribute towards a greener environment. This will also ensure prompt receipt of communication and avoid loss in postal transit.

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. In order to support this initiative, members are requested to register their e-mail addresses, with the DPs, in case shares are held in dematerialized form and with the Registrar and Transfer agent, in case the shares are held in physical form.

ix. 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, 2014 – March 31, 2015 is given below :

Month	BSE		BSE Sensex		NSE		NSE Nifty	
	Share Prices (Rs.)				Share Prices (Rs.)			
	High	Low	High	Low	High	Low	High	Low
April 2014	150.75	126.00	22,876.54	22,277.23	149.00	123.00	6,840.80	6,675.30
May 2014	208.70	132.00	24,716.88	22,323.90	209.70	134.30	7,367.10	6,652.55
June 2014	241.50	212.75	25,583.69	24,684.85	241.20	212.30	7,656.40	7,362.50
July 2014	302.80	242.40	26,271.85	25,006.98	300.55	244.30	7,830.60	7,454.15
August 2014	277.65	240.75	26,638.11	25,329.14	280.00	240.85	7,954.35	7,568.55
September 2014	324.85	277.15	27,319.85	26,468.36	327.65	273.25	8,173.90	7,911.85
October 2014	323.25	276.05	27,865.83	25,999.34	319.40	276.55	8,322.20	7,748.20
November 2014	294.65	265.60	28,693.99	27,860.38	295.15	264.80	8,588.25	8,324.15
December 2014	306.70	284.65	28,562.82	26,710.13	310.95	282.75	8,564.40	8,029.80
January 2015	351.90	285.00	29,681.77	26,908.82	354.40	285.50	8,952.35	8,102.10
February 2015	339.70	305.00	29,462.27	28,227.39	336.70	307.70	8,901.85	8,526.35
March 2015	332.80	332.80	29,593.73	27,457.58	330.50	290.10	8,996.25	8,341.40

(Source:www.bseindia.com & www.nseindia.com)

x. Registrar and Transfer Agent

The contact details of the Registrar and Transfer Agents 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@iepindia.com

Name of the contact person:
Mr. K. Suresh Babu,
Vice President

xi. Share Transfer System

The power to approve transfer of shares has been delegated by the Board to the Share Transfer

Committee. Share transfer process is completed within 15 days from the date of receipt of transfer document by the Registrar and Transfer Agents (RTA). Requests for dematerialisation are generally confirmed on a weekly basis by the RTA.

On a half-yearly basis the compliance with the share transfer formalities is audited by a Practising Company Secretary (PCS) in terms of clause 47(c) of the Listing Agreement with the stock exchanges and a certificate to this effect is filed with the stock exchanges. Also 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 PCS 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.

xii. Distribution of shareholding as on March 31, 2015

No. of shares held	Shareholders		Shares	
	Number	% to total	Number	% to total
Upto 500	5759	92.01	5,58,865	7.06
501 – 1000	244	3.90	1,92,815	2.44
1001 – 2000	106	1.69	1,58,613	2.00
2001 – 5000	101	1.61	3,28,728	4.15
5001 – 10000	27	0.43	1,98,968	2.51
10001 – 20000	6	0.10	91,925	1.16
20001 – 50000	12	0.19	3,70,978	4.69
50001 & above	4	0.06	60,14,088	75.98
Total	6259	100.00	79,14,980	100.00

xiii. Pattern of shareholding

The detailed shareholding pattern of the company as at March 31, 2015 and March 31, 2014 is furnished in the extract to annual return in form MGT-9 which is annexed to Report of Board of Directors as 'Annexure F'.

Sl. No.	Category	As on March 31, 2015			As on March 31, 2014		
		No. of Shareholders	No. of Shares	% total capital	No. of Shareholders	No. of Shares	% total capital
A	Promoters	12	52,63,410	66.50	12	51,92,274	65.60
B	Mutual Funds & UTI	1	200	0.00	1	200	0.00
C	Banks, Financial Institutions & Insurance Companies	5	7,71,173	9.74	5	7,71,173	9.74
D	Foreign Institutional Investor	1	271	0.00	-	-	-
E	Private Corporate Bodies	139	88,813	1.12	110	1,11,122	1.40
F	Indian Public and others	6,027	17,61,111	22.25	5,504	18,13,797	22.92
G	NRI	74	30002	0.38	60	26,414	0.33
Total		6259	79,14,980	100.00	6,136	79,14,980	100.00

xiv. Shares**Dematerialization**

The Company has entered into the necessary agreements with National Securities Depository Limited and Central Depositories Services (India) Limited for dematerialisation of the shares held by investors. As of March 31, 2015, about 97.75% 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, 2015	As on March 31, 2014	As on March 31, 2015	As on March 31, 2014
Physical	1,77,850	1,90,234	2.25	2.40
Demat	77,37,130	77,24,746	97.75	97.60
Total	79,14,980	79,14,980	100.00	100.00

The equity shares held by the promoter & promoter group in the Company have been fully dematerialised.

Share capital reconciliation audited by a practicing company secretary is furnished every quarter to stock exchanges.

Demat ISIN Number: INE244J01017

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

xv. **Plant locations** - given on the page no. 5 of the Annual Report.

xvi. **Address for communication:**

The Compliance officer
Rane Brake Lining Limited
Rane Corporate Centre,
"Maithri" 132, Cathedral Road,
Chennai 600 086.

Ph.28112472 Fax: 28112449

E-mail: investorservices@rane.co.in

OR

Mr. K Suresh Babu
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@iepindia.com

To

The Members
Rane Brake Lining Limited

Declaration by Chief Executive Officer on Code of Conduct under clause 49 of the Listing Agreement

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, 2015.

Chennai
May 22, 2015

P S Rao
Manager

Auditors' Certificate on compliance with the conditions of Corporate Governance

To the Members of **Rane Brake Lining Limited**

1. We have examined the compliance of the conditions of Corporate Governance by **Rane Brake Lining Limited**, for the year ended March 31, 2015 as stipulated in clause 49 of Listing Agreement of the said Company with the Stock Exchanges in India.
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certification Corporate Governance (as stipulated in Clause 49 of the Listing Agreement) by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the Financial Statements of the Company.
3. In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Varma & Varma**
Chartered Accountants
Firm Registration Number : 004532S

P R PRASANNA VARMA
Partner
Membership Number : 025854

Place: Chennai
Date : May 22, 2015

Annexure F to the Report of the Board of Directors

Extract of Annual Return - MGT 9

as on the financial year ended March 31, 2015

[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	:	L63011TN2004PLC054948
(ii)	Registration Date	:	17/12/2004
(iii)	Name of the Company	:	Rane Brake Lining Limited
(iv)	Category / Sub-Category of the Company	:	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: corpserve@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	Friction materials - Brake Lining, Disc pad, Brake shoe, Clutch facing and Clutch button	C-29-301	94%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	Rane Holdings Limited 'Maithri' No.132, Cathedral Road, Chennai – 600086, India	L35999TN1936PLC002202	Holding Company	46.09	2(46)

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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter(s)									
(1) Indian									
a) Individual/ HUF	450	-	450	0.01	450	-	450	0.01	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	35,77,175	-	35,77,175	45.19	36,48,311	-	36,48,311	46.09	0.90
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	35,77,625	-	35,77,625	45.20	36,48,761	-	36,48,761	46.10	0.90
(2) Foreign									
a) NRIs – Individuals	19,400	-	19,400	0.25	19,400	-	19,400	0.25	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	15,95,249	-	15,95,249	20.15	15,95,249	-	15,95,249	20.15	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	16,14,649	-	16,14,649	20.40	16,14,649	-	16,14,649	20.40	-
Total Public Shareholding (A) = (A)(1)+ (A)(2)	51,92,274	-	51,92,274	65.60	52,63,410	-	52,63,410	66.50	0.90
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	200	200	0.00	-	200	200	0.00	-
b) Banks / FI	-	645	645	0.01	-	645	645	0.01	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	7,70,528	-	7,70,528	9.74	7,70,528	-	7,70,528	9.74	-
g) FIIs	-	-	-	-	271	-	271	0.00	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	7,70,528	845	7,71,373	9.75	7,70,799	845	7,71,644	9.75	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1,09,497	1,625	1,11,122	1.40	87,188	1,625	88,813	1.12	(0.28)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	11,24,792	1,46,941	12,71,733	16.07	11,78,508	1,34,562	13,13,070	16.60	0.53

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	4,79,640	38,668	5,18,308	6.55	3,87,563	38,668	4,26,231	5.39	(1.16)
c) Others									
Non Resident Indians	24,259	2155	26,414	0.33	27,852	2,150	30,002	0.38	0.05
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	5,879	-	5,879	0.07	689	-	689	0.01	(0.06)
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
Individual CM/TM –Client Beneficiary	4	-	4	0.00	-	-	-	-	-
Individual CM/TM –Client Margin	-	-	-	0.00	391	-	391	0.00	0.00
Corporate CM/TM –Client Beneficiary	-	-	-	-	2453	-	2,453	0.03	0.03
Individual Margin trading Account	-	-	-	-	1004	-	1,004	0.01	0.01
Limited Liability Partnership	1	-	1	0.00	1	-	1	0.00	-
Rane Brake Lining Limited - Unclaimed Shares Suspense Account	17,872	-	17,872	0.23	17,272	-	17,272	0.22	(0.01)
Sub-total (B)(2):-	17,61,944	1,89,389	19,51,333	24.65	17,02,921	-	18,79,926	23.75	(0.90)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	25,32,472	1,90,234	27,22,706	34.40	24,83,720	1,67,850	26,51,570	33.50	(0.90)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	77,24,746	1,90,234	79,14,980	100.00	77,37,130	1,77,850	79,14,980	100.00	0.00

(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	Rane Holdings Limited	35,77,175	45.19	-	36,48,311	46.09	-	0.90
2	Nisshinbo Holdings Inc.,	15,95,249	20.15	-	15,95,249	20.15	-	0.00
3	Rekha Sundar	19,400	0.25	-	19,400	0.25	-	0.00
4	Pushpa Lakshman	50	0.00	-	50	0.00	-	0.00
5	Vinay Lakshman	50	0.00	-	50	0.00	-	0.00
6	Lakshman Harish	50	0.00	-	50	0.00	-	0.00
7	Ganesh L	50	0.00	-	50	0.00	-	0.00
8	Meenakshi Ganesh	50	0.00	-	50	0.00	-	0.00
9	Lakshman L	50	0.00	-	50	0.00	-	0.00
10	Malavika Lakshman	50	0.00	-	50	0.00	-	0.00
11	Aparna Ganesh	50	0.00	-	50	0.00	-	0.00
12	Aditya Ganesh	50	0.00	-	50	0.00	-	0.00
	TOTAL	51,92,274	65.60	-	52,63,410	66.50	-	0.90

(iii) Change in Promoters' Shareholding :

(a) Rane Holdings Limited

S. No.	Particulars	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				
	Rane Holdings Limited	35,77,175	45.19	35,77,175	45.19
	Datewise Increase in Promoters shareholding during the year specifying the reasons for increase /decrease: (e.g. allotment /transfer / bonus/ sweat equity etc.)				
	Reasons for increase: Market purchase by Rane Holdings Limited				
1	May 29, 2014	549	0.01	35,77,724	45.20
2	May 30, 2014	1261	0.02	35,78,985	45.22
3	November 12, 2014	250	0.00	35,79,235	45.22
4	November 24, 2014	1860	0.02	35,81,095	45.24
5	November 25, 2014	9071	0.11	35,90,166	45.36
6	November 26, 2014	480	0.01	35,90,646	45.37
7	December 2, 2014	325	0.00	35,90,971	45.37
8	December 9, 2014	2412	0.03	35,93,383	45.40
9	December 12, 2014	408	0.01	35,93,791	45.40
10	December 16, 2014	4152	0.05	35,97,943	45.46
11	December 17, 2014	172	0.00	35,98,115	45.46
12	December 24, 2014	196	0.00	35,98,311	45.46
13	February 10, 2015	2216	0.03	36,00,527	45.49
14	February 11, 2015	2101	0.03	36,02,628	45.52
15	February 12, 2015	8839	0.11	36,11,467	45.63
16	February 13, 2015	2769	0.03	36,14,236	45.66
17	February 16, 2015	1660	0.02	36,15,896	45.68
18	February 18, 2015	2415	0.03	36,18,311	45.71
19	February 26, 2015	5343	0.07	36,23,654	45.78
20	February 27, 2015	101	0.00	36,23,755	45.78
21	February 28, 2015	792	0.01	36,24,547	45.79
22	March 2, 2015	928	0.01	36,25,475	45.81
23	March 3, 2015	10067	0.13	36,35,542	45.93
24	March 4, 2015	2769	0.03	36,38,311	45.97
25	March 9, 2015	1030	0.01	36,39,341	45.98
26	March 10, 2015	1500	0.02	36,40,841	46.00
27	March 11, 2015	222	0.00	36,41,063	46.00
28	March 12, 2015	59	0.00	36,41,122	46.00
29	March 13, 2015	226	0.00	36,41,348	46.01
30	March 16, 2015	921	0.01	36,42,269	46.02
31	March 17, 2015	1050	0.01	36,43,319	46.03
32	March 18, 2015	144	0.00	36,43,463	46.03
33	March 19, 2015	136	0.00	36,43,599	46.03
34	March 20, 2015	541	0.01	36,44,140	46.04
35	March 23, 2015	4171	0.05	36,48,311	46.09
	At the end of the year				
	Rane Holdings Limited	36,48,311	46.09	36,48,311	46.09

(b) No Change in the shareholding of other promoters.

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

S.No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in Shareholding	% of Total shares of the Company	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares	% of total shares of the company					No. of shares	% of total shares of the company
1	United India Insurance Company Limited	479,030	6.05	-	-	-	-	479,030	6.05
2	General Insurance Corporation Of India	291,498	3.68	-	-	-	-	291,498	3.68
3	M M Narayanamma	46,594	0.59	-	-	-	-	46,594	0.59
4	Om Prakash Rawat	37,000	0.47	Aug 29, 2014	(270)	0.00	Transfer	36,730	0.46
				Sep 12, 2014	(3,708)	0.05	Transfer	33,022	0.42
				Oct 17, 2014	(395)	0.00	Transfer	32,627	0.41
				Jan 30, 2015	(1,277)	0.02	Transfer	31,350	0.40
5	Ramani Narayan Swamy	35,180	0.44	-	-	-	-	35,180	0.44
6	S N Swamy	34,544	0.44	-	-	-	-	34,544	0.44
7	Bachaladharani .	29,901	0.38	-	-	-	-	29,901	0.38
8	Shanmugasundaram K N	27,200	0.34	-	-	-	-	27,200	0.34
9	Saraswathi S	27,126	0.34	Apr 11, 2014	(1,000)	0.01	Transfer	26,126	0.33
10	Vishesh Jain	49,014	0.62	Mar 31, 2015	(49,014)	0.62	Transfer	-	-

(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				
Mr. L.Lakshman	50	0.00	50	0.00
Mr. L Ganesh	50	0.00	50	0.00
Mr. Harish Lakshman	50	0.00	50	0.00
Mr. S.A. Murali Prasad	-	-	-	-
Mr. S Sandilya	-	-	-	-
Mr. Koji Nishihara [#]	-	-	-	-
Mr. S C Gupta	-	-	-	-
Mr. Anil Kumar V Epur	-	-	-	-
Ms. Ranjana Kumar	-	-	-	-
Mr. P.S. Rao (Manager)	-	-	-	-
Mr. M.A.P. Sridhar Kumar (CFO)	-	-	-	-
Mr. G. Karthikeyan* (Company Secretary)	-	-	-	-
Total at the beginning of the year	150	0.00	150	0.00
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				
Mr. L.Lakshman	50	0.00	50	0.00
Mr. L Ganesh	50	0.00	50	0.00
Mr. Harish Lakshman	50	0.00	50	0.00
Mr. S.A. Murali Prasad	-	-	-	-
Mr. S Sandilya	-	-	-	-
Mr. Koji Nishihara [#]	-	-	-	-
Mr. S C Gupta	-	-	-	-
Mr. Anil Kumar V Epur	-	-	-	-
Ms. Ranjana Kumar	-	-	-	-
Mr. P.S. Rao (Manager)	-	-	-	-
Mr. M.A.P. Sridhar Kumar (CFO)	-	-	-	-
Mr. G. Karthikeyan* (Company Secretary)	-	-	-	-
Total at the end of the year	150	0.00	150	0.00

* Resigned with effect from February 27, 2015.

[#] Resigned with effect from May 21, 2014.

V. INDEBTEDNESS:

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

(in Rs.)

	Secured Loans Excluding Deposits - Long term Loan	Secured Loans Excluding Deposits- Working Capital	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i) Principal Amount	33,99,56,424	34,28,15,252	5,53,04,176	6,75,95,000	80,56,70,852
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	38,59,852	27,16,271	-	33,15,434	98,91,557
Total (i+ii+iii)	34,38,16,276	34,55,31,523	5,53,04,176	7,09,10,434	81,55,62,409
Change in Indebtedness during the financial year					
Addition			10,00,00,000	-	10,00,00,000
Reduction	(16,29,28,574)	(20,13,52,671)	(22,96,672)	(2,36,90,000)	(39,02,67,917)
Net Change	(16,29,28,574)	(14,14,62,582)	10,00,00,000	(2,36,90,000)	(29,02,67,917)
Indebtedness at the end of the financial year					
i) Principal Amount	17,70,27,850	14,14,62,582	15,30,07,504	4,39,05,000	51,54,02,936
ii) Interest due but not paid					
iii) Interest accrued but not due	21,52,406	7,85,898	49,315	32,94,749	62,82,368
Total (i+ii+iii)	17,91,80,256	14,22,48,480	15,30,56,819	4,71,99,749	52,16,85,304

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

S. No	Particulars of Remuneration	Name of Manager	Total Amount
		P S Rao	(In Rs.)
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	75,14,264	75,14,264
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	73,602	73,602
(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	10,16,196	10,16,196
Total (A)		86,04,062	86,04,062
Ceiling as per Act		Rs. 2,14,05,892/- (being 10% of net profits of the Company calculated as per Section 198 of the Companies Act, 2013).	

B. Remuneration to other Directors:

(in Rs.)

S. No.	Particulars of Remuneration	Name of Directors										Total Amount
		L Ganesh	L Lakshman	Harish Lakshman	S A Murali Prasad	S Sandilya	Anil Kumar V Epur	Kazuhiro Iwata#	S C Gupta	Ranjana Kumar	Koji Nishihara*	
1	Independent Directors											
a	Fee for attending board / committee meetings	-	-	-	2,55,000	2,55,000	1,55,000	50,000	2,20,000	60,000	20,000	10,15,000
b	Commission	-	-	-	-	-	-	-	-	-	-	-
c	Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	Total (1)	-	-	-	2,55,000	2,55,000	1,55,000	50,000	2,20,000	60,000	20,000	10,15,000
2	Other Non-Executive Directors											
a	Fee for attending board / committee meetings	2,15,000	1,45,000	1,55,000	-	-	-	-	-	-	-	5,15,000
b	Commission	20,72,941	-	-	-	-	-	-	-	-	-	20,72,941
c	Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	Total (2)	22,87,941	1,45,000	1,55,000	-	-	-	-	-	-	-	25,87,941
	Total B = (1+2)	22,87,941	1,45,000	1,55,000	2,55,000	2,55,000	1,55,000	50,000	2,20,000	60,000	20,000	36,02,941
Ceiling as per Act				Rs. 21,40,589/- (being 1% of net profits of the Company calculated as per Section 198 of the Companies Act, 2013).								
Total Managerial Remuneration (A + B)				Rs. 1,22,07,003/-								
Overall ceiling as per the Act				Rs. 2,35,46,480/- (being 11% of net profits of the Company calculated as per Section 198 of the Companies Act, 2013).								

* Resigned with effect May 21, 2014.

Appointed with effect May 21, 2014.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(in Rs.)

S. No	Particulars of Remuneration	Key Managerial Personnel		
		CS Mr. G Karthikeyan*	CFO Mr. M A P Sridhar Kumar	Total
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14,04,273	28,96,325	43,00,598
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	66,173	66,173
	(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	-	6,32,493	6,32,493
Total (C)		14,04,273	35,94,991	49,99,264

* Paid by Rane Holdings Limited (RHL), as part of the secretarial services availed by the Company. Mr. G Karthikeyan resigned with effect from February 27, 2015 and the amount includes settlement figures.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Independent Auditors' Report

TO THE MEMBERS OF RANE BRAKE LINING LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Rane Brake Lining Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Profit and Loss Statement and the Cash flow Statement for the year then ended, and a summary of 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 and presentation of these 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 judgements 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 there under.

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 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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, 2015 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 the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section(11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. 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 Profit and Loss Statement 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act; and
- (f) 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-23 to the financial statements;

- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Varma & Varma**
Chartered Accountants
Firm Registration Number : 04532S

P R PRASANNA VARMA
Partner
Membership Number : 025854

Place : Chennai
Date : May 22, 2015

Annexure referred to in our Audit report of even date

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2015, we report that:

- (i) a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, major items of fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) a. We are informed that the physical verification of inventory has been conducted by the management at reasonable intervals, having regard to the size of the Company and the nature of its business.
- b. In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management are generally reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. In our opinion and according to the information and explanation given to us, the company is maintaining proper records of inventory and discrepancies noticed on physical verification were properly dealt with in the books of account by the management.
- (iii) a. The Company has not granted any loans, secured or unsecured, to companies / firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013, except an interest free unsecured loan given to a party in the earlier years.
- b. In our opinion, the party has been regular in repayment of the principal amount as per the revised terms.
- c. There are no overdue amounts of more than rupees one lakh in respect of the loan granted to the party covered under the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased / services availed are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, the internal control systems for the purpose of inventory and fixed assets and for the sale of goods and services are generally commensurate with the size of the company and nature of its business. There are no major weaknesses in internal control of a continuing nature.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from public during the year. In respect of the deposits accepted in the earlier years and which has not fallen due for repayment as at the year end, we are of the opinion that the company, having regard to the facts stated in Note No. 5.4 (ii) to the financial statements, has complied with the provisions of Section 73 to 76 or other relevant provisions of the Act and the rules framed there under.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the company at this stage.
- (vii) a. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has been regular in depositing the statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, excise duty, value added tax, cess and other material statutory dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us and as per the records of the Company examined by us, the following disputed amounts have not been deposited with the authorities as at March 31, 2015.

Nature of dues	Statute	Amount (Rs. in Cr)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	3.87	April 01 to March 02, April 05 to March 06 & April 10 to March 12	Commissioner of Income Tax (Appeals), Chennai
Income Tax Act, 1961	Income Tax	7.50	April 00 to March 01, April 04 to March 05, April 06 to March 07 & April 09 to March 10	Income Tax Appellate Tribunal, Chennai
Income Tax Act, 1961	Income Tax	0.02	April 03 to March 04	High Court of Judicature, Madras
Central Excise Act, 1944	Excise Duty (including interest and penalty)	0.76	April 01 to March 04 & April 09 to March 10	Commissioner of Central Excise (Appeals), Chennai
Central Excise Act, 1944	Excise Duty (including interest and penalty)	0.03	December 2011	Customs, Excise And Service Tax Appellate Tribunal, Chennai
Finance Act, 1994	Service Tax (including interest and penalty)	1.92	August 02 to March 04, September 04 to May 08, April 10 to March 11 & August 12	Customs, Excise And Service Tax Appellate Tribunal, Chennai
Central Sales Tax Act, 1956	Sales Tax	0.03	April 04 to March 05	Sales Tax Appellate Tribunal, Hyderabad
Central Sales Tax Act, 1956	Sales Tax	0.15	April 05 to March 07	The Appellate Deputy Commissioner of Commercial Taxes, Chennai
Central Sales Tax Act, 1956	Sales Tax	0.34	April 08 to March 11	The Appellate Deputy Commissioner of Commercial Taxes, Hyderabad
Central Sales Tax Act, 1956	Sales Tax	0.16	April 08 to March 09 & April 10 to March 11	The Joint Commissioner of Sales Tax (Appeal), Pune
Maharashtra Value Added Tax Act, 2002	Sales Tax	0.03	April 08 to March 09	The Joint Commissioner of Sales Tax (Appeal), Pune
Kerala Value Added Tax Act, 2003	Sales Tax	0.01	April 10 to March 11	The Deputy Commissioner (Appeals-I), Ernakulam
Puducherry Value Added Tax Act, 2007	Sales Tax	0.01	April 09 to March 10 & April 11 to March 12	Appellate Assistant Commissioner (CT), Puducherry
Central Sales Tax Act, 1956	Sales Tax	0.26	April 09 to March 10 & April 11 to March 12	Appellate Assistant Commissioner (CT), Puducherry
Central Sales Tax Act, 1956	Sales Tax	0.22	April 08 to March 09	Assistant Commissioner, Pattaravakkam Circle, Chennai

- c. According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.

- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any banks or financial institution.
- (x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us and the records of the company examined by us, the Company has not availed any term loans during the year and hence relative clause is not commented upon.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **Varma & Varma**
Chartered Accountants
Firm Registration Number : 04532S

P R PRASANNA VARMA

Partner

Membership Number : 025854

Place : Chennai

Date : May 22, 2015

Balance Sheet as at March 31, 2015

		(Rupees in Crores)	
Particulars	Note	As at	As at
		March 31, 2015	March 31, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	7.91	7.91
(b) Reserves and Surplus	4	113.79	104.35
(2) Non-current Liabilities			
(a) Long-term borrowings	5	10.51	27.49
(b) Deferred tax liabilities (Net)	6	10.16	9.25
(c) Other long term liabilities	7	0.41	0.41
(d) Long-term provisions	8	2.75	2.02
(3) Current Liabilities			
(a) Short-term borrowings	9	24.15	34.28
(b) Trade payables	10	50.71	48.23
(c) Other current liabilities	11	23.64	25.16
(d) Short-term provisions	12	11.06	8.84
Total		255.09	267.94
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	13	116.90	132.75
(ii) Intangible assets	14	0.16	0.20
(iii) Capital work-in-progress		0.58	0.38
(b) Non-current Investment	15	0.37	0.37
(c) Long-term loans and advances	16	11.01	9.11
(d) Other non-current assets	17	0.48	0.33
(2) Current assets			
(a) Inventories	18	27.21	27.93
(b) Trade receivables	19	88.76	86.13
(c) Cash and Bank balances	20	1.48	3.28
(d) Short-term loans and advances	21	7.82	7.19
(e) Other current assets	22	0.32	0.27
Total		255.09	267.94
Summary of Significant accounting policies	2		

The accompanying Notes are an integral part of the financial statements

This is the Balance sheet referred to in our report of even date

For and on behalf of the Board

For **Varma & Varma**

Chartered Accountants

Firm Registration Number : 004532S

P R PRASANNA VARMA

Partner

(Membership No. 025854)

L GANESH

Chairman

HARISH LAKSHMAN

Director

Place : Chennai

Date : May 22, 2015

P S RAO

Manager

M A P SRIDHAR KUMAR

Chief Financial Officer

VENKATRAMAN

Secretary

Profit and Loss Statement for the year ended March 31, 2015

(Rupees in Crores)

Particulars	Note	Year ended	Year ended
		March 31, 2015	March 31, 2014
I. Revenue from Operations (Gross)	26	471.08	433.84
Less: Excise Duty (Refer Note 33(a))		54.67	49.73
Revenue from Operations (Net)		416.41	384.11
II. Other Income	27	2.08	2.40
III. Total Revenue (I +II)		418.49	386.51
IV. Expenses:-			
Cost of materials consumed	28	203.28	194.72
Purchase of Stock-in-trade		0.07	0.08
Changes in inventories of Finished Goods, Work-in-progress and Stock-in-Trade	29	0.49	(0.88)
Employee benefits expense	30	60.78	52.52
Finance costs	31	6.02	7.67
Depreciation and amortisation expense	32	20.95	18.22
Other expenses	33	106.30	97.45
Total Expenses		397.89	369.78
V. Profit before tax (III - IV)		20.60	16.73
VI. Tax Expense:			
(1) Current Tax		4.49	3.61
(2) Minimum Alternative Tax Credit (Refer note 16 (c))		(1.94)	(4.07)
(3) Tax relating to earlier years		1.03	-
(3) Deferred Tax		0.91	(0.02)
VII. Profit / (Loss) for the period (V - VI)		16.11	17.21
VIII. Earnings per equity share: {Nominal Value per share: Rs.10 (Rs.10)}			
Basic (in Rs.)	37	20.36	21.76
Diluted (in Rs.)	37	20.36	21.76
Summary of Significant Accounting Policies	2		

The accompanying Notes are an integral part of the financial statements

This is the Profit and Loss statement referred to in our report of even date

For and on behalf of the Board

For **Varma & Varma**

Chartered Accountants

Firm Registration Number : 004532S

P R PRASANNA VARMA

Partner

(Membership No. 025854)

L GANESH

Chairman

HARISH LAKSHMAN

Director

Place : Chennai

Date : May 22, 2015

P S RAO

Manager

M A P SRIDHAR KUMAR

Chief Financial Officer

VENKATRAMAN

Secretary

Cash Flow Statement for the year ended March 31, 2015

(Rupees in Crores)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	20.60	16.73
Adjustment for:		
Depreciation / Amortisation	20.95	18.22
Interest Charges	5.79	7.38
Profit on tangible Assets sold	(0.02)	(0.02)
Interest income from deposits	(0.25)	(0.13)
Operating profit before Working Capital Changes	47.07	42.18
Changes in working capital:		
(Increase) / Decrease in Inventories	0.72	0.23
(Increase) / Decrease in Trade Receivables	(2.63)	(10.97)
(Increase) / Decrease in Loans and Advances	(0.37)	0.08
(Increase) / Decrease in Other Current Assets	-	-
Increase / (Decrease) in Trade and other payables	5.57	(0.65)
Cash generated from operations	50.36	30.87
Income Taxes Paid (Net of refunds)	(5.06)	(1.51)
Net Cash generated from Operating Activities	45.30	29.36
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of tangible / intangible Assets	(5.30)	(10.28)
Sale proceeds of tangible / intangible assets	0.06	0.04
Purchase of investments	-	(0.00)
Interest received	0.20	0.14
Net Cash used in Investing Activities	(5.04)	(10.10)

(Rupees in Crores)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in long term loans (net)	(16.29)	(14.44)
Increase / (Decrease) in A.P. Government Sales tax deferral Scheme	(0.23)	(0.22)
Increase / (Decrease) in Fixed Deposits	(3.17)	0.70
Proceeds from / (Repayment) of Short term loans	(11.00)	8.50
Increase / (Decrease) in Cash credit, Packing credit and Buyers Credit	(9.13)	(2.89)
Increase / (Decrease) in Commercial Paper	9.79	-
Dividend and Dividend tax paid	(6.97)	(1.83)
Interest paid	(5.72)	(7.15)
Net Cash from Financing Activities	(42.73)	(17.33)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(2.47)	1.93
(D) Cash and Cash Equivalents At the Beginning of the Year	3.07	1.14
(E) Cash and Cash Equivalents At the End of the Year	0.60	3.07
Note: Cash and Cash Equivalents comprise of:		
Cash on hand	0.03	0.03
Bank Balances	0.57	3.04

The accompanying Notes are an integral part of the financial statements.

This is the Cash Flow statement referred to in our report of even date

For and on behalf of the Board

For **Varma & Varma**

Chartered Accountants

Firm Registration Number : 004532S

P R PRASANNA VARMA

Partner

(Membership No. 025854)

L GANESH

Chairman

HARISH LAKSHMAN

Director

Place : Chennai

Date : May 22, 2015

P S RAO

Manager

M A P SRIDHAR KUMAR

Chief Financial Officer

VENKATRAMAN

Secretary

Notes Forming Part of the Financial Statements

1. General Information

Rane Brake Lining Limited (The “Company”) is engaged in manufacture of brake linings, disc pads, clutch facings, clutch buttons, brake shoes and railway brake blocks and as such operates in a single reportable business segment of ‘**components for transportation industry**’. The Company is having four manufacturing facilities at Chennai, Hyderabad, Puducherry and Trichy. The Company is a Public Limited Company and listed on Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited, Mumbai.

2. Summary of Significant accounting policies

2.1 Basis of Preparation

The financial statements are prepared under historical cost convention in accordance with the Generally Accepted Accounting Principles in India and comply in all material respects with the accounting standards specified under the section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014.

All the assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle. Based on the nature of the products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

2.2 Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenues and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date. Although these estimates are based on the managements best knowledge of current events and actions, uncertainty about the assumptions and estimates may result in outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the Profit and Loss Statement in the year in which the results are known/ materialised.

2.3 Fixed Assets & Depreciation

(i) Tangible Assets

Fixed Assets are valued at cost, namely, cost of acquisition and other incidental expenses directly related to their installation / erection less accumulated depreciation and impairment, if any. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date. 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.

Depreciation on tangible assets is generally computed on a pro-rata basis on the basis of the estimated life specified in Schedule II of the Companies Act, 2013 under Straight line method. The useful life of assets prescribed in Schedule II to the Companies Act, 2013 are considered for the purpose of Computation of Depreciation. However, If the management’s estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is different from that envisaged in the aforesaid schedule, depreciation is provided at a such rate based on the useful life / remaining useful life as technically advised. Accordingly, depreciation is provided based on the useful life indicated below which is different from that stated in Schedule II to the Companies Act, 2013.

Assets	Life
Vehicles	5
Furniture and Fixtures	5
Office Equipments (other than computers)	3
Laboratory Equipments	3

Assets individually costing Rs.10,000 or less are depreciated at the rate of 100%.

(ii) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful life as given below.

Assets	Life
Software licence	3
Technical Know how	3

2.4 Impairment

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

2.5 Borrowing Cost

Borrowing costs that are attributable to the acquisition / construction / production of qualifying assets (assets which require substantial period of time to get ready for its intended use) are capitalised as part of the cost of that asset. All other borrowing costs are charged to revenue.

2.6 Inventories

Inventories are stated at lower of weighted average cost and net realisable value. Cost of inventories comprises of purchase cost, cost of conversion and other cost including manufacturing overheads incurred in bringing the inventory to present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.7 Foreign Currency Transaction**Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all monetary items are recognised in the Statement of Profit and Loss.

Forward Exchange Contracts

Premium or discount arising on inception of forward exchange contracts, which are intended to hedge the foreign currency risk of existing assets or liabilities has been amortised as income /expense over the life of the contract and exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

Gain or loss on forward exchange contracts, which are intended to hedge the foreign currency risks of future transactions in respect of which firm commitments are made or which are highly probable forecast transactions are determined by marking such contracts outstanding on Balance Sheet date to market. The portion of the gains or losses on forward contracts determined to be "effective hedges" has been recognized directly in Hedging Reserve Account, whereas the portion relating to "ineffective hedges" has been recognized in the Statement of Profit and Loss. The gains or losses that are recognized directly in the Hedging Reserve Account are subsequently reclassified

into the Statement of Profit and Loss in the period during which the asset acquired or liability assumed affects the profit or loss. The profit or loss recognized in Hedging Reserve account, which is not expected to be recovered in future periods, has been recognized in the Profit and Loss Statement.

2.8 Revenue Recognition

Revenue from sales is recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

2.9 Other Income

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

Dividend : Dividend income is recognised when the right to receive dividend is established.

2.10 Employee Benefits

1. Short - Term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

2. Defined Contribution Plans

Provident Fund

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Superannuation Fund

This is a defined contribution Plan. The company contributes sum equivalent certain specified percentages of the eligible annual salaries based on the options exercised by the eligible employees to Superannuation Fund administered by Life Insurance Corporation of India (LIC). The Company has no further obligations for future superannuation benefits other than its annual contribution and recognises such contribution as expense as and when due.

3. Defined Benefit Plan

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") administered by LIC covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognised in the Statement of Profit and Loss in the year in which they arise.

4. Other Long term employee benefits

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognised in the Statement of Profit and Loss in the year in which they arise.

2.11 Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the relevant prevailing tax laws.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.12 Investments

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for.

2.13 Research & Development Expenditure

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.

2.14 Provisions and Contingent Liabilities

Provisions : Provisions are recognised when there is a present obligation as result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities : Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.15 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting equity dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
3. Share Capital		
3.1 Authorised		
10,000,000 (March 31, 2014 :10,000,000) equity shares of Rs.10 each	10.00	10.00
Issued		
7,914,980 (March 31, 2014 : 7,914,980) equity shares of Rs.10 each	7.91	7.91
Issued, Subscribed and Paid up		
7,914,980 (March 31, 2014 : 7,914,980) equity shares of Rs.10 each	7.91	7.91
3.2 Reconciliation of number of shares		
Equity Shares		
Balance as at the beginning of the year		
Number of Shares	7,914,980	7,914,980
Value of shares (Rupees in Crores)	7.91	7.91
Balance as at the end of the year		
Number of Shares	7,914,980	7,914,980
Value of shares (Rupees in Crores)	7.91	7.91
3.3 Rights, preferences and restrictions attached to Shares		
Equity Shares : The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
3.4 Shares held by holding company		
3,648,311 shares (March 31, 2014 : 3,577,175 shares) of Rs. 10 each, fully paid up held by Rane Holdings Limited, the Holding Company	3.65	3.58
3.5 Details of shares held by shareholders holding more than 5% of the aggregate shares in the company		
Equity Shares in Numbers		
Rane Holdings Limited	3,648,311	3,577,175
	(46.09%)	(45.19%)
Nisshinbo Holdings Inc.	1,595,249	1,595,249
	(20.15%)	(20.15%)
United India Insurance Company Ltd.	479,030	479,030
	(6.05%)	(6.05%)

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
4 Reserves and Surplus		
4.1 Securities Premium Account		
Balance as at the beginning of the year	2.80	2.80
Balance as at the end of the year	2.80	2.80
4.2 General Reserve		
Balance as at the beginning of the year	55.11	53.39
Add: Transferred from surplus in Profit and Loss Statement	49.21	1.72
Balance as at the end of the year	104.32	55.11
4.3 Surplus in Profit and Loss Statement		
Balance as at the beginning of the year	46.44	37.91
Profit for the year	16.11	17.21
Less: Appropriations		
Proposed dividend on the Equity Shares (Rs. 7.00 per share (Rs. 7.50 Per share)) (Refer Note 25)	5.54	5.94
Dividend distribution tax on proposed dividend on Equity Shares	1.13	1.02
Transfer to General Reserve	49.21	1.72
Balance as at the end of the year	6.67	46.44
Total	113.79	104.35

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
5 Long - term borrowings		
5.1 Secured		
Term Loans :		
From a Bank	-	-
Foreign Currency Loans from Banks	4.60	17.70
Total	4.60	17.70
5.1.a In respect of foreign currency loans availed, the Company has entered into derivative contracts to hedge the loans including interest. This has the effect of freezing the rupee equivalent of these liabilities as reflected under the Borrowings. Thus there is no impact in the Profit & Loss Statement, arising out of exchange fluctuations for the durations of the loans. Consequently, there is no restatement of the loan taken in Foreign Currency. The interest payable in Indian rupees on the borrowings are accounted for in the Profit & Loss Statement.		
5.2 Unsecured		
Fixed Deposits (Refer Note 5.5)	0.95	4.49
Deferred Sales Tax Loan	4.96	5.30
	5.91	9.79
Total	10.51	27.49

5.3 Nature of Security and terms of repayment for secured borrowings

Nature of Security	Terms of Repayment
i. Term loan from a Bank (including repayable within one year classified in Note 11 other current liabilities) amounting to Rs.2.37 Crores (March 31, 2014 : Rs.7.13 Crores) are secured by paripasu basis first charge on the company's immovable properties both present and future and also secured by hypothecation of company's movable propoerties both present and future.	Repayable in 16 equal quarterly instalments from December 28, 2011 along with interest rate of 8.00%
ii. Term loan from a Bank (including repayable within one year classified in Note 11 other current liabilities) amounting to Rs.Nil (March 31, 2014 : Rs.0.82 Crores) are secured by way of hypothecation and as sole charge on the Plant & Machinery both present and future situated at Trichy Plant.	Repayable in 12 equal quarterly instalments from October 17, 2011 along with interest rate of 8.22%
iii. Term loan from a Bank (including repayable within one year classified in Note 11 other current liabilities) amounting to Rs.10.74 Crores (March 31, 2014 : Rs.16.88 Crores) are secured by paripasu basis first charge on the company's immovable properties both present and future and also secured by hypothecation of company's movable properties both present and future.	Repayable in 16 equal quarterly instalments from January 20, 2013 along with interest rate of 7.25%
iv. Term loan from a Bank (including repayable within one year classified in Note 11 other current liabilities) amounting to Rs.4.58 Crores (March 31, 2014 : Rs.9.17 Crores) are secured by way of first paripasu charge on all the present and future movable fixed assets of the Company	Repayable in 8 equal quarterly instalments from May 07, 2014 along with interest rate of 9.50%

5.4 Terms of Repayment for unsecured borrowings:

Nature of Security	Terms of Repayment
(i) Deferred Sales Tax Loan - Government of Andhra Pradesh, Commissionerate of Industries issued to the Company Eligibility Certificate No.20/2/8/1551 dated 27th January 1999 for deferral of sales tax beyond the base sales turnover of Rs. 21 Crores for a period of 14 years i.e. from 01.07.1998 to 30.06.2012 which would be treated as interst free loan. The Sales tax deferred for the period from January 1, 1999 to March 31, 2012 aggregating Rs. 5.30 Crores (March 31, 2014 : Rs. 5.53 Crores) has been classified as Unsecured Loan under Long Term Borrowings and current maturities classified under Note 11 Other Current Liabilities.	Deferred sales tax loan is repayable in monthly instalments for 14 years beginning from July, 2012.
(ii) Fixed Deposits	In respect of the Fixed Deposits which has not fallen due for repayment as at 31st March 2015 as per the original terms of acceptance of such deposits, aggregating Rs.4.39 crores, the company has in pursuance of MCA Circular dated 28th January 2015 filed an application before the Company Law Board, Chennai (CLB), on 27th March, 2015, seeking permission to repay the such deposits on the respective maturity dates, as stipulated under Section 74 of the Companies Act 2013. The approval of the CLB is pending. The balance due as at the year end has been classified according to the respective maturity dates.

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
5.5 includes Fixed Deposits		
- held by Directors	0.20	0.24
- held by Relatives	0.10	0.37

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
6 Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities		
Difference between WDV of Fixed Assets as per books and as per Income Tax Act	13.79	15.81
Deferred Tax Assets		
Provision for expenses allowable on payment basis	1.55	1.24
Other timing differences	2.08	5.32
Total	10.16	9.25
Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws		

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
7 Other Long-term Liabilities		
Trade Deposits	0.04	0.04
Others	0.37	0.37
Total	0.41	0.41

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
8 Long-term Provisions		
Provision for Employee Benefits		
Provision for Compensated absences (Refer Note. No.30(c))	2.56	1.90
Other Provisions		
Provision for Warranty (Refer Note (12(b) below)	0.19	0.12
Total	2.75	2.02

Provisions:

	Litigations / Disputes		Sales Tax Disputes*	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Balance as at the beginning of the year	-	0.12	-	0.00
Additions	-	-	-	-
Amounts used	-	-	-	-
Unused amounts reversed	-	0.12	-	0.00
Balance as at the end of the year	-	-	-	-
Classified as Non-Current	-	-	-	-
Classified as Current	-	-	-	-
Total	-	-	-	-

* Amount Rs.Nil (Rs. 16,164), is below the rounding off norm adopted by the Company

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
9 Short-term Borrowings		
Secured		
Working Capital Loans repayable on demand from banks (Refer Note (a) below)	2.69	4.15
Short-term Loans repayable on demand from bank (Refer Note (b) below)	8.00	19.00
Buyers Credit/ Packing Credit Facility (Refer Note (a) below)	3.46	11.13
Unsecured		
Commercial paper (Refer Note (c) below)	10.00	-
Total	24.15	34.28

- (a) Working Capital Loans, Buyers credit and PCFC, from 6 (March 31, 2014 - 6) banks, are secured on pari passu basis by way of hypothecation of all inventories, book debts and other current assets of the Company.
- (b) Short term loan from banks are secured on a pari passu basis by way of hypothecation of inventories, book debts and other current assets of the Company.
- (c) Commercial paper, 200 Nos Face Value of Rs.5,00,000 each, issued on 30th of March 2015, repayable within a period of 88 days from the date of issue and carries discount of 9%.

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
10 Trade Payables		
Acceptances	-	0.07
Trade Payables		
- Due to Micro and Small Enterprises (Refer Note 35)	1.25	1.95
- Others	49.46	46.21
Total	50.71	48.23

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
11 Other Current Liabilities		
Current Maturities of Long-term debt		
- Term Loan repayable within one year (Refer note 5.3)	13.10	16.29
- Fixed Deposits repayable within one year (Refer note 5.4 (ii))	3.44	2.27
- Deferred Sales Tax Loan repayable within one year (Refer note 5.4 (i))	0.34	0.23
Interest accrued but not due on borrowings	1.50	1.44
Unpaid dividends (Refer note (a) below)	0.13	0.12
Statutory dues including Provident Fund and Tax deducted at Source	4.38	3.97
Creditors for Capital Goods	0.48	0.52
Others	0.27	0.32
Total	23.64	25.16

- (a) There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
12 Short Term Provisions		
Provision for Employee benefits		
Provision for Compensated absence (Refer Note 30(c))	1.28	1.23
Provision for gratuity (Refer Note 30(b))	2.00	-
Other provisions		
Provision for Warranty (Refer Note below)	0.22	0.22
Income Tax net of Advance taxes (Refer note (a) below)	0.89	0.44
Proposed Dividend on Equity Shares	5.54	5.94
Dividend Distribution Tax on above	1.13	1.01
Total	11.06	8.84

(a) Net of advance taxes Rs. 66.40 Crs (Previous year Rs. 61.39 Crs)

(b) Warranty Provisions

	Warranty - Short Term		Warranty - Long Term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Balance as at the beginning of the year	0.22	0.09	0.12	0.03
Additions / Transfers	0.22	0.22	0.22	0.09
Amounts used / Transfers	0.22	0.09	0.15	-
Unused amounts reversed	-	-	-	-
Balance as at the end of the year	0.22	0.22	0.19	0.12

Note No. 13 & 14 : Tangible & Intangible Assets and Capital Work in Progress

(Rupees in Crores)

Description	Gross Block - At cost			Depreciation			Net Block	
	April 1, 2014	March 31 2015	April 1, 2014	For the year	March 31, 2015	March 31, 2015	March 31, 2014	
13 Tangible Assets								
Own Assets								
Land	3.77	-	-	-	-	-	3.77	3.77
Buildings	3.77	-	-	-	-	-	3.77	3.77
Plant and Equipment	43.47	0.09	10.72	1.34	12.06	12.06	31.49	32.75
	39.11	4.36	9.33	1.39	10.72	10.72	32.75	29.78
	225.22	3.95	130.20	18.67	148.03	0.84	80.28	95.02
	202.64	23.48	115.02	16.09	130.20	0.91	95.02	87.62
Furniture and Fixtures	1.41	0.28	1.02	0.15	1.10	0.07	0.50	0.39
	1.21	0.23	0.91	0.13	1.02	0.02	0.39	0.30
Vehicles	0.61	-	0.43	0.08	0.47	0.04	0.10	0.18
	0.61	0.01	0.35	0.08	0.43	0.00	0.18	0.26
Office Equipment	6.97	0.65	6.33	0.54	6.70	0.17	0.76	0.64
	6.60	0.37	5.95	0.38	6.33	-	0.64	0.65
	281.45	4.97	148.70	20.78	168.36	1.12	116.90	132.75
Previous year	253.94	28.45	131.56	18.07	148.70	0.93	132.75	122.38
14 Intangible Assets								
Own Assets (Acquired)								
Software Licence	1.34	0.13	1.14	0.17	1.31	-	0.16	0.20
	1.31	0.04	1.00	0.15	1.15	-	0.20	0.30
Technical Knowhow	1.78	-	1.78	0.00	1.78	-	0.00	0.00
	1.78	-	1.78	-	1.78	-	0.00	0.00
Others								
Goodwill	1.62	-	1.62	-	1.62	-	0.00	0.00
	1.62	-	1.62	-	1.62	-	0.00	0.00
	4.74	0.13	4.54	0.17	4.71	-	0.16	0.20
Previous year	4.71	0.04	4.40	0.15	4.55	-	0.20	0.30
Capital Work in Progress								
Previous year							0.58	0.38
							0.38	18.58

14.1. The Company has adopted the revised estimates of useful life of Fixed Assets as stipulated in Schedule II of the Companies Act 2013 w.e.f April 1, 2014, except in case of certain Assets where the useful life is different as technically ascertained. The additional depreciation on such adoption has been charged to Statement of Profit & Loss. As a result, the Depreciation for the year is higher by Rs. 3.11 Crores, which includes Rs.1.93 Crores relating to Assets, the useful life of which has expired as on March 31, 2014.

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
15 Non-current Investment		
15 Un Quoted (Trade)		
Investment in Equity instruments (TCW Renewable Energy India Pvt. Ltd., 408,969 shares - Face value of Rs. 10/- for a consideration of Rs.9.02 each)	0.37	0.37
Total	0.37	0.37

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
16 Long-Term Loans and Advances		
Unsecured, considered good (unless otherwise stated)		
Capital Advances	0.24	0.24
Security Deposits	0.01	0.17
Interest Free Loan to Rane Foundation (Refer note (a))	0.25	0.75
Advance payment of Income Tax and Tax Deducted at Source	0.05	0.05
Minimum Alternative Tax Credit (Refer note (c))	6.92	4.97
Rent Advance	0.04	0.02
Other loans and advances		
Balance with Government Authorities (Refer note (b))	0.78	0.68
Balance with Electricity Board	2.72	2.23
Unsecured, considered doubtful		
Other Loans & Advances	-	0.10
Less: Provision for doubtful advances	-	(0.10)
Total	11.01	9.11

- (a) Interest free loan given to a Trust in which Chairman and some of the directors are Trustees
- (b) Includes Sales tax and Excise deposit
- (c) The amount of MAT credit taken Credit for in the Profit & Loss Statement is net off an amount of Rs.0.55 crores pertaining to earlier years.

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
17 Other Non current assets		
Unsecured, considered good (unless otherwise stated)		
Long term deposits with banks with maturity period more than 12 months (Refer note (a) below)	0.34	0.20
Other Bank Balances		
Unpaid dividend account	0.13	0.12
Interest Warrant Account	0.01	0.01
Total	0.48	0.33

- (a) Represents deposit held by Electricity Department - for Puducherry Plant towards Security Deposit

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
18 Inventories		
Stores and Spares	1.71	1.25
Raw Materials (includes in transit : Rs.2.10, March 31, 2014: Rs.1.25)	15.46	16.15
Work- in - Progress (Refer Note a (ii))	3.78	3.43
Finished Goods (Refer Note a (i))	6.26	7.10
Total	27.21	27.93
(a) Details of Inventory		
(i) Finished Goods		
Brake Linings	3.77	3.62
Disc Pads	1.74	2.78
Clutch Facings	0.25	0.30
Railway Brake Blocks	0.01	0.01
Others	0.49	0.39
Total	6.26	7.10
(ii) Details of Work in progress		
Brake Linings	2.20	1.80
Disc Pads	0.77	1.18
Clutch Facings	0.21	0.26
Railway Brake Blocks	0.60	0.19
Total	3.78	3.43

18.1 Method of Valuation of Inventory : Refer Note 2.6 of Significant Accounting Policies

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
19 Trade Receivables		
Unsecured Considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
Others	88.76	86.13
Unsecured Considered Doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	0.73	0.64
Others	0.28	0.19
Less:- Provision for Doubtful debts	(1.01)	(0.83)
Total	88.76	86.13

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
20 Cash and Bank Balances		
Cash and Cash Equivalents		
Cash on hand	0.03	0.03
Bank Balances		
In Current Accounts	0.57	3.04
	0.60	3.07
Other Bank Balances		
Demand deposits (less than 3 months maturity)	0.86	0.20
Long term deposit with maturity more than 3 months but less than 12 months (Refer Note (a) below)	0.02	0.01
Total	1.48	3.28

(a) Held as margin by bank against bank guarantees

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
21 Short Term Loans and Advances		
Unsecured, considered good, unless otherwise stated		
Advances Recoverable in Cash or in Kind	3.32	2.30
Other loans and advances		
- Balance with Government Authorities	0.34	0.22
- Others	3.11	3.12
Prepaid Expenses	1.05	0.80
Gratuity Fund Balance (Refer Note 30(b))	-	0.75
Total	7.82	7.19

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
22 Other Current Assets		
Unsecured, considered good, unless otherwise stated		
Interest accrued on Deposits	0.32	0.27
Total	0.32	0.27

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
23 Contingent Liabilities		
Claims against the company not acknowledged as debt		
Income Tax matters	7.21	6.41
Sales Tax matters	2.31	1.79
Excise Duty matters	0.80	0.74
Service Tax matters	2.03	1.87
Total	12.35	10.81

- (a) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. Future cash outflows in respect of the above are determinable only on receipt of the judgements /decisions pending with various forums / authorities.
- (b) The Company does not expect any reimbursements from third parties in respect of the above contingent liabilities.

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
24 Capital and other Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	3.32	2.95

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
25 Proposed Dividend		
The final dividend proposed for the year is as follows:		
On Equity shares of Rs.10 each		
Amount of dividend proposed	5.54	5.94
Dividend per Equity Share	Rs. 7.00 Per Share	Rs. 7.50 Per Share

(Rupees in Crores)		
	Year ended March 31, 2015	Year ended March 31, 2014
26 Revenue		
Sale of products (Gross)		
Finished goods	470.52	433.19
Other Operating revenues		
Sale of Materials	0.08	0.11
Scrap Sales	0.48	0.54
Revenue from Operations (Gross)	471.08	433.84
Less : Excise duty	54.67	49.73
Revenue from Operations (Net)	416.41	384.11
(a) Details of Sales (Finished goods)		
Brake Linings	202.54	183.81
Disc Pads	165.69	148.81
Clutch Facings	9.39	9.78
Railway Brake Blocks	25.20	29.82
Others	13.52	11.80
Sales (net)	416.34	384.02
(b) Details of sales (Traded goods)		
Raw Materials	0.07	0.09
Total	0.07	0.09

(Rupees in Crores)		
	Year ended March 31, 2015	Year ended March 31, 2014
27 Other Income		
Interest Income	0.49	0.22
Dividend Income *	0.01	0.00
Provision / Liabilities written back to the extent no longer required	1.22	1.01
Profit on Sale of Asset (Net)	0.04	0.02
Other non-operating income - Net	0.32	1.15
Total	2.08	2.40

* Previous year Amount Rs.1,015, is below the rounding off norm adopted by the Company

(Rupees in Crores)		
	Year ended March 31, 2015	Year ended March 31, 2014
28 Cost of materials Consumed		
Raw materials and components consumed		
Opening Inventory	16.15	16.92
Add: Purchases	194.34	186.54
Less: Inventory at the end of the year	15.46	16.15
Total	195.03	187.31
Freight Inward	4.15	3.81
Job Work Expenses	4.10	3.60
Grand Total	203.28	194.72

Consumption based accounting is followed for the issue of materials and accordingly purchase is a derived figure. The consumption is inclusive of Exchange rate fluctuation. Refer Note 34(g)(iii)

(Rupees in Crores)

	Year ended March 31, 2015	Year ended March 31, 2014
29 Changes in inventories of Finished Goods, Work-in-progress and Stock-in-Trade		
(Increase) / decrease in stocks		
Stock at the beginning of the year :		
Finished Goods	7.10	6.27
Work-in-progress	3.43	3.38
Total- A	10.53	9.65
Stock at the end of the year :		
Finished Goods	6.26	7.10
Work-in-progress	3.78	3.43
Total - B	10.04	10.53
(Increase) / Decrease in Stocks (A - B)	0.49	(0.88)

(Rupees in Crores)

	Year ended March 31, 2015	Year ended March 31, 2014
30 Employee Benefit Expenses		
Salaries, Wages and Bonus	46.55	41.75
Contribution to Provident and Other Funds	3.23	3.07
Gratuity (Refer note (b) below)	2.78	(0.59)
Staff Welfare Expenses	8.22	8.29
Total	60.78	52.52

(a) Defined Contribution Plans

During the year the following amounts have been recognised in the Profit and loss Statement on account of defined contribution plans:

(Rupees in Crores)

	Year ended March 31, 2015	Year ended March 31, 2014
Employers contribution to Provident Fund	2.85	2.68
Employers contribution to Employee's State Insurance	0.16	0.19
Employers contribution to Superannuation Fund	0.38	0.39

(b) Defined benefit Plans (Funded)

Gratuity: Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

(Rupees in Crores)

	As at March 31, 2015	As at March 31, 2014
Gratuity		
(i) Present value of Defined benefit obligation		
Balance at the beginning of the year	9.74	10.00
Current service cost	0.69	0.76
Interest cost	0.85	0.78
Actuarial (gain) / loss	2.15	(1.30)
Benefits paid	(0.98)	(0.50)
Balance at the end of the year	12.46	9.74
(ii) Fair Value of plan assets		
Balance at the beginning of the year	10.49	9.22
Expected return on plan assets	0.92	0.83
Contribution by the company	0.03	0.93
Benefits Paid	(0.98)	(0.49)
Balance at the end of the year	10.46	10.49
(iii) Assets and Liabilities recognised in the Balance sheet		
Present value of Defined Benefit obligation	12.46	9.74
Less : Fair Value of Plan Assets	(10.46)	(10.49)
Amounts recognised as liability	2.00	(0.75)
Recognised under :		
Long Term Provision	-	-
Short Term Provision	2.00	(0.75)
Current Liabilities	-	-
Total	2.00	(0.75)
(iv) Expense recognised in the Statement of Profit and Loss		
Current service cost	0.69	0.76
Interest cost	0.85	0.78
Expected return on plan assets	(0.89)	(0.88)
Actuarial (gain) / loss recognised in the year	2.12	(1.25)
Past Service Cost	-	-
Settlements	-	-
Curtailments	-	-
Total Expense	2.78	(0.59)

(Rupees in Crores)

	Year ended				
	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
(v) Actuarial Assumptions					
Discount rate	7.80%	9.20%	8.00%	8.00%	8.00%
Expected return on plan assets	8.85%	8.85%	9.30%	9.30%	9.30%
Salary Growth Rate	8.00%	8.00%	8.00%	8.00%	8.00%
Attrition rate	2.83%	1.50%	1.50%	1-3%	1-3%
(vi) Amounts recognised in current year and previous four years					
Gratuity					
Defined Benefit Obligation	12.46	9.74	10.00	8.72	6.60
Plan Assets	10.46	10.49	9.22	7.04	6.38
Surplus / Deficit	2.00	(0.75)	0.78	1.68	0.22

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

(c) Compensated Absences (Vesting and Non-vesting unfunded)

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

The Company accounts its liability for long term compensated absences based on actuarial valuation, as at the balance sheet date, determined every year by an independent actuary using the Projected Unit Credit method. Actuarial gains and losses are recognised in the profit and loss account in the year in which they occur.

	Year ended March 31, 2015	Year ended March 31, 2014
Assumptions		
Discount Rate	7.80%	9.20%
Salary escalation rate	8.00%	8.00%
Attrition rate	2.83%	1.50%

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

(Rupees in Crores)

	Year ended March 31, 2015	Year ended March 31, 2014
31 Finance Costs		
Interest Expense		
Term Loans	3.59	4.44
Fixed Deposits	0.59	0.77
Working Capital Loans	1.62	2.17
Other borrowing costs	0.22	0.29
Total	6.02	7.67

(Rupees in Crores)

	Year ended March 31, 2015	Year ended March 31, 2014
32 Depreciation and Amortisation Expense (Refer note 13 & 14)		
Depreciation on Tangible assets	20.78	18.07
Amortisation on Intangible assets	0.17	0.15
Total	20.95	18.22

(Rupees in Crores)

	Year ended March 31, 2015	Year ended March 31, 2014
33 Other Expenses		
Consumption of Stores and Spare parts (Refer Note 34(d))	6.67	6.22
Excise Duty (Refer note (a) below)	0.34	0.39
Power and fuel	22.97	23.17
Rent	0.09	0.09
Repairs		
Buildings	0.17	0.39
Equipments	7.52	7.01
Others	3.38	2.83
Insurance	0.68	0.69
Rates and taxes	1.45	1.31
Travelling and Conveyance	4.01	3.63
Professional Charges	9.24	7.05
Royalty and Technical Fees	4.01	3.75
Freight Outward	8.99	7.75
Packing and Forwarding	7.47	7.17
Advertisement and Sales Promotion	3.03	3.00
Discount and Incentive	17.70	13.99
Product Warranty	0.22	0.22
Trade Mark Fee	2.18	2.01
Provision for Bad & Doubtful debts	0.18	0.54
Directors' Sitting Fees	0.15	0.09
Donation	0.30	0.43
Auditors' Remuneration - Refer Note 33.1 below	0.15	0.12
Miscellaneous Expenses	5.40	5.61
Total	106.30	97.45

- (a) Excise Duty on Sale of products has been deducted from sales revenue and Excise Duty shown under Other Expense represents the difference between Excise Duty on opening and closing stock of finished goods.

	(Rupees in Crores)	
	Year ended March 31, 2015	Year ended March 31, 2014
33.1 Auditors' Remuneration		
a. Audit fee	0.09	0.08
b. Tax Audit Fee	0.01	0.01
c. Other services	0.05	0.03
d. Reimbursement of expenses *	0.00	0.00
Total	0.15	0.12

* Amount Rs. 20,771 (March 31, 2014 : Rs. 16,913), is below the rounding off norm adopted by the Company

33.2 The Company has incurred an amount of Rs. 0.36 Crores towards Corporate Social Responsibility activities, during the current year ended March 31, 2015.

	(Rupees in Crores)	
	Year ended March 31, 2015	Year ended March 31, 2014
34 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS		
a) Raw materials consumed		
i) Asbestos	14.54	17.44
ii) Chemicals & Resins	140.62	133.82
iii) Steel Components	39.88	36.05
	195.04	187.31
b) CIF Value of imports		
i) Raw materials	79.09	74.89
ii) Capital goods	-	2.07
	79.09	76.96
c) Expenditure in foreign currency		
i) Royalty	4.01	3.75
ii) Technical Fees	3.64	1.41
iii) Travelling	0.11	0.03
iv) Sales Commission	0.39	0.36
v) Professional and Consultancy Charges	0.82	0.92
vi) Others	0.08	2.71
	9.06	9.18

Particulars	Year ended			
	March 31, 2015		March 31, 2014	
	Value	Percentage	Value	Percentage
d) Value of imported and indigenous raw materials, components and spares consumed and percentage of each to the total consumption :				
i) Raw Materials				
a) Imported	88.15	44%	86.44	45%
b) Indigenous	106.89	53%	100.86	52%
ii) Stores and Spare Parts				
a) Imported	-	-	-	-
b) Indigenous	6.67	3%	6.22	3%
	201.71	100%	193.52	100.00%

Particulars	Year ended					
	March 31, 2015			March 31, 2014		
	No. of Non-resident shareholders	No. of equity shares held	Dividend remitted	No. of Non-resident shareholders	No. of equity shares held	Dividend remitted
e) Amount remitted in foreign currencies towards dividends during the year :						
Interim Dividend paid during the year	1	1,595,249	-	1	1,595,249	-
Final Dividend paid during the year	1	1,595,249	1.20	1	1,595,249	0.32

(Rupees in Crores)

Particulars	Year ended	Year ended
	March 31, 2015	March 31, 2014
f) Earnings in foreign currency		
FOB Value of exports	27.58	26.33
	27.58	26.33

(Rupees in Crores)

Particulars	Year ended	Year ended
	March 31, 2015	March 31, 2014
g) Other Financial Information		
i. Outstanding Bank Guarantees	1.98	2.73
ii. Outstanding Letter of Credit	0.27	0.26
iii. Net exchange difference debited to Profit and Loss Statement	0.30	0.05
	2.55	3.04

(Rupees in Crores)

Particulars	Year ended	Year ended
	March 31, 2015	March 31, 2014
h) Research and Development Cost		
i. Capital Expenditure	0.51	12.51
ii. Revenue Expenditure	9.50	6.53
	10.01	19.04

35 Dues to micro and small enterprises

Dues to Micro Small & Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the company. This has been relied upon by the auditors. According to the records available with the Company certain amount have been identified as dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows:

	(Rupees in Crores)	
	As at March 31, 2015	As at March 31, 2014
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1.25	1.95
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	10.91	11.06
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.05	0.06
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.01	-
Further interest remaining due and payable for earlier years	-	-

36 Segment Reporting

The Company is engaged in the business of manufacture of "components for Transportation Industry" which is considered to be the only reportable business segment as per the Accounting Standard 17. As the exports are predominantly to developed countries, geographical risk is not different from domestic market and hence no separate secondary segment disclosure is required.

	(Rupees in Crores)	
	As at March 31, 2015	As at March 31, 2014
37 Earnings per Share		
(a) Basic		
Profit after tax	16.11	17.21
Adjusted net profit for the year	A 16.11	17.21
Weighted average number of shares outstanding	B 79,14,980	79,14,980
Basic EPS (Rs.)	A / B 20.36	21.76
(b) Diluted		
Diluted EPS (Rs.)	20.36	21.76
Face value per share (Rs.)	10.00	10.00

38 Related Party Disclosures

(a) Names of related parties and nature of relationship :

(i) Holding Company	Rane Holdings Limited (RHL)
(ii) Fellow subsidiaries	Rane (Madras) Limited (RML) Rane Engine Valve Limited (REVL) Rane Holdings America Inc. (RHAI)
(iii) Significant influence	Nisshinbo Holdings Inc. (NHI)
(iv) Key Management Personnel (KMP)	Mr. L Ganesh, Chairman Mr. P S Rao - Manager under the Companies Act, 2013 w.e.f. April 01, 2014
(v) Relatives of KMP (L Ganesh & P S Rao)	Mrs. Meenakshi Ganesh, Mr. Aditya Ganesh, Mrs. Aparna Ganesh, Mr. L Lakshman, Mrs. Hema C Kumar, Mrs. Shanthi Narayan, Mrs. Vanaja Aghoram and Mrs. Poduri Lakshmi Rao
(vi) Enterprise over which KMP / Relative of KMP exercise significant influence	Rane Foundation (RF) Ganesh (HUF) Lakshman (HUF)

(b) 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.

38 (c) Transactions / Balances

(Rupees in Crores)

Description	Holding Company		Fellow Subsidiary		KMP		Relatives of KMP		Enterprise over which KMP / relatives exercise significant influence		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Transactions during the year												
Trade Mark Fee	2.18	2.01									2.18	2.01
Professional Charges	3.84	3.77	0.24	0.24							4.08	4.01
Reimbursement of expenses			0.01	0.00							0.01	0.00
Remuneration to P.S.Rao					0.86	0.76					0.86	0.76
Commission to Chairman					0.21	0.17					0.21	0.17
Fixed deposits Accepted							-	0.05	-	0.09	-	0.14
Fixed deposits Renewed / Repaid							0.18	0.48			0.18	0.48
Interest on Fixed Deposits					0.01	0.01	0.03	0.04	0.03	0.02	0.06	0.07
Sitting fees paid					0.02	0.01	0.01				0.04	0.01
Donation - CSR									0.28	0.40	0.28	0.40
Balance as at Year End												
Payables												
Fixed Deposits					0.05	0.05	0.30	0.28	0.27	0.27	0.62	0.60
Fellow Subsidiary			0.04	-							0.04	-
Receivables												
Interest Free Loan									0.25	0.75	0.25	0.75

39 Category Wise quantitative data about derivate instruments outstanding at the Balance Sheet Date

(Foreign Currency in Crores)

Particulars	As at March 31, 2015	As at March 31, 2014
Foreign Currency Exposures that are directly hedged by a derivative instrument or otherwise		
Receivables		
DOLLAR	-	-
EURO	-	-
GBP	0.00	0.01
AUD	-	-
Payables		
DOLLAR	-	-
EURO	-	-
GBP	-	-
JPY	2.09	4.20
Foreign Currency Loan		
DOLLAR	0.04	-
EURO	-	-
GBP	-	-
JPY	2.23	-
Foreign Currency Exposures that are not directly hedged by a derivative instrument or otherwise		
Due to Creditors		
DOLLAR	-	0.00
EURO	0.00	0.00
GBP	-	-
JPY	1.09	1.02
Due from Debtors		
DOLLAR	0.04	0.05
EURO	0.01	0.00
GBP	0.00	0.00
AUD	-	-
Foreign Currency Loan		
DOLLAR	-	-
EURO	-	-
GBP	-	-
JPY	-	-

40 Derivative Instrument and hedge accounting

As per Accounting Standard AS 30 “Financial Instruments: Recognition and Measurement”, adopted with effect from 1st April 2014 the Company has provided for the effective portion amounting to Nil of the changes in the fair values of forward contracts designated as cash flow hedges directly in ‘Hedge Reserve Account’ being part of the shareholders’ funds the changes in fair value relating to the ineffective portion amounting to Nil of the cash flow hedges and forward contracts are recognised in the Profit and Loss Statement

- 41 The figures for the previous year have been regrouped wherever necessary to confirm to current year’s classification. Figures have also been rounded off to Crores of rupees.

Signature to Notes 1 to 41

For **Varma & Varma**

Chartered Accountants

Firm Registration Number : 004532S

P R PRASANNA VARMA

Partner

(Membership No. 025854)

For and on behalf of the Board

L GANESH

Chairman

HARISH LAKSHMAN

Director

Place : Chennai

Date : May 22, 2015

P S RAO

Manager

M A P SRIDHAR KUMAR

Chief Financial Officer

VENKATRAMAN

Secretary

Particulars of Directors, Key Managerial Personnel and Employees

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

Name	Designation	Remuneration FY 2014-15 (In Rs. Crs.)	% increase / (decrease) of remuneration FY 2014-15	% increase / (decrease) in PBT for FY 2014-15	Ratio of remuneration to median remuneration of employees
Mr L Ganesh	Non-Executive Chairman	0.23	28%	23%	8.2
Key Managerial Personnel					
Mr. P S Rao	Manager/ President	0.86	14%	23%	N.A
Mr. M A P Sridhar Kumar	Chief Financial Officer	0.36	11%	23%	N.A
Mr. G Karthikeyan	Secretary	0.14	(ii)	23%	N.A

Note: N.A- Not Applicable

- (i) None of the other directors receive any remuneration from the Company except sitting fees for attending meeting of the Board / Committee(s) thereof.
- (ii) Mr. G Karthikeyan, Secretary resigned effective February 27, 2015.
2. Median remuneration of the employees of the Company for FY 2014-15 is Rs. 2.78 lakhs. Increase in median remuneration during the year : 21%.
3. Number of permanent employees on the rolls of the Company as on March 31, 2015 was 853 as against 891 as on March 31, 2014.
4. Relationship between average increase/decrease in remuneration and Company performance:
During FY 2014-15, the sales grew by 8.4% and profit before tax (PBT) grew by 23%, whereas the average remuneration increased by 8.7%. The change was in line with the Company performance.
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 13% in 2014-15 whereas the profit before tax increased by 23%.
6. Average percentile increase already made in salary of employees other than the managerial personnel in last financial year: 8.6% as against an percentile increase in managerial remuneration: 13.9%. The increase in the managerial remuneration is in accordance with overall performance of the Company.
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. No remuneration is paid to directors except sitting fees for attending meetings of the Board/ committees thereof and commission to Chairman (non-executive). Hence, not comparable with the remuneration paid to the employees.
8. Key parameters for any variable component of remuneration availed by the directors:
There was no key variable components in the remuneration paid to the non-executive directors except commission paid to Chairman (non-executive).
9. (i) Variation in market capitalisation and price earnings ratio:

	March 31, 2015	March 31, 2014	% change
Market capitalisation of the Company based on closing prices quoted on BSE) (Rs. In crores)	257.63	103.48	148.96%
Price earnings ratio	15.98	6.01	165.89%

- (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, since the Company has not made any public offer and the equity share capital of the company represents shares allotted pursuant to a Scheme of Demerger, Merger and Amalgamation under Section 391-394 of the Companies Act, 1956 as sanctioned by the Hon'ble High Court of Judicature at Madras vide its order dated December 26, 2007.

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 Rs. 60 lakhs per annum.

Name	Designation	Remuneration (In Rs. cr)	Qualifications	Age	Experience (in years)	Date of Joining	Nature of employment (Permanent/contractual)	Previous employment & designation	No. of shares held in Company	Relationship with any director / manager
Mr P S Rao	President (Manager under Companies Act 2013)	0.86	M. Tech	63	40	12.04.2001	Permanent	Vice-President (Operations) Rane (Madras) Ltd.	NIL	NIL

- ii. Employed for part the financial year with remuneration not less than Rs. 5 lakhs per month: NIL

Our Parent Company

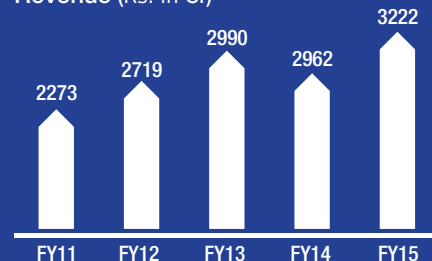
Rane Holdings Limited

Engaged primarily in manufacturing auto components for well over five decades, Rane Group is a preferred supplier to major OEMs in India and abroad.

Besides, Rane also commands a significant business in the replacement segment. It caters to a wider section of automobile industry including Passenger Car, Light Commercial Vehicle, Medium & Heavy Commercial Vehicle, two-wheeler, three-wheeler, Multi Utility Vehicle and Farm Tractor. It operates 27 strategically located plants in India.

Rane Holdings also have a minor non-automotive portfolio in aerospace and defence through an associate company. Operational excellence through total quality management (TQM) remains Rane's hallmark, aptly reflected in the three Deming Grand Prize and four Deming Prize bestowed upon its group companies.

Revenue (Rs. in Cr)



Rane Holdings Limited

Subsidiaries	Joint Ventures	Associates
Rane (Madras) Ltd.	Rane TRW Steering Systems Pvt. Ltd.	SasMos HET Technologies Ltd.
Rane Engine Valve Ltd.	Rane NSK Steering Systems Pvt. Ltd.	
Rane Brake Lining Ltd.	JMA Rane Marketing Ltd.	
Rane Holdings America Inc.		





Rane Brake Lining Limited

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