

INDEPENDENT AUDITOR'S REPORT

To,

The Members,
Rane T4U Private Limited,
Bengaluru

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Rane T4U Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its loss, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with the requirements and the ICAI's Code of Ethics. 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.



Material uncertainty relating to going concern

We draw attention to Note No. 29.4 to the financial statements which indicates that the Company has incurred a net loss during the year and has accumulated losses at the balance sheet date which indicates that material uncertainty exists that may cast significant doubt on the ability of the Company to continue as going concern. The management of the Company believes that considering the expected increase in business, there would be reasonable profits in the near future to enable the Company to realise its assets and discharge its liabilities under normal course of its business and in addition there would be continued support from the holding company as and when required. Accordingly, the management has considered it appropriate to prepare these financial statements based on going concern assumption.

Emphasis of matter

We draw attention to Note No. 29.16 of the accompanying Standalone Financial Statements, which describes the evaluation of the impact of global pandemic COVID-19 carried out by the management and the recoverability of the carrying value of various assets, the company's business operations, financial position and the uncertainties associated with such an evaluation in the present circumstances and that the impact may be different from that assessed as at the date of approval of these Standalone Financial Statements.

Our opinion is not modified in respect of the above matter.

Information other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises Board of Directors' Report and annexures to that report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We have read and considered Board of Directors' Report and annexures to that report and have noticed nothing inconsistent.



Responsibility of Management and those charged with governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity 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 relevant rules issued thereafter.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to



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those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

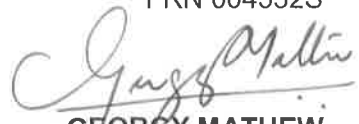
- h) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which impacts its financial position;



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- ii. The Company has not entered into any long-term contracts including derivative contracts that could have any material foreseeable losses;
 - iii. No amounts were required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any interim or final dividend during the year, hence reporting under Rule 11(f) is not applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S


GEORGY MATHEW
Partner

M. No. 209645

UDIN: 22209645AJRPWK1567

Place: Bengaluru

Date: 20-05-2022



ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Rane T4U Private Limited of even date)

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

We have audited the internal financial controls over financial reporting of **Rane T4U Private Limited** ("the Company") as at March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- a. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S



GEORGY MATHEW
Partner
M. No. 209645



Place: Bengaluru
Date: 20-05-2022

UDIN: 22209645AJRPWK1567

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Rane T4U Private Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of plant, property and equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b. The Company has a program of physical verification of Property, Plant and Equipment so as to cover all the assets once in a year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. The Company does not have any immovable property. The properties where the Company is the lessee, the lease agreements are duly executed in favour of the lessee.
 - d. The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year and hence reporting under clause 3(i)(d) of the Order is not applicable.
 - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder and hence reporting under clause 3(i)(e) of the Order is not applicable.
- ii.
 - a. According to the information and explanations provided to us and based on our verification of records maintained and provided to us by the Company, the management has conducted physical verification of inventory at reasonable intervals and as at the year-end and no material discrepancies have been identified. All discrepancies have been properly dealt with in the books of account.
 - b. The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank during the year on the basis of security of current assets and the quarterly returns or statements filed by the Company with such bank are in agreement with the books of account of the Company.



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- iii. The Company has not made investments in, provided any guarantee or security or granted any loan, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLPs) or other parties during the year. Therefore, the provisions of Clause 3(iii) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security which fall under the purview of section 185 and 186 of the Act. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
b. We are informed that there are no dues which have not been deposited on account of any dispute as at March 31, 2022.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
c. In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.



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- d. On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the company, we report that the Company did not have any subsidiaries or joint ventures or associates during the year hence reporting under clause 3(ix)(e) is not applicable.
- f. According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the company, we report that the Company did not have any subsidiaries or joint ventures or associates during the year hence reporting under clause 3(ix)(f) is not applicable.
- x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. According to the information and explanations provided to us and based on our verification of records maintained and provided to us by the Company, the Company has made preferential allotment of equity shares during the year to existing holders of such shares and the amounts raised have been used for the purposes for which the funds were raised.
- xi. a. No fraud by the Company and on the Company has been noticed or reported during the year.
- No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- b. According to the information and explanations provided to us and based on our verification of records maintained and provided to us by the Company, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given by the management and based on our verification of records maintained by the Company, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in Note No.29.7 of the Standalone Financial Statements as required by the applicable accounting standards.



- xiv. a. In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business though it is not required to have an internal audit system as per provisions of the Companies Act, 2013.
- b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year covering the period October 1, 2021 to December 31, 2021, in determining the nature, timing and extent of our audit procedures. Internal audit for the remaining period of the year was not done till the date of this report.
- xv. According to the information and explanations provided to us and based on our verification of records maintained and provided to us by the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. a. According to the information and explanations provided to us and based on our verification of records maintained and provided to us by the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly reporting under clause 3(xvi)(a) of the Order is not applicable.
- b. According to the information and explanations provided to us and based on our verification of records maintained and provided to us by the Company, the Company is not a Non Banking Finance Company or Housing Finance Company and accordingly reporting under clause 3(xvi)(b) of the Order is not applicable.
- c. The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India.
- d. In our opinion and as per the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses of Rs.1,018.40 Lakhs during the financial year covered by our audit and cash losses of Rs.379.38 Lakhs during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the



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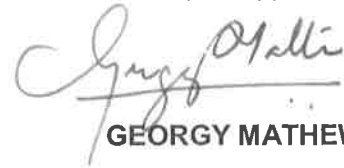
audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. a. There were no amounts required to be spent towards Corporate Social Responsibility (CSR) as per Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b. There were no amounts required to be spent towards Corporate Social Responsibility (CSR) as per Section 135 of the Act as at the end of the previous financial year or at the end of current financial year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For **VARMA & VARMA**

Chartered Accountants

FRN 004532S



GEORGY MATHEW

Partner

M. No. 209645



Place: Bengaluru

Date: 20-05-2022

UDIN: 22209645AJRPWK1567

RANE T4U PRIVATE LIMITED
BALANCE SHEET AS AT March 31, 2022

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Note No.	As at	
		March 31, 2022	March 31, 2021
A. ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	2	8.95	22.36
(b) Other Intangible Assets	3	47.71	111.60
(c) Financial Assets			
(i) Other financial assets	4	28.06	30.06
(d) Deferred tax assets (Net)	5	239.26	820.49
Total non-current assets		323.98	984.51
2 Current Assets			
(a) Inventories	6	15.11	20.63
(b) Financial Assets			
(i) Investments	7	307.48	-
(ii) Trade Receivables	8	193.85	122.75
(iii) Cash and Cash Equivalents	9	46.34	0.14
(iv) Other Financial assets	10	35.98	45.31
(c) Current tax assets (net)	11	39.25	14.78
(d) Other Current Assets	12	11.37	17.64
Total current assets		649.38	221.25
TOTAL ASSETS		973.36	1,205.76
B. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	13A	1,800.36	166.70
(b) Instruments entirely equity in nature	13B	2,785.00	2,785.00
(c) Other Equity	14	(4,338.53)	(3,298.08)
Total equity		246.83	(346.38)
Liabilities			
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	261.23	405.58
(b) Provisions	16	14.24	47.91
Total non-current liabilities		275.47	453.49
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	143.00	826.10
(ii) Trade Payables	18		
1) Total outstanding dues of micro enterprises and small enterprises; and		43.11	30.05
2) Total outstanding dues of other than micro and small enterprises		107.47	55.07
(iv) Other financial liabilities	19	89.07	81.74
(b) Provisions	20	6.28	50.02
(c) Other current liabilities	21	62.13	55.67
Total current liabilities		451.06	1,098.65
Total Liabilities		726.53	1,552.14
TOTAL EQUITY AND LIABILITIES		973.36	1,205.76
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-29		

For and on behalf of the Board of Directors

Harish Lakshman
Chairman

DIN : 00012602

Place: Chennai

Date: 20/5/2022

Karthika M K
Chief Financial Officer

Place: Bengaluru

Date: 20/5/2022

Anand S
Secretary

Place: Chennai

Date: 20/5/2022

As per our report of even date attached

For Varma & Varma

FRN 004532S

Georgy Mathew

Partner

M. No. 209645

Place: Bengaluru


Date: 20/5/2022

RANE T4U PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

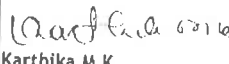
(All amounts in ₹ Lakhs unless otherwise stated)


Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I Revenues from Operations	22	871.46	1,080.72
II Other Income	23	19.11	18.92
III Total Income (I+II)		890.57	1,099.64
IV Expenses:			
Purchases of stock-in-trade		139.48	84.67
Changes in inventory of stock-in-trade	24	5.52	9.34
Employee benefits expense	25	619.37	916.55
Finance costs	26	119.76	117.21
Depreciation and amortisation expense	27	72.88	116.12
Other expenses	28	437.98	486.47
Total Expenses (IV)		1,394.99	1,730.36
V Profit before exceptional items and tax (III - IV)		(504.42)	(630.72)
VI Exceptional Items		-	-
VII Profit before tax (V - VI)		(504.42)	(630.72)
VIII Tax Expense: (Refer Note No.29.1)			
(1) Current Tax		5.63	8.36
(2) Deferred Tax		581.23	(143.58)
IX Profit(Loss) for the period from continuing operations		586.86	(135.22)
X Other Comprehensive Income		(1,091.28)	(495.50)
i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		50.83	21.38
ii) Income tax relating to items that will not be reclassified to profit or loss		-	(5.56)
XI Total other comprehensive income (i-ii)		50.83	15.82
XII Total Comprehensive Income for the period (IX+XI)		(1,040.45)	(479.68)
XIII Earnings Per Equity Share (Refer Note No.29.2)			
(a) Basic (In Rs.)		(16.61)	(28.77)
(b) Diluted (In Rs.)		(3.05)	(1.67)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-29		

For and on behalf of the Board of Directors


Harish Lakshman
Chairman

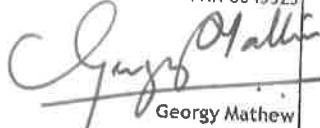
DIN : 00012602
Place: Chennai
Date: 20/05/2022


Karthika M K
Chief Financial Officer
Place: Bengaluru
Date: 20/05/2022


Anand S
Secretary
Place: Chennai
Date: 20/05/2022

As per our report of even date attached

For Varma & Varma
Chartered Accountants
FRN 0045325


Georgy Mathew
Partner
M. No. 209645

Place: Bengaluru
Date: 20/5/2022



RANE T4U PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in ₹ Lakhs unless otherwise stated)

	Year ended March 31, 2022		Year ended March 31, 2021	
A. Cash flow from operating activities				
Profit for the year		(1,091.28)		(495.50)
Adjustments for :				
Income tax expense	586.86		(135.22)	
Finance costs recognised in profit or loss	118.88		111.39	
Interest income recognised in profit or loss	(3.76)		(6.98)	
Net (gain)/ loss arising on financial assets mandatorily measured at fair value through profit or loss(Mutual fund income)	1.48		(0.32)	
Provision for doubtful debts	-		14.58	
Bad debts written off	-		0.23	
Balance no more payable written back	-		(5.80)	
Provision for doubtful advances and receivables	9.45		-	
Excess provision for expected credit loss written back	(13.23)		-	
Net reversal of de-recognition of lease liabilities and Right of Use assets	-		(4.66)	
Depreciation and amortisation of non-current assets	72.88		116.12	
Loss on discarding of Property, Plant & Equipment	2.81		6.11	
Net foreign exchange (gain)/ loss	(0.64)		(1.16)	
		774.73		94.29
		(316.55)		(401.21)
Movements in working capital :				
(Increase) / decrease in trade and other receivables	(57.23)		296.43	
(Increase) / decrease in inventories	5.52		9.34	
(Increase) / decrease in other assets	8.15		0.34	
Increase / (decrease) in trade payables	64.59		(185.36)	
Increase / (decrease) in provisions	(26.58)		15.46	
Increase / (decrease) in other liabilities	17.44		(46.33)	
		11.89		89.88
Cash generated from operations		(304.66)		(311.33)
Income tax paid (net of refunds)		(32.60)		87.98
Net cash generated by operating activities (A)		(337.26)		(223.35)
B. Cash flow from investing activities				
Proceeds on sale of property, plant and equipment	2.36		3.85	
Purchase of property, plant and equipment/ intangible assets	(0.75)		(6.26)	
Interest received	3.76		0.32	
(Payment) towards purchase of current investments	(488.00)		-	
Proceeds from sale of current investments	181.52		-	
Realised gain on sale of current investments	0.48		-	
Net cash (used in) / generated by investing activities (B)		(300.63)		(2.09)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	1,633.66		-	
Proceeds from non-current borrowings from banks/ financial institutions	-		360.00	
Repayment of non-current borrowings to banks/ financial institutions	(428.32)		(119.19)	
Net proceeds from/ (repayment of) borrowings-Working Capital Loans	(399.13)		102.60	
Repayment of lease liability	-		(11.91)	
Interest paid	(122.12)		(106.30)	
Net cash used in financing activities (C)		684.09		225.20




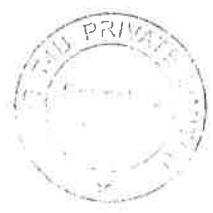
RANE T4U PRIVATE LIMITED
 CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

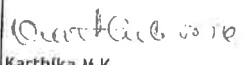
(All amounts in ₹ Lakhs unless otherwise stated)


	Year ended March 31, 2022		Year ended March 31, 2021	
Net Increase in cash and cash equivalents (A+B+C)		46.20		(0.24)
Cash and cash equivalents at the beginning of the year		0.14		0.38
Cash and Cash equivalents at the end of the year (Refer Note No.9)		46.34		0.14

For and on behalf of the Board of Directors

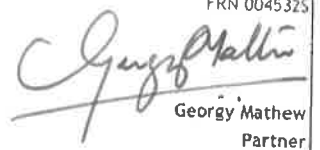

 Harish Lakshman
 Chairman
 DIN : 00012602
 Place: Chennai
 Date: 20/05/2022




 Karthika M K
 Chief Financial Officer
 Place: Bengaluru
 Date: 20-05-2022


 Anand S
 Secretary
 Place: Chennai
 Date: 20/05/2022

As per our report of even date attached
 For Varma & Varma
 Chartered Accountants
 FRN 0045325


 Georgy Mathew
 Partner
 M. No. 209645




Place: Bengaluru
 Date: 20/5/2022

RANE T4U PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022
Total equity

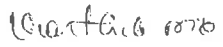
(All amounts in ₹ Lakhs unless otherwise stated)


Particulars	Share capital	Instruments entirely equity in nature	General reserve	Retained earnings	Actuarial gain / (loss)	Total
Balance at March 31, 2020	166.70	2,785.00	(277.65)	(2,547.58)	6.83	133.30
2020-21						
Profit for the year	-	-	-	(495.50)	-	(495.50)
On issue of shares	-	-	-	-	-	-
Utilised during the year	-	-	-	-	-	-
Other comprehensive income for the year, net of income tax	-	-	-	-	15.82	15.82
Balance at March 31, 2021	166.70	2,785.00	(277.65)	(3,043.08)	22.65	(346.38)
2021-22						
Profit for the year	-	-	-	(1,091.28)	-	(1,091.28)
On issue of shares	1,633.66	-	-	-	-	1,633.66
Utilised during the year	-	-	-	-	-	-
Other comprehensive income for the year, net of income tax	-	-	-	-	50.83	50.83
Balance at March 31, 2022	1,800.36	2,785.00	(277.65)	(4,134.36)	73.48	246.83

For and on behalf of the Board of Directors

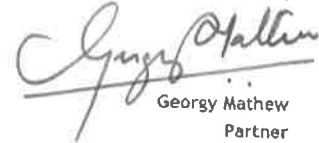

Harish Lakshman
Chairman
DIN : 00012602
Place: Chennai
Date: 20/03/2022




Karthika M K
Chief Financial Officer
Place: Bengaluru
Date: 20/03/2022


Anand S
Secretary
Place: Chennai
Date: 20/03/2022

As per our report of even date attached
For Varma & Varma
Chartered Accountants
FRN 004532S


Georjy Mathew
Partner
M. No. 209645



Place: Bengaluru
Date: 20/5/2022

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note-1 - Summary of significant accounting policies, critical judgements and key estimates

1 General Information

RANE T4U PRIVATE LIMITED (The Company) was incorporated as a private company on March 26, 2009. Consequent to investment by Rane Holdings Limited, a publicly listed company, by acquiring a major stake in the company, the company has become its subsidiary w.e.f. August 31, 2017.

The Company is engaged in the business of providing technological services for transportation industry by designing and developing, promoting and marketing telematics, vehicle intelligence, remote monitoring related products and services globally.

2 Summary of significant accounting policies

2.01 Basis of Preparation

The financial statements are prepared under historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below, in accordance with the Generally Accepted Accounting Principles in India and comply in all material respects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the act") read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the act.

Except for the changes below, the Company has consistently applied accounting policies to all periods.

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' with the date of initial application being April 1, 2018. Ind AS 115 establishes a comprehensive framework on revenue recognition. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'. The application of Ind AS 115 did not have material impact on the financial statements. As a result, the comparative information has not been restated.

Appendix B to Ind AS 21 'The Effects of Changes in Foreign Exchange Rates': On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment is effective from April 1, 2018. The Company has evaluated the effect of this amendment on the financial statements and concluded that the impact is not material.

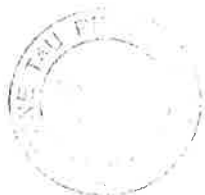
All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of the products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained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

2.02 Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in India requires the management to make judgements, 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. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about the assumptions and estimates may result in outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note-1 - Summary of significant accounting policies, critical judgements and key estimates

2.03 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment in value, if any. Cost includes purchase price, (inclusive of import duties and non-refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and an initial estimate of the costs of dismantling, removing the item and restoring the site on which it is located, if any.

If the Company has acquired a Property, Plant and Equipment on deferred term basis and terms are beyond normal credit terms, property plant and equipment will be recognized on cash price equivalent, i.e. discounted amount.

The cost of assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress.

The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. When parts of an item of property plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation

Depreciation on Property, Plant and Equipment (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 an annual 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
Furniture & Fixtures	5
Office Equipments	3
Computers	3
Computer Servers	6
Tools & Equipments	3
Electrical Fittings	5
Vehicles	5

Leasehold improvements are amortised over the unexpired period of lease or useful life of assets estimated as 5 years, whichever is less.

Depreciation charge on additions / deletions is restricted to the period of use. Depreciation methods, useful lives and residual values are reviewed annually.

The additions to Property, Plant and Equipment with individual unit value upto Rs.10,000/- is capitalised and depreciated at 100% in the year of capitalisation.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note-1 - Summary of significant accounting policies, critical judgements and key estimates

2.04 Intangible Assets

Internally Generated Software / intangible Assets

Research costs are expensed as incurred. Costs (internal and external) associated with developing or obtaining internal-use software and software that are embedded in a product and sold as part of the product as a whole are capitalized if the following criteria are met in full:

- The product or the process is clearly defined, and the cost elements can be identified and measured reliably;
- The technical feasibility is demonstrated;
- The product or the process will be sold or used in the business;
- The asset will generate future financial benefits.
- Sufficient technical, financial and other resources for project completion are in place.

Costs expensed in prior accounting periods will not be capitalized.

Subsequent expenditure on the product, which are essential to keep it relevant for customers, are expensed and are included in cost of sales

Depreciation begins when the product is transferred from development to production. Uncertainty exists with respect to the expected period of benefits, as this depends on the future technological development in the market.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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.

Asset	Life
Bought out Software licence	3
Internally Generated Software / Intangible Assets	6

The amortization period and the amortization method for an intangible asset with a finite useful life (including those under development), are reviewed annually.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

2.04 Impairment

Assessment is done annually 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 fair value less cost to sell 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. In such cases, impairment losses are reversed to the extent the assets carrying amount does not exceed, the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.05 Borrowing Costs

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.

2.06 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.



2.07 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 functional 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 reinstated at the end of accounting period. Exchange differences on reinstatement of all monetary items are recognised in the Statement of Profit and Loss.

2.08 Revenue Recognition

The Company derives revenues primarily from Internet of Things (IoT) related telematics services by developing, promoting and marketing telematics vehicle intelligence, remote monitoring related products and services globally. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration that the Company expects to receive in exchange for those products or services.

Arrangements with customers for software related services are either on a fixed-price or on a time-and-material basis.

a) Time and material contracts

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

b) Fixed-price contracts

Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended are used to measure progress towards completion as there is a direct relationship between input and productivity.

The Company's revenue is categorized broadly into the following types:

- i) Hardware Revenue
- ii) Services Revenue

i) Hardware Revenue:

The Company derives revenues from the sale of hardware and customized accessories which is used for vehicle tracking and remote monitoring purpose.

ii) Services Revenue

Services Revenue comprises of subscription charges for the usage of the tracking platform by the customer and Other Support Service.

Revenues recognized in excess of invoicing are classified as contract assets (which is classified as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which is classified as unearned revenues).

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The company presents revenues net of indirect taxes in the Statement of Profit and loss.

2.09 Other Income

Interest : Interest income is recognised on a effective interest method taking into account the amount outstanding and the rate applicable.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note-1 - Summary of significant accounting policies, critical judgements and key estimates

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.

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 other comprehensive income in the year in which they arise. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

4. Other Long term employee benefits

Compensated Absence

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.

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 Profit and Loss Statement 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. Tax expenses relating to the items in profit and loss shall be treated as current tax as part of profit and loss and those relating to items in other comprehensive income (OCI) shall be recognised as part of the OCI.

Deferred tax is recognised for all the temporary differences between the carrying amounts of assets and liabilities in the financial statements and corresponding tax bases used in computation of taxable profit. Deferred tax assets are recognised and carried forward only to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. 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 and the same is recognised to the extent it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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 law.



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 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. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.14 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.

3 Critical accounting judgements, assumptions and key sources of estimation uncertainty

The following are the critical judgements, assumptions concerning the future, and key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.01 Useful lives of property, plant and equipment

As described at Note 2.03 above, the charge in respect of periodic depreciation for the year is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed annually. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

3.02 Employee Benefits

The cost of defined benefit plans are determined using actuarial valuation, which involves making assumptions about discount rates, expected rates of return on assets, future salary increases, and mortality rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

3.03 Taxation

Significant assumptions and judgements are involved in determining the provision for tax based on tax enactments, relevant judicial pronouncements and tax expert opinions, including an estimation of the likely outcome of any open tax assessments / litigations. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available, based on estimates thereof.

3.04 Provisions and contingencies

Critical judgements are involved in measurement of provisions and contingencies and estimation of the likelihood of occurrence thereof based on factors such as expert opinion, past experience etc.



RANE T4U PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
Note 2

(All amounts in ₹ Lakhs unless otherwise stated)

Property, Plant and Equipment	As at March 31, 2022						As at March 31, 2021							
	Leasehold improvements	Furniture and Fixtures	Office Equipments	Computers	Tools & Equipments	Vehicles	Total	Leasehold improvements	Furniture and Fixtures	Office Equipments	Computers	Tools & Equipments	Vehicles	Total
Carrying amounts of:														
Leasehold improvements	121.47	3.82	30.40	93.24	11.14	15.09	275.16	96.96	2.74	22.96	67.55	8.49	13.70	212.40
Furniture and Fixtures	-	-	0.08	0.73	0.20	-	1.01	18.32	0.15	0.28	12.51	0.20	-	31.46
Office Equipments	99.64	0.89	16.04	-	-	-	116.57	94.06	0.77	11.79	-	-	-	106.62
Computers (including servers)	21.83	2.93	14.44	93.97	11.34	15.09	159.60	21.22	2.12	11.45	80.06	8.69	13.70	137.24
Tools & equipments	-	0.42	0.33	-	-	-	0.75	-	0.05	0.14	6.15	2.65	-	8.99
Vehicles	21.83	2.93	14.36	1.73	-	-	40.85	21.22	2.12	11.37	0.97	-	-	35.68
Total	-	0.42	0.41	92.24	11.34	15.09	119.50	-	0.05	0.22	85.24	11.34	14.00	110.55
Cost														
Balance as at March 31, 2020	121.47	3.82	30.40	93.24	11.14	15.09	275.16	96.96	2.74	22.96	67.55	8.49	13.70	212.40
Additions	-	-	0.08	0.73	0.20	-	1.01	18.32	0.15	0.28	12.51	0.20	-	31.46
Disposals	99.64	0.89	16.04	-	-	-	116.57	94.06	0.77	11.79	-	-	-	106.62
Balance as at March 31, 2021	21.83	2.93	14.44	93.97	11.34	15.09	159.60	21.22	2.12	11.45	80.06	8.69	13.70	137.24
Additions	-	0.42	0.33	-	-	-	0.75	-	0.05	0.14	6.15	2.65	-	8.99
Disposals	21.83	2.93	14.36	1.73	-	-	40.85	21.22	2.12	11.37	0.97	-	-	35.68
Balance as at March 31, 2022	-	0.42	0.41	92.24	11.34	15.09	119.50	-	0.05	0.22	85.24	11.34	14.00	110.55
Accumulated depreciation and impairment														
Balance as at March 31, 2020	96.96	2.74	22.96	67.55	8.49	13.70	212.40	96.96	2.74	22.96	67.55	8.49	13.70	212.40
Depreciation for the year	18.32	0.15	0.28	12.51	0.20	-	31.46	18.32	0.15	0.28	12.51	0.20	-	31.46
Eliminated on disposals	94.06	0.77	11.79	-	-	-	106.62	94.06	0.77	11.79	-	-	-	106.62
Balance as at March 31, 2021	21.22	2.12	11.45	80.06	8.69	13.70	137.24	21.22	2.12	11.45	80.06	8.69	13.70	137.24
Depreciation for the year	-	0.05	0.14	6.15	2.65	-	8.99	-	0.05	0.14	6.15	2.65	-	8.99
Eliminated on disposals	21.22	2.12	11.37	0.97	-	-	35.68	21.22	2.12	11.37	0.97	-	-	35.68
Balance as at March 31, 2022	-	0.05	0.22	85.24	11.34	14.00	110.55	-	0.05	0.22	85.24	11.34	14.00	110.55

Carrying amount as at March 31, 2021
Carrying amount as at March 31, 2022

0.61

0.81

2.99

13.91

2.65

1.39

22.36

Carrying amount as at March 31, 2021
Carrying amount as at March 31, 2022

-

0.37

0.19

7.00

-

1.09

8.95



(All amounts in ₹ Lakhs unless otherwise stated)

Note 3

Intangible Assets	As at March 31, 2022	As at March 31, 2021
Carrying amount of:		
Computer Software	47.71	111.60
Total	47.71	111.60

Particulars	Goodwill	Software	Total
Balance as at March 31, 2020	15.00	509.83	524.83
Additions during the year	-	8.05	8.05
Disposals during the year	-	-	-
Balance as at March 31, 2021	15.00	517.88	532.88
Additions during the year	-	-	-
Disposals during the year	-	-	-
Balance as at March 31, 2022	15.00	517.88	532.88

Accumulated amortisation and impairment

Balance as at March 31, 2020	15.00	328.19	343.19
Amortisation expense	-	78.09	78.09
Eliminated on disposals	-	-	-
Impairment loss recognised in profit or loss	-	-	-
Balance as at March 31, 2021	15.00	406.28	421.28
Amortisation expense	-	63.89	63.89
Eliminated on disposals	-	-	-
Impairment loss recognised in profit or loss	-	-	-
Balance as at March 31, 2022	15.00	470.17	485.17
Carrying amount as at March 31, 2021	-	111.60	111.60
Carrying amount as at March 31, 2022	-	47.71	47.71

Note 4

Particulars	As at March 31, 2022	As at March 31, 2021
Other Non-Current Financial Assets		
Earnest Money Deposits	7.06	9.06
Interest free Debt Service Reserve Deposit with Tata Capital Financial Services Private Limited	21.00	21.00
Total	28.06	30.06



RANE T4U PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 5 Deferred tax assets (net)

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

(All amounts in ₹ Lakhs unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Deferred tax assets	239.26	820.49
Deferred tax liabilities	-	-
Deferred tax assets (Net)	239.26	820.49

2021-22	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred Tax Asset/ (Liability) in relation to				
Property plant and equipment and intangible assets	16.55	-	-	16.55
Business loss carried forward	581.23	(581.23)	-	-
Depreciation loss carried forward	154.16	-	-	154.16
Provision for Gratuity	18.39	-	-	18.39
Provision for leave salary	7.08	-	-	7.08
Provision for doubtful debts	40.66	-	-	40.66
Deferred revenue expenses	0.92	-	-	0.92
Provision for bonus	1.50	-	-	1.50
Net Deferred Tax Asset / (Liability)	820.49	(581.23)	-	239.26

2020-21	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred Tax Asset/ (Liability) in relation to				
Property plant and equipment and intangible assets	(0.12)	16.67	-	16.55
Business loss carried forward	446.00	135.23	-	581.23
Depreciation loss carried forward	140.76	13.40	-	154.16
Provision for Gratuity	19.17	4.78	(5.56)	18.39
Provision for leave salary	7.53	(0.45)	-	7.08
Provision for doubtful debts	36.87	3.79	-	40.66
Lease liability	28.93	(28.93)	-	-
Deferred revenue expenses	1.83	(0.91)	-	0.92
Provision for bonus	1.50	-	-	1.50
Net Deferred Tax Asset / (Liability)	682.47	143.58	(5.56)	820.49



(All amounts in ₹ Lakhs unless otherwise stated)

Current Assets

Note 6

Particulars	As at March 31, 2022	As at March 31, 2021
Inventories		
Stock-in-trade	15.11	20.63
Total	15.11	20.63

Financial Assets

Note 7

Investments

Current Investments

Particulars	As at 31 March 2022			As at 31 March 2021		
	NAV per Unit in Rs.	Quantity (No. of units)	Amount	NAV per Unit in Rs.	Quantity (No. of units)	Amount
Unquoted Investments						
Investment in mutual fund - mandatorily measured at FVTPL						
- Aditya Birla Sun Life Liquid Fund - Growth	340.4367	41,030.509	139.68	-	-	-
- HDFC Liquid Fund - Regular Plan - Growth	4,151.7977	2,468.345	102.48	-	-	-
- SBI Liquid Fund Regular Growth	3,310.7524	1,972.887	65.32	-	-	-
Total unquoted investments			307.48			
Aggregate book value of unquoted investments			307.48			-
Aggregate market value of unquoted investments			307.48			-
Aggregate amount of impairment in value of Investments			-			-

Note 8

Trade Receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Secured, considered good		
Unsecured, considered good	193.85	122.75
Unsecured, considered doubtful	143.16	156.39
Sub-total	337.01	279.14
Allowance for doubtful debts (expected credit loss allowance)	(143.16)	(156.39)
Total	193.85	122.75

Particulars	As at March 31, 2022					
	Less than 6 months*	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding for following periods from due date of payment*						
(i) Undisputed Trade receivables -- considered good	52.44	-	-	-	-	52.44
(ii) Undisputed Trade receivables -- which have significant increase in credit risk	-	13.52	8.09	47.43	42.84	111.88
(iii) Undisputed Trade receivables -- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables -- considered good	-	-	-	-	-	-
(v) Disputed Trade receivables -- which have significant increase in credit risk	-	-	-	-	31.28	31.28
(vi) Disputed Trade receivables -- credit impaired	-	-	-	-	-	-
Amount Not Due	141.41	-	-	-	-	141.41
TOTAL	193.85	13.52	8.09	47.43	74.12	337.01

* Amount not due is showed under less than 6 Months

^ Unbilled dues shall be disclosed separately



RANE T4U PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	As at March 31, 2021					Total
	Less than 6 months*	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Outstanding for following periods from due date of payment*						
(i) Undisputed Trade receivables – considered good	70.39	-	-	-	-	70.39
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	21.50	60.44	18.45	24.72	125.11
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	31.28	31.28
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Amount Not Due	52.36	-	-	-	-	52.36
TOTAL	122.75	21.50	60.44	18.45	56.00	279.14

* Amount not due is showed under less than 6 Months

^ Unbilled dues shall be disclosed separately

Note 9

Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand.		
(a) Balances with banks - In Current accounts	46.33	0.13
(b) Cash on hand	0.01	0.01
Total	46.34	0.14

Note 10

Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Rent deposits		
Unbilled revenue	14.91	9.83
Advance recoverable in cash	15.47	23.19
Less: Provision for doubtful advances	5.91	5.83
Other receivables (Refer Note No. 29 - 7.03)	(5.91)	-
Less: Provision for doubtful receivable	6.46	6.46
Total	(0.86)	-
	35.98	45.31

Note 11

Current tax assets (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance payment of Tax and Tax Deducted at Source (Net of provision for income tax)	39.25	14.78
Total	39.25	14.78

Note 12

Other Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured and considered good unless otherwise stated :		
(a) Advances paid for purchase of goods/ services		
Less: Provision for doubtful advances	5.49	7.22
(b) Employee related advance	(2.68)	-
(c) Prepaid Expenses	1.16	0.29
Total	7.40	10.13
	11.37	17.64



Note 13B - Instruments entirely equity in nature

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
13B.1 Compulsorily Convertible Preference Shares				
AUTHORISED :				
13B.2 Preference Shares of Rs.10 each	2,83,33,000	2,833.30	2,83,33,000	2,833.30
ISSUED, SUBSCRIBED AND FULLY PAID UP				
13B.2 Compulsorily Convertible Preference Shares of Rs.10 each fully paid up	2,78,50,000	2,785.00	2,78,50,000	2,785.00
		2,785.00		2,785.00

13B.3 Reconciliation of number of Compulsorily Convertible Preference Shares and amount outstanding at the beginning and at the end of the year:

Particulars of Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up	2021-22		2020-21	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	2,78,50,000	2,785.00	2,78,50,000	2,785.00
Allotment of shares during the year	-	-	-	-
Balance at the end of the year	2,78,50,000	2,785.00	2,78,50,000	2,785.00

13B.4 Rights, preferences and restriction relating to Compulsorily Convertible Preference Shares

- The above shares are compulsorily convertible preference shares convertible at 1:1 ratio.
- Rights to dividend - In the event the Company declares dividend, the holder of the CCPS shall have preference over equity shares and shall be entitled to receive a cumulative dividend at the rate of 0.1% of the amount invested per annum.
- Rights during liquidation
 - In the event of liquidation, along with all the other shareholders of the company, RHL is entitled to receive a pro rata share in the remaining proceeds available after the payment of the outside liabilities and the Liquidation Preference share subscription amount. - Liquidation Preference.
 - At the time of liquidation, RHL can, either before or after winding up, elect in writing not to avail the Liquidation Preference specified in Point (a) above and on such election, the holder shall be entitled for the proceeds of and / or assets available for distribution as if the Liquidation Preference had never existed.
- Reservation of shares issuable upon Conversion - The Company shall at all times reserve and keep available out of its authorised but unissued Equity Securities, solely for the purpose of effecting the conversion of the CCPS, such number of Equity Shares sufficient to effect the conversion.
- Date of Conversion - The shares shall be converted by RHL effecting the Put Option at any time but not later than August 31, 2027 ("Mandatory Conversion Date"). The CCPS shall be Compulsorily convertible into Equity Shares on the Mandatory Conversion Date.

13B.5 Particulars of Compulsorily Convertible Preference Shares holding more than 5% of the total paid up Compulsorily Convertible Preference Shares Capital:

Name of the Preference Share holder	As at March 31, 2022		As at March 31, 2021		% change during the year
	Nos.	%	Nos.	%	
M/s. Rane Holdings Limited	2,78,50,000	100.00%	2,78,50,000	100.00%	



(All amounts in ₹ Lakhs unless otherwise stated)

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Equity				
Note 13A - Equity Share Capital				
13A.1 AUTHORISED :				
Equity Shares of Rs.10 each	2,16,67,000	2,166.70	16,67,000	166.70
13A.2 ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of Rs.10 each fully paid up	1,80,03,600	1,800.36	16,67,000	166.70
		1,800.36		166.70

13A.3 Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars of Equity Shares of Rs.10 each fully paid up	2021-22		2020-21	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	16,67,000	166.70	16,67,000	166.70
Allotment of shares during the year	1,63,36,600	1,633.66	-	-
Balance at the end of the year	1,80,03,600	1,800.36	16,67,000	166.70

13A.4 Rights, preferences and restriction relating to Equity Shares

The Company has one class of equity shares having a par value of Re.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.

14A.5 Particulars of equity share holders holding more than 5% of the total paid up equity share capital:

Name of the share holder	As at March 31, 2022		As at March 31, 2021		% change during the year
	Nos.	%	Nos.	%	
M/s. Rane Holdings Limited	1,77,49,174	98.59%	11,67,000	70.01%	28.58%
Mr. Pratap C Hegde	-	-	81,656	4.90%	-
Mr. Vinay K Prasad	-	-	1,28,524	7.71%	-
Mr. Govardhan K Shetty	-	-	1,13,300	6.80%	-
Mr. Pratap C Hegde jointly with M/s. Rane Holdings Limited	-	-	1,00,020	6.00%	-

Promoter name	2021-22		2020-21		% change during the year
	Number of shares held	% of total shares	Number of shares held	% of total shares	
Promoters					
M/s. Rane Holdings Limited	1,77,49,174	98.59%	11,67,000	70.01%	28.58%
Mr. Pratap C Hegde jointly with M/s. Rane Holdings Limited	1,00,020	0.56%	1,00,020	6.00%	-5.44%
Mr. Pratap C Hegde	81,656	0.45%	81,656	4.90%	-4.44%
Mr. Prasanth Kumar K N	57,750	0.32%	57,750	3.46%	-3.14%
Mr. Vinay K Prasad	-	-	1,28,524	7.71%	-7.71%
Mr. Govardhan K Shetty	-	-	1,13,300	6.80%	-6.80%
Mr. Abdul Haseeb	15,000	0.08%	15,000	0.90%	-0.82%
Others	-	-	1,875	0.11%	-0.11%
Others	-	-	1,875	0.11%	-0.11%
Total	1,80,03,600	100.00%	16,67,000	100.00%	-



RANE T4U PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in ₹ Lakhs unless otherwise stated)

Note 14 Other equity	As at March 31, 2022	As at March 31, 2021
Ind AS Transition Reserve	(277.65)	(277.65)
Other Comprehensive Income	73.48	22.65
Retained Earnings	(4,134.36)	(3,043.08)
Total	(4,338.53)	(3,298.08)

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to the Statement of Profit or Loss.

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Ind AS Transition Reserve		
Balance at the beginning of the year	(277.65)	(277.65)
Balance at the end of the year	(277.65)	(277.65)
(b) Other Comprehensive Income		
Balance at the beginning of the year	22.65	6.83
Movement during the year	50.83	15.82
Balance at the end of the year	73.48	22.65
(c) Retained Earnings		
Balance at the beginning of the year	(3,043.08)	(2,547.58)
Profit/ (loss) attributable to the owners of the company	(1,091.28)	(495.50)
Balance at the end of the year	(4,134.36)	(3,043.08)
Grand Total	(4,338.53)	(3,298.08)



RANE T4U PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in ₹ Lakhs unless otherwise stated)

Note 15 Non-current borrowings	As at March 31, 2022	As at March 31, 2021
Unsecured Loans		
Term Loans		
i) from other parties	261.23	405.58
Total	261.23	405.58

Note 16 Provisions (Non-current)	As at March 31, 2022	As at March 31, 2021
Provisions for employee benefits		
i) Provision for Gratuity (Refer Note No.29-6.02)	8.81	34.15
ii) Provision for Leave Encashment (Refer Note No.29-6.03)	5.43	13.76
Total	14.24	47.91

Note 17 Current borrowings	As at March 31, 2022	As at March 31, 2021
Secured - at amortised cost		
Loans repayable on demand		
i) from banks		95.07
Unsecured		
i) Others (Corporate Credit Card)		4.06
ii) from related parties		300.00
Current maturities of long term debt:		
Unsecured		
From banks		300.00
From others	143.00	126.97
Total	143.00	826.10

Terms of repayment of above borrowings
Indian rupee loan from banks

Bank	Terms of repayment
(Secured)	
Working Capital facilities (fund based) from HDFC Bank Limited Secured by way of exclusive charge on the current assets of the Company and also secured by way of comfort letter from M/s. Rane Holdings Limited (Holding Company).	The cash credit facility is payable on demand as per the latest sanction letter dated 10 January 2019. The total limit sanctioned is Rs.600 Lakhs with sub-limits for purchase bill discounting and bank guarantee. During the year the limit has been revised to Rs.400 Lakhs vide sanction letter dated 18-03-2022.
(Unsecured)	
Financial assistance in the nature of working capital loan from Rane Holdings Limited (Holding Company)	Financial assistance in the nature of working capital loan repayable on demand on receipt of 15 days notice from Rane Holdings Limited. This is full repaid at the end of the year and no balances are outstanding in the books of account in this regard.
Term Loan from Tata Capital Financial Services Private Limited Secured by way of comfort letter from M/s. Rane Holdings Limited (Holding Company).	Loan availed Rs.500 Lakhs is repayable in 33 equated monthly installments of Rs.15.15 Lakhs each commencing from Feb-2018. Interest is payable on monthly basis commencing from 31 October, 2017.
	Loan availed Rs.200 Lakhs is repayable in 48 equated monthly installments of Rs.5.09 Lakhs each commencing from Sep-2019. Interest is payable on monthly basis commencing from 15 December, 2018.
	Loan availed Rs.200 Lakhs is repayable in 48 monthly installments of Rs.4.17 Lakhs each commencing from November-2020. Interest is payable on monthly basis commencing from 15 December, 2019
	Loan availed Rs.89 Lakhs is repayable in 48 monthly installments of Rs.1.86 Lakhs each commencing from April-2021. Interest is payable on monthly basis commencing from 15 April, 2020
	Loan availed Rs.100 Lakhs is repayable in 48 equated monthly installments of Rs.2.08 Lakhs each commencing from Nov-2020. Interest is payable on monthly basis commencing from 15 December, 2019.
	Finance lease of Rs.33.63 Lakhs is repayable in 16 equated quarterly installments of Rs.2.64 Lakhs each commencing from Aug-2018.
Term Loan from Axis Bank Limited Secured by way of comfort letter from M/s. Rane Holdings Limited (Holding Company).	Loan availed Rs.300 Lakhs is repayable in 12 monthly installments of Rs.25 Lakhs each commencing from Apr-2021. Interest is payable on monthly basis commencing from 14 August, 2020.



(All amounts in ₹ Lakhs unless otherwise stated)

Note 18 - Trade Payables-Current	As at March 31, 2022	As at March 31, 2021
Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	43.11	30.05
b) Total outstanding dues of other creditors:		
Creditors for expenses and services	16.80	31.32
Creditors for goods	73.59	5.56
Provision for expenses	17.08	18.19
Total	150.58	85.12

18.1 Micro and Small Enterprises :

Particulars	As at March 31, 2022	As at March 31, 2021
The amount remaining unpaid to any supplier at the end of year;		
- Principal	40.15	28.02
- Interest	2.96	2.04
The amount of interest paid in terms of section 16 of MSMED Act along with the amount of payment made to suppliers beyond the appointed day during the year:	156.32	261.97
The amount of interest due and payable for principal paid during the year beyond the appointed day but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006:	-	-
The amount of interest accrued and remaining unpaid at the end of year;	0.87	0.10
The amount of further interest remaining due and payable even in the succeeding year, until such date when interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	1.76

18.2-Ageing of trade payables

Particulars	As at 31-03-2022 - Outstanding for following periods from due date of payment*				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	41.01	2.10	-	-	43.11
(ii) Others	102.06	3.74	-	1.67	107.47
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

* similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction.
* Unbilled dues shall be disclosed separately

Particulars	As at 31-03-2021 - Outstanding for following periods from due date of payment*				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	30.05	-	-	-	30.05
(ii) Others	44.63	8.77	1.67	-	55.07
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

* similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction.
* Unbilled dues shall be disclosed separately

Note 19 - Other financial liabilities-Current	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on borrowings	2.03	6.14
Employee related payables	81.28	69.84
Bonus Payable	5.76	5.76
Total	89.07	81.74

Note 20 - Provisions (Current)	As at March 31, 2022	As at March 31, 2021
a) Provisions for employee benefits		
(i) Provision for Gratuity (Refer Note No.29-6.02)	2.24	36.57
(ii) Provision for leave encashment (Refer Note No.29-6.03)	4.04	13.45
Total	6.28	50.02

Note 21 - Other Liabilities	As at March 31, 2022	As at March 31, 2021
(a) Unearned Revenue	30.56	23.09
(b) Advances and Deposits from Customers	11.23	5.71
(c) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, GST etc.)	20.34	26.87
Total	62.13	55.67



RANE T4U PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Note 22		
Revenue from operations		
Sale of Products	154.99	100.49
Sale of Services	716.47	980.23
Total	871.46	1,080.72
Sale of Products		
Domestic sales	154.99	100.49
Export sales	-	-
Total sale of Products	154.99	100.49
Sale of services		
Domestic Services	558.46	847.45
Export services	158.01	132.78
Total sale of services	716.47	980.23
Note 23		
Other Income		
(a) Interest Income earned on financial assets that are designated at fair value through profit or loss		
- On rent deposits	-	0.32
(b) Fair value changes on investments that are designated at fair value through profit or loss		
- Realised	0.48	-
- Unrealised	1.00	-
(c) Interest on bank deposits	3.76	-
(d) Interest on income tax refund	-	6.98
(e) Balances no more payable written back	-	5.80
(f) Excess provision for doubtful debts written back (net)	13.23	-
(g) Net reversal on de-recognition of lease liabilities and Right of Use Assets	-	4.66
(h) Net Foreign Exchange Gain	0.64	1.16
Total	19.11	18.92
Note 24		
Changes in Inventory of stock-in-trade		
Opening Stock	20.63	29.97
Closing Stock	15.11	20.63
(Increase)/ decrease in inventory	5.52	9.34
Note 25		
Employee benefit expenses		
Salaries, Wages and Bonus	554.71	655.51
Consultancy charges of functional resources	9.84	202.05
Recruitment expenses	5.90	-
Contribution to Provident and Other Funds	14.56	16.91
Gratuity expenses	21.35	22.77
Staff Welfare Expenses	13.01	19.31
Total	619.37	916.55
Note 26		
Finance Cost		
a) Interest costs:		
Interest on bank overdrafts and loans	118.01	106.16
Interest on delayed payment of dues to MSME vendors (Refer Note 18.1)	0.87	2.13
Interest on delayed payment of statutory dues	0.88	5.82
b) Other borrowing Costs	-	3.10
Total	119.76	117.21



RANE T4U PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Note 27		
Depreciation and amortisation expense		
Depreciation on Property, plant and equipment pertaining to continuing operations (Refer Note 2)	8.99	31.46
Amortisation of right to use assets	-	6.57
Amortisation of Intangible assets (Refer Note 3)	63.89	78.09
Total	72.88	116.12
Note 28		
Other Expenses		
Field and other support services	140.77	195.56
IT Infrastructure and hosting services	170.66	180.06
Power and Fuel	0.24	1.91
Rent	34.70	17.61
Travelling and Conveyance	16.23	10.30
Repairs and Maintenance		
- Buildings	2.11	9.96
- Others	13.35	9.31
Insurance	0.65	0.93
Watch & ward expenses	1.29	5.19
Rates and Taxes	17.34	2.50
Auditor's Remuneration (Refer Note No.28.1)	5.30	4.40
Professional Charges	14.65	12.82
Advertisement and Sales Promotion	3.09	5.78
Bank Charges	0.97	1.31
Administration expenses	4.37	7.91
Provision for doubtful debts	-	14.58
Provision for doubtful receivables/ advances	9.45	-
Bad debts written off	-	0.23
Loss on discarding of Property, Plant & Equipment	2.81	6.11
Total	437.98	486.47
28.1. Auditor's Remuneration		
For audit	2.65	2.40
For tax audit	0.90	0.80
For limited review	1.05	0.90
For certification work	-	0.10
For taxation services	0.70	0.20
Total	5.30	4.40

28.2 Ratio analysis

Ratio	Numerator	Denominator	2021-22	2020-21	% Variance	Reason for variance
(a) Current Ratio	649.38	451.06	1.44	0.20	615	Due to repayment of debts by using the proceeds from issue of equity shares
(b) Debit equity ratio	404.23	246.83	1.64	(3.56)	(146)	Due to increase in equity share capital and repayment of debts
(c) Debt service coverage ratio	(895.83)	262.76	(3.41)	(0.47)	625	Due to losses incurred during current and previous year



RANE T4U PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in ₹ Lakhs unless otherwise stated)

Ratio	Numerator	Denominator	2021-22	2020-21	% Variance	Reason for variance
(d) Return on equity ratio	(1,091.28)	(49.77)	21.92	4.65	371	Due to losses incurred during current and previous year
(e) Inventory turnover ratio	145.00	17.87	8.11	3.72	118	Due to increase in sale of products during the year
(f) Trade receivables turnover ratio	871.46	158.30	5.51	3.89	42	Due to better collection of trade receivables
(g) Trade payables turnover ratio	139.48	117.85	1.18	0.51	130	Due to better payment of trade payables
(h) Net capital turnover ratio	871.46	198.32	4.39	(2.46)	(278)	Working capital is improved due to repayment of debts
(i) Net profit ratio	(1,091.28)	871.46	(1.25)	(0.46)	173	Mainly due to reversal of deferred tax assets on business losses during the year and operating losses due to drop in sales
(j) Return on capital employed	(384.66)	651.06	(0.59)	(0.58)	2	
(k) Return on investment	1.48	306.48	0.00	Not applicable	100	Due to receipts from issue of shares temporarily parked as investment in mutual funds

Note 29	Year ended March 31, 2022	Year ended March 31, 2021
1 - INCOME TAX EXPENSE		
1.1 Current tax		
In respect of current year (ineligible foreign tax credits written off)	1.82	6.19
In respect of prior years (ineligible foreign and Indian tax credits written off)	3.81	2.17
	5.63	8.36
1.2 Deferred tax	581.23	(138.02)
	581.23	(138.02)
Total income tax expense	586.86	(129.66)
2 - EARNINGS PER SHARE		
2.1 Basic Earnings per share		
A - Profit for the year	(1,040.45)	(479.68)
B - Weighted average number of shares outstanding (B)	62,63,352	16,67,000
A/B - Total basic earnings per share (A/B) (in Rs.)	(16.61)	(28.77)
2.2 Diluted Earnings per share		
C - Profit for the year (C)	(1,040.45)	(479.68)
D - Weighted average number of shares outstanding (C)	3,41,13,352	2,95,17,000
C/D - Total diluted earnings per share (C/D) (in Rs.)	(3.05)	(1.63)



RANE T4U PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3 SEGMENT REPORTING

(All amounts in ₹ Lakhs unless otherwise stated)

The Company is engaged in the business of providing technological services for transportation industry by designing and developing, promoting and marketing telematics, vehicle intelligence, remote monitoring related products and services globally. The Chief Operating Decision Maker (Board of Directors) review the operating results as a whole for purposes of making decisions about resources to be allocated and assess its performance, the entire operations are to be classified as a single business segment, namely IoT (Internet of Things) Solutions for transportation industry. The geographical segments considered for disclosure are - India and Rest of the World.

3.01 Geographical Information

Particulars	Revenue from customers		Non - current assets**	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
India	713.45	947.94	323.98	984.51
Rest of World	158.01	132.78	-	-
Total	871.46	1,080.72	323.98	984.51

** Non-current assets are used in the operations of the Company to generate revenues both in India and outside India.

3.02 Information about major customers

Particulars	As at March 31, 2022	As at March 31, 2021
Revenue from sale of products and services to largest customers (individually greater than 10% of total sales)	429.24	275.54

4 Going Concern

The Company has incurred a net loss during the year and has accumulated losses at the balance sheet date. Considering the expected increase in business, there would be reasonable profits in the near future to enable the Company to realise its assets and discharge its liabilities under normal course of its business and in addition there would be continued support from the holding company as and when required. Accordingly, these financial statements have been prepared on Going Concern assumption which is considered appropriate.

5 Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2022 by offerings and contract-type. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Particulars	March 31, 2022	March 31, 2021
Revenue by offerings		
Hardware Revenue	154.99	100.49
Service Revenue	716.47	980.22
Total	871.46	1,080.71
Revenue by contract type		
Fixed price	749.62	1,061.49
Time and material	121.84	19.22
Total	871.46	1,080.71



6 EMPLOYEE BENEFIT PLANS

6.01 Defined contribution plans

The Company has recognised Rs.14.56 Lakhs (Previous Year: Rs.16.91 Lakhs) as expense in Statement of Profit or Loss towards defined contribution plans. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

6.02 Defined benefit plans

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.

In respect of Gratuity plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as on March 31, 2021. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Investment Risk : The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

The following table sets forth the status of the Gratuity Plan of the Company and the amount recognized in the Balance Sheet and Statement of Profit and Loss.

Particulars	Gratuity (Unfunded)	
	2021-22	2020-21
Present Value of obligations at the beginning of the year	70.72	73.71
Current service cost	17.29	19.05
Past service cost	-	-
Interest Cost	2.37	3.72
Re-measurement (gains)/losses:		
- Actuarial gains and losses arising from experience adjustment	(50.83)	(21.38)
Benefits paid	(28.51)	(4.38)
Present Value of obligations at the end of the year	11.04	70.72
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of year	-	-
Expected Return on plan assets	-	-
Contributions from the employer	-	-
Benefits Paid	-	-
Actuarial gain/ (loss) on plan assets	-	-
Fair Value of plan assets at the end of the year	-	-
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	11.04	70.72
Fair value of plan assets at end of the year	-	-
Funded status of the plans - Liability recognised in the balance sheet	11.04	70.72
Components of defined benefit cost recognised in profit or loss		
Current service cost	17.29	19.05
Past service cost	-	-
Net Interest Expense	2.37	3.72
Net Cost in Profit or Loss	19.66	22.77



(All amounts in ₹ Lakhs unless otherwise stated)

Components of defined benefit cost recognised in Other Comprehensive Income		
Remeasurement on the net defined benefit liability:		
- Actuarial gains and losses arising on Plan obligations	(50.83)	(21.38)
- Actuarial gains and losses arising on Plan assets	-	-
Net Cost In Other Comprehensive Income	(50.83)	(21.38)

Assumptions	March 31, 2022	March 31, 2021
Discount rate	5.40%	4.20%
<u>Expected rate of salary increases</u>		
Executive Managers & Below / Senior Manager & Above	12.00%	12.00%
<u>Expected rate of attrition</u>		
Other Executives and Staff	40.00%	47.00%
Average age of members	34.73	35.78
Expected average remaining working lives of employees (in years) *	2.49	2.08
Average duration of defined benefit obligation (in years)	1.33	4.02

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	Impact on defined benefit obligation	
	March 31, 2022	March 31, 2021
Salary growth rate		
- 1% increase (+100 BP)	22.30	71.35
- 1% decrease (-100 BP)	0.20	70.10
Discount rate		
- increase of 1% (+100 BP)	0.31	69.55
- decrease of 1% (-100 BP)	22.42	71.95

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

The Company's best estimate of the benefit payments expected to be paid on this plan during the next year is Rs.2.24 Lakhs (Previous Year: Rs.36.57 Lakhs).

6.03 Long Term Compensated Absence

The assumptions used for computing the long term accumulated compensated absences on actuarial basis are as follows -

Assumptions	2021-22	2020-21
Discount rate	5.40%	4.20%
Expected rate of salary increases		
Executive Managers & Below / Senior Manager & Above	12.00%	12.00%
Expected rate of attrition		
Executive and Staff	40.00%	47.00%

6.04 Defined contribution plan

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

Particulars	2021-22	2020-21
Employer's contribution to Provident Fund	14.56	16.81
Employer's contribution to Employees State Insurance	-	0.08



RANE T4U PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

7 RELATED PARTY DISCLOSURES

7.01 Names of related parties and nature of relationship:

List of related parties where control exists

(i) Holding Company

Rane Holdings Limited (RHL)

Other related parties where transactions have taken place during the year

(ii) Key Management Personnel (KMP)

Mr. Pratap Chandra Hegde, Executive Director (upto June 2021)

7.02 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.

7.03 Transactions / Balances

Description	Holding Company				KMP		Total
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	
Transactions during the year							
Issue of Equity Shares	1,633.66	-	-	-	-	-	-
Remuneration to Executive Director *	-	-	-	58.88	-	-	58.88
Unsecured Loan from Holding Company	465.00	300.00	-	-	465.00	300.00	300.00
Interest on Unsecured Loan	47.56	3.18	-	-	47.56	3.18	3.18
Balance as at year end							
Payable							
Remuneration Payable	-	-	4.31	4.31	-	-	4.31
Unsecured Loan from Holding Company	-	-	-	-	-	-	-
Interest on Unsecured Loan	-	-	-	-	-	-	-
Receivables	-	300.00	-	-	-	-	300.00
Dues for sale of shares of M/s Advise Analytics Pvt. Ltd.	-	3.18	-	-	-	-	3.18
Advance for expenses	-	-	5.60	5.60	-	-	5.60

(All amounts in ₹ Lakhs unless otherwise stated)

* Remuneration to Key Management personnel Mr. Pratap Chandra Hegde, Executive Director

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Short term benefits paid	-	58.66
Other Long term benefits paid	-	0.22
Total	-	58.88



8 Contingent liabilities (to the extent not provided for) & Commitments

8.01 Contingent liabilities - Nil (Previous Year - Nil)

8.02 Commitments

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Estimated amount of contracts, net of advances paid thereon, remaining to be executed on capital account and not provided for	-	-

9 Disclosure as required under Ind AS 116

9.01 Impact on transition to Ind AS 116

On transition to Ind AS 116, the Company recognized right-of-use assets and lease liabilities. The impact on transition is summarized below:

Particulars	2021-22	2020-21
Right of use assets - property plant and equipment	-	-
Lease liabilities	-	-

9.02 The Company leases office premises facilities. During the year, the Company has vacated some of the leased premises and reduced the lease term of other premises to less than 12 months. Information about leases for which the Company is a lessee is presented below.

a) Right-of-use assets - Building

Particulars	2021-22	2020-21
Balance as at the beginning of the year	-	75.92
Additions to right of use asset	-	-
Amortisation during the year	-	6.57
De-recognition of right of use assets	-	69.35
Balance as at the end of the year	-	-

b) Lease liabilities

Maturity analysis - contractual discounted cash flows

Particulars	2021-22	2020-21
Contractual cash flows	-	-
0-1 year	-	-
1-5 years	-	-
5 years and above	-	-

The Company incurred Rs.34.70 Lakhs (Previous year Rs.17.61 Lakhs) for the year ended March 31, 2022 towards expenses relating to short termed leases.

The total cash outflow for leases is Rs.34.70 Lakhs (Previous year Rs.29.52 Lakhs) for the year ended March 31, 2022, including cash outflow of short-term leases. The Company has lease term extension options that are not reflected in the measurement of lease liabilities.

10 Additional Information to Financial statements

Particulars	As at March 31, 2022	As at March 31, 2021
a) CIF Value of Imports :		
i) Traded Goods	2.54	0.02
	2.54	0.02
b) Earnings in foreign currency		
FOB Value of exports:		
Sale of products	-	-
Sale of services	158.01	132.78
	158.01	132.78
d) Other Financial Information		
i) Net exchange difference debited/ (credited) to the Statement of Profit and Loss	(0.64)	(1.16)

11 The balances of trade receivables, trade payables and some of the bank balances are subject to confirmation. In the opinion of management, current assets, loans and advances have a value not less than what is stated in the financial statements, if realized in the ordinary course of business.

12. UNHEDGED FOREIGN CURRENCY EXPOSURE

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Exchange Rate (Rs.)	Amount in Foreign Currency (USD)	Amount	Exchange Rate (Rs.)	Amount in Foreign Currency (USD)	Amount
Assets						
Trade Receivables	75.90	55,865	42.40	74.90	70,929	53.13

13. Financial Instruments

13.1 Capital management

For the purpose of the Company's capital management, capital includes issued capital, other equity reserves attributable to the equity shareholders of the Company and debt. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern, and to maintain an optimal capital structure so as to maximize shareholder value and reduce the cost of capital. The Company determines the capital funding requirement based on its long term budgets, which are met through equity, instruments entirely equity in nature, internal accruals and a combination of both long term and short-term borrowings.

(All amounts in ₹ Lakhs unless otherwise stated)

13.2 Categories of financial Instruments	As at March 31, 2022	As at March 31, 2021
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Designated as at FVTPL	322.39	9.83
Measured at amortised cost		
- Trade receivables	193.85	122.75
- Cash and cash equivalents	46.34	0.14
- Other financial assets (Current)	35.98	45.31
- Other financial assets (Non-Current)	28.06	30.06
Financial liabilities		
Measured at amortised cost		
- Borrowings (Non-current)	261.23	405.58
- Borrowings (Current)	143.00	826.10
- Trade payables	150.58	85.12
- Other financial liabilities (Non-current)	-	-
- Other financial liabilities (current)	89.07	81.74

13.3 Financial risk management

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of Directors ('Board') oversee the management of these financial risks. The Company monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks.

The following disclosures summarize the Company's exposure to financial risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

13.3.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk mainly comprises of interest rate risk and currency risk. Financial Instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and derivative financial instruments. The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and other price risk.

There has been no material change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to changes in interest rates primarily relates to the Company's outstanding floating rate debt. The company has mainly INR denominated long term debt which are subject to annual interest rate reset. Based on the past experience the variability of interest on such INR denominated loans is not expected to be material.



(b) Foreign Currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Since most of the transactions of the Company are denominated in its functional currency (INR), there is no material amount of foreign exchange fluctuation which affects the profitability of the Company and its financial position. Hence the Company does not enter into any derivative contracts to hedge its foreign currency exposures.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

(All amounts in ₹ Lakhs unless otherwise stated)

Currency	Liabilities as at		Assets as at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
USD	-	-	42.40	53.13

Foreign Currency sensitivity analysis

The below table demonstrates the sensitivity to a 5% increase or decrease in the relevant foreign currency against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Impact on profit or loss for the year		Impact on total equity as at the end of the reporting period	
	2021-22	2020-21	March 31, 2022	March 31, 2021
Financial Assets				
USD	2.12	2.66	1.57	1.97
Financial Liabilities				
USD	-	-	-	-
Total	2.12	2.66	1.57	1.97

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

13.3.2 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management.

Trade receivables consist of a number of customers whose ongoing credit evaluation is performed on the financial condition of accounts receivable. Credit risk arising from other balances with banks is limited and there is no collateral held against these because the counterparty is a bank.

Apart from the following 8 counterparties, the Company does not have significant credit risk exposure to any single counterparty.

1. Muscat Smart Technology
2. MJUNCTION Services Limited
3. Wyncom Digital Devices Private Limited
4. Amazon Seller Services Pvt Ltd
5. Goodsmover Technologies
6. NTC Logistics India Pvt Ltd
7. Vedanta Limited
8. DC Office - Chikkaballapura

Concentration of credit risk related to each of these counterparties individually did not exceed 20% of gross monetary assets at any time during the year. Concentration of credit risk to any other counterparty did not exceed 5% of gross monetary assets at any time during the year.

Expected credit loss for trade receivables under simplified approach

In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and percentage used in the provision matrix.

Movements in allowance for credit losses of receivables is as below:

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	156.39	141.81
Charge in statement of profit and loss	-	14.58
Release to statement of profit and loss	(13.23)	-
Utilised during the year	-	-
Balance at the end of the year	143.16	156.39

13.3.3 Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.



RANE T4U PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Less than 1 year	1-5 years	More than 5 years	Total	Carrying Value
March 31, 2022					
Borrowings	143.00	261.23	-	404.23	404.23
Trade payables	150.58	-	-	150.58	150.58
Other Financial Liabilities	89.07	-	-	89.07	89.07
Total	382.65	261.23	-	643.88	643.88
March 31, 2021					
Borrowings	826.10	405.58	-	1,231.68	1,231.68
Trade payables	85.12	-	-	85.12	85.12
Other Financial Liabilities	81.74	-	-	81.74	81.74
Total	992.96	405.58	-	1,398.54	1,398.54

14. Relationship with struck-off Companies

There are no transactions with struck off companies during the year ended March 31, 2022 and March 31, 2021.

15.

- a) In view of business loss during the year and the brought forward business losses, no provision has been made for current taxes.
- b) During the year, the Company has evaluated the deferred tax asset/ liabilities arising from timing differences and the net result is an asset arising from business losses, unabsorbed depreciation and certain expenses allowed on payment basis as per Income Tax provisions. In order to be conservative, the Company has stopped recognising the deferred tax assets from the current year and the deferred tax assets on business losses already accounted in the earlier years have been reversed in the Statement of Profit and Loss.

16. Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional lockdowns continue to be implemented in areas with significant number of COVID-19 cases. Subsequently India has entered the second wave of the pandemic where the number of COVID-19 cases have increased significantly and has resulted in re-imposition of localised lockdowns in various parts of the Country. The Company has evaluated impact of COVID-19 pandemic on its business operations and financial position. The Company has achieved only 81% of its previous year revenue for the current year due to major disruptions in transportation industry and deferrals of expansion plans of various customers. The Company has incurred huge loss due to drop in turnover. However, the impact assessment of Financial Position in the backdrop of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. Accordingly, the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions.

17. Previous year figures have been regrouped wherever required to conform to current year presentation.

For and on behalf of the Board of Directors

(Signature to Notes 1 to 29)

Harish Lakshman
Chairman

DIN : 00012602

Place: Chennai

Date: 20/05/2022

Karthika M K
Chief Financial Officer

Place: Bengaluru

Date: 20-05-2022.



Anand S
Secretary

Place: Chennai

Date: 20/05/2022

As per our report of even date attached

For Varma & Varma

Chartered Accountants

FRN 0045325

Georgy Mathew
Partner

M. No. 209645



Place: Bengaluru

Date: 20/5/2022