

**Rane Light Metal Castings Inc. (Formerly known as Rane Precision Die Casting, Inc.)**  
**Fit for consolidation financial statements**  
**Fit for consolidation balance sheets as at March 31, 2022 and March 31, 2021**

(In Rs.)

S.No	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>A. ASSETS</b>				
<b>Non-current assets</b>				
	(a) Property, plant and equipment	2	1,072,361,579	959,726,220
	(b) Right of use asset	2	22,184,489	26,383,176
	(c) Capital work-in-progress	2	21,433,455	158,652,230
	(d) Financial assets			
	(i) Other financial assets	3a	74,153,995	37,885,172
	(ii) Restricted cash	3b	15,144,000	21,599,438
	(e) Other non-current assets	4	110,034,859	64,703,969
	<b>Total non-current assets</b>		<b>1,315,312,377</b>	<b>1,268,950,205</b>
<b>Current Assets</b>				
	(a) Inventories	5	201,253,166	266,841,658
	(b) Financial assets			
	(i) Trade receivables	6	419,386,573	278,747,049
	(ii) Cash and cash equivalents	7	41,185,502	4,836,133
	(iii) Loans to employees	3a	1,708,040	1,218,576
	(c) Other current assets	4	110,954,884	108,170,956
	<b>Total current assets</b>		<b>774,488,165</b>	<b>659,814,372</b>
	<b>Total assets</b>		<b>2,089,800,542</b>	<b>1,928,764,577</b>
<b>B. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
	(a) Equity share capital	9	6,834	6,834
	(b) Other equity	10	252,829,053	(78,627,096)
	<b>Total equity</b>		<b>252,835,887</b>	<b>(78,620,262)</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
	(a) Financial liabilities			
	(i) Borrowings	11	825,348,000	1,000,980,071
	(ii) Lease liability	12	14,374,656	19,330,061
	(b) Provisions	15 a	132,633,424	136,888,889
	<b>Total non-current liabilities</b>		<b>972,356,080</b>	<b>1,157,199,021</b>
<b>Current liabilities</b>				
	(a) Financial liabilities			
	(i) Borrowings.	14a	469,464,000	426,474,000
	(ii) Trade payables	13	276,249,147	311,308,439
	(ii) Other financial liabilities	14	33,403,931	22,726,989
	(iv) Current maturities of lease liability	14b	10,129,034	8,174,759
	(b) Current tax liability (net)	8	85,750	77,795
	(c) Other current liabilities	15	75,276,713	81,423,836
	<b>Total current liabilities</b>		<b>864,608,575</b>	<b>850,185,818</b>
	<b>Total liabilities</b>		<b>1,836,964,655</b>	<b>2,007,384,839</b>
	<b>Total equity and liabilities</b>		<b>2,089,800,542</b>	<b>1,928,764,577</b>

**For KNAV P.A.**  
**Certified Public Accountants**

**Amber Mehta**  
Partner  
Licensed in Georgia  
Place: Atlanta  
Date: May 18, 2022

**For and on behalf of the Board of Directors of Rane Light Metal Castings Inc.**

**Harish Lakshman**  
Director

Place:  
Date:

**B Gnanasambandam**  
Director

Place:  
Date:

**Sagar Kota**  
Financial controller &  
Secretary

Place:  
Date:

**Rane Light Metal Castings Inc. (Formerly known as Rane Precision Die Casting, Inc.)**  
**Fit for consolidation financial statements**  
**Fit for consolidation statements of loss for the years ended March 31, 2022 and March 31, 2021**

(In Rs.)

S.No	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I	Revenues from operations (net)	17	1,869,204,159	1,198,438,803
II	Other income	18	91,128	3,628,759
<b>III</b>	<b>Total income (I+II)</b>		<b>1,869,295,287</b>	<b>1,202,067,562</b>
<b>IV</b>	<b>Expenses:</b>			
	Cost of materials consumed		825,227,569	421,082,617
	Changes in inventories of finished goods, work-in-progress and stock in trade	19	14,407,704	(18,144,580)
	Employee benefits expense	20	948,638,829	855,394,911
	Finance costs	21	(8,253,371)	27,178,772
	Depreciation and amortisation expense	22	198,929,142	138,146,875
	Other expenses	23	596,699,659	532,527,214
	<b>Total expenses (IV)</b>		<b>2,575,649,532</b>	<b>1,956,185,809</b>
<b>V</b>	<b>Loss before tax (III-IV)</b>		<b>(706,354,245)</b>	<b>(754,118,247)</b>
	Exceptional Item	18	467,128,770	
<b>VI</b>	<b>Loss before tax after exceptional item (III-IV)</b>		<b>(239,225,475)</b>	<b>(754,118,247)</b>
<b>VII</b>	<b>Tax expense:</b>			
	(1) Current tax	24	29,761	140,315
			<b>29,761</b>	<b>140,315</b>
<b>VIII</b>	<b>Loss for the year from continuing operations(V-VI)</b>		<b>(239,255,236)</b>	<b>(754,258,562)</b>
<b>IX</b>	<b>Loss from discontinued operations after tax (VIII-IX)</b>			
<b>X</b>	<b>Loss for the year (VII + X)</b>		<b>(239,255,236)</b>	<b>(754,258,562)</b>
	<b>Other comprehensive (loss) income</b>			
	A. i) Items that will not be reclassified to profit or loss			
	a) Exchange differences on translation of foreign operations		(6,886,133)	1,415,024
	b) Remeasurements of the defined benefit plans		(4,954,503)	(52,547,588)
<b>XI</b>	<b>Total other comprehensive income (loss)(A(i-ii)+B(i-ii))</b>		<b>7,449,616</b>	<b>(70,422,815)</b>
<b>XII</b>	<b>Total comprehensive loss for the period (XI+XII)</b>		<b>(246,704,852)</b>	<b>(683,835,747)</b>
<b>XIII</b>	<b>Earnings Per Equity Share</b>			
	<b>- For continuing operations</b>			
	(a) Basic (In Rs.)	25	(2,392,552)	(7,542,586)
	(b) Diluted (In Rs.)	25	(2,392,552)	(7,542,586)

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Place: Atlanta  
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**Sagar Kota**  
Financial controller &  
Secretary

Place:  
Date:

**Rane Light Metal Castings Inc. (Formerly known as Rane Precision Die Casting, Inc.)**  
**Fit for consolidation financial statements**  
**Fit for consolidation statements of changes in equity as on March 31, 2022 and March 31, 2021**

(In Rs.)

Particulars	Reserves and surplus				Items of other comprehensive income			Total
	Share Capital	Share premium	General reserve	Retained earnings	Foreign currency translation reserve (FCTR)	Effective portion of cash flow hedges	Actuarial Gain / (Loss)	
<b>Balance at March 31, 2020</b>	<b>6,834</b>	<b>1,502,767,947</b>	-	<b>(1,232,059,217)</b>	<b>1,698,256</b>	-	<b>(62,951,836)</b>	<b>209,461,984</b>
<b>2020-21</b>								
Loss for the year	-	-	-	(754,258,562)	-	-	-	(754,258,562)
On issue of shares	-	395,753,500	-	-	-	-	-	395,753,500
Other comprehensive gain for the year, net of income tax	-	-	-	-	-	19,290,251	52,547,588	71,837,839
Movement in foreign exchange translation reserve	-	-	-	-	(1,415,024)	-	-	(1,415,024)
<b>Balance at March 31, 2021</b>	<b>6,834</b>	<b>1,898,521,447</b>	-	<b>(1,986,317,779)</b>	<b>283,232</b>	<b>19,290,251</b>	<b>(10,404,248)</b>	<b>(78,620,262)</b>
<b>2021-22</b>								
Loss for the year	-	-	-	(239,255,236)	-	-	-	(239,255,236)
On issue of shares	-	578,161,000	-	-	-	-	-	578,161,000
Other comprehensive loss for the year, net of income tax	-	-	-	-	-	(19,290,251)	4,954,503	(14,335,748)
Movement in foreign exchange translation reserve	-	-	-	-	6,886,133	-	-	6,886,133
<b>Balance at March 31, 2022</b>	<b>6,834</b>	<b>2,476,682,447</b>	-	<b>(2,225,573,015)</b>	<b>7,169,366</b>	-	<b>(5,449,745)</b>	<b>252,835,887</b>

**For KNAV P.A.**  
**Certified Public Accountants**

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Partner  
Licensed in Georgia

Place: Atlanta  
Date: May 18, 2022

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Financial controller &  
Secretary

Place:  
Date:

**Rane Light Metal Castings Inc. (Formerly known as Rane Precision Die Casting, Inc.)**  
**Fit for consolidation financial statements**  
**Fit for consolidation cash flows statements for the years ended March 31, 2022 and March 31, 2021**

(In Rs.)

	For the Year ended March 31, 2022		For the Year ended March 31, 2021	
<b>A. Cash flow from operating activities</b>				
<b>Loss for the year</b>		(239,225,475)		(754,118,247)
<b>Adjustments for :</b>				
Finance costs recognised in profit or loss	(8,253,371)		27,178,772	
Loss on disposal of property, plant and equipment	-		24,783	
Impairment loss recognised on trade receivables	1,939,164		3,408,688	
Depreciation and amortisation of non-current assets (continuing and discontinued operations)	198,929,142		138,146,875	
Reversal of provision on trade receivables	-		(927,147)	
PPP loan forgiveness	(196,557,435)		-	
		(243,167,974)		(586,286,276)
<b>Movements in working capital :</b>				
Increase in trade receivables	(132,150,987)		(14,940,517)	
Decrease (increase) in inventories	72,354,924		(36,737,641)	
(Increase) decrease in other financial assets	(34,576,044)		63,071	
(Increase) decrease in other assets	(42,721,740)		147,511,188	
Decrease in trade payables	8,611,702		(91,869,802)	
(Decrease) increase in other financial liabilities	(190,126)		12,997,700	
Increase (decrease) in provisions and other liabilities	24,496,226	(104,176,045)	258,400	17,282,399
<b>Cash used in operations</b>		<b>(347,344,020)</b>		<b>(569,003,877)</b>
Income tax refund received/ payment made		-		82,215
<b>Net cash outflow from operating activities</b>		<b>(347,344,020)</b>		<b>(569,086,093)</b>
<b>B. Cash flow from investing activities</b>				
Payments for property, plant and equipment	(324,956,626)		(573,982,411)	
Proceeds from disposal of property, plant and equipment			704,913	
Proceeds from CWIP	139,664,171		230,331,758	
<b>Net cash used in investing activities</b>		<b>(185,292,455)</b>		<b>(342,945,739)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from borrowings	456,335,817		568,621,754	
Repayment of finance lease	(9,442,380)		(8,012,485)	
Repayment of debt	(432,122,084)		(24,733,781)	
Proceeds from equity	578,161,000		395,753,500	
Interest paid	(36,174,963)		(23,472,263)	
<b>Net cash provided by financing activities</b>		<b>556,757,390</b>		<b>908,156,725</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>24,120,915</b>		<b>(3,875,106)</b>
Cash and cash equivalents at the beginning of the year		26,435,571		29,805,673
Effects of exchange rate changes on the balance of cash, cash equivalents and restricted cash held in foreign currencies		5,773,015		505,005
<b>Cash and cash equivalents cash at the end of the year</b>		<b>56,329,502</b>		<b>26,435,571</b>
<b>Additional disclosures</b>				
Total cash outflow from leases		10,845,485		10,491,709
Non-cash financing and investing activities - acquisition of right-of-use assets		4,000,093		26,838,450
<b>Cash and cash equivalents consists of</b>				
		<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>
Cash and cash equivalents		41,185,502		4,836,133
Restricted cash		15,144,000		21,599,438

For KNAV P.A.

Certified Public Accountants

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Partner  
Licensed in Georgia

Place: Atlanta  
Date: May 18, 2022

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Directors of Rane Light Metal Castings  
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**Rane Light Metal Castings Inc. (Formerly known as Rane Precision Die Casting, Inc.)**  
**Fit for consolidation financial statements**  
**NOTES FORMING PART OF ACCOUNTS**

**Note 1: Summary of significant accounting policies**

**1. General information**

Rane Light Metal Castings Inc. (formerly known as Rane Precision Die Casting Inc.) (the "Company"), was acquired by Rane (Madras) International Holdings B.V. on February 17, 2016. The Company is based in Russellville, Kentucky, and it is a leading supplier of high-quality, lightweight aluminum die castings to the North American market. The Company, originally founded in 1956, produces complex, thin-walled, low porosity, high-pressure aluminum die castings. The Company provides a comprehensive portfolio of aluminum die cast solutions for steering and compressor components, pumps, valve housings and other non-automotive components. The Company changed its name from Rane Precision Die Casting Inc. to Rane Light Metal Castings Inc. on June 04, 2020.

**2. Summary of significant accounting policies**

**2.1 Basis of preparation**

These fit for consolidation financial statements have been prepared under historical cost convention in accordance with the Generally Accepted Accounting Principles in India ("IndAS") and comply in all material respects with the accounting standards specified under the section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 and Group Accounting policies and standards of Rane (Madras) Limited ("Rane Group Accounting policies and standards").

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. The fit for consolidation cash flow statements includes the disclosures as required under Ind AS to the extent it facilitates and is applicable for preparation of Rane Madras Limited's consolidated financial statements.

**2.2 Liquidity plans**

In July 2019, the RML board resolved to enhance the limit for investment in the Company through Rane Madras International Holdings, B.V. ("RMIH"), the Parent Company, from USD 20 million to USD 30 million in one or more tranches from time to time. The investment can be in the form of equity shares or preference shares or any other type of securities or capital instruments including any combination thereof.

In July 2021, the RML board resolved to enhance the limit for investment in the Company through Rane Madras International Holdings, B.V. ("RMIH"), the Parent Company, from USD 30 million to USD 45 million in one or more tranches from time to time. As of March 31, 2022, Company has received \$ 34,659,900 (INR 2,476,682,447) out of the sanctioned \$ 45,000,000 (INR 3,407,400,000) through equity infusion.

Further, in March 2019, the RML board resolved to guarantee for loan amounting to \$ 40,000,000 (INR 3,028,800,000) out of which \$ 17,500,000 (INR 1,325,100,000) amount is utilized as of March 31, 2022. The Company has loan outstanding amounting to \$ 17,100,000 (INR 1,294,812,000) which has been guaranteed by Rane (Madras) Limited ("the parent").

**2.3 Use of estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the fit for consolidation Balance Sheet date, reported amount of revenues and expenses for the year and disclosure of contingent liabilities as of the fit for consolidation Balance Sheet date.

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. Difference between actual results and estimates are recognised in the fit for consolidation Statement of loss in the year in which the results are known / materialised.

**2.4 Property, plant and equipment & depreciation**

**(i) Tangible assets**

Property, plant and equipment are valued at cost, namely, cost of acquisition and other incidental expenses directly related to their installation / erection less accumulated depreciation and impairment, if any. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefit from the existing asset beyond its previously assessed standard of performance.

Depreciation on tangible assets is generally computed on a pro-rata basis on the basis of the estimated life specified in Schedule II of the Companies Act, 2013 under straight line method. The useful life of assets prescribed in Schedule II of The Companies Act, 2013 are considered for the purpose of computation of depreciation. However, if the management's estimate of the useful life of property, plant and equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is different from that envisaged in the aforesaid schedule, depreciation is provided at a 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.

<b>Assets</b>	<b>Life</b>
Machinery & equipment	3-15 years
Vehicles	4-5 years
Computers and data processing equipment	3-5 years
Maintenance tools	1 year

Depreciation charge on additions / deletions is restricted to the period of use.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of asset's useful life and the lease term if there is no reasonable certainty that the Company will acquire ownership at the end of the lease term.

## **2.5 Impairment**

### (i) Impairment of assets

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

## **2.6 Borrowing costs**

Borrowing costs that are attributable to the acquisition / construction / production of qualifying assets (asset which requires 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 income.

## **2.7 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.

## **2.8 Revenue recognition**

Revenues related to sale of products is recognized at a point in time when control of the product is transferred to the customer based on an overall assessment of the existence of a right to payment, the allocation of ownership rights, the transfer of physical possession and the transfer of risk and rewards. The Company recognizes revenue when control of the products is transferred i.e. when the products are shipped from the Company's facility, as agreed in the contract and the risk and rewards along-with legal title has transferred to the customer. Revenue from these sales is recognised based on the price specified in the contract, net of the trade discounts.

## **2.9 Other income**

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

## **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. Disability benefit**

The benefit will be payable in the form of a lifetime pension until the earliest of: recovery, death or normal retirement date.

### **3. Death benefit**

If a participant dies after he/she has become vested under the defined benefit plan but before he/she begins to receive a retirement pension benefit, his/her spouse will receive a 50% survivor benefit if he/she has been married at least one year.

#### **4. Defined contribution plans**

##### **401k plan**

The Company has a 401k plan set up for its employees. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

#### **5. Defined benefit plan**

##### **Pension plan**

A participant is eligible for his normal retirement pension after the participant has attained age of 62 and terminates employment. A participant shall receive a monthly benefit payable at normal retirement age equal to:

- \$23:00 multiplied by years of benefit service from December 2003 to October 10, 2005; plus
- \$24:00 multiplied by years of benefit service from October 2005 to October 9, 2006; plus
- \$25:00 multiplied by years of benefit service from October 9, 2006, to October 8, 2007; plus
- \$26:00 multiplied by years of benefit service from October 5, 2007 to December 16, 2010; plus
- \$16:00 multiplied by benefit service after December 16, 2010.

The liability with regards to the Plan are determined by the actuarial valuation, performed by an independent actuary, at each balance sheet date using projected unit cost method. The Company contributes all ascertained liabilities to the registered investment companies which are held under a separate trust through custodian, Charles Schwab, as permitted by the Department of Labor. The Company recognizes the net obligation of the Plan in the balance sheet as an asset or liability, respectively, in accordance with Ind AS 19, "Employee benefits". The Company's overall long term rate of return on assets has been determined based on the available market information and the historical and expected future investment trends of present and expected assets in the Plan. The discount rate is based on the Government securities yield or equivalent corporate bond. Remeasurement of defined benefit plans in respect of post employment are charged to the other comprehensive income.

#### **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 income taxes are accrued in the same period that the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

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

#### **2.12 Research & development expenditure**

Revenue expenditure on research and development is charged off in the year in which it is incurred. Capital expenditure on research and development is included under property, plant and equipment.

#### **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.

#### **2.14 Leases**

The company has applied Ind AS 116 using the modified retrospective approach.

##### **As a lessee**

The company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

##### **Right-of-use asset**

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

##### **Lease liability**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

#### **2.15 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year after deducting equity dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the period and for all years 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 loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

#### **2.16 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



## **2.17 Foreign currency transactions and translations**

### (i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the company is United States Dollars ('USD'). However, the financial statements are presented in Indian Rupees ('INR') for consolidation with the parent company and therefore is the presentation currency of the Company.

### (ii) Translation

The results and financial position of the Company, which have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet;
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case incomes and expenses are translated at the dates of the transactions); and
- all resulting foreign exchange differences are recognised in other comprehensive income.

## **2.18 Hedge accounting**

The Company designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

### **Cash flow hedges**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit and loss, and is included in the Other income. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit and loss in the periods when the hedged item affects profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results income and accumulated under the heading of cash liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. loss, in the same line as the recognised hedged item. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit and loss.

## **2.19 Fair value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability as if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2-Inventories or value in use in Ind AS 36-Impairment of Assets. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

**Rane Light Metal Castings Inc. (Formerly known as Rane Precision Die Casting, Inc.)**  
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(In Rs.)

**Note 2: Property, plant and equipment and capital work-in-progress**

	As at March 31, 2022	As at March 31, 2021
<b>Carrying amounts of:</b>		
Plant and equipment	1,025,232,137	911,400,338
Office equipment	5,827,881	6,610,457
Leasehold improvements	41,301,561	41,715,425
Right-of-use asset	22,184,489	26,383,176
<b>Sub-total</b>	<b>1,094,546,068</b>	<b>986,109,396</b>
Capital work-in-progress	21,433,455	158,652,230
<b>Total</b>	<b>1,115,979,523</b>	<b>1,144,761,626</b>

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(In Rs.)

Gross carrying amount	Plant and equipment	Office equipment	Vehicles	Leasehold improvements	Total
<b>Balance at 01-Apr-2020</b>	<b>885,162,061</b>	<b>28,491,011</b>	<b>37,705</b>	<b>24,879,932</b>	<b>938,570,709</b>
Additions	595,285,548	428,103	-	30,222,698	625,936,349
Disposals	(1,435,880)	-	-	-	(1,435,880)
Effect of foreign currency exchange differences	(21,365,989)	(3,232)	(940)	(620,267)	(21,990,428)
<b>Balance at 31-Mar-2021</b>	<b>1,457,645,740</b>	<b>28,915,882</b>	<b>36,765</b>	<b>54,482,363</b>	<b>1,541,080,750</b>
<b>Balance at 01-Apr-2021</b>	<b>1,457,645,740</b>	<b>28,915,882</b>	<b>36,765</b>	<b>54,482,363</b>	<b>1,541,080,750</b>
Additions	274,337,588	215,177	-	2,630,476	277,183,241
Disposals	-	(99,959)	-	-	(99,959)
Effect of foreign currency exchange differences	43,414,173	861,223	1,095	1,622,689	45,899,181
<b>Balance at 31-Mar-2022</b>	<b>1,775,397,501</b>	<b>29,892,324</b>	<b>37,860</b>	<b>58,735,528</b>	<b>1,864,063,213</b>

(In Rs.)

Accumulated depreciation	AD plant and equipment	AD office equipment	AD vehicles	AD leasehold improvements	Total
<b>Balance at 01-Apr-2020</b>	<b>437,975,162</b>	<b>17,464,252</b>	<b>37,705</b>	<b>10,102,781</b>	<b>465,579,900</b>
Eliminated on disposals	(712,765)	-	-	-	(712,765)
Depreciation expense	120,996,738	5,324,745	-	2,942,650	129,264,133
Effect of foreign currency exchange differences	(12,013,733)	(483,572)	(940)	(278,493)	(12,776,738)
<b>Balance at 31-Mar-2021</b>	<b>546,245,402</b>	<b>22,305,425</b>	<b>36,765</b>	<b>12,766,938</b>	<b>581,354,530</b>
<b>Balance at 01-Apr-2021</b>	<b>546,245,402</b>	<b>22,305,425</b>	<b>36,765</b>	<b>12,766,938</b>	<b>581,354,530</b>
Eliminated on disposals	-	(68,252)	-	-	(68,252)
Depreciation expense	184,636,728	1,169,976	-	4,217,928	190,024,632
Effect of foreign currency exchange differences	19,283,234	657,294	1,095	449,101	20,390,724
<b>Balance at 31-Mar-2022</b>	<b>750,165,364</b>	<b>24,064,443</b>	<b>37,860</b>	<b>17,433,967</b>	<b>791,701,634</b>
<b>Carrying amount as on March 31, 2021</b>	<b>911,400,338</b>	<b>6,610,457</b>	<b>-</b>	<b>41,715,425</b>	<b>959,726,220</b>
<b>Carrying amount as on March 31, 2022</b>	<b>1,025,232,137</b>	<b>5,827,881</b>	<b>-</b>	<b>41,301,561</b>	<b>1,072,361,579</b>
<b>Capital work-in-progress</b>					
<b>Carrying amount as on March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>158,652,230</b>
<b>Carrying amount as on March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,433,455</b>

Particulars	Amount				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2021</b>	40,228,930	118,423,300	-	-	<b>158,652,230</b>
<b>As at March 31, 2022</b>	21,433,455	-	-	-	<b>21,433,455</b>

**Right of use assets**

	Plant and machinery	Office equipments	Total
<b>Gross carrying value at April 01, 2020</b>	<b>-</b>	<b>126,419,845</b>	<b>29,332,217</b>
Additions during the year	-	20,220,750	6,617,700
Disposals during the year	-	(123,268,208)	(19,976,651)
Effects of foreign exchange	-	(3,151,637)	(731,284)
<b>Gross carrying value at March 31, 2021</b>	<b>-</b>	<b>20,220,750</b>	<b>15,241,982</b>
<b>Gross carrying value at April 01, 2021</b>	<b>-</b>	<b>20,220,750</b>	<b>15,241,982</b>
Additions during the year	-	4,065,390	-
Disposals during the year	-	-	-
Effects of foreign exchange	-	602,267	454,017
<b>Gross carrying value at March 31, 2022</b>	<b>-</b>	<b>24,888,407</b>	<b>15,695,999</b>
Accumulated depreciation at April 01, 2020	-	125,703,719	21,487,834
Depreciation during the year	-	4,530,672	4,352,067
Disposals during the year	-	(124,393,791)	(20,159,022)
Effects of foreign exchange	-	(2,049,253)	(392,670)
<b>Accumulated depreciation at March 31, 2021</b>	<b>-</b>	<b>3,791,347</b>	<b>5,288,209</b>
Accumulated depreciation at April 01, 2021	-	3,791,347	5,288,209
Depreciation during the year	-	5,262,214	3,787,648
Disposals during the year	-	-	-
Effects of foreign exchange	-	112,966	157,533
<b>Accumulated depreciation at March 31, 2022</b>	<b>-</b>	<b>9,166,527</b>	<b>9,233,390</b>
<b>Net carrying value at March 31, 2021</b>	<b>-</b>	<b>16,429,403</b>	<b>9,953,773</b>
<b>Net carrying value at March 31, 2022</b>	<b>-</b>	<b>15,721,880</b>	<b>6,462,609</b>

**Rane Light Metal Castings Inc. (Formerly known as Rane Precision Die Casting, Inc.)**

**Fit for consolidation financial statements**

**NOTES FORMING PART OF ACCOUNTS**

(In Rs.)

Note 3a OTHER FINANCIAL ASSETS	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
(iii) Loans to employees	-	-	1,708,040	1,218,576
Tooling cost recoverable				-
(b) Other deposits	19,421,111	18,769,470	-	-
(c) Interest cap asset*	54,732,884	19,115,702	-	-
<b>Total</b>	<b>74,153,995</b>	<b>37,885,172</b>	<b>1,708,040</b>	<b>1,218,576</b>

\*The Company has entered into an interest cap agreement to hedge the floating interest rate on the term loan. The fair value of option contract is marked to market ("MTM") as at the year end.

(In Rs.)

Note 3b RESTRICTED CASH	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
(a) Restricted cash	15,144,000	21,599,438	-	-

Restricted cash represents the margin money deposits with banks for term loan availed from Exim bank.

Note 4 OTHER ASSETS	Non-current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Other non-financial assets</b>				
<b>Unsecured and considered good unless otherwise stated :</b>				
(a) Advances paid to suppliers	-	-	61,954,131	65,277,094
(b) Prepaid expenses	-	-	4,020,858	3,963,480
(c) Advance recoverable in kind or for value to be received				
(i) Unsecured and considered good	62,798,783	40,370,008	44,979,895	38,930,382
(d) Loans to employees	-	-	-	-
(e) Capital advances	47,236,076	24,333,961	-	-
<b>Total</b>	<b>110,034,859</b>	<b>64,703,969</b>	<b>110,954,884</b>	<b>108,170,956</b>

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<b>Note 5 INVENTORIES</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(At lower of cost and net realisable value)		
(a) Raw materials	32,639,170	28,892,719
(b) Work-in-process	101,679,650	84,889,532
(c) Finished goods	454,833	31,652,655
(d) Stores and spares	66,479,513	121,406,752
	<b>201,253,166</b>	<b>266,841,658</b>

<b>Note 6 TRADE RECEIVABLES</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Unsecured, considered good	428,165,020	285,357,794
<b>Sub -Total</b>	<b>428,165,020</b>	<b>285,357,794</b>
Allowance for doubtful debts (expected credit loss allowance).	(8,778,447)	(6,610,745)
<b>Total</b>	<b>419,386,573</b>	<b>278,747,049</b>
<b>Current</b>	<b>419,386,573</b>	<b>278,747,049</b>

**6.1 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. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The Company follows the specific identification method for recognizing provision for doubtful accounts. Management analyzes composition of the accounts receivable aging, historical bad debts, current economic trends and customer credit worthiness of each accounts receivable when evaluating the adequacy of the provision for doubtful accounts.

<b>Age of receivables</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Less than 120 Days past due	419,386,573	278,747,049
<b>Total</b>	<b>419,386,573</b>	<b>278,747,049</b>

<b>Movement in expected credit loss allowance</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Balance at beginning of the year	6,610,745	8,445,920
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	1,966,341	(1,267,153.96)
Effect of foreign exchange	201,361	(568,021)
<b>Balance at end of the year</b>	<b>8,778,447</b>	<b>6,610,745</b>

<b>Particulars</b>	<b>Amount Outstanding from due date of payment</b>					<b>Total</b>
	<b>Less than 6 months</b>	<b>6 months -1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
<b>As at March 31, 2022</b>						
(i) Undisputed Trade receivables — considered good	413,317,553	1,481,279	4,587,741	-	-	<b>419,386,573</b>
(ii) Undisputed Trade receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered good	-	-	-	-	-	-
(v) Disputed Trade receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables — credit impaired	-	-	-	-	-	-

<b>Particulars</b>	<b>Amount Outstanding from due date of payment</b>					<b>Total</b>
	<b>Less than 6 months</b>	<b>6 months -1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
<b>As at March 31, 2021</b>						
(i) Undisputed Trade receivables — considered good	281,064,193	(4,073,087)	1,755,943	-	-	<b>278,747,049</b>
(ii) Undisputed Trade receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered good	-	-	-	-	-	-
(v) Disputed Trade receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables — credit impaired	-	-	-	-	-	-

**Note 7 CASH AND CASH EQUIVALENTS**

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. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(a) Balances with banks (including deposits with original maturity upto 3 months)		
(i) In current account	40,947,571	4,804,264
(b) Cash on hand	237,931	31,869
<b>Cash and cash equivalents as per balance sheet</b>	<b>41,185,502</b>	<b>4,836,133</b>

**Note 8 CURRENT TAX LIABILITIES**

(In Rs.)

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Current tax liabilities</b>		
Income tax payable	85,750	77,795
<b>Total</b>	<b>85,750</b>	<b>77,795</b>

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(In Rs.)

Note 9 EQUITY SHARE CAPITAL	As at March 31, 2022	As at March 31, 2021
<b>AUTHORISED :</b>		
Equity shares:		
100 Equity shares of \$ 1 each	6,834	6,834
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP</b>		
100 Equity shares of \$ 1 each fully paid-up (INR 68.34)	6,834	6,834
	<b>6,834</b>	<b>6,834</b>

Reconciliation of number of shares	2021-22		2020-21	
	No of Shares	Amount (Rs.)	No of Shares	Amount (Rs.)
<b>Equity shares of \$ 1 each fully paid up (Rs 68.34)</b>				
At the beginning of the period	100	6,834	100	6,834
At the end of the period	<b>100</b>	<b>6,834</b>	<b>100</b>	<b>6,834</b>

The Company has one class of equity share having a par value of \$ 1 per share. Each holder of equity share is entitled to one vote per share. The dividend when proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

**9.1 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:**

Name of the share holder	Number of shares held as at			
	March 31, 2022		March 31, 2021	
	Nos.	%	Nos.	%
Rane (Madras) International Holdings B.V.	100	100%	100	100%

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(In Rs.)

<b>Note 10 OTHER EQUITY</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Other comprehensive income	(5,449,745)	(10,404,248)
Securities premium reserve	2,476,682,447	1,898,521,447
Retained earnings	(2,225,573,015)	(1,986,317,779)
Foreign currency translation reserve	7,169,365	283,232
Hedging reserve	-	19,290,251
	<b>252,829,053</b>	<b>(78,627,096)</b>

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 profit or loss.

	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>(a) Other comprehensive income</b>		
Opening balance	(10,404,248)	(62,951,836)
Add: addition during the year	4,954,503	52,547,588
<b>Closing balance</b>	<b>(5,449,745)</b>	<b>(10,404,248)</b>
<b>(b) Securities premium account</b>		
Opening balance	1,898,521,447	1,502,767,947
Add: addition during the period	578,161,000	395,753,500
<b>Closing balance</b>	<b>2,476,682,447</b>	<b>1,898,521,447</b>
<b>(c) Retained earnings</b>		
Opening balance	(1,986,317,779)	(1,232,059,217)
Loss attributable to the owners of the company	(239,255,236)	(754,258,562)
<b>Closing balance</b>	<b>(2,225,573,015)</b>	<b>(1,986,317,779)</b>
<b>(d) Foreign currency translation reserve</b>		
Opening Balance	283,232	1,698,256
Movement during the year	6,886,133	(1,415,024)
<b>Closing balance</b>	<b>7,169,365</b>	<b>283,232</b>
<b>(e) Hedging reserve</b>		
Opening Balance	19,290,251	-
Movement during the year	(19,290,251)	19,290,251
<b>Closing balance</b>	<b>-</b>	<b>19,290,251</b>
<b>Total</b>	<b>252,829,053</b>	<b>(78,627,096)</b>

**Rane Light Metal Castings Inc. (Formerly known as Rane Precision Die Casting, Inc.)**  
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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(In Rs.)

Note 11 BORROWINGS	Non-current portion	
	As at March 31, 2022	As at March 31, 2021
<b>Secured - at amortised cost</b>		
i). Term loans		
- from banks	825,348,000	1,000,980,071
<b>Total</b>	<b>825,348,000</b>	<b>1,000,980,071</b>
<b>The above amount includes</b>		
Secured borrowings	1,294,812,000	865,815,750
Amount disclosed under the head "other current financial liabilities"	(20,471,962)	-
<b>Net amount</b>	<b>1,274,340,038</b>	<b>865,815,750</b>

**Summary of borrowing arrangements**

(i) During the year ended March 31, 2017, the Company obtained a term loan of INR 151,440,000 (\$ 2,000,000) from Export-Import Bank of India ("EXIM bank") bearing a variable interest rate of 6 month LIBOR +375 basis points quarterly payable. The loan is secured against all moveable property, plant and equipment, current assets of Rane Light Metal Castings, Inc. and shares of the Company held by Rane (Madras) International Holdings B.V. The said loan is repayable in 12 equal quarterly instalments starting from October 2018 and it is fully repaid as on March 31, 2022

(ii) During the year ended March 31, 2020, the Company obtained additional term loan of INR 473,250,000 (\$ 6,250,000) from Export-Import Bank of India ("EXIM Bank") bearing a variable interest rate of 6 months LIBOR + 230 basis points quarterly payable. The loan is secured against Standby Letter of Credit issued by the Parent company. The said loan is repayable in 20 structured quarterly instalments starting from February 2022.

(iii) During the year ended March 31, 2021, the Company obtained additional term loan of INR 380,493,000 (\$ 5,025,000) from Export-Import Bank of India ("EXIM Bank") bearing a variable interest rate of 6 months LIBOR + 230 basis points quarterly payable. The loan is secured against Standby Letter of Credit issued by the Parent company. The said loan is repayable in 20 structured quarterly instalments starting from February 2022.

(iv) During the year ended March 31, 2022, the Company obtained additional term loan of INR 92,757,000 (\$ 1,225,000) from Export-Import Bank of India ("EXIM Bank") bearing a variable interest rate of 6 months LIBOR + 230 basis points quarterly payable. The loan is secured against Standby Letter of Credit issued by the Parent company. The said loan is repayable in 20 structured quarterly instalments starting from February 2022. The balance outstanding as on March 31, 2022 is INR 923,784,000 (\$ 12,222,000)

(v) The Company had a working capital loan balance of INR 378,600,000 (\$ 5,000,000) as at March 31, 2021 from Exim Bank and is fully repaid during the year.

(v) The Company availed Paycheck Protection Program Loan (PPP) of INR 196,547,390 (\$ 2,638,220) on April 17, 2020 administered by the small business administration (SBA) as part of the stimulus benefits offered by the CARES Act 2020 in response to the COVID-19 pandemic. The Company received forgiveness approval from SBA during the year for waiver of the loan in full. The waiver amount has been considered as other income in the current year.

(vi) During the year ended March 31, 2022, the Company had obtained a working capital loan and has balance outstanding of INR 371,028,000 (\$ 4,900,000) as at March 31, 2022 (March 31, 2020 - NIL) from RBL Bank in India. The loan bears a variable interest rate of 6 month LIBOR +250 basis points and is payable on a monthly basis. The loan is secured against Standby Letter of Credit issued by the Parent company.

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(In Rs.)

<b>Note 12 LEASE LIABILITY</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Lease liability, non-current	14,374,656	19,330,061
<b>TOTAL</b>	<b>14,374,656</b>	<b>19,330,061</b>

<b>Note 13 TRADE PAYABLES</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Trade payables	276,249,147	311,308,439
<b>TOTAL</b>	<b>276,249,147</b>	<b>311,308,439</b>

**As at March 31, 2022**

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
	<b>Less than 6 months</b>	<b>6 months -1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
(i) MSME	-	-	-	-	-	-
(ii) Others	217,937,024	15,522,297	10,966,603	8,786,700	23,036,523	<b>276,249,147</b>
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

**As at March 31, 2021**

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
	<b>Less than 6 months</b>	<b>6 months -1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
(i) MSME	-	-	-	-	-	-
(ii) Others	223,812,665	100,549,113	(35,308,738)	4,563,713	17,691,686	<b>311,308,439</b>
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

(In Rs.)

<b>Note 14 OTHER CURRENT FINANCIAL LIABILITIES</b>	<b>Non-current</b>		<b>Current</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(a) Interest accrued but not due on borrowings	-	-	4,591,792	4,938,147
(b) Employee related liabilities	-	-	8,340,177	17,788,842
(c) Others	-	-	20,471,962	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>33,403,931</b>	<b>22,726,989</b>

(In Rs.)

<b>Note 14a CURRENT MATURITIES OF LONG TERM BORROWINGS</b>	<b>Non-current</b>		<b>Current</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Current maturities of long term borrowings	-	-	469,464,000	426,474,000
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>469,464,000</b>	<b>426,474,000</b>



Note 14b CURRENT MATURITIES OF LEASE LIABILITY	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Current maturities of lease liability	-	-	10,129,034	8,174,759
<b>TOTAL</b>	-	-	<b>10,129,034</b>	<b>8,174,759</b>

Note 15 OTHER LIABILITIES	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
(a) Statutory remittances		-	13,895,393	13,097,811
(b) Tooling advance received from customers		-	61,381,320	68,326,025
<b>TOTAL</b>		-	<b>75,276,713</b>	<b>81,423,836</b>

Note 15a Provisions	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
(a) Defined benefit plan obligation	132,633,424	136,888,889	-	-
<b>TOTAL</b>	<b>132,633,424</b>	<b>136,888,889</b>	-	-

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**NOTE 24 INCOME AND DEFERRED TAXES**

The major components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are :

**Statement of profit and loss :**

<b>Statement of profit or loss</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>Current income tax :</b>		
Current income tax charge (including taxes for earlier years)	29,761	140,315
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences		-
<b>Tax expense reported in the statement of profit and loss</b>	<b>29,761</b>	<b>140,315</b>

<b>Other comprehensive income (OCI)</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>Deferred tax related to items recognised in OCI:</b>		
Net loss/(gain) on re-measurement of defined benefit plans	3,076,801	3,061,844
Deferred tax assets - not recognised	(3,076,801)	(3,061,844)
<b>Tax charged to OCI</b>	<b>-</b>	<b>-</b>

**Reconciliation of tax expenses and the accounting profit multiplied by tax rate in the United States of America for March 31, 2022 and March 31, 2021**

	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Accounting loss before tax from operations	228,280,233	(717,172,912)
<b>Accounting loss before income tax</b>		
At statutory income tax rate of 21% in the United States of America	47,938,849	(150,606,311)
Permanent Difference	77,678	44,985
Temporary Difference	(146,803,126)	(30,527,240)
Net operating losses	79,845,916	6,030,231
Deferred tax assets - not recognized	18,974,227	175,192,251
<b>At the effective income tax rate</b>	<b>33,544</b>	<b>133,915</b>
<b>Tax expense reported in the fit for consolidation statements of loss</b>	<b>29,761</b>	<b>140,315</b>

**Rane Light Metal Castings Inc. (Formerly known as Rane Precision Die Casting, Inc.)**

**NOTES FORMING PART OF ACCOUNTS**

**NOTE 16 DEFERRED TAX BALANCES**

Deferred tax assets (net)	Balance Sheet	
	March 31, 2022	March 31, 2021
<b>Deferred tax relates to the following:</b>		
Fixed assets or property, plant & equipment	(161,712,949)	(238,029,720)
Loan Processing Fees	-	6,374
Accrued payroll	530	514
Inventory reserve	28,820,953	17,825,580
Provision for doubtful debts	2,175,873	1,637,260
Lease adjustments	850,941	-
Ind AS 116 rent adjustment	-	59,163
Interest disallowance u/s 163(j)	-	37,720,945
Net operating losses	713,314,463	632,652,187
Deferred tax assets - not recognised	(583,449,811)	(451,872,303)
<b>Deferred tax assets (net)</b>	<b>(0)</b>	<b>-</b>

**Major components of deferred tax for the year ended March 31, 2021 and March 31, 2020:**

Deferred tax expense/(income)	Statement of Profit and Loss	
	March 31, 2022	March 31, 2021
<b>Deferred tax relates to the following:</b>		
Fixed assets or property, plant & equipment	83,406,192	(135,254,254)
Loan Processing Fees	(6,564)	(19,279)
Accrued bonus	-	-
Accrued payroll	0	(137,429)
Inventory reserve	489,849	1,833,326
Inventory	17,413,087	10,088,265
Provision for doubtful debts	(6,948,627)	(414,963)
Ind AS 116 adjustment	12,402	59,163
Lease adjustments	777,617	(176,596)
Interest disallowance u/s 163(j)	(38,844,417)	6,398,310
Net operating losses	61,819,514	286,377,517
Deferred tax assets - not recognised	(118,119,054)	(168,754,060)
<b>Deferred tax expense/(income)</b>	<b>(0)</b>	<b>-</b>
<b>Deferred tax assets (net)</b>		<b>-</b>

Deferred tax in the balance sheet as follows	March 31, 2022	March 31, 2021
Deferred tax assets	745,162,763	689,902,023
Deferred tax liabilities	(161,712,949)	(238,029,720)
<b>Deferred tax assets (net)</b>	<b>583,449,814</b>	<b>451,872,303</b>
Deferred tax assets - not recognised	(583,449,814)	(451,872,303)
<b>Net deferred tax</b>	<b>-</b>	<b>-</b>

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<b>NOTE 17 REVENUE FROM OPERATIONS</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>17.1 Disaggregated revenue information</b>		
(a) Sales of Products - aluminium castings	1,827,651,126	1,183,208,127
(b) Other operating revenues		
- Tools	1,973,413	255,515
- Scrap sales	39,579,620	14,975,161
<b>Total revenue from operations</b>	<b>1,869,204,159</b>	<b>1,198,438,803</b>

	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>17.2 Timing of revenue recognition</b>		
Products transferred at a point in time	1,869,204,159	1,198,438,803
<b>Total revenue from operations</b>	<b>1,869,204,159</b>	<b>1,198,438,803</b>

	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>17.3 Contract balances</b>		
Trade receivables (Refer note 6)	419,386,573	278,747,049
<b>Total revenue from operations</b>	<b>419,386,573</b>	<b>278,747,049</b>

The above table provides information about receivables, contract assets and contract liabilities from contracts with customers.

<b>Note 18 Other Income</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Other non-operating income (net of expenses directly attributable to such income)		
- Others (aggregate of immaterial items)	91,128	3,628,759
Exceptional Item	467,128,770	
	<b>467,219,898</b>	<b>3,628,759</b>

<b>Note 19 CHANGES IN INVENTORIES OF WORK IN PROGRESS AND FINISHED GOODS</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>Opening Stock:</b>		
Work-in-process	84,889,532	75,092,282
Finished goods	31,652,655	23,305,325
<b>Closing Stock:</b>		
Work-in-process	101,679,650	84,889,532
Finished goods	454,833	31,652,655
<b>Increase (decrease) in stocks</b>	<b>14,407,704</b>	<b>(18,144,580)</b>

<b>Note 20 EMPLOYEE BENEFIT EXPENSES</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
(a) Salaries, wages and bonus	742,448,676	656,462,101
(b) Contribution to retirement benefit funds	202,959,112	195,694,230
(c) Staff welfare expenses	3,231,041	3,238,580
	<b>948,638,829</b>	<b>855,394,911</b>

<b>Note 21 FINANCE COSTS</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>Continuing operations</b>		
Interest costs:		
Interest on bank overdrafts and loans (other than those from related parties)	33,661,736	24,700,555
Guarantee Commission to parent company	9,425,477	
Interest on obligations under leases	2,510,445	2,478,217
Gain arising on derivatives designated as hedging instruments in cash flow hedges	(53,851,029)	-
	<b>(8,253,371)</b>	<b>27,178,772</b>
Guarantee Commission on Financial guarantee given by parent company		
<b>Note 22 DEPRECIATION AND AMORTISATION EXPENSE</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Depreciation and amortization on property, plant and equipment and right-of-use assets pertaining to continuing operations	198,929,142	138,146,875
<b>Total depreciation and amortisation expense</b>	<b>198,929,142</b>	<b>138,146,875</b>
<b>Note 23 OTHER EXPENSES</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Auditors' remuneration	1,824,375	1,622,340
Allowance for doubtful debts (expected credit loss allowance)	1,939,155	6,671,109
Bank charges	908,191	810,763
Commission to selling agents	2,516,473	2,850,272
Consumption of stores and spares	110,768,647	90,234,322
Loss on sale of assets	(4)	24,804
Insurance	40,901,797	64,687,010
Information systems	8,123,019	8,573,303
Power and fuel	144,828,889	110,512,648
Packing, despatching and freight	58,658,729	54,014,694
Professional charges	19,743,375	19,329,365
Printing and stationery	908,298	1,079,173
Rates and taxes, excluding taxes on income	12,726,873	12,497,558
Rent expense	4,016,552	6,175,537
Repairs and maintenance	-	
- Plant and machinery	161,243,180	113,207,569
- Others	13,594,379	17,857,848
Telephone	3,881,373	3,399,420
Travelling and conveyance	2,441,778	1,311,690
Sales promotion and publicity	1,732,213	742,014
Miscellaneous expenses	5,942,367	4,183,048
	<b>596,699,659</b>	<b>532,527,214</b>

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**NOTE 25 EARNINGS PER SHARE**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Basic earnings per share		
From continuing operations	(2,392,552)	(7,542,586)
<b>Total basic earnings per share</b>	<b>(2,392,552)</b>	<b>(7,542,586)</b>
Diluted earnings per share		
From continuing operations	(2,392,552)	(7,542,586)
<b>Total diluted earnings per share</b>	<b>(2,392,552)</b>	<b>(7,542,586)</b>

**Basic earnings per share**

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are

<b>Earnings used in the calculation of basic earnings per share from continuing operations</b>	(239,255,236)	(754,258,562)
--	---------------	---------------

	Year ended March 31, 2022	Year ended March 31, 2021
(a) Number of equity Shares of \$ 1 each outstanding at the end of the year	100	100
(b) Weighted average number of equity shares for the purpose of basic earnings per share	100	100

**Diluted earnings per share**

The earnings used in the calculation of diluted earnings per share as follows.

	Year ended March 31, 2022	Year ended March 31, 2021
Earnings used in the calculation of diluted earnings per share from continuing operations	(239,255,236)	(754,258,562)

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

	Year ended March 31, 2022	Year ended March 31, 2021
Weighted average number of equity shares used in the calculation of basic earnings per share	100	100

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**Note 26 SEGMENT REPORTING**

The Company is engaged in the activities related to manufacture and supply of auto components for transportation industry and 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 into automobile and non-automobile industry. The geographical segments considered for disclosure are – North America and Rest of the World. All the manufacturing facilities are located in the United States of America:

	Revenue from external customers	
	As at March 31, 2022	As at March 31, 2021
Automobile sales	1,569,230,485	985,186,769
Non-automobile sales	299,973,674	213,252,034
<b>Total</b>	<b>1,869,204,159</b>	<b>1,198,438,803</b>

**26.1 Geographical information**

The Company's revenue from continuing operations from external customers by location of operations and information about its non-current assets\*\* by location of operations are detailed below:

	Revenue from external customers		Non - current assets**	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
North America	1,869,204,159	1,198,438,803	1,315,312,377	1,268,950,205
<b>Total</b>	<b>1,869,204,159</b>	<b>1,198,438,803</b>	<b>1,315,312,377</b>	<b>1,268,950,205</b>

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

**26.2 Information about major customers**

Included in revenues arising from direct sales of Rs.188.12 Cr (2020-21: 120.29 Cr) are revenues of approximately Rs. 140.96 Cr (2020-21: Rs. 92.06 Cr) which arose from sales to the Company's largest customers. No other single customers contributed 10% or more to the Company's revenue for both 2021-22 and 2020-21.

**Rane Light Metal Castings Inc. (Formerly known as Rane Precision Die Casting, Inc.)****Fit for consolidation financial statements****NOTES FORMING PART OF ACCOUNTS****NOTE 27 EMPLOYEE BENEFIT PLANS****A. Defined contribution plans**

The company has a 401k plan set up for its employees. The contributions payable to this plans by the Company are at rates specified in the rules of the schemes.

**B. Defined benefit plans :****Pension -**

A participant is eligible for his normal retirement pension after the participant has attained age of 62 and terminates employment. A participant shall receive a monthly benefit payable at normal retirement age equal to:

- \$23:00 multiplied by years of benefit service from December 2003 to October 10, 2005; plus
- \$24:00 multiplied by years of benefit service from October 2005 to October 9, 2006; plus
- \$25:00 multiplied by years of benefit service from October 9, 2006, to October 8, 2007; plus
- \$26:00 multiplied by years of benefit service from October 5, 2007 to December 16, 2010; plus
- \$16:00 multiplied by benefit service after December 16, 2010.

**Disability benefit:**

The benefit will be payable in the form of a lifetime pension until the earliest of: recovery, death or normal retirement date.

**Death benefit:**

If a participant dies after he/she has become vested under the Plan but before he/she begins to receive a retirement pension benefit, his/her spouse will receive a 50% survivor benefit if he/she has been married at least one year.

The liability with regards to the Plan are determined by the actuarial valuation, performed by an independent actuary, at each balance sheet date using projected unit cost method. The Company contributes all ascertained liabilities to the registered investment companies which are held under a separate trust through custodian, Charles Schwab, as permitted by the Department of Labor.

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.

**(In Rs.)**

Particulars	Pension (Funded)	
	2021-22	2020-21
<b>Present value of obligations at the beginning of the year</b>	<b>489,281,414</b>	<b>501,488,189</b>
Current service cost	5,398,844	5,972,175
Interest Cost	15,269,481	15,050,273
Re-measurement (gains)/losses:		
- Actuarial gains and losses arising from experience adjustment	3,522,317	(4,660,888)
- Actuarial gains and losses arising from financial assumptions	(27,489,968)	(2,356,043)
Benefits paid	(15,482,934)	(13,707,302)
Foreign currency translation adjustment	14,266,041	(12,504,990)
<b>Present value of obligations at the end of the year</b>	<b>484,765,195</b>	<b>489,281,414</b>
<b>Changes in the fair value of Plan assets</b>		
<b>Fair value of Plan assets at beginning of year</b>	<b>352,392,525</b>	<b>289,151,576</b>
Interest income	10,997,433	8,677,781
Contributions from the employer	12,915,086	30,591,760
Benefits paid	(15,482,934)	(13,707,302)
Return on plan assets, excluding interest income	(19,013,148)	45,530,657
Foreign currency translation adjustment	10,322,809	(7,851,947)
<b>Fair value of plan assets at the end of the year</b>	<b>352,131,771</b>	<b>352,392,525</b>



<b>Amounts recognized in the balance sheet</b>	<b>(132,633,425)</b>	<b>(136,888,890)</b>
Projected benefit obligation at the end of the year	(484,765,195)	(489,281,414)
Fair value of plan assets at end of the year	352,131,771	352,392,525
<b>Funded status of the Plan – liability recognised in the balance sheet</b>	<b>(132,633,424)</b>	<b>(136,888,890)</b>
<b>Components of defined benefit cost recognised in statement of loss</b>		
Current service cost	5,398,844	5,972,175
Net interest expense	4,272,048	6,372,492
<b>Net cost in statement of loss</b>	<b>9,670,892</b>	<b>12,344,667</b>

<b>Components of defined benefit cost recognised in Other Comprehensive income</b>		
Remeasurement on the net defined benefit liability:		
- Actuarial gains and losses arising from experience adjustment	(23,967,651)	(7,016,930)
Return on plan assets	19,013,148	(45,530,657)
<b>Net income in other comprehensive income</b>	<b>(4,954,503)</b>	<b>(52,547,587)</b>
<b>Assumptions</b>	<b>March 31,2022</b>	<b>March 31,2021</b>
Expected return on plan assets	3.08%	3.05%
Discount rate	3.08%	3.05%
<u>Expected rate of salary increases</u>		
Executives managers & below / senior manager & above	0.00%	0.00%
Operators	0.00%	0.00%
<u>Expected rate of attrition</u>		
Rate of employee turnover	90% of 2003 SoA SPAT Table	90% of 2003 SoA SPAT Table
<p>The company has generally invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in government securities, debt funds, equity shares, mutual funds, money market instruments and time deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.</p> <p>Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. 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:</p>		
<b>Sensitivity analysis</b>	<b>March 31,2022</b>	<b>March 31,2021</b>
<b>Projected benefit obligation on current assumptions</b>	<b>484,765,195</b>	<b>489,281,414</b>
Delta effect of +0.5% change in rate of discounting	(32,946,529)	(36,601,543)
Delta effect of -0.5% change in rate of discounting	36,776,523	41,171,285
<p>Please note that the sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected 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.</p> <p>Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.</p> <p>There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.</p>		

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**NOTE 28 FINANCIALS INSTRUMENTS**

**28.1 Capital management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The Company isn't subject to any externally imposed capital requirements.

The capital structure of the Company consists of net debt and total equity of the Company.

**28.1.1 Gearing ratio**

The gearing ratio at the end of the reporting period was as follows:

Particulars	(In Rs.)	
	As at March 31, 2022	As at March 31, 2021
Debt*	1,315,283,962	1,427,454,071
Cash and bank balances (including cash and bank balances in a disposal Company held for sale)***	41,185,502	4,836,133
<b>Net debt</b>	<b>1,274,098,460</b>	<b>1,422,617,938</b>
<b>Equity</b>	<b>252,835,887</b>	<b>(78,620,262)</b>
<b>Net debt to equity ratio</b>	<b>(503.92%)</b>	<b>(1,809.48%)</b>

\*Debt is defined as long-term and short-term borrowings.

\*\*Equity includes all capital and reserved of the company that are managed as capital.

\*\*\*Does not include restricted cash

(In Rs.)

28.1.2 Categories of financial instruments	As at March 31, 2022	As at March 31, 2021
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
(a) Cash and bank balances (including cash and bank balances in a disposal Company held for sale)	56,329,502	26,435,571
(b) Other financial assets at amortised cost (including trade receivables in a disposal Company held for sale)	419,386,573	278,747,049
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
Trade payables	276,249,147	311,308,439

**28.2 Interest rate risk management**

The Company's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. The Company policy is to cap its borrowings rate using interest rate cap to achieve this when necessary.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings.

If the interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's loss will be affected in the following way-

Year ended	Increase / decrease in basis points	Effect on loss
March 31 2022	100	INR (12,948,120)
	-100	INR 12,948,120
March 31 2021	100	INR (14,274,541)
	-100	INR 14,274,541

**28.3 Credit risk management**

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased. **(Refer Note 6)**

**28.4 Liquidity risk management**

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.

**Impact of Pandemic**

The extent of the impact of coronavirus (COVID 19) outbreak on operations of the Company will depend on future developments, including the duration and spread of the outbreak, related advisories and restrictions, government actions, the impact on financial markets and the overall economy, all of which are highly uncertain and cannot be predicted.

**28.5 Liquidity and interest risk tables**

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. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2022

Particulars	(In Rs.)		
	Less than 1 year	1-5 year	Total
Accounts payable and acceptances	276,249,147	-	276,249,147
Loan repayable on demand	371,028,000	-	371,028,000
Term loan (principal)	98,436,000	825,348,000	923,784,000
Current maturities of long term debt	98,436,000	-	98,436,000
Interest accrued but not due on borrowings	4,591,792	-	4,591,792
Lease liability (principal)	10,129,034	14,374,656	24,503,690
	<b>858,869,973</b>	<b>839,722,656</b>	<b>1,698,592,629</b>

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2021

Particulars	(In Rs.)		
	Less than 1 year	1-5 year	Total
Accounts payable and acceptances	311,308,439	-	311,308,439
Loan repayable on demand	367,650,000	-	367,650,000
Term Loan(Principal)	58,824,000	806,991,754	865,815,754
Current maturities of long term debt	58,824,000	-	58,824,000
Interest accrued but not due on borrowings	4,938,147	-	4,938,147
Lease liability (Principal)	8,174,759	19,325,576	27,500,334
	<b>809,719,345</b>	<b>826,317,330</b>	<b>1,636,036,674</b>

## 28.6 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Particulars		As at March 31, 2022		As at March 31, 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
<b>Financial assets at amortised cost:</b>					
- Trade receivables		419,386,573	419,386,573	278,747,049	278,747,049
- others		54,732,884	54,732,884	19,115,702	19,115,702
<b>Financial liabilities</b>					
<b>Financial liabilities held at amortised cost:</b>					
Bank borrowings and cash credit		20,471,962	20,471,962	-	-
Trade payables		276,249,147	276,249,147	311,308,439	311,308,439
Interest accrued but not due on borrowings		4,591,792	4,591,792	4,938,147	4,938,147
<b>Financial lease payables</b>		-	-	-	-

## Fair value hierarchy as at March 31, 2022

Particulars		Fair value hierarchy			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
Financial assets at amortised cost:					
- Trade receivables	-	-	-	419,386,573	419,386,573
<b>Total</b>		-	-	419,386,573	419,386,573
<b>Financial liabilities</b>					
<b>Financial liabilities held at amortised cost:</b>					
Bank loans	-	-	-	20,471,962	20,471,962
Trade payables	-	-	-	276,249,147	276,249,147
Interest accrued but not due on borrowings	-	-	-	4,591,792	4,591,792
<b>Financial lease payables</b>	-	-	-	-	-
<b>Total</b>		-	-	301,312,901	301,312,901

## Fair value hierarchy as at March 31, 2021

Particulars		Fair value hierarchy			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
Financial assets at amortised cost:					
- Trade receivables	-	-	-	278,747,049	278,747,049
<b>Total</b>		-	-	278,747,049	278,747,049
<b>Financial liabilities</b>					
<b>Financial liabilities held at amortised cost:</b>					
Bank loans	-	-	-	-	-
Trade payables	-	-	-	311,308,439	311,308,439
Interest accrued but not due on borrowings	-	-	-	4,938,147	4,938,147
<b>Financial lease payables</b>	-	-	-	-	-
<b>Total</b>		-	-	316,246,586	316,246,586

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

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**NOTE 29 RELATED PARTY DISCLOSURES**

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

(i) Holding Companies	Rane (Madras) International Holdings B.V. Rane (Madras) Limited (Ultimate Holding Company) Rane Holdings Limited
(ii) Fellow subsidiaries	Rane Holdings America Inc. Rane Brake Linings Limited

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

**(c) TRANSACTIONS / BALANCES**

**(In Rs.)**

Description	Holding Companies		Fellow subsidiaries		Total	
	2022	2021	2022	2021	2022	2021
<b>Transactions during the year</b>						
Professional charges	12,643,085	3,425,196	3,228,324	2,350,033	<b>15,871,410</b>	<b>5,775,229</b>
<b>Balance as at year end</b>						
Payables	11,259,623	1,851,569	1,832,045	5,346,807	<b>13,091,668</b>	<b>7,198,377</b>

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**30. Leases**  
**As lessee**

The Company has lease contracts for various items of plant and machinery office equipments and other equipment used in its operations. Leases of plant and machinery generally have lease terms of 4 years, while other equipments generally have lease terms between 4 and 6 years. The company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further mentioned below:

The company also has certain leases of machinery with lease terms of 12 months or less. The company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

**Below are the carrying amounts of right-of-use assets recognised and the movements during the period:**

(In Rs.)

Particulars	Plant and machinery	Office equipments			Total
Gross carrying value at April 01, 2021	20,220,750	15,241,982			35,462,732
Additions during the year	4,065,390				4,065,390
Disposals during the year	-	-			-
Effects of foreign exchange	602,267	454,017			1,056,284
<b>Gross carrying value at March 31, 2022</b>	<b>24,888,407</b>	<b>15,695,999</b>			<b>40,584,406</b>
<b>Accumulated depreciation at April 01, 2020</b>	<b>125,703,719</b>	<b>21,487,834</b>			<b>147,191,553</b>
Accumulated depreciation at April 01, 2020	125,703,719	21,487,834			147,191,553
Depreciation during the year	4,530,672	4,352,067			8,882,739
Disposals during the year	(124,393,791)	(20,159,022)			(144,552,813)
Effects of foreign exchange	(2,049,253)	(392,670)			(2,441,924)
<b>Accumulated depreciation at March 31, 2021</b>	<b>3,791,347</b>	<b>5,288,209</b>			<b>9,079,555</b>
Accumulated depreciation at April 01, 2021	3,791,347	5,288,209			9,079,555
Depreciation during the year	5,262,214	3,787,648			9,049,862
Disposals during the year					-
Effects of foreign exchange	112,966	157,486			270,452
<b>Accumulated depreciation at March 31, 2022</b>	<b>9,166,527</b>	<b>9,233,343</b>			<b>18,399,869</b>
<b>Net carrying value at March 31, 2021</b>	<b>16,429,403</b>	<b>9,953,773</b>			<b>26,383,176</b>
<b>Net carrying value at March 31, 2022</b>	<b>15,721,880</b>	<b>6,462,656</b>			<b>22,184,536</b>

**Below are the carrying amounts of lease liabilities and the movements during the period:**

(In Rs.)

	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
<b>Opening lease liability</b>	2,838,720	8,826,436	13,513,658
Recognition of lease liability on account of transition to IndAS 116	27,637,800	27,524,650	13,370,460
Additions	4,000,093	-	-
Accretion of interest	2,510,445	2,478,217	829,195
Payments	(10,845,485)	(10,490,683)	20,077,011
Effects of foreign exchange	(1,637,883)	(838,286)	1,190,096
<b>Closing lease liability</b>	<b>24,503,690</b>	<b>27,500,334</b>	<b>8,826,399</b>
Current	10,129,034	8,174,759	3,887,449
Non-current	14,374,656	19,325,576	4,938,950

**The following are the amounts recognised in fit for consolidation statements of loss:**

(In Rs.)

	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation expense of right-of-use assets	9,049,862	8,882,739	18,466,158
Interest expense on lease liabilities	2,510,445	2,473,671	829,195
Expense relating to short-term leases (included in other expenses)	4,016,552	9,770,450	4,892,071
<b>Total amount recognised in statement of loss</b>	<b>15,576,859</b>	<b>21,126,860</b>	<b>24,187,425</b>

The Company had total cash outflows for leases of INR 10,845,485 for the year ended March 31, 2022 (March 31, 2021: INR 10,490,683). The Company also had non-cash additions to right-of-use assets and lease liabilities of INR 14,634,450 during the year ended March 31, 2022 (March 31, 2021: INR 26,838,450).

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

**Additional Disclosures**

(In Rs.)

<b>Depreciation, amortisation and impairment expense</b>	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Depreciation on right-of-use assets	9,049,862	8,882,739	18,466,158
<b>Total</b>	<b>9,049,862</b>	<b>8,882,739</b>	<b>18,466,158</b>

(In Rs.)

<b>Finance costs</b>	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Interest on lease liabilities	2,510,445	2,473,671	829,195
<b>Total</b>	<b>2,510,445</b>	<b>2,473,671</b>	<b>829,195</b>

**Cashflow Statement Disclosure**

(In Rs.)

<b>Investing activities</b>	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Lease liability principal payment	8,335,040	8,017,012	19,247,816
Lease liability interest payment	2,510,445	2,473,671	829,195
<b>Total</b>	<b>10,845,485</b>	<b>10,490,683</b>	<b>20,077,011</b>

**Financial instruments**

**30.1 The Company as lessee**

**Non-cancellable operating lease commitments**

(In Rs.)

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Not later than 1 year	10,129,034	10,641,985	4,216,605
Later than 1 year and not later than 5 years	13,688,995	21,714,049	5,255,195
Later than 5 years	685,661	-	-
<b>Total</b>	<b>24,503,690</b>	<b>32,356,034</b>	<b>9,471,799</b>

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**NOTE 31 Commitments**

(In Rs.)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	57,788,351	225,630,010

**Note 32 Contingent liabilities and contingent assets**

**Contingent liabilities**

(In Rs.)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claims against the Company not acknowledged as debt	-	-
	-	-

As at the years ended March 31, 2022 and March 31, 2021, the Company did not have claims not acknowledged as debt.

**Note 33 Additional information to financial statements**

**ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS**

(In Rs.)

	As at March 31, 2022	As at March 31, 2021
<b>a) Raw materials consumed :</b>		
i) Alluminium alloy	825,227,569	421,082,617
	<b>825,227,569</b>	<b>421,082,617</b>

**b) Value of indigenous raw materials, components and spares consumed and percentage of each to the total consumption:**

	Year ended			
	March 31, 2022		March 31, 2021	
	Value	Percentage	Value	Percentage
i) Raw materials indigenous	825,227,569	88%	421,082,617	82%
ii) Stores and spare parts indigenous	110,768,647	12%	90,234,322	18%
	<b>935,996,216</b>	<b>100%</b>	<b>511,316,939</b>	<b>100%</b>

**Note 34 Events after the reporting period**

The Company evaluated all events and transactions that occurred after March 31, 2022 through May 14, 2022; the date the financial statements were available to be issued. Based on the evaluation the Company is not aware of any events or transactions that to require recognition or disclosure in financial statements

**For KNAV P.A.**  
**Certified Public Accountants**

**For and on behalf of the Board of Directors of Rane Light Metal Castings Inc.**

**Amber Mehta**  
 Partner  
 Licensed in Georgia

**Harish Lakshman**  
 Director

**B Gnanasambandam**  
 Director

Place: Atlanta  
 Date: May 18, 2022

Place:  
 Date:

Place:  
 Date:

**Sagar Kota**  
 Financial controller &  
 Secretary

Place:  
 Date: