Rane (Madras) Limited

21st Annual Report 2024-25

READ INSIDE

FINANCIAL HIGHLIGHTS

OPERATIONAL PERFORMANCE

(₹ in Crores)

Particulars	FY 25	FY 24	FY 23	FY 22	FY 21
Total Income	3,418.10	3,374.35	2,135.50	1,561.79	1,151.05
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)	291.70	162.03	2.53	133.63	30.72
Profit Before Tax (PBT)	89.86	(20.54)	(98.11)	51.47	(45.04)
Profit After Tax (PAT)	49.61	66.62	(126.54)	36.61	(50.69)

KEY PERFORMANCE INDICATORS

FINANCIAL YEAR	FY 25	FY 24	FY 23	FY 22	FY 21
Return on Capital Employed (RoCE) %	11.2%	2.7%	20.1%	8.8%	(3.5)%
Return on Net Worth (RoNW) %	7.3%	10.4%	(40.7)%	10.7%	(16.6)%
Earnings Per Share (₹)	17.95	24.10	(77.8)	23.94	(39.51)
Dividend (%) [@]	80.0%	350.0%	-	-	-
Dividend Payout ratio [@]	44.6%	40.2%	-	-	-
Book Value Per Share (₹)	249.17	239.97	151.92	230.51	211.65

[@] Includes final dividend, if any, recommended by the Board for the respective financial years. For FY 24 the Dividend Payout ratio is for erstwhile Rane Brake Lining Limited and Rane Engine Valve Limited.

BALANCE SHEET HIGHLIGHTS

(₹ in Crores)

FINANCIAL YEAR	FY 25	FY 24	FY 23	FY 22	FY 21
Equity Share Capital	16.27	16.27	16.27	16.27	14.57
Shareholders' funds	688.64	663.21	247.11	374.93	308.27
Non current Liabilities	270.16	341.23	193.69	179.75	113.95
Current Liabilities	1,305.38	1,100.16	737.19	639.21	523.81
Non current assets	980.21	946.18	494.27	627.43	530.07
Current assets	1,283.96	1,158.42	683.72	566.46	415.96

Note :

Figures for FY 25 & FY 24 reflect performance as an amalgamated entity and are not comparable with those of preceding FYs.

EBITDA, PBT and PAT are inclusive of exceptional items, if any, for the respective financial years.

CORPORATE INFORMATION

Board of Directors
Harish Lakshman
Chairman & Managing Director
L Ganesh
N Ramesh Rajan
Pradip Kumar Bishnoi
Vikram Hosangady
Vasudha Sundararaman

Audit Committee
N Ramesh Rajan, *Chairman*
L Ganesh
Pradip Kumar Bishnoi
Vasudha Sundararaman

Stakeholders' Relationship Committee
L Ganesh, *Chairman*
Pradip Kumar Bishnoi
N Ramesh Rajan

Nomination and Remuneration Committee
N Ramesh Rajan, *Chairman*
L Ganesh
Pradip Kumar Bishnoi

Corporate Social Responsibility Committee
Harish Lakshman, *Chairman*
L Ganesh
Vasudha Sundararaman

Risk Management Committee
Harish Lakshman, *Chairman*
L Ganesh
N Ramesh Rajan
Gowri Kailasam, *CEO, SLD & LMCD*
Aditya Ganesh, *President - LMCD & Stratergy Head - SLD*

Executive Vice President - Finance & Chief Financial Officer
B Gnanasambandam

Secretary
S Subha Shree

Listing of Shares on
BSE Limited, Mumbai
National Stock Exchange of India Limited, Mumbai

Statutory Auditors
M/s. B S R & Co. LLP
Chartered Accountants,
KRM Tower, 1st & 2nd Floor,
No.1, Harrington Road, Chetpet,
Chennai - 600 031

Secretarial Auditors
M/s. Sriram Krishnamurthy & Co.,
(formerly known as S. Krishnamurthy & Co)
Company Secretaries,
T-1, "Shobana", 3rd Floor, 17, Nandanam Main Road,
Nandanam Extension, Chennai - 600 035

Bankers
HDFC Bank Limited
Axis Bank
Kotak Mahindra Bank Limited
ICICI Bank
Exim Bank
Standard Chartered Bank
State Bank of India
RBL Bank Limited
IndusInd Bank Limited

Registered Office
Rane (Madras) Limited
CIN: L65993TN2004PLC052856
"MAITHRI", 132, Cathedral Road,
Chennai - 600 086
Phone: 044-28112472/73
Email: investorservices@ranegroup.com
Website: www.ranegroup.com

Head Office
"Ganapathi Buildings"
154, Velachery Road, Chennai - 600 042

Plant Locations
In India: 15 nos.
Outside India (through subsidiary): 1 no.

Registrar and Transfer Agents
Integrated Registry Management Services Private Limited
"Kences Towers", 2nd Floor, No.1 Ramakrishna Street
North Usman Road, T.Nagar, Chennai - 600 017
Ph : +91-44-28140801-03; Fax : +91-44-28142479
E-mail : einward@integratedindia.in
Website : www.integratedregistry.in

RANE (MADRAS) LIMITED
CIN: L65993TN2004PLC052856
Registered Office: "Maithri", No. 132, Cathedral Road, Chennai - 600 086
Phone: 044-28112472/73
E-mail: investorservices@ranegroup.com | website: www.ranegroup.com

NOTICE TO MEMBERS

NOTICE is hereby given that the **Twenty-First (21st) Annual General Meeting** of **Rane (Madras) Limited** will be held on **Tuesday, August 05, 2025** at **16:00 hrs (IST**) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2025, together with reports of the Board of Directors and the Auditor thereon

To consider passing the following resolution(s) as an **ordinary resolution:**

(i) "Resolved that the Standalone Audited Financial Statement of the Company for the year ended March 31, 2025 together with the reports of the Board of Directors and the Auditor thereon, as circulated to the members and presented to the meeting be and are hereby adopted."

(ii) "Resolved that the Consolidated Audited Financial Statement of the Company for the year ended March 31, 2025 together with the reports of the Auditor thereon, as circulated to the members and presented to the meeting be and are hereby adopted."

2. To declare dividend on equity shares

To consider passing the following resolution as an **ordinary resolution:**

"Resolved that a dividend of ₹8/- per equity share having face value of ₹10/- each, fully paid up, on 2,76,37,137 equity shares be and is hereby declared out of the profits of the Company for the year ended March 31, 2025 and the same to be paid to all those shareholders, whose names appear in the Company's Register of Members as on Tuesday, July 29, 2025."

3. To appoint a Director in the place of Mr. Harish Lakshman (DIN:00012602), who retires by rotation and being eligible, offers himself for re-appointment

To consider passing the following resolution as an **ordinary resolution:**

"Resolved that Mr. Harish Lakshman (DIN:00012602) who retires by rotation under article 117 and 119 of the Articles of Association of the Company and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

4. To re-appoint M/s. B S R & Co. LLP, Chartered Accountants as Statutory Auditors of the Company.

To consider passing of the following resolution as an **ordinary resolution**:

"Resolved that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 ('the Rules') (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration Number: 101248W/W-100022) be and are hereby re-appointed as statutory auditors of the Company for a second term of 5 (five) consecutive years from the conclusion of the 21st Annual General Meeting (2025) till the conclusion of the 26th Annual General Meeting (2030) on such terms and conditions including remuneration as may be determined by the Board of Directors of the Company and reimbursement of travelling and other out-of-pocket expenses actually incurred by them in connection with the audit."

SPECIAL BUSINESS:

5. To appoint Mr. Vikram Taranath Hosangady (DIN: 09757469) as an Independent Director

To consider passing the following resolution as a **special resolution:**

"Resolved that pursuant to Section 149, 150, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 (the "Act") and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Members of the Company be and is hereby accorded to appoint Mr. Vikram Taranath Hosangady (DIN:09757469) as an Independent Director of the Company, not liable to retire by rotation, in terms of section 149 of the Act read with Articles of Association of the Company, to hold office for a term of five consecutive years with effect from May 28, 2025, in accordance with the policy of the Company applicable to Board of Directors from time to time."

6. To appoint M/s. B Chandra & Associates, Practising Company Secretary, as Secretarial Auditors of the Company

To consider passing of the following resolution as an **ordinary resolution**:

"Resolved that pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 8 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 24 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any statutory modifications or re-enactments thereof for the time being in force, M/s. B. Chandra

& Associates, Practising Company Secretaries (Firm Registration No. P2017TN065700) be and are hereby appointed as Secretarial Auditors of the Company for a period of five (5) financial years, from April 01, 2025 until March 31, 2030 to conduct a Secretarial Audit of the Company and to furnish the Secretarial Audit Report.

Resolved further that the Board of Directors of the Company be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Company."

7. To ratify remuneration of Cost Auditor for FY 2024-25

To consider passing the following resolution as an **ordinary resolution:**

"Resolved that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹4,50,000/- (Rupees Four Lakhs Fifty Thousand only) excluding applicable taxes, reimbursement of the travelling and other out of pocket expenses, payable to M/s. Jayaram & Associates, Cost Accountants (Firm Registration Number: 101077) who were appointed as the Cost Auditors of the Company by the Board of Directors, to conduct audit of the cost records of the Company for the financial year ended 2024-25 be and is hereby ratified and confirmed.

Resolved further that the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

(By order of the Board)
For **Rane (Madras) Limited**

Chennai
May 27, 2025

S Subha Shree
Secretary

Registered Office:
Rane (Madras) Limited
"Maithri", No. 132, Cathedral Road,
Chennai - 600 086
CIN: L65993TN2004PLC052856
www.ranegroup.com

NOTES:

1. The 21st AGM of the Company is being conducted through VC/OAVM Facility, in compliance with General Circular No. 09/2024 dated September 19, 2024 read with previous circulars in this regard issued by the Ministry of Corporate Affairs ('MCA Circulars') and the provisions of the Act which does not require physical presence of Members at a common venue. The deemed venue for the 21st AGM shall be the Registered Office of the Company. The Company has engaged Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, i.e., remote e-voting and voting at the AGM.

2. In terms of Section 102 of the Companies Act, 2013 and Secretarial Standard on General Meetings (SS-2), an explanatory statement setting out the material facts concerning business to be transacted at the AGM is annexed and forms part of this Notice.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. Corporate members intending to send their authorized representatives to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to the registered email address of the Company i.e., investorservices@ranegroup.com.

5. The cut-off date for the purpose of determining eligibility of members for voting in connection with the 21st AGM is **Tuesday, July 29, 2025**.

6. Pursuant to the relevant provisions of the Companies Act, 2013, dividend, which remained unclaimed / unpaid for a period of seven years from the date they became due for payment are required to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such dividend are also liable to be transferred to the demat account of the IEPF Authority.

7. Members may also note that the notice of the 21st AGM and the Annual Report 2025 will be available in the Investors Section on the Company's website www.ranegroup.com.

8. Listed companies are required to use the Reserve Bank of India's approved electronic mode of payment such as National Automated Clearing House (NACH), National Electronic Fund Transfer (NEFT), Real Time Gross Settlement (RTGS) for making payments like dividend to the shareholders, in terms of Schedule-I of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR). Accordingly, shareholders holding securities in demat mode are requested to update their bank details with their depository participants. Shareholders holding securities in physical form may send a request updating their bank details to the Company's Registrar and Transfer Agent.

9. Members holding shares in dematerialized form are requested to notify any change in their addresses, bank details or e-mail address with their respective DP and those holding shares in physical form are requested to

notify the RTA at the following address:

M/s. Integrated Registry Management Services Private Limited
SEBI Registration No. INR000000544
2nd Floor, "Kences Towers", No.1,
Ramakrishna Street, North Usman Road,
T Nagar, Chennai - 600 017
e-mail ID: corpserv@integratedindia.in
Website: www.integratedregistry.in
Phone: 044 2814 0801-803;
Fax: 044 2814 2479

10. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Relevant details and forms prescribed by SEBI in this regard are available under the Investor Information Section on the website of the company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/.

11. As per SEBI norms, with effect from January 25, 2022, all transmission/transfer requests including issuance of duplicate share certificates are mandatorily to be processed in dematerialised form only.

12. In compliance with the aforesaid MCA Circular dated September 19, 2024 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 07, 2023 ('SEBI Circular'), Notice of the AGM along with the Annual Report 2025 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. A letter providing the web-link, where complete details of the Annual Report is available will be sent to those shareholder(s) who have not registered their email ids. Members may note that the Notice and Annual Report 2025 will also be available on the Company's website www.ranegroup.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of CDSL www.evotingindia.com.

13. The Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

14. Information pursuant to regulations 36(3) of SEBI LODR and Secretarial Standard on General Meeting (SS-2) with respect of the Directors seeking appointment / re-appointment, as the case may be, at the AGM are furnished in the Annexure to this Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.

15. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write well in advance to the Company on investorservices@ranegroup.com.

16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts or Arrangements in which the Directors are interested, under Section 189 of the Act, will be available in electronic form for inspection by the members during the AGM. All documents referred in the notice will be available in electronic form for inspection. Members seeking to inspect such documents electronically can send an e-mail to investorservices@ranegroup.com.

17. SEBI vide Circular no. SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 (updated as on August 04, 2023 and December 20, 2023) has specified that a shareholder shall first take up his / her / their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he / she / they can initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal at https://smartodr.in/login. The aforesaid SEBI Circular and the link for the ODR Portal is also available on the website of the company.

18. Since the AGM will be held through VC / OAVM, the route map is not annexed in this notice.

19. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 (including amendments thereto) and SEBI LODR, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services.

    (i) The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("'remote e-voting'") and for poll during the meeting will be provided by Central Depository Services (India) Limited (CDSL e-Voting System).

    (ii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of 'remote e-voting' or voting at the AGM

    (iii) Mr. Balu Sridhar, Practicing Company Secretary (ICSI Membership no. FCS 5869), Partner, M/s. A.K. Jain & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the 'remote e-voting' process and voting at the AGM, in a fair and transparent manner.

    (iv) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.ranegroup.com and on the website of CDSL www.evotingindia.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges where the Company's shares are listed.

The instructions to shareholders for e-voting and joining virtual meetings are as under:

(i) The voting period begins on **Saturday, August 02, 2025 at 09:00 hrs (IST)** and ends on, **Monday August 04, 2025 by 17:00 hrs (IST).** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of, **Tuesday, July 29, 2025** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the AGM date would not be entitled to vote at the AGM.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholder's / retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL / NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL / NSDL is given below:

CDSL		NSDL	
1.	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon My Easi New (Token) tab.	1.	If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
2.	After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.	2.	If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.

CDSL	NSDL
3. If the user is not registered for Easi / Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) tab and then click on registration option.	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password /OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.	4. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders (holding securities in demat mode) login through their Depository Participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 099111

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at toll free no.: 022 4886 7000 and 022 2499 7000

Step 2: Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode

(i) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

a. The shareholders should log on to the e-voting website www.evotingindia.com.

b. Click on "Shareholders" module.

c. Now enter your User ID

i. For CDSL: 16 digits beneficiary ID,

ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

iii. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

d. Next enter the Image Verification as displayed and Click on Login.

e. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

f. If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant Company on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR / POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investorservices@ranegroup.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Instructions for shareholders attending the AGM through VC / OAVM & e-voting during meeting are as under:

(i) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

(ii) The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

(iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

(iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

(v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

(vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

(vii) Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance between **Thursday, July 31, 2025** at **09:00 hrs (IST)** and **Sunday, August 02, 2025** by **17:00 hrs (IST)** mentioning their name, demat account number / folio number, email id, mobile number to investorservices@ranegroup.com. The shareholders who do not wish to speak during the AGM but have queries may too send their queries in advance in the above manner. The Company would endeavour to address these queries suitably.

(viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.

(ix) Only those shareholders, who are present in the AGM / through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

(x) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Process for those shareholders whose email id / mobile no. are not registered with the Company / depositories.

(i) For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to Company / RTA Email ID.

(ii) For Demat shareholders - Please update your email ID & mobile no. with your respective Depository Participant (DP).

(iii) For Individual Demat shareholders – Please update your email ID & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at the toll free no. 1800 21 099111

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free. no. 1800 21 099111.

(By order of the Board)
For **Rane (Madras) Limited**

S Subha Shree
Secretary

Chennai
May 27, 2025

Registered Office:
Rane (Madras) Limited
"Maithri", No.132, Cathedral Road,
Chennai - 600 086
CIN: L65993TN2004PLC052856
www.ranegroup.com

EXPLANATORY STATEMENT

pursuant to Section 102(1) of the Companies Act, 2013

Item No. 4:

M/s. B S R & Co. LLP, (Firm Registration Number: 101248W/ W-100022), Chartered Accountants, ('BSR') hold the office of statutory auditors in first term of five consecutive years, as per the members' approval accorded at the 16th Annual General Meeting (AGM) held on August 07, 2020 till the conclusion of the 21st Annual General Meeting of the Company.

After a detailed review of the profile, experience and expertise of few audit firms / entities, the Audit Committee and Board of Directors of the Company have recommended the re-appointment of BSR for the second term, for approval of the members at the 21st AGM of the Company.

M/s. B S R & Co. LLP, is a member entity of BSR & Affiliates, a network registered with The Institute of Chartered Accountants of India (ICAI). They have audit experience across companies belonging to S&P BSE 30, S&P BSE 100 and S&P BSE 200 indices and in particular, the automotive sector globally.

M/s. B S R & Co. LLP have accorded their consent and confirmed that they fulfill all the eligibility criteria envisaged under Companies Act, 2013 and SEBI LODR to hold the office and perform the role of statutory auditor of the Company effectively. They hold a peer review certificate issued by the ICAI, which is valid up to July 31, 2028.

Considering the professional experience, expertise and technical competencies of M/s. B S R & Co. LLP, the Audit Committee and the Board of Directors are of the opinion that it would be in the best interest of the Company to appoint M/s. B S R & Co. LLP, Chartered Accountants, as Statutory Auditors. Accordingly, the Board of Directors recommend to the shareholders the re-appointment of M/s. B S R & Co. LLP, Chartered Accountants, as Statutory Auditors in a second term of five consecutive years, from the conclusion of 21st AGM till the conclusion of the 26th AGM on a remuneration of ₹97 Lakhs per annum towards statutory audit and quarterly limited reviews, excluding reimbursement of any out of pocket expenses (at actuals) and applicable taxes and subject to revisions as may be determined by the Board from time to time.

The proposed fees payable to the Statutory Auditor has been fixed after considering the increase in scope of audit as a result of the merger of erstwhile Rane Engine Valve Limited and Rane Brake Lining Limited with and into the Company and their knowledge, professional expertise and industry experience, as well as the overall time and effort that is required to be devoted by them towards the audit of the Company.

None of the other Directors and Key Managerial Personnel (KMP) of the Company and their relatives is concerned or interested, financially or otherwise, in the above resolutions except to the extent of their shareholding, if any, in the Company.

The Board recommends passing the resolution as set out at item no. 4 of this notice as an **ordinary resolution**.

Item No: 5

The Board of Directors at their meeting held on May 27, 2025 had, based on the recommendations of the Nomination and Remuneration Committee (NRC) appointed Mr. Vikram Taranath Hosangady (DIN: 09757469) as an Independent Director in terms of the applicable provisions of the Companies Act, 2013 ('Act') and SEBI LODR for a period of five consecutive years effective from May 28, 2025.

Mr. Vikram Taranath Hosangady joined the Board as a Non- Executive Director on March 16, 2023. He is a seasoned business leader and finance professional with more than 25 years of experience in being a strategic partner to Global Private Equity and corporations in their value creation journey. He has a progressive history of working with several founders of emerging corporates, in their journey of increased professionalism, governance, listing in local / global markets, guiding, hiring of board members and mentoring of next generation leaders.

Mr. Vikram Taranath Hosangady is a gold medallist in Commerce from Loyola College, Chennai and is a member of the Institute of Chartered Accountants of India and the Institute of Cost Accountants of India.

Mr. Vikram Taranath Hosangady worked with KPMG in various positions from 2005 to 2022. He last held the position of head of Clients and Markets and Member of the India Leadership Team. Prior to KPMG, he worked with Ernst & Young in Deal Advisory wing from 2002 to 2004 and Arthur Andersen's, Audit wing from 1996 to 2001.

While considering his candidature for recommendation, the NRC has evaluated the balance of skills, knowledge and experience on the Board, and on the basis of such evaluation, prepared a description of his role and capabilities.

His role as an Independent Director requires skills, competence and expertise on finance, industry, technology, business development, governance and allied disciplines in the context of automotive business.

Mr. Vikram Hosangady has extensive experience and exposure to areas of allied disciplines such as financial management, consultancy, deal advisory etc. With his distinguished record of accomplishments, industry experience, Mr. Vikram Hosangady is well poised to add significant value, strength and diversity to the Board.

Considering his rich knowledge, experience and fulfilment of various criteria for appointment as Independent Director as specified in the Companies Act, SEBI LODR, policies of the Company and based on the recommendations of the NRC, the Board of Directors recommend approving the appointment of Mr. Vikram Hosangady as an Independent Director.

Mr. Vikram Hosangady is not disqualified from being appointed as a Director in terms of Section 164 of the Act, or debarred from holding office of a director pursuant to any SEBI Order. He has given his consent to act as a Director.

Mr. Vikram Taranath Hosangady will be eligible for remuneration, if any, as payable to other Independent Directors as per the policy of the Company.

Other information relating to his appointment in accordance with Secretarial Standard – SS-2 and 36(3) of SEBI LODR is annexed to the Notice.

None of the other Directors and KMP of the Company and their relatives are concerned or interested, financial or otherwise in this resolution, except to the extent of their shareholding, if any, in the Company. The Board recommends passing the resolution as set out at item no.5 as a **special resolution**.

Item No. 6:

In terms of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to appoint a Practicing Company Secretary as Secretarial Auditor who is required issue a Secretarial Audit Report which will be annexed to the Boards report. The maximum tenure of appointment shall be for a period of two terms of five consecutive years, with the approval of its shareholders in its Annual General Meeting.

M/s. Sriram Krishnamurthy & Co., Company Secretaries have been the Secretarial Auditors of the Company from 2014-15 onwards. As a better corporate governance practice under the current regulatory requirements, the Board of Directors after considering the recommendations from the Audit Committee have at their meeting held on May 27, 2025 recommended change in Secretarial Auditors by appointing M/s. B Chandra & Associates, a firm of Practicing Company Secretaries as Secretarial Auditors of the Company.

M/s B Chandra & Associates (BCA) is headed by Ms. CS B Chandra who is the Founder & Senior Partner. Ms. Chandra has over 17 years of Corporate Law Experience with the Ministry of Corporate Affairs Government of India at a senior position. The firm is currently handling Secretarial audits of various listed and unlisted entities operating in various sectors such as automobiles, fertilizers & chemicals, NBFC, real estate and renewable Energy.

The firm has qualified & experienced partners and staff / smart collaborations to compliment geography reach and strong confluence of people, process and technology.

M/s. B Chandra & Associates have confirmed they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate. M/s. B Chandra & Associates have confirmed that they are not disqualified from being appointed as Secretarial Auditors and the proposed appointment is within the limits as laid down by the ICSI and the extant regulations framed by SEBI. They have further furnished a declaration that they have not taken up any prohibited non-secretarial audit assignments for the Company, its holding and subsidiary companies and that they have no conflict of interest in terms of ICSI Auditing Standard on Audit Engagement.

Considering the professional experience, expertise and technical competencies of M/s. B Chandra & Associates, the Audit Committee and the Board of Directors are of the opinion that it would be in the best interest of the Company to appoint M/s. B Chandra & Associates, Company Secretaries, as Secretarial Auditors. Accordingly, the Board of Directors recommend to the shareholders the appointment of M/s. B Chandra & Associates, Company Secretaries, as Secretarial Auditors in a first term of five consecutive years, from the conclusion of 21st AGM till the conclusion of the 26th AGM.

The proposed remuneration to the Secretarial Auditor is ₹4,00,000/- (excluding taxes and reimbursement of any out-of-pocket expenses at actuals) and is subject to revisions as may be determined by the board from time to time. In addition to the Secretarial Audit, M/s. B Chandra & Associates may provide such other permissible services, viz., certifications or other professional assignments, as approved by the Board of Directors.

The proposed fees payable to the Secretarial Auditor has been fixed after considering their knowledge, professional expertise and industry experience, as well as the overall time and effort that is required to be devoted by them towards the audit of the Company. In view of the amalgamation of erstwhile Rane Engine Valve Limited and Rane Brake Lining Limited with and into the Company and the increase in scope of audit there is a change in the fee payable from that of the outgoing auditor.

None of the Directors and Key Managerial Personnel (KMP) of the Company and their relatives is concerned or interested, financially or otherwise, in the above resolutions except to the extent of their shareholding, if any, in the Company.

The Board recommends passing the resolution as set out at item no. 6 of this notice as an **ordinary resolution**.

Item No.7

The members may note that Cost Audit was applicable for certain products manufactured by the erstwhile Rane Engine Valve Limited (REVL). REVL had appointed M/s. Jayaram & Associates, Cost Accountants (Firm Registration Number: 101077), represented by Mr. N K Rajprakash (Membership No. 43164), as the Cost Auditor of the Company for the financial year 2024-25. Pursuant to the merger of REVL with the Company effective April 07, 2025 offices of Auditors also stand vacated.

As a result of the merger, the business of REVL continues to be carried out by the Company and the Engine Component products are subject to cost audit in terms of the Companies (Audit and Auditors) Rules, 2014 and the Company is required to appoint a Cost Auditor to audit the cost records of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company had approved the appointment of M/s. Jayaram & Associates, Cost Accountants (Firm Registration Number: 101077), represented by Mr. N K Rajprakash (Membership No. 43164), as the Cost Auditor of the Company for the financial year 2024-25 on a remuneration of ₹4,50,000/- per annum excluding applicable taxes, reimbursement of out-of-pocket expenses incurred, if any, in connection with the cost audit. The remuneration payable to the Cost Auditor is required to be ratified by the members in accordance with the provisions of the applicable rules thereunder.

None of the Directors, Key Managerial Personnel and their relatives is concerned or interested in the resolution.

Accordingly, the Board recommends passing the resolution as set out at item no. 7 of this notice as an **ordinary resolution.**

(By order of the Board)
For **Rane (Madras) Limited**
S Subha Shree
Secretary

Chennai
May 27, 2025

Registered Office:
Rane (Madras) Limited
"Maithri", 132, Cathedral Road
Chennai - 600 086
CIN: L65993TN2004PLC052856
www.ranegroup.com

Annexure to the NOTICE dated May 27, 2025

Information about directors seeking re-appointment / appointment at the 21st Annual General Meeting in compliance with Regulation 36(3) of SEBI LODR and Secretarial Standard on General Meetings (SS-2).

Name of the Director	Mr. Harish Lakshman	Mr. Vikram Taranath Hosangady
Age (in years)	51	51
Director Identification Number (DIN)	00012602	09757469
Father's Name	Mr. L Lakshman	Mr. Taranath Manohar Hosangady
Date of Birth	February 12, 1974	September 03, 1973
Educational Qualifications	B.E. – BITS Pilani, MSM - Purdue University, USA	1) Member of the Institute of Chartered Accountants of India 2) Member of the Institute of Cost Accountants of India 3) B.Com Gold Medalist from Loyola College, Chennai
Experience	Mr. Harish Lakshman has over 29 years of industrial experience in various domains like marketing, operations, export business developments and other corporate functions. He spearheads the Rane Group's initiatives to achieve accelerated profitable growth. He serves as Chairman of ZF Rane Automotive India Private Limited and Rane Steering Systems Private Limited. He is also the Vice Chairman and Joint Managing Director of Rane Holdings Limited.	Mr. Vikram Taranath Hosangady is a seasoned business leader and a finance professional with more than 25 years of experience as a strategic partner to Global Private Equity and corporations in their value creation journey. He presently serves on the Board of MRF Limited as an Independent Director.
Nature of expertise	Industrial, technical and managerial expertise in automotive and driving business across geographies, governance practices and expertize in allied disciplines.	Professional experience and expertise in fields of finance, strategy, operations and allied disciplines besides governance practices.

Name of the Director	Mr. Harish Lakshman	Mr. Vikram Taranath Hosangady
II. Other details		
Date of first appointment on the board	March 31, 2004	March 16, 2023
Terms and Conditions of appointment	Re-appointment as Director, liable to retire by rotation.	Proposed to be appointed as Non – Executive Independent Director per resolution at item no. 5 of the Notice read with explanatory statement thereto.
Past Remuneration (2024-25)	Sitting Fees: Rs.0.02 Crores Commission: Rs.2.19 Crores.	Sitting Fees: 0.02 Crores
Remuneration Proposed	No approval is being sought for payment of remuneration. He is entitled to receive Salary, Perquisites and Commission as per his appointment as Chairman & Managing Director approved by the shareholders vide postal ballot dated March 14, 2025.	He is entitled to receive sitting fees for attending meetings of the Board and any Committees as a member thereof.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Apart from receiving remuneration and corporate action related benefits as a shareholder of the Company, he has no other pecuniary relationship with the Company. Mr. Harish Lakshman is not related to any director or managerial personnel Managerial Personnel of the Company.	Nil
Other Directorships	**Chairman:** ZF Rane Automotive India Private Limited Rane Steering Systems Private Limited **Vice Chairman and Joint Managing Director:** Rane Holdings Limited **Director:** The KCP Limited Oriental Hotels Limited Lumax Industries Limited Young Presidents Organisation (Chennai Chapter) ACMA Mobility Foundation	**Director:** MRF Limited Chemplast Sanmar Limited Bajaj Electricals Limited Indef Manufacturing Limited

Name of the Director	Mr. Harish Lakshman	Mr. Vikram Taranath Hosangady
Committee Memberships in other Boards	**Chairman:** **Corporate Social Responsibility Committee:** ZF Rane Automotive India Private Limited **Nomination and Remuneration Committee:** Lumax Industries Limited **Member:** **Audit Committee:** Oriental Hotels Limited **Corporate Social Responsibility Committee:** Rane Holdings Limited **Risk Management Committee:** Rane Holdings Limited **Stakeholders Relationship Committee:** Rane Holdings Limited	**Chairman:** **Audit Committee:** MRF Limited Indef Manufacturing Limited **Member:** **Audit Committee:** Bajaj Electricals Limited Chemplast Sanmar Limited **Nomination and Remuneration Committee:** MRF Limited Bajaj Electricals Limited Indef Manufacturing Limited **Stakeholders Relationship Committee:** Chemplast Sanmar Limited **Risk Management Committee:** Indef Manufacturing Limited Chemplast Sanmar Limited
Listed entities from which Director has resigned in the past three years	Nil	Hercules Hoists Limited
Number of meetings of the Board attended during the year (FY 24-25)	4	4
Number of equity shares held including joint holdings	750	-
Number of equity shares held as beneficial holders	-	-

REPORT OF THE BOARD OF DIRECTORS

Your Board of Directors hereby present to you the Twenty First Annual Report covering the operational and financial performance together with the accounts for the year ended March 31, 2025 and other prescribed particulars:

1. State of Company's affairs

During the year under review, your company completed a significant milestone successfully by completing the amalgamation of Rane Engine Valve Ltd. and Rane Brake Lining Ltd. into the Company, effective April 7, 2025. The merged entity will now operate through five focused businesses, each aligned with specific product groups and customer segments. The Steering and Linkage business, the Light Metal Castings business, which was part of the Company and then the Engine Components business from REVL, the Brake Components business from RBL, A new Aftermarket Products business has been established to consolidate products to channelize the synergy amongst the sales teams and cross-leverage product and market strength across the aftermarket portfolio.

The company's consolidated revenue was ₹3,421 crores with an EBITDA margin of 8.7%. The company won several new programs across product categories.

1.1. Financial Performance

The standalone financial highlights of the year under review are as follows: (₹ in Crores)

Particulars	2024-25	2023-24
Revenue from Operations	3,405.92	3,366.03
Other Income	12.18	8.32
Profit / loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	304.69	310.58
Less: Depreciation / Amortisation	130.06	121.94
Profit / loss before Finance Costs, Exceptional items and Tax Expense	174.63	188.64
Less: Finance Costs	71.78	60.63
Profit / loss before Exceptional items and Tax Expense	102.85	128.01
Add / (less): Exceptional items	(12.99)	(148.55)
Profit / (loss) before Tax Expense	89.86	(20.54)
Less: Tax Expense (Current & Deferred)	40.25	(87.16)
Profit / (loss) for the year (1)	49.61	66.62
Total Comprehensive Income / loss (2)	2.63	(0.99)
Total (1+2)	**52.24**	**65.63**
Balance of profit / loss for earlier years	(117.81)	(119.68)
Less: Transfer to Reserves	-	(44.44)
Less: Dividend paid on Equity Shares	(26.81)	(19.32)
Balance carried forward	(92.38)	(117.81)

The Key Performance Indicators, operational performance and summary on balance sheet are furnished in page no. 1 of this annual report and significant changes in key ratios are discussed in Management Discussion and Analysis Report and notes to the financial statements.

The total standalone turnover of the company was ₹3364.45 crores, which is an increase of 1.4% over the previous year. The total consolidated turnover of the Company was ₹3364.28 crores which is a decrease of 1.4% from the previous year turnover of ₹3412.49 crores. The consolidated net profit stood at ₹37.65 crores as against ₹54.76 crores compared to the previous FY 24.

The Company has a Profit After Tax (PAT) of ₹49.61 crores, which is 1.47% of the turnover. This resulted in an Earnings Per Share (EPS) of ₹17.95 for FY 2024-25 as against ₹24.10 in the previous year. The Company continues to be a subsidiary of Rane Holdings Limited (RHL / Holding Company). There was no material change or commitments, affecting the financial position of the Company between the end of the financial year and date of the report apart from those disclosed in the financial statements section of this annual report. There was no change in nature of business during the year.

1.2. Appropriation

The Company has carried forward a loss of ₹(92.38) crores and no amounts were transferred to the General Reserves. The Board of Directors, taking into consideration, the operational performance, financial position of the Company has recommended a dividend of 80% (i.e., ₹8/- per share of ₹10/- each, fully paid-up) for approval of shareholders at the ensuing 21st Annual General Meeting (AGM) scheduled to be held on August 05, 2025. The total dividend payable on equity shares for FY 2024-25 would be ₹22.11 crores.

On declaration of the dividend by the shareholders, it will be paid on August 14, 2025 to all the eligible shareholders, whose name appears in the register of members of the Company as on July 29, 2025, being the Record Date fixed for this purpose, subject to deduction of tax at source where applicable. The total of dividend payable for the FY 2024-25 would be ₹8/- per equity share of a face value of ₹10/- each.

Considering the above, the Board has carried forward ₹(92.38) crores as deficit in the profit and loss account.

The dividend pay-out is in accordance with the Company's Dividend Distribution Policy. The policy is available under the Corporate Governance section on the Investor's page on the website of the company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/.

1.3. Merger / Scheme of Amalgamation

The Board of Directors of the Company at their meeting held on February 09, 2024 has considered and approved Scheme of Amalgamation of Rane Engine Valve Limited and Rane Brake Lining Limited with and into Rane (Madras) Limited and their respective shareholders, in terms of the provisions of Section(s) 230 to 232 and other applicable sections and provisions of the Companies Act, 2013 ('Act') read together with the rules made thereunder ('Scheme').

BSE Limited and National Stock Exchange of India Limited have vide their letters dated July 18, 2024 given 'No adverse observation / No objection' to the Scheme. The Company has obtained the approval of the Secured Creditors. The Scheme has also been approved by the shareholders and unsecured creditors on November 20, 2024 and November 21, 2024 respectively. The Hon'ble National Company Law Tribunal, Chennai Bench vide their order dated March 24, 2025 sanctioned the Scheme. The Scheme came into effect from April 07, 2025.

The merger significantly simplifies the group structure by consolidating listed group companies and aligns public shareholder's interest by uniting the investments in a single listed entity.

1.4. Credit rating

During the year, CRISIL reviewed and re-affirmed the Long-Term Rating at 'CRISIL A' continuing with 'Rating Watch with Positive Implications' and Short-Term Rating at 'CRISIL A1'. The review in ratings of RML reflects the healthy performance in fiscal 2024 and expected sustained performance over the medium term supported by steady demand scenario for the automobile sector, and improved operating performance.

Further, Long-Term Rating for the Company's rated facilities has been upgraded from 'CRISIL A' to 'CRISIL A+'. The rating action follows the announcement of completion of merger referred to in para 1.3 of this report.

These have been disclosed to stock exchanges and made available on the Company's website. The Corporate Governance section of this report carries the details of credit rating.

1.5. Share Capital

During the year under review, there was no change in capital structure of the Company and as at the year ended March 31, 2025 the paid-up capital of the Company stood at ₹16,26,52,670/- consisting of 1,62,65,267 fully paid-up equity shares of ₹10/- each.

The Company on April 23, 2025 allotted 1,13,71,870 equity shares of Rs.10/- each fully paid-up, to such eligible shareholders of Rane Engine Valve Limited and Rane Brake Lining Limited who were holding shares as on April 22, 2025 (Record Date) in accordance with the share exchange ratio prescribed in the Scheme of Amalgamation. The allotted shares shall rank *pari-passu* in all respects with the existing equity shares of the Company.

Accordingly, the issued and paid-up equity share capital of the Company stands increased from ₹16,26,52,670/- comprising of 1,62,65,267 equity shares of ₹10/- each fully paid-up to ₹27,63,71,370/- comprising of 2,76,37,137 equity shares of ₹10/- each fully paid-up.

1.6. Management Discussion & Analysis

The business of your Company is manufacturing and marketing of auto components for transportation industry viz., steering and suspension systems, linkage products, steering gear products and aluminium alloy based high pressure die-casting products, brake components and engine components. The analysis on the performance of the industry, the Company, internal control systems, risk management are presented in the Management Discussion and Analysis report forming part of this report under '**Annexure A**'

1.7. Subsidiaries, Associate and Joint Venture Companies

1.7.1 Overseas Subsidiaries

Rane Automotive Components Mexico S. de. R. L. de C. V. (RACM). RACM belongs to the same business domain as that of the Company. RACM is a Step Down Subsidiary held entirely by the Company directly and through Rane (Madras) International Holdings B.V, The Netherlands (RMIH).

During the year under review a sum of 56.17 million MXN$ was invested through wholly owned subsidiary RMIH by way of contribution towards fixed and variable capital of RACM to meet capex and working capital requirements. The total investments in RACM directly by the Company and through its WOS RMIH is MXN$ 56.18 million.

During the year Euro 2.5 million was invested in RMIH for onward investment to RACM. The total investment in RMIH by the Company is Euro 6.89 million towards Equity and Non-Cumulative Non-Convertible Redeemable Preference Shares.

All the overseas investments and financial commitments of the Company are within the applicable limits prescribed under the Foreign Exchange Management Act, 1999 and regulations framed thereunder for the time being in force.

The highlights of performance of subsidiary companies and their contribution to the overall performance of the Company during the year under review are provided in the section 'Management Discussion & Analysis' forming part of this report. The Company does not have any associate or joint venture for the year under review.

1.8. Consolidated Financial Statements

The consolidated financial statements of the Company are prepared based on the financial statements of the subsidiary Companies viz., Wholly Owned Subsidiary - Rane (Madras) International Holdings B.V, The Netherlands, Rane Automotive Components Mexico S. de. R. L. de C. V. (RACM).

The Company has followed the methodology prescribed under applicable accounting standards for consolidation of financial statements of the subsidiary companies i.e., each line item of income, expenditure, assets and liabilities have been consolidated one hundred percent. On consolidation, the assets and liabilities of foreign subsidiaries are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at average of daily exchange rates prevailing during the year.

The salient features of financial statements of the subsidiary companies are provided in Form AOC-1 forming part of this annual report in terms of the provisions of Section 129(3) of Act. The Company will make available a soft copy of the annual report and annual accounts of the subsidiary companies to any member on request of the same in accordance with the provisions of Section 136 of the Act. Further, the annual financial statements of the subsidiary companies have also been made in the Investor's section on the website of the Company at www.ranegroup.com.

2. Board of Directors and Management

2.1. Composition

The composition of the Board of Directors and its Committees, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee are constituted in accordance with the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), wherever applicable. The Board of Directors has also constituted an Executive Committee, Finance Committee, Investment Committee, Working Committee and Issue & Allotment Committee. The Corporate Governance Report given in **'Annexure F'** contains an overview of the role, terms of reference, meetings and composition of the Board of Directors of the Company and its Committees.

The following are the details of changes in composition of the Board of Directors and its Committees:

a. Mr. Harish Lakshman, Chairman was also appointed as Managing Director of the Company with effect from April 01, 2025. The same was approved by the shareholders by way of Postal Ballot on March 14, 2025.

b. Consequently, the Stakeholders' Relationship Committee and Nomination and Remuneration Committee is re-constituted by inducting Mr. Ganesh Lakshminarayan in place of Mr. Harish Lakshman with effect from April 01, 2025.

c. Mr. Vikram Taranath Hosangady (DIN:09757469) was appointed as an Independent Director by the Board of Directors with effect from May 28, 2025 based on the recommendations of the Nomination and Remuneration Committee. The approval of the shareholders of the Company is being sought at the ensuing Annual General Meeting for his appointment as an Independent Director. He ceases to be Non-Executive Non-Independent Director with effect from close of business hours on May 27, 2025.

There were no other changes in the composition of the Board of Directors during this year.

The Board of Directors is of the opinion that the Directors proposed for appointment / re-appointment at the ensuing 21st AGM of the Company possess integrity, necessary expertise, relevant experience and proficiency and the Corporate Governance Report annexed to this report contains necessary disclosures regarding such Director(s).

The terms and conditions of appointment of Independent Directors have been disclosed in the Corporate Governance section on the Investor's page of the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/

All the Directors have affirmed compliance with the Code of Conduct of the Company. The Independent Directors have further affirmed that they satisfy the criteria laid down under section 149(6) of the Act and Regulation 25 and other applicable regulations of SEBI LODR as amended from time to time. Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA) and have qualified the proficiency test, if applicable to them. The Board of Directors at its first meeting of the FY 2024-25 has taken on record the declarations and confirmations submitted by the Independent Directors. During the year, the Board had not appointed any person as an Alternate Director for an Independent Director on the Board. The Company has obtained a certificate from a Company Secretary in Practice stating that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

2.2. Retirement by rotation

Mr. Harish Lakshman (DIN:00012602) retires by rotation at the ensuing 21st AGM, being eligible, he offers himself for re-appointment. The proposal for re-appointment of Mr. Harish Lakshman as a Director is included in the notice convening the 21st AGM.

2.3. Board and Committee Meetings

The schedule of meetings of the Board of Directors and Committees of the Board is circulated to the Directors in advance. During the year, four (4) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The gap between two consecutive meetings of the Board of Directors was less than 120 days. The details of committee meetings are provided in the Corporate Governance Report. For eligible matters, the Board / its Committees may also accord approvals through resolutions passed by circulation.

2.4. Meeting of Independent Directors

A meeting of Independent Directors was held to assess the quality, quantity, timeliness of flow of information between the management and the Board and review the performance of the Non-Independent Directors. The Independent Directors expressed that the current flow of information was timely and of superior quality which enable them to effectively perform their duties and that they are satisfied with the performance of Non-Independent Directors.

2.5. Board evaluation

The annual evaluation of the performance of the Board, functioning of its Committees, individual Directors, and the Chairman of the Board was carried out based on the criteria formulated by the Nomination and Remuneration Committee (NRC).

To all the directors, a structured questionnaire was sent seeking feedback and any comments on various parameters as recommended by the NRC. As regards evaluation of the functioning of the Board as a whole, including Committee(s) thereof, key focus areas for evaluation were on aspects like Board diversity and skill set to review strategies, risk management dimensions and processes, flow of information, adequacy and timeliness of agenda materials, effectiveness of presentations and more importantly the processes of reviewing strategic matters, annual operating plan, strategic business plan and guiding the management.

The performance of the Individual Directors, including Independent Directors were evaluated through peer evaluation. The performance of Chairman was also evaluated on countenances such as ensuring top-level policy framework, creating an open environment for exchange of views besides ensuring effective mechanism for implementing board action points.

In forming the evaluation criteria of Directors, attributes such as commitment, competency and sectoral knowledge, contributions to Board discussions and decisions and staying up to date on recent trends, being aware of macro level developments and networking skills were considered.

The feedback outcomes including comments / suggestions, along with action plans, if any, on matters requiring attention of the board were discussed by the Chairman.

The evaluation framework includes mechanism to share evaluation feedback on individual directors to the NRC, wherever required.

The performance review of Non-Independent Directors were carried out by the Independent Directors in their separate meeting held during the year.

2.6. Familiarisation program for Independent Directors

The details of familiarisation programmes for Independent Directors have been disclosed in the Corporate Governance section on the Investor's page of the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/

2.7. Key Managerial Personnel & Senior Management Personnel

During the year under review, Ms. Gowri Kailasam completed her term as 'Manager' of the Company on January 20, 2025. Mr. Harish Lakshman was appointed as 'Managing Director' with effect from April 01, 2025.

As at the year ended March 31, 2025, Mr. B Gnanasambandam, Executive Vice President - Finance & Chief Financial Officer (CFO) and Ms. S Subha Shree, Secretary, hold the office of Key Managerial Personnel (KMP), respectively, within the meaning of Section 2(51) of the Act.

The Senior Management Personnel (SMPs) other than KMPs, are Ms. Gowri Kailasam (CEO-SLD & LMCD), Mr. Giriprasad T (President-APD), Mr. Aditya Ganesh (President-LMCD and Strategy Head-SLD), Mr. R Balakrishnan (President – BCD) and Mr. S Rajkumar (President – ECD). During the year there were no change in SMP except inclusions as a result of amalgamation.

2.8. Remuneration policy

The policy contains criteria for determining qualifications, positive attributes, independence of a Director and also covers aspects of remuneration which is reasonable and sufficient to attract, retain and motivate directors / high potential employees to run the Company successfully.

The policy on appointment and remuneration of directors, KMP and Senior Management Personnel (SMP) as laid down by the NRC of the Board has been disclosed in the Corporate Governance section on the Investor's page of the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/.

There has been no change in this policy during the financial year 2024-25.

In accordance with the said policy, approval was obtained from the shareholders by way of Postal Ballot on December 07, 2024 in terms of Regulation 17(6)(ca) of the SEBI LODR, for payment of commission to Mr. Harish Lakshman, Chairman, not exceeding 2% of the net profits subject to a minimum remuneration in the event of any inadequacy in or absence of profits. The details of remuneration paid / payable to the Directors for the FY 2024-25 is furnished in the Corporate Governance report annexed to this report of the Board.

3. Audit and allied matters

3.1. Audit Committee

The composition, terms of reference and meetings of the Audit Committee are disclosed in the Corporate Governance report section of the Annual Report. The Audit Committee of the Board acts in accordance with the above terms of reference, which is in compliance with the provisions of Section 177 of the Companies Act, 2013 (Act) and Regulation 18 of SEBI LODR and other applicable provisions of SEBI LODR, as amended from time to time.

3.2. Statutory Auditor

M/s. B S R & Co. LLP, Chartered Accountants (BSR) (Firm registration number 101248W/W-100022) hold the office of Statutory Auditors of the Company, in terms of Section 139 of the Act read with applicable rules thereunder and as per the members approval accorded at the 16th Annual General Meeting for a first term of five consecutive years i.e., from the conclusion of the 16th AGM (2020) till the conclusion of 21st AGM (2025).

The Audit Committee and the Board of Directors of the Company have at their meeting held on May 27, 2025 recommended the re-appointment of BSR as Statutory Auditors of the Company for a second term of five consecutive years, for approval of the members at the ensuing AGM of the Company. The notice convening the AGM contains necessary resolution relating to their re-appointment.

The statutory auditors report to the members for the year ended March 31, 2025 does not contain any qualification, reservation, adverse remark or disclaimer. Also there has been no instance of fraud reported by the statutory auditors for the period under review.

3.3. Cost Audit & Maintenance of Cost records

The Board of Directors, at their meeting held on May 27, 2025, had appointed M/s. Jayaram & Associates, Cost Accountants, as Cost Auditor of the Company for the financial year 2024-25 as per the recommendations of the Audit Committee, after obtaining necessary certificate under Section 141 of the Act conveying his eligibility for re-appointment. In terms of Section 148(3) of the Act. The remuneration as fixed by the Board, based on the recommendation of the Audit Committee, is required to be ratified by the members at the AGM in terms of Section 148(3) of the Act. The notice convening the ensuing AGM includes a detailed background and the proposal for ratification of remuneration payable to the Cost Auditor. The Company maintains all such accounts and records as specified by the Central Government under Section 148(1) of the Act.

3.4. Secretarial Auditor

M/s. Sriram Krishnamurthy & Co., a firm of Company Secretaries in practice, have been appointed by the Board of Directors as Secretarial Auditors for the FY 2024-25. The Secretarial Audit report pursuant to Section 204 of the Act is annexed in **'Annexure B'** and was taken on record by the Board of Directors at its meeting held on May 27, 2025. The report does not contain any qualification, reservation, adverse remark or disclaimer.

The Securities and Exchange Board of India (SEBI) has amended Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 whereby Shareholders, on the recommendation of Board of Directors, may appoint or re-appoint a Secretarial Audit firm as Secretarial Auditors for not more than two terms of five consecutive years, in the Annual General Meeting.

Accordingly, the Board of Directors recommends to the Shareholders, the appointment of M/s. B Chandra & Associates., Practising Company Secretaries, Chennai as Secretarial Auditors, for a term of five consecutive years, from the financial year 2025-26 till the financial year 2029-30. The Company has received consent and eligibility certificate from M/s. B Chandra & Associates., to serve as Secretarial Auditors of the Company, if they are appointed and that they hold a valid Peer Review Certificate, issued by the Institute of Company Secretaries of India.

3.5. Internal Auditor

M/s. Deloitte Touche Tohmatsu India LLP are the Internal Auditors appointed by the Board of Directors based on the recommendations of the Audit Committee.

Their scope of engagement includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, review of statutory and legal compliances with applicable statutes / laws and assessing the internal control strengths in all these areas including financial reporting of the Internal Auditors findings are discussed with the process owners and suitable corrective actions are taken as per the directions of the Audit Committee on a regular basis to improve efficiency in operations. The Internal Auditor reports directly to the Audit Committee. The Committee, while reviewing their performance scope, functioning, periodicity and methodology for conducting the internal audit, has taken into consideration their confirmation to the effect that their infrastructure viz., internal audit structure, staffing and seniority of the officials proposed to be deployed etc., which are adequate and commensurate to the scope, functioning, periodicity and methodology for conducting the internal audit.

4. Directors' responsibility statement

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

a. in the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departures;

b. they had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

c. they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, preventing and detecting fraud and other irregularities;

d. they had prepared the financial statements for the financial year on a 'going concern' basis;

e. they had laid down internal financial controls to be followed by the Company and such internal financial controls were adequate and were operating effectively; and

f. they had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

5. Related Party Transactions (RPT)

All RPT that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The Company has not entered into any transaction of material nature with any of the promoters, Directors, key management personnel or relatives or subsidiaries etc., except for those disclosed in AOC-2 **'Annexure C'** of this report. There are no materially significant RPT made by the Company with related parties which require approval of the shareholders / which have potential conflict with the interest of the Company at large.

All RPT are placed before the Audit Committee and the Board, wherever required for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are entered into in the ordinary course of business and are repetitive in nature. The transactions entered into pursuant to the omnibus approval so granted are reviewed by the Audit Committee on a quarterly basis.

All RPT are approved by the Independent Directors who are members of the Audit Committee.

The Company has put in place a proper system for identification and monitoring of such transactions. Save as disclosed in this report none of the Directors or Key Managerial Personnel has any pecuniary relationships or transactions with the Company. The policy on Related Party Transaction as approved by the Board has been disclosed in the Corporate Governance section on the Investor's page of the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/

None of the Directors or Key Managerial Personnel or Senior Management Personnel have any material, financial and commercial transactions (except payment receipt of their remuneration, as applicable), which may have potential conflict with interest of the Company at large.

6. Corporate Social Responsibility (CSR)

The Rane Group's vision on Corporate Social Responsibility (CSR) is: "**To be socially and environmentally responsible corporate citizen**".

The CSR activities of Rane Group focus on four specific areas viz.: (a) Education; (b) Healthcare; (c) Community Development; and (d) Environment. The CSR Committee of the Board is responsible for recommending CSR projects and activities to the Board in line with the CSR policy. The CSR Committee monitors and reviews the implementation of CSR activities periodically. The CSR activities undertaken by the Company are in line with the CSR Policy and recommendations of the CSR Committee comprising of Mr. Harish Lakshman, Committee Chairman & Managing Director, Mr. L Ganesh, Director and Ms. Vasudha Sundararaman, Independent Director, as its members. During the year, the Company has contributed a sum of ₹2.39 crores on various CSR activities as per the CSR policy and recommendations of the CSR Committee. The '**Annexure D**' to this report contains the annual report on CSR activities of the Company for FY 2024-25. The CSR policy of the Company has been disclosed in the Corporate Governance section on the Investor's page of the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/ Further, in terms of the CSR Rules, the Chief Financial Officer has certified to CSR Committee that the funds disbursed for CSR have been used for the purpose and in the manner approved by the Board for FY 2024-25.

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

The '**Annexure E**' to this report contains the information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

8. Corporate Governance Report

The Company is committed to maintain the highest standards of corporate governance and effective compliance with the regulatory norms under the SEBI regulations and other laws and regulations applicable to the Company. The Corporate Governance report and the certificate issued by the Statutory Auditors are available in '**Annexure F'** to this report.

9. Particulars of Directors, Key Managerial Personnel and Employees

The details in terms of Section 197(12) read with Rule 5 of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 is available in '**Annexure G**' to this report. Pursuant to Section 136(1) of the Act the report of the Board of Directors is being sent to the shareholders of the Company excluding the statement prescribed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The statement is available for inspection by the shareholders at the Registered Office of the Company during business hours.

10. Risk Management

The Risk Management Committee of the Board periodically reviews the risk management policy and its procedures. The Company has in place a Risk Management Policy covering internal and external risks including information security, cyber security, Environmental, Social and Governance (ESG) related etc., measures for risk mitigation including systems and processes for internal control to identify risks associated with the Company and measures to mitigate such risks. The details of composition, scope and the meetings held during the year are provided in the Corporate Governance report annexed as **'Annexure F'** to this report.

11. Other disclosures

a. The details of loans, guarantees and investments under the provisions of Section 186 of the Act are given in the notes to the financial statements.

b. The Internal control systems and adequacy are discussed in detail in the Management Discussion and Analysis annexed to the Directors' Report.

c. There was no significant / material order passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

d. The policies approved and adopted by the Board have been made available on the Corporate Governance section of the Investor page on the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/.

e. The copy of the Annual Return is available under the Corporate Governance section on the Investor's page of the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/

f. The Company has complied with the applicable secretarial standards viz., SS-1 on meetings of Board of Directors and SS-2 on General Meetings issued by Institute of Company Secretaries of India (ICSI) as per Section 118(10) of the Act.

g. Business Responsibility and Sustainability Reporting is not applicable to the Company since it does not fall under the top 1000 listed companies based on market capitalisation.

h. The details regarding shares and dividend transferred / proposed to be transferred to the Investor Education and Protection Fund (IEPF) and other relevant details in this regard, have been provided in the corporate governance section of this Annual Report.

i. The Company does not accept any deposits falling under the provisions of Section 73 of the Companies Act, 2013 and the rules framed thereunder.

j. The Company has established a formal vigil mechanism named 'Rane Whistle Blower Policy' for reporting improper or unethical practices or actions which violate the code of conduct of the Company. The mechanism includes access to report instances in Integrity Matters an external and independent third party service provider portal appointed by the Rane Group. All reports lodged in this portal will be received by the Rane Group's ombudsperson and will be processed as per 'Rane Whistle Blower Policy'. The policy which is also available on the intranet portal of the Company provides for adequate safeguard against victimisation and direct access to the Chairman of the Audit Committee for the employees and state their complaints / grievances. During the year, ten (10) concerns were received under whistle blower policy and all of them were carefully examined as per the mechanism laid down in the policy and stand disposed off.

k. The Company has always provided a congenial atmosphere for work that is free from discrimination and harassment and has provided equal opportunities of employment to all irrespective of their caste, religion, colour, marital status and gender. The Company believes that women should be able to do their work in a safe and respectful environment that encourages maximum productivity. The Company has a zero tolerance towards sexual harassment. The Company has adopted a policy on prevention of sexual harassment of women at work place and put in place proper dissemination mechanism across the Company. The Company has carried out awareness programmes / sessions on the mechanism established under this policy, across its various locations. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), comprising of Presiding Officers and members with an appropriate mix of employees and external subject matter experts. During the period, the details of complaints received / resolved or pending are as under:

   No. of complaints received during the year – Nil

   No. of complaints disposed off during the year – Nil

   No. of complaints pending as on end of the year – Nil

l. In view of the exemptions available vide General Circular 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs ("MCA") read with previous circulars, SEBI Circular dated October 03, 2024 and in compliance with Regulation 36 of SEBI LODR, electronic copies of the annual report and the notice convening the 21st AGM would be sent to all the members whose e-mail addresses were registered with the Company or their respective Depository Participants. A letter providing the web-link, where complete details of the Annual Report is available will be sent to those shareholder(s) who have not registered their email ids. The hard copies of the Annual Report will be made available to those members who are specifically requesting for the same. The full Annual Report will be made available on the website of the Company and will also be disseminated to the stock exchanges where shares of the Company are listed.

Annual General Meeting

m. The 21st AGM has been convened for conduct through video conferencing or other audio visual means on Wednesday, August 05, 2025 at 16:00 hrs (IST), as per the framework notified by the Ministry of Corporate Affairs. The notice convening the 21st AGM contains detailed instructions and notes in this regard.

Acknowledgement

We thank our customers, investors, suppliers, vendors, bankers, government and regulatory authorities and other business associates for their continued support in successful performance of the Company. We place on record our appreciation for the committed services of all our employees

For and on behalf of the Board

	Ganesh Lakshminarayan	**Harish Lakshman**
Chennai	Director	Chairman and Managing Director
May 27, 2025	DIN: 00012583	DIN: 00012602

ANNEXURE A TO THE REPORT OF THE BOARD OF DIRECTORS

MANAGEMENT DISCUSSION AND ANALYSIS

1. Company Overview

Rane (Madras) Limited (RML) manufactures steering and suspension linkage products, steering gear products, specialized aluminum high pressure die-casting products, brake components and engine components catering to the Automotive Industry. The Company is a significant supplier of automotive components to major manufacturers of Passenger Vehicles (PV), Commercial Vehicles (CV), Farm Tractors (FT), Two Wheelers, Three Wheelers, Stationary Engines, and Railways in India and globally. The Company operates in a single reportable businesses viz., components for the transportation industry.

During the year under review, pursuant to the amalgamation of Rane Brake Lining Limited and Rane Engine Valve Limited, the business portfolios of the Company has expanded to include brake components, engine components besides a consolidated aftermarket platform.

2. Economic Review

2.1. Global Economy

In 2024, the global economy experienced modest but steady growth of 3.3%. Despite the ongoing challenges from geopolitical tensions and shifting trade dynamics, inflationary pressures eased across most economies, supported by stabilizing commodity prices and balanced monetary policies. Central banks remained cautious, aiming to support growth while maintaining price stability. Global trade patterns continued to evolve, with a greater focus on supply chain diversification and regionalization, creating opportunities for countries with strong manufacturing ecosystems and competitive advantages.

According to the International Monetary Fund (IMF), global growth is expected to slow to 2.8% in 2025. The introduction of new tariffs by the U.S. and similar responses from its major trading partners are already impacting global trade, weakening business confidence, and adding to market uncertainty. Advanced economies are expected to grow slowly, with the U.S. projected at 1.8% in 2025, and the Eurozone likely to grow by just 0.8%. Growth in emerging and developing economies is expected to be at 3.7%, with countries like China expected to be more affected due to their higher exposure to U.S. trade actions. The unpredictability in trade policy is making it difficult for businesses, adding pressure on exchange rates.

2.2. Indian Economy

India has shown resilience despite the uncertain global environment. India's GDP growth for FY25 is estimated at 6.5%, driven by strong domestic demand, government-led infrastructure development, improved private investment, and continued momentum in manufacturing and services.

Key indicators reflect broad-based economic strength: Gross GST collections reached a record ₹22.1 lakh crores, marking a 9.4% year-on-year increase, while e-way bill generation grew by 20%, reflecting increased movement of goods across the country.

The manufacturing sector maintained healthy momentum throughout the year. The Manufacturing Purchasing Managers' Index (PMI) reached an eight-month high in March 2025, pointing to robust production activity, improved order books, and growing business confidence. The government's continued focus on infrastructure, supply chain localization, and policy support contributed to this positive environment.

Retail inflation moderated to 4.6% in FY 25, the lowest level in several years. This decline was supported by stable food prices and effective policy interventions. The easing of inflation provided room for the Reserve Bank of India (RBI) to adopt a more accommodative stance, including a cut in the repo rate, which created a favourable environment for investment and consumption.

As per RBI's forecast, India's GDP is expected to grow at 6.5% in FY 26 supported by the strength in India's rural economy, recovery in the industrial sector and resilience in the services sector, while factoring in the headwinds from global trade disruptions, which continue to pose downward risks.

3. Industry Review

3.1. Global Automobile Industry

After facing a few difficult years due to the pandemic and supply chain issues, the industry is now adjusting to new challenges like rising costs, changing trade policies and evolving customer preferences. Although overall vehicle sales have improved in many parts of the world, the pace of growth remains uneven.

In the United States, new vehicle sales reached 15.9 million units in 2024 up 2.2% from the previous year. This growth was helped by better availability of cars, increased discounts, and rising interest in hybrid vehicles. Battery Electric Vehicle (BEV) sales also hit a record of 1.24 million units. Looking ahead, the National Automobile Dealers Association expects U.S. car sales to rise to 16.2 million units in 2025. But with the introduction of new trade tariffs and policy changes, the outlook remains uncertain.

According to the European Automobile Manufacturers' Association (ACEA), the European Union's (EU) car market saw a modest growth of 0.8% in 2024, reaching a total annual volume of 10.6 million units. In Europe, the vehicle production is expected to fall in 2025. High vehicle prices, reduced government support for electric cars, and weaker economic conditions especially in Germany and France are keeping demand in check. Automakers are also preparing for stricter EU emission rules, which are influencing what kinds of vehicles they offer.

The global automobile industry is going through a major shift in 2025 with the impact of geopolitical tensions and shift in trade policies. Technological changes, regulatory norms and evolving customer preferences continue to shape the priorities of vehicle makers and their responses to the demand environment.

3.2. Indian Automobile Industry

India's automobile industry continues to be a key contributor to the country's manufacturing growth and economic development. As the world's third-largest automotive market, India has benefitted from a combination of evolving consumer preferences and higher discretionary spending.

The Passenger Vehicle (PV) businesses witnessed moderate growth of 3% robust demand for Utility Vehicles (UVs), which grew by 14%. UV volume increase was fuelled by a slew of new model launches featuring advanced features and contemporary designs that resonated well with consumer preferences. In contrast, the Passenger Car businesses (comprising sedans and hatchbacks) experienced a decline in production volume in FY25, with a drop of around 12%. Cleaner fuels like CNG and strong hybrids gained traction, while EV growth remained moderate.

Commercial Vehicle (CV) businesses witnessed de-growth of 4%. The Medium and Heavy Commercial Vehicles (M&HCV) businesses experienced a challenging year with volume decline of 3% primarily due to disruptions in infrastructure activities during the first half of FY25, partly due to the general elections. The Light Commercial Vehicles (LCV) businesses reported volume decline of 5% due to factors such as elevated financing costs and a slowdown in demand from sectors like e-commerce. Also, increased penetration of electric three-wheelers also posed some competition to certain LCV applications, particularly in last-mile connectivity.

Tractor volume grew by 6% with improved farmer's sentiment and favourable weather conditions in key regions. Two-wheeler's businesses witnessed robust volume growth of 9% driven by strong demand from rural and export markets. Sale of Electric Two Wheelers crossed 1 million units.

Industry Businesses (Production figures)	Growth in % (YoY change)	
Vehicles	**FY 25**	**FY 24**
Passenger Cars (PC)	(12)	(9)
Utility Vehicles (UV)	14	23
Multi-Purpose Vans (MPV)	8	3
Passenger Vehicles (PV)	3	7
Light Commercial Vehicles (LCV)	(5)	3
Medium & Heavy Commercial Vehicles (M&HCV)	(3)	3
Commercial Vehicles (CV)	(4)	3
Farm Tractors (FT)	6	(8)
Two Wheelers (2W)	11	10

Source: Society of Indian Automobile Manufacturers (SIAM)

3.3. Indian auto component industry

The Indian auto component industry stands as a critical pillar of the country's manufacturing sector, employing over five million people and contributing approximately 25% to India's manufacturing GDP. In 2024, the industry is estimated to be valued at USD 74 billion, accounting for about 3.5% of the global auto component market. With a strong historical growth trajectory of 7-8% CAGR, the sector is poised for accelerated expansion, expected to triple in value to around USD 200 billion by 2030, at a projected CAGR of 16%.

This growth is being driven by multiple structural tailwinds. Rising disposable incomes, growing vehicle penetration, and an increasing shift towards electric vehicles (EVs) are transforming domestic demand patterns. At the same time, India's strategic integration into global supply chains is enhancing its role as a preferred sourcing hub. Original Equipment Manufacturer (OEM) sales in the domestic market are projected to rise from USD 62 billion to USD 89 billion by 2030, while exports are expected to grow significantly from USD 21 billion to USD 100 billion during the same period.

The industry's global aspirations are supported by consistent investment in R&D, a growing emphasis on quality and cost competitiveness, and the increasing localisation of manufacturing. Indian component manufacturers are actively adapting to global disruptions, especially the transition toward cleaner powertrains, lightweight materials, and smart mobility solutions. This is opening up new avenues for innovation and expanding access to future-ready markets.

3.4. Indian Automotive Aftermarket Industry

The Indian automotive aftermarket industry is undergoing a significant transformation, driven by a rapidly growing vehicle parc and changing consumer behaviour. According to the Automotive Component

Manufacturers Association of India (ACMA), the market is expected to grow from its current valuation of USD 10 billion to USD 16 billion by 2030. This growth is underpinned by an expanding base of over 340 million registered vehicles, which is projected to increase at a compound annual growth rate (CAGR) of approximately 8% over the next five years.

This rising vehicle population is expected to drive strong demand for maintenance, repair, replacement parts, and value-added services, thereby accelerating aftermarket growth across the country.

The evolution of the aftermarket is also being shaped by broader shifts in consumer expectations and industry practices. Traditional business models are giving way to more direct-to-consumer (D2C) channels and digital platforms that enhance transparency, convenience, and service quality. At the same time, growing customer awareness is increasing demand for customised, tech-enabled accessories and solutions tailored to modern vehicles.

Moreover, the transition toward electric mobility is opening new opportunities for component innovation and specialised service offerings. As electric vehicles (EVs) gain traction, the aftermarket ecosystem will evolve to support new categories of parts and diagnostic tools, positioning India as a responsive and competitive player in global supply chains.

In this dynamic landscape, the Indian automotive aftermarket is set to become a key pillar of the broader auto component industry, offering significant growth potential over the coming decade.

3.5. Opportunity and Threats

India's automotive sector stands at a pivotal moment, offering multiple opportunities for growth while also navigating a dynamic and challenging environment. The country's emergence as the third-largest automotive market globally is underpinned by a strong domestic consumption base, supportive policy initiatives, and a growing reputation as a manufacturing and export hub. Government schemes such as the Production Linked Incentive (PLI) aiming at increased localisation continue to attract substantial investments and drive adoption of advanced automotive technologies.

The auto component industry is poised for significant expansion, with projections indicating industry doubling by 2030, supported by strong exports and rising demand for localized content. Similarly, the aftermarket businesses is evolving rapidly, driven by an expanding vehicle base, growing consumer awareness and preference for digital engagement.

India's strategic position in global supply chains also presents a unique opportunity. As global OEMs diversify sourcing away from traditional markets, India's cost competitiveness, engineering talent, and improving logistics infrastructure position it as a preferred partner. Furthermore, disruptions in global trade and supply chains are opening space for Indian manufacturers to integrate into international networks and capture greater market share.

However, the industry must remain cautious of several headwinds. Geopolitical tensions and fluctuating raw material costs continue to pose supply chain risks. Trade protectionism and policy uncertainty, particularly in key export markets, could impact investment flows and export momentum. Domestically, affordability challenges in the mass vehicle businesses, limited rural income growth, and employment concerns could affect long-term demand.

Additionally, the fast-paced shift to electric mobility, while promising, could challenge companies that fail to keep pace with these changes and risk losing market relevance. Regulatory pressures related to emission standards, safety norms, and environmental compliance add further complexity.

3.6. Outlook

The Indian automobile industry is well-positioned to maintain long-term momentum, supported by policy stability, expanding production capacity, a maturing EV ecosystem, and deepening integration into global supply chains. Continued focus on domestic manufacturing and innovation will remain central to driving future growth.

The outlook for the Indian automotive industry remains optimistic, underpinned by robust domestic consumption, supportive policy measures, and growing focus on localisation. Initiatives such as the Production Linked Incentive scheme, FAME-II, and infrastructure development are expected to boost investment and enhance competitiveness across businesses. Rising exports, increasing adoption of digital technologies on the shop floor, and a strengthening aftermarket ecosystem further support the industry's long-term potential. However, the industry will need to adapt to evolving regulatory frameworks, global trade dynamics, and shifting consumer behaviour to maintain sustainable and inclusive growth.

4. Financial Review

4.1. Standalone Financial Highlights

- Revenue from sale of products increased to ₹3364.45 Crores in FY25 from ₹3317.58 crores in FY24.
- EBITDA decreased to ₹304.69 crores in FY25 from ₹310.58 crores in FY24.
- Net Profit of ₹49.61 crores in FY25 as against a Net Profit of ₹66.62 crores in FY24.

4.2. Consolidated Financial Highlights

- Revenue from sale of products decreased to ₹3364.28 crores in FY25 from ₹3412.49 crores in FY24.
- EBITDA increased to ₹297.75 crores in FY 25 from ₹278.53 crores in FY 24.
- Net profit of ₹37.65 crores in FY25 as against a Net profit ₹54.76 crores in FY24.

FY 24 Consolidated Financials includes Light Metal Castings America Inc. financial performance till September 13, 2023.

Standalone

Key Ratios	FY 25	FY 24	Reason for change in FY 25
Debt service Coverage Ratio (turns)	1.22	2.53	Due to one time deferred tax credit and non-cash exceptional items in the previous year
Net capital turnover ratio	(159.03)	57.78	Due to increase in working capital facilities and higher term loan repayments due in the next 12 months
Net profit margin %	1.46%	1.98%	Due to higher tax expense on account of change in tax regime
Return on Net worth	7.34%	10.44%	Due to higher tax expense on account of change in tax regime

The other ratios as required under Schedule III are disclosed in note no. 38 (xiii) to the Standalone Financial Statements.

Consolidated

Key Ratios	FY 25	FY 24	Reason for change in FY 25
Debt service Coverage Ratio (turns)	1.16	1.55	Due to one time deferred tax credit and non-cash exceptional items in the previous year
Net capital turnover ratio	(168.81)	55.55	Due to increase in working capital facilities and higher term loan repayments due in the next 12 months
Net profit margin %	1.11%	1.58%	Due to higher tax expense on account of change in tax regime
Return on Net worth	5.67%	8.62%	Due to higher tax expense on account of change in tax regime

5. Business Review

5.1. Steering & Linkages

The breakup of the overall sales by Steering & Linkages business is given below:

(₹ in Cr)

Sales	2024-25	2023-24	Growth in %
Domestic	1,062.6	1,079.9	(1.6)
Exports	529.5	536.6	(1.3)
Total	**1,592.1**	**1,616.5**	**(1.5)**

Steering & Linkage Business faced challenges on market demand from domestic and export customers. In the domestic market, drop in passenger car volumes impact the sales and the drop in ATV business in North America, impacted exports sales. In spite of various challenges in the industry globally, the business continued to win new businesses. In FY25, the business also won new orders worth over INR 500 Crores for the products such as Rack & Pinion and Ball Joints.

5.2. Light Metal Castings

The breakup of the overall sales by Light Metal Castings business is given below:

(₹ in Cr)

Sales	FY 25	FY 24	Growth in %
Domestic	146.7	153.4	(4.4)
Exports	115.4	106.6	8.2
Total	**262.1**	**260.0**	**0.8**

The Light Metal Castings business reported flat overall sales in FY25 compared to FY24. While the exports business experienced year-over-year growth, the domestic market saw a decline in sales during the same period. The drop in sales in domestic market was primarily due to the End of Production (EOP) for certain programs, a market slowdown in the commercial vehicle businesses, and strategic decisions to prioritise on profitability over the growth. The growth in exports was driven by sustained demand from existing major customers. Additionally, successful launches of new projects related to engine parts and transmission housings contributed to the positive performance.

5.3. Engine Components

The breakup of the overall sales by engine components business is given below:

(₹ in Cr)

Sales	FY 25	FY 24	Growth in %
Domestic	327.1	306.8	6.6
Exports	168.2	193.1	(12.9)
Total	**495.4**	**499.9**	**(0.9)**

The Engine component business registered a 6.6% increase in the domestic market. The domestic market witnessed buoyancy across major business in the Original Equipment Manufacturer (OEM) sales, registering a growth of 3% over the previous year. Export sales decreased by 12.9%, due to reduction in off take by the customers. The business is experiencing continued traction for ICE powertrain across geographies.

5.4. Brake Components

The breakup of the overall sales by brake components business is given below:

(₹ in Cr)

Sales	FY 25	FY 24	Growth in %
Domestic	428.2	389.0	10.1
Exports	50.0	36.0	39.1
Total	**478.2**	**425.0**	**12.5**

The Brake Lining business reported a 12.5% sales growth driven by increase in volumes across all major businesses and entry into new models in Passenger Vehicle and Two wheeler businesses and strong demand from exports. The export for FY25 was ₹50.0 Crores, an increase of 39.1% compared to FY24. During the year, supplies commenced for US market through continuous engagement with customer and launch of new products for CV businesses yielded breakthrough results. The Company continues the initiatives taken to sustain the organic sales and to enhance the export turnover through the overseas distribution network by entering into new geographies in US, Africa and Middle East countries. The enhancement of the product range, development of new grades and the product certifications as stipulated by the respective regulatory bodies will sustain the growth momentum in the export market.

5.5. Aftermarket Products

The breakup of the overall sales by aftermarket products business is given below:

(₹ in Cr)

Sales	FY 25	FY 24	Growth in %
Domestic	540.8	519.5	4.1
Total	**540.8**	**519.5**	**4.1**

During the year FY25, the Aftermarket business had a growth of 4.1% over FY24.

During FY25, Aftermarket business across products was brought under one business to help create synergy. Aggressive approach by the OEM spares businesses resulted in high competitive pressure on the pricing and margins. Focus on B and C towns by the company helped mitigate some of the challenges and helped this business to grow in FY25. Many new products were introduced in the market and significant efforts were put in to sustain and grow the market. Aftermarket remains a priority area for the company and efforts are channelised to enhance synergy amongst the sales team and cross-leverage product and market strength across the aftermarket portfolio.

6. Risk Management

The Company has laid down well-structured procedures for monitoring the risk management plan and implementing risk mitigation measures. The risks are broadly classified into strategic risks, operational risks, financial risks and statutory compliance risks. These risks are rated based on factors such as past year experience, probability of occurrence, probability of non-detection and their impact on the business. The risk management committee reviews the strategic risks, and the risks with high probability and high impact along with a risk mitigation plan and it is also presented to the Board of Directors on a half-yearly basis. The strategic risks are taken into consideration in the annual planning process with their mitigation plan. Other risks are covered as part of the internal audit process and presented to the Audit Committee. The business process risks, and the related controls are subjected to internal audit and reviewed on a quarterly basis. The risk ratings are revalidated with the top management as part of the internal audit process every quarter. The overall re-assessment of risks at the Company level is carried out and presented to the Risk Management Committee and the Board of Directors once in two years for their review.

	Risk	Nature of Risk	Risk Mitigation Strategies
Strategic	Industry / Market risk	Major portion of revenue is derived from the Indian Automotive sector. Hence, any drop in vehicle production will have a significant impact to Company's business. New Products secured by the Company are at significant lower sale prices, and post a significant risk in terms of profitability.	The Company constantly strives to: (a) Increase revenue from International markets (outside of India). (b) Add new products to increase organic revenue and diversify customers across vehicle businesses. (c) The Company is pursuing opportunities to dialogue with Customer to get price up on back drop of global environment / increasing cost pressures / etc.
	Technology Obsolescence Risk	Auto Industry and customer preference undergoes changes resulting in technology obsolescence.	The Company has consistently delivered cutting edge technology products with: (a) Enhanced R&D capabilities, localization of testing and validation capabilities. (b) Diversity of product portfolio across steering, engine, braking, transmission components helps to mitigate the technology obsolescence. (c) Products serve variety of vehicle businesses experiencing different levels of adoption of technology.
	Competition	Maintaining market share in Competitive markets and availability of unorganized players further pose challenge.	The Company's long standing relationship with OEMs, state-of-the-art facilities and best-in-class processes help deliver superior value to the customers. We periodically conduct customer survey to understand customer feedback and work in furthering our relationship.
Operational	Quality / Processes	Quality and Delivery are sacrosanct for safety of critical products supplied by the Group.	Skilled workforce, imparting job skill enhancement training, enhancing supplier capabilities and robust manufacturing processes help us to mitigate quality and delivery risk. Implementation of Quality DOJO across the plants in progress to improve the skills of the workforce.
	People Risk	Attrition of key personnel could impact business operations and growth.	The Company's HR processes are constantly upgraded to attract, retain and develop talent. The policies are people-centric and industry accolades on HR practices help attract talent. The dedicated training center supports to build functional capabilities and develop a strong leadership pipeline. The performance management system and other employee engagement initiatives help to develop and retain talent.
	Raw Material (Input) Price Risk	Material cost is a significant part of the cost and volatility in the price of raw material costs will erode margin.	The Company constantly strives to mitigate the input cost increases. (a) Procurement function will work on cost reduction initiatives through alternate sourcing, localization, etc. (b) Negotiate and pass through input cost increases suitably to the customers. (c) Work on process improvements, yield improvements, etc.
Financial	Currency Risk	Exposed to foreign currency exchange risk as we export our products to various countries and import raw materials.	The Company is working towards reducing its imports through localisation of the import content.
	Interest Rate Risk	Use of borrowings to fund expansion exposes to interest rate risk.	The Company manages interest rate risk on the following basis: (a) Maintaining optimal debt-equity levels. (b) Use of internal accruals to fund expansion. (c) Constantly optimize working capital to reduce interest costs.

6. Human Resource Development and Industrial Relations

6.1. Talent Development Initiatives

In FY 2024-25, the Company focused on the following talent development initiatives:

Leadership Development

6.1.1. Leadership Boot Camp (LBC)

To provide new entry-level graduates with valuable real-world experience, Rane Group implemented a mandatory group-wide internship program. As part of this initiative, 46 recent graduates (GET/MT/PGET) were onboarded as interns before transitioning into trainee roles, embarking on their Learning Boot Camp (LBC) journey with us. The LBC curriculum is meticulously designed to transition graduates from academia to corporate life. Through hands-on experiences, including plant visits, on-the-job training, and cross-functional collaborations, they gain a deep understanding of Rane's operations and culture. Mentoring by senior leaders further enriches the development journey.

Over 45 Graduate Engineer Trainees and Management Trainees from the 2023 batch completed their year-long journey at the Ranvocation. The event featured inspiring interactions with business leaders, insightful experience-sharing by the trainees, and a variety of engaging activities.

6.1.2. Young Leadership Development (YLD)

YLD is a flagship intervention program that enables individual contributors to successfully transition into first time managers. As part of the ongoing learning engagement journey, 11 YLD participants from earlier batches underwent a two-day workshop curated with the objective of enhancing their business understanding through Rane specific case studies. Participants presented their solutions to the case studies by drawing insights from various modules to a panel of business leaders.

The eighth batch with 10 participants underwent 5 days of classroom sessions across 3 modules delivered by Shri Dharmasthala Manjunatheshwara Institute for Management Development. To foster development, we organised interactive sessions with business leaders who shared their insights and experiences on leadership effectiveness.

7 participants from the 7th and 8th batches of the YLD program underwent an experiential learning program at the Pegasus Institute in Pondicherry, a facility renowned for cultivating leadership skills.

6.1.3. High Potential Leadership Development (HPLD)

The objective of HPLD is to build leadership competencies of high potential talent at department head level and transitioning to plant, functional head level. A mentor form Great Lakes facilitated the participants to identify a live business challenge and enabled them to work on such action learning projects.

As part of the HPLD design, the participants underwent an experiential learning program at Pegasus Institute in Pondicherry. The outbound had continuous feedback assessments that helped them to develop receptiveness to feedback and concrete developmental takeaways.

6.1.4. Supervisory Development Program (SDP)

SDP designed to enhance shop floor efficiency and effectiveness was conducted across four batches in Chennai, Trichy, and Hyderabad, covering 120+ participants. The SDP provided participants with essential supervisory skills, focusing on team motivation, performance management, labour laws and safety management for optimal performance.

6.1.5. Leadership Effectiveness

14 experienced leaders underwent an engaging 3-day residential program at Xavier Institute of Management and Entrepreneurship. Participants gained practical tools to drive their own development and contribute to their teams by exploring self-leadership, leading others and leading the organization.

6.1.6. Senior Leadership Meet

The Plant Head and Function Head Meeting of Rane Group was a significant step toward aligning business objectives with the evolving demands of the market and stakeholders. Bringing together senior leadership, the event focused on strengthening strategies for sustainable growth, operational efficiency, and stakeholder satisfaction. A highlight of the meeting was the keynote address by Sarath Reddy, Founder & Chief Investment Officer, Unifi Capital who emphasized the critical importance of meeting investor expectations.

6.1.7. Rane Manufacturing Systems Professionals (RMSP)

Launched in June 2017 with the objective of developing manufacturing skills in junior and middle managers across various plant functions, the refreshed Rane Manufacturing Systems Professionals program (RMSP) 4.0 was updated in June 2023. This enhanced version focuses on boosting plant performance by improving technical expertise through two tracks: Basic and Advanced. Emphasizing learner-centric, role-based development, RMSP 4.0 incorporated recent advancements in its curriculum, with three new batches launched during the year. Currently, 102 improvement projects are underway, targeting key areas like productivity, quality, cost, delivery, and safety. During the year, 39 participants have completed the Advanced Stream, and an additional 80 participants are actively working towards their completion.

RMSP - Technology Day was hosted at ZF Rane Automotive India in Guduvanchery, spotlighting the latest technological advancements and their potential applications within the Rane Group. The event brought together employees from across the organization to foster collaboration and knowledge sharing.

6.2. Learning Digital Journey

To further support learning and development, weekly microlearning content across themes such as leadership, functional competency, office productivity and wellness were made available to employees through the learning management system. Key initiatives include access to short-term NPTEL certification programs and conversational English skills development through a partnership with The Hindu group. To boost learner engagement, gamification elements such as weekly quizzes, cohort-based learning challenges, and an L&D leaderboard are incorporated. The LMS tool is utilized to monitor individual learning development plan progress, and annual refresher e-learning governance courses were also provided.

6.3. Great Place to Work (GPTW)

Driven by a commitment to continuous improvement across all operations, the Rane Group recognizes that employee satisfaction and engagement are crucial for growth, alongside business performance. For nearly a decade, Rane has utilized an Employee Opinion Survey, administered by an external consultant, to provide employees with a platform for open feedback, identify strengths, and pinpoint areas for improvement. As the organization expanded, the need for more efficient and benchmark-driven models for capturing employee sentiment and ensuring employee well-being became apparent.

To this end, the Rane Group has partnered with Great Place to Work (GPTW), a globally recognized authority on high-trust, high-performance workplace cultures. By participating in the GPTW survey, Rane leverages the findings to continuously enhance employee engagement and experiences. Rane (Madras) Limited proudly achieved GPTW certification for the seventh consecutive year, underscoring the Group's ongoing dedication to fostering a positive and engaging work environment.

6.4. Wellness at Rane

Rane Group prioritizes the holistic well-being of its employees through a range of comprehensive initiatives. The Wellness Corner app actively encourages healthy habits like regular exercise and mindful eating through engaging challenges. Beyond the app, Rane offers wellness workshops, mental health support, and financial wellness programs, all aimed at empowering employees to achieve balanced and fulfilling lives.

Employee well-being is further supported by robust Health, Safety and Environment (HSE) practices, including thorough ergonomic assessments to optimize workspaces for comfort and productivity.

Fostering both camaraderie and workplace wellness, the Rane Premier League (RPL), an inter-group cricket tournament, brought together the best cricketing talent from across Rane's entities. Ten enthusiastic teams competed fiercely for the winner and runner-up titles.

Continuing its focus on employee wellness, Rane also witnessed significant participation in marathons this year, with an impressive 83% of employees taking part in the Madras Round Table 1 Marathon and 91% in the Freshworks Marathon, demonstrating their enthusiasm for such events.

6.5. Women Empowerment at Rane

Rane Group furthered its commitment to women's empowerment through its Women at Work (W@W) initiative. This program aims to cultivate a community of "Engaged, Enthused, and Empowered" women, providing support for their career ambitions while acknowledging and addressing their evolving life demands. The W@W group will benefit from mentorship by an executive coach, with both individual and group sessions designed as a valuable platform for networking, sharing experiences, and accessing resources that promote professional advancement within the organization.

6.6. Industrial Relations

The industrial relations were generally cordial in all the plants. The group level industrial relations council works towards the objective of creating a healthy working environment by promoting peace and harmony amongst all segments of employees. The focus areas for the council includes interpretation and implementation of legislations, workforce mix planning for optimal deployment and sharing of best practices.

7. Corporate Social Responsibility

Rane Foundation, a public charitable trust founded in the year 1967, is the leading partner for implementing Rane Group's CSR initiatives. The Company's CSR vision is **'to be a socially and environmentally responsible corporate citizen'.** The Company continues to focus on four thrust areas for its CSR activities – Education, Healthcare, Environment and Community Development and has contributed towards implementation of several projects in the field of Education, Healthcare and Community Development.

7.1. Education

The Rane Vidyalaya, established at Trichy in the year 2018 under the aegis of Rane Foundation has stepped into its seventh academic year. Rane Vidyalaya was recognized by Directorate of School Education, Tamil Nadu in 2018 and is affiliated to the Central Board of Secondary Education, New Delhi. In the academic year 2024-25, it reached a student strength of 924 in its seventh year of operations, operating from LKG to X. The school has achieved 100% pass percentage in the X standard board examination in the academic year 2024-25. The school will begin its higher secondary education with the addition of class XI from the academic year 2025-26.

The Rane Polytechnic, established at Trichy in the year 2011 under the aegis of Rane Foundation has stepped into completed its fourteenth academic year. The institution is accredited by the National Board of Accreditation (NBA) for its Diploma in Mechanical Engineering program. So far 2120 students have completed their diploma program. 123 students have completed the program in the academic year 2024-25, of which 99 students opted for placements and 100% placement was achieved for the current batch.

Considering the declining demand and enrolment for the polytechnic courses at the national and state level, it has been decided by the management Rane Foundation to progressively close the polytechnic institution by the end of academic year 2025-26. Necessary approvals have been obtained secured from DoTE & TN Government. Our The application for progressive closure is pending with AICTE from January 2024.

Rane Foundation also embarked on its next major project to establish one more CBSE school in the name "Rane Vidyalaya – Sethurapatti" to cater to the needs of providing quality wholesome education to rural children in and around Sethurapatti village. The school will start its operations for the primary classes from the academic session 2025-26.

Rane Foundation in association with various educational institutions carried out the following CSR initiatives:

- Extended support to the Gopalapuram Educational Society towards maintenance and operations of Boys & Girls Schools.
- Supported 20 Single Teacher Schools in association with Swami Vivekananda Development Society.
- Extended support to Mensa-Balamandir towards education for underprivileged children.
- Provided Hard disk, Classroom speakers, and equipment for smart classroom to Ramakrishna Mission Student's Home.

The Company has also carried out the following CSR initiatives:

- Provided IT products to Government ITI Semmandalam, Pondy to improve the learning effectiveness. The school has students up to standard eight and 150 students are benefited through this project.
- Facility improvement in Government ITI, Ulundurpet, a civil work to renovate the existing structure is carried out to elevate infrastructure standards and it benefited near about 150 students and in Government school, Saniyasikuppam, Pondy Infrastructure development was carried out this benefitted around 250 school students.
- Education support to 5 children at SOS Children's Village of India, Chennai.
- Contribution to a Registered Trust which adopted 23 Government Middle Schools for infrastructure development and education of students.
- Provision of wooden desks to Government primary schools at Wargal and Gajwel in Telangana.
- Physical Fitness Education to Children – Physical fitness equipment given to Government Boys High School, Mogappair East, Chennai.
- Provision of LED TV to for evening classes at Government High School, Sanyasikuppam Village, Puducherry.
- Construction of Shed at Government High School, Padi, Chennai.

7.2. Healthcare

Rane Foundation through strategic partnerships with established organisations contributed medical equipment to not for profit hospitals of repute, making a significant impact on society across various specialties such as Ophthalmology, Dialysis, and Public Health Care at an affordable cost, as outlined below.

- Donated Photo Slit Lamp and pure point green laser equipment to Sankara Nethralaya to enhance the ophthalmic care.
- Donated IT server cum storage units and advanced operation theatre monitors with Central Monitoring Systems (CMS) to the Child Trust Hospital.
- Supported Voluntary Health Services, a multi-speciality hospital with Ophthalmology and Dental Equipments.
- Supported Sringeri Sharada Equitas Cancer - Multispeciality Hospital, a charitable hospital, with microwave ablation system.
- Supported Apollo Hospitals Enterprise Limited in conducting Tele-Ophthalmology Camp at Trichy including delivery of spectacles.
- Supported Tamilnadu Kidney Research Foundation (TANKER Foundation), a non-profit charitable trust with Hemodialyisis machine with blood pressure monitor.

Special focus for supporting NGOs at different locations i.e. Puducherry and Trichy like

- Continued focus on providing Safe Drinking Water facility including Overhead tank under Sethurapatti Village panchayat, Trichy.
- Provision of water purifier with 100litres capacity to Government middle school, Sanyasikuppam, Trichy.
- Awareness programmes on health and sanitation were carried out for the local government primary schools situated across our manufacturing facilities.

7.3. Community Development:

During FY 25, the Company also pursued community development initiatives at its various locations as detailed hereunder:

- Installation of RO water plants at Ambakkam village thus enabling 600 people to have access to clean drinking water.
- Contribution towards purchase of CCTV cameras installed in the Varanavasi highway which will help to protect the local community from potential crimes. Similarly installed Street light poles in accident prone areas of Varanavasi surrounding highway.
- The Green Initiative and Educational Support is done in Nagawala Government School, Mysuru. This aims to enhance the quality of education in under-resourced schools by providing eco-friendly green boards and book racks. This initiative supports a more interactive and organized learning environment while promoting sustainability. Green boards offer a durable, dust-free surface that encourages visual learning and reduces paper waste, while the book racks help maintain classroom organization and improve access to educational materials, fostering better reading habits among students. By combining environmental responsibility with educational development, this initiative not only improves classroom infrastructure but also nurtures a culture of sustainability among young learners.
- Sponsored ceiling fans to District Fire Station, Trichy for their new office building.
- Continued to contribute for maintenance of Puducherry Keni (Lake) to protect the water resource for people, birds and animals.

8. Health, Safety & Environment (HSE)

The company strongly believes that HSE is not merely a requirement but a fundamental responsibility. Over the years RML has implemented numerous initiatives to ensure a safe and healthy workplace for its employees. RML has established a robust HSE governance framework that enables the identification and mitigation of risks through structured processes, supported by sub-committees that enforce well-defined policies, standards and procedures.

Rane's HSE principles emphasize that safety is a shared responsibility and all injuries are preventable, embedding a proactive mindset across the organization through comprehensive risk assessments, continuous safety training, and effective hazard controls to prioritize workforce well-being and foster a culture of prevention.

In pursuit of environmental sustainability, RML has focused on emission reduction initiatives, adoption of renewable energy, and other energy conservation strategies. Water conservation efforts and the commitment to achieving zero waste to landfill are also key focus areas.

These efforts are reflected in the Greenco Gold rating achieved by two of our plants and the Green-Pro certification earned by one of our products, underscoring our dedication to sustainable practices.

9. Internal Control Systems

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

The internal audit function is outsourced to a professional firm of independent assurance service providers. The Audit Committee and the Board in consultation with the Internal Auditors, Statutory Auditors and operating management approve the annual internal audit plan. The scope also covers the internal financial controls and internal controls over financial reporting. The internal audit findings are placed before the Audit Committee at each of its quarterly meetings for review. The management's responses and counter measures are discussed in the Audit Committee meetings. This process ensures robustness of the internal control system and compliance with laws and regulations including resource utilization and system efficacy.

10. Cautionary Statement

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

For and on behalf of the Board

	Ganesh Lakshminarayan	**Harish Lakshman**
Chennai	Director	Chairman and Managing Director
May 27, 2025	DIN: 00012583	DIN: 00012602

Annexure B to the Report of the Board of Directors

SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2025

Form No. MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Regulation 24A(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

To
The Members of
Rane (Madras) Limited
[CIN: L65993TN2004PLC052856]
"Maithri", No.132, Cathedral Road, Chennai – 600 086.

We have conducted a **Secretarial Audit** on compliance with applicable statutory provisions and adherence to good corporate practices by **Rane (Madras) Limited** ('*the Company*') during the **financial year from April 1, 2024 to March 31, 2025** ('the year' / 'financial year' / 'the audit period'/ 'period under review'). The audit was conducted in a manner that provided a reasonable basis for evaluation of the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

(i) Our verification of the books, papers, Minute books and other documents / records maintained by the Company, forms and returns filed with statutory / regulatory authorities, information disseminated on the website of the company and the stock exchanges on which its securities are listed and other relevant documents / information.

(ii) Compliance report on compliance with applicable statutory provisions submitted by the key managerial personnel and reviewed and noted by the Board of Directors.

(iii) Information, explanation and representations provided by the Key managerial personnel and compliance relation action taken by the company during the year and also after the end of the year but before the issue of this audit report.

We hereby report that, in our opinion and to the best of our knowledge, the Company has **complied with the statutory provisions** listed hereunder and has Board processes and compliance mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter **during the audit period covering the financial year from 1st April 2024 to 31st March 2025**.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure – I.

1. Compliance with specific statutory provisions

1.1 We have examined the books, papers, Minute books and other records maintained by the Company and forms, returns, reports, disclosures and information filed / submitted / disseminated during the year in accordance with the applicable provisions of the Acts, Rules, Regulations, Agreements and Standards set-out in Clause 1.3 hereunder.

1.2 Based on such examination and also considering related action taken by the Company after the end of the year but before the issue of this audit report, we report that, to the best of our knowledge and belief, that the Company's compliance with the said applicable provisions is as set-out in Clause 1.3 hereunder.

1.3 The Company has complied with applicable provisions of the following Acts, Rules, Regulations, Agreements and Standards:

(a) The Companies Act, 2013, and the rules made thereunder;

(b) The Securities Contracts (Regulation) Act, 1956, and the rules made thereunder;

(c) The Depositories Act, 1996, and the regulations made thereunder, to the extent applicable to listed securities by the Company;

(d) The Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder, to the extent of Foreign Direct Investment and Overseas Direct Investment;

(e) The following Regulations made under the Securities and Exchange Board of India Act, 1992:

(i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(ii) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(iii) SEBI (Prohibition of Insider Trading) Regulations, 2015;

(iv) SEBI (Substantial acquisition of shares and Takeovers) Regulations, 2011;

(f) Listing agreements entered into with the Stock Exchanges viz; BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), in relation to listing of Equity shares issued by the Company; and

(g) Secretarial Standards (SS) issued by The Institute of Company Secretaries of India (ICSI) viz; SS-1 on Meetings of Board of Directors and SS-2 on

General Meetings (applicable to General Meetings including Postal Ballot process).

1.4 We noted that, the Company was not required to comply with the following Acts, Rules, Regulations and Standards during the year:

(a) Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder, to the extent of External Commercial Borrowings;

(b) The following SEBI Regulations (which were not applicable);

(i) SEBI (Buy-back of Securities) Regulations, 2018;

(ii) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(iii) SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(iv) SEBI (Delisting of Equity Shares) Regulations, 2021;

(v) SEBI (Registrar to an Issue and Share transfer agents) Regulations, 1993, regarding the Companies Act, 2013 and dealing with client;

(c) Secretarial Standards – 3 (SS – 3) on Dividend and Secretarial Standards – 4 (SS – 4) on Report of the Board of Directors issued by the ICSI (which were non-mandatory); and

(d) Specific laws applicable to the Company (no specific laws were applicable during the period under review, considering the nature of its business).

2. Constitution of the Board and Board processes

We further report as follows:

2.1 The composition of the Board of directors of the Company during the year, was in compliance with the applicable provisions of the Companies Act, 2013 (the Act) and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 (LODR).

2.2 The Board of Directors is constituted with 6 (six) Directors, as at the end of the year, comprising of:

(a) 1 (one) Non-Executive Non-Independent Director designated as Chairman#;

(b) 2 (two) Non-Executive Non-Independent Directors;

(c) 3 (three) Non-Executive Independent Director, including 1 (one) Independent Woman Director.

designated as Chairman and Managing Director with effect from 1st April 2025.

2.3 The Company was not required to appoint an Executive Director during the year, since it had appointed whole-time key managerial personnel in the position of Manager (Key Managerial Personnel) at the close of business hours on 20th January 2025 upon completion of her term of appointment as approved by the members by way of special resolution passed at the 16th Annual General Meeting held on 7th August 2020. In terms of Section 203(1)(i) of the Act, Mr. Harish Lakshman (DIN:00012602) was appointed as Managing Director with effect from 1st April 2025 as detailed in sub-clause (d) of Clause 2.4 below.

2.4 The processes relating to the following changes in the Board of Directors during the year, were carried out in compliance with the applicable provisions of the Act and SEBI LODR:

(a) Appointment of Mr. Harish Lakshman (DIN: 00012602), as the Chairman of the Board, and his re-designation as Chairman, Non-Executive and Non-Independent Director, with effect from 1st April 2024, as approved by the Board of Directors at their meeting held on 20th March, 2024.

(b) Re-designation of Mr. Ganesh Lakshminarayanan (DIN:00012583) as Non-Executive Non-Independent Director with effect from 1st April 2024, consequent to his retirement as Chairman of the board, effective from close of business hours on 31st March 2024, as noted at the Board meeting held on 20th March, 2024.

(c) Re-appointment of Mr. Ganesh Lakshminarayan (DIN:00012583), Non-Executive Non-Independent Director, upon retirement by rotation at the 20th Annual General Meeting held on 24th July, 2024.

(d) Appointment of Mr. Harish Lakshman (DIN:00012602), Chairman and Non-Executive Director, as Managing Director, for a term of 5 (five) consecutive years from 1st April 2025 to 31st March 2030, as approved by the Board of Directors at their meeting held on 30th January 2025 and by the members by way of special resolution passed through postal ballot process on 14th March 2025.

2.5 We noted that, adequate notice was given to the Directors to plan their schedule for the Board Meetings. Notice of Board meetings was sent to all the Directors atleast 7 (seven) days in advance, other than for meeting convened at a shorter notice in terms of section 173(3) of the Act.

2.6 We noted that, agenda and detailed notes on Agenda in respect of Board meetings were circulated to the Directors atleast 7 (seven) days in advance, other than for meetings which were convened at a shorter notice, with the exception of the following items which were circulated separately before or at the meetings with requisite approval from the Board:

(i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts / results, unaudited financial results and connected papers; and

(ii) Additional subjects / information / presentations and supplementary notes thereon.

2.7 We noted that a system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.

2.8 We noted that, at the Board meetings held during the year:

(a) Majority decisions were carried through; and

(b) No dissenting views were expressed by any Board member on any of the subject-matters discussed, at the meetings that were required to be captured and recorded as part of the Minutes.

3. Compliance mechanism

We further report as follows:

3.1 We have examined the compliance reports on applicable laws submitted to and reviewed by the Board, reporting by the Board in its Director's Responsibility Statement, reporting by the Statutory Auditors in their quarterly reports and annual audit reports, and other relevant documents, which in our opinion, provided a reasonable basis for evaluating and reporting on the compliance mechanism.

3.2 Based on such examination, we report that the systems and processes being adopted by the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, are reasonably adequate considering its size and nature of operations.

3.3 In respect of the overseas subsidiaries, we have relied on the compliance related information reviewed by the Board and Audit Committee, as part of financial reporting, and Annual Performance Reports submitted to Reserve Bank of India. We have not conducted a separate review in this regard.

4. Specific events / actions

We report that the following events / actions having a major bearing on the Company's affairs, took place during the year, in accordance with the laws, rules, regulations, guidelines, agreements and standards, referred to here in above.

4.1 **Approval of Scheme of amalgamation of erstwhile REVL AND RBL with the company**

The **Scheme of Amalgamation of Rane Engine Valve Limited** ('REVL/Transferor Company 1') **and Rane Brake Lining Limited** ('RBL/Transferor Company 2') **with and into Rane (Madras) Limited** ('RML/Transferee Company') and its shareholders under sections 230 to 232 and other applicable provisions of Companies Act, 2013 ('the Scheme'), was sanctioned by the National Company Law Tribunal, Division Bench – I, Chennai **(NCLT)** vide its Order Number CP/CAA/72/2024 dated **24th March 2025,** certified copy of which was issued on 3rd April 2025. Appointed date for the Scheme is 1st April 2024.

The Scheme became effective from 7th April 2025 (Effective date), being the date on which the certified order of NCLT sanctioning the Scheme was filed by Transferor Company 1, Transferor Company 2 and Transferee Company with the Registrar of Companies, Chennai.

On and from the effective date viz; **7th April 2025, REVL and RBL stood automatically dissolved without winding-up** and the offices of Directors, Key Managerial Personnel and Statutory Auditors of REVL and RBL stood vacated.

The **Authorised Share Capital** of Rane (Madras) Limited (Transferee Company) stands **increased to ₹58 Crores** divided into 4,73,50,000 Equity shares of ₹10/- each and 1,06,50,000 Preference shares of ₹10/-each, in terms of the scheme.

The following **Share exchange ratio** was approved in terms of the Scheme:

9 (nine) Equity shares of RML having face value of ₹10/- each, fully paid-up, shall be issued for every **20 (twenty) Equity shares held in Transferor company 1** (REVL) having face value of ₹10/- each, fully paid-up. **21 (twenty-one) Equity shares of RML** having face value of ₹10/- each, fully paid-up, shall be issued **for every 20 (twenty) Equity shares held in Transferor Company 2 (RBL)** having face value of INR 10 each, fully paid-up.

The Working Committee of the Board of Directors of Rane (Madras) Limited (Transferee Company), at their meeting held on **23rd April 2025**, approved the **allotment of 1,13,71,870 new Equity shares of ₹10/- each** fully paid-up ('New RML Shares'), **to eligible shareholders of Transferor Company 1 and Transferor Company 2,** who were holding shares as on 22nd April 2025, being the Record date determined for issue and allotment of shares of the Transferee Company under the Scheme, as per the approved share exchange ratio. The New RML shares allotted rank pari-passu in all respects with the existing Equity shares of the Company and shall be credited to shareholders and listed on BSE Limited and National Stock Exchange of India Limited, subject to necessary approvals.

Consequent to the allotment:

(a) The **issued and paid-up Equity share capital of RML** stands increased from ₹16,26,52,670/-

comprising of 1,62,65,267 Equity shares of ₹10/- each, fully paid-up, to ₹**27,63,71,370/-** comprising of 2,76,37,137 Equity shares of ₹10/- each, fully paid-up.

(b) The **Shareholding of Rane Holdings Limited** (RHL), Promoter and Holding Company, in RML increased from 1,16,72,774 Equity shares of ₹10/- each, fully paid-up (71.77%), to 1,76,31,213 Equity shares of ₹10/- each, fully paid-up **(63.80%)**

(c) The shareholding of **Nissinhinbo Holding Inc.,** Japan, which was a Promoter of the erstwhile RBL and held 15,95,249 Equity shares of ₹10/- each, fully paid-up (20.64%) in the erstwhile RBL, became a **Promoter** of RML, holding 16,75,011 Equity shares of ₹10/- each, fully paid-up (**6.06%**) in RML.

(d) The **aggregate** shareholding of **Promoter and Promoter group** of RML changed from 1,18,15,955 Equity shares of ₹10/- each, fully paid-up (72.65%) to 1,94,71,082 Equity shares of ₹10/- each, fully paid-up **(70.45%).**

4.2 **Investment in Rane (Madras) International Holdings B.V.**

The Board of Directors of Rane (Madras) Limited (RML) at their meeting held on 9th May 2024 accorded approval for further investment of Euro 5 million in Rane (Madras) International Holdings B.V., The Netherlands (RMIH), wholly-owned subsidiary of RML. Further investment of Euro 2.50 million was made in 250,000,000 Equity shares of RMIH @ Euro 0.01 each on 11th September 2024.

For **Sriram Krishnamurthy & Co.,**
(formerly known as S.Krishnamurthy & Co.)
Company Secretaries
[Firm Unique Identification No. P1994TN045300]
[Peer Review Certificate No.6684/2025]

Sharanya Sriram
Partner (Membership No.: F10252)
C.P. No. 12731
UDIN:F010252G000463342

Place: Chennai
Date: May 27, 2025

Annexure – I to Secretarial Audit Report

Our Secretarial Audit Report (Form MR-3) of even date for the **financial year ended March 31, 2025**, is to be read along with this letter.

To the Members of
Rane (Madras) Limited
[CIN: L65993TN2004PLC052856]
"Maithri", No.132, Cathedral Road, Chennai – 600 086.

1. **Responsibility of the Management:**

   The Company's management is responsible for maintenance of secretarial records, making the statutory / regulatory disclosures / filings and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards.

2. **Auditors' Responsibility:**

   Our responsibility as a Secretarial Auditor is to express an opinion on the compliance with the applicable laws and maintenance of records based on our audit.

3. The audit was conducted in accordance with applicable standards issued by the Institute of Company Secretaries of India. Those Standards require that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

4. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.

5. While forming an opinion on compliance and issuing this report, we have also considered compliance related actions taken by the Company after 31st March 2025 but before the issue of this report.

6. We have considered compliance related actions taken by the Company based on independent legal / professional opinion / certification obtained as being in compliance with law, wherever there was scope for multiple interpretations.

7. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

8. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company, as they are subject to audit by the Auditors of the Company appointed under Section 139 of the Companies Act, 2013.

9. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.

10. Our Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

11. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some mis-statements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Auditing standards.

For **Sriram Krishnamurthy & Co.,**
(formerly known as S.Krishnamurthy & Co.)
Company Secretaries
[Firm Unique Identification No. P1994TN045300]
[Peer Review Certificate No.6684/2025]

Sharanya Sriram
Partner (Membership No.: F10252)
C.P. No. 12731
UDIN: F010252G000463342

Place: Chennai
Date: May 27, 2025

Annexure C to the Report of the Board of Directors

Disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

FORM NO. AOC - 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. **Details of contracts or arrangements or transactions not at arm's length basis**

   There were no contracts or arrangements or transactions entered during the year ended March 31, 2025, which were not at arm's length basis.

2. **Details of material contracts or arrangements or transactions at arm's length basis**

Sl. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Mr. Aditya Ganesh, President – LMCD and Strategy Head of SLD, Son of Mr. L Ganesh, Director.
2.	Nature of contracts / arrangements / transaction	In employment of the Company, he will be entitled to allowances, benefits, perquisites, contribution to funds, per the policy of the Company as applicable to employees of similar grade, in force from time to time.
3.	Duration of the contracts / arrangements / transaction	Mr. Aditya Ganesh, is in employment from September 04, 2017 pursuant to approval accorded by the members at the EGM held on September 01, 2017. The contract of employment will continue as long as he remains an employee of the Company and shall include any promotion and / or change in designation(s) and corresponding change in terms and conditions of his employment.
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	He heads the operations of the company plants at Mysore and Varanavasi, where he is responsible for planning, directing and coordinating the manufacturing of automotive products. He is responsible for analysing production processes for identification and removal of non-value adding processes, bottlenecks etc. and to track the disparities, if any, between the operating plan and the monthly plan and analyse the cause of gap. In addition, he also drives continuous improvement in safety, quality and cost. The value of transaction is disclosed in Note 35 of financial statements.
5.	Date of approval by the Board	Approval(s) have been obtained in terms of Section 177, 188 & other applicable of the Companies Act, 2013 including rules, as detailed below: • Audit Committee and Board of Directors at their respective meetings held on May 05, 2023. • Members of the Company at the 19th Annual General Meeting held on July 26, 2023.
6.	Amount paid as advances, if any	NIL

SLD - Steering Linkage Division
LMCD - Light Metal Castings Division

For and on behalf of the Board

Ganesh Lakshminarayan
Director
DIN: 00012583

Harish Lakshman
Chairman and Managing Director
DIN: 00012602

Chennai
May 27, 2025

Annexure D to the Report of the Board of Directors

ANNUAL REPORT ON CSR ACTIVITIES

for the Financial Year 2024 - 25

1. A brief outline of the Company's CSR policy

The Company's CSR vision is committed towards its societal responsibilities beyond statutory obligations. The Company's Corporate Social Responsibility (CSR) philosophy is to function in a socially and environmentally sustainable manner recognizing the interests of all its stakeholders.

Our CSR vision is **'To be a socially and environmentally responsible corporate citizen'**. We believe that being a responsible corporate citizen is central to our purpose and values, allowing ourselves to inspire trust amongst our Business partners and motivate people to make the right choices for the business, communities and planet. Our belief in good citizenship drives us to create maximum impact in areas of:

(a) Education;

(b) Health Care;

(c) Environment; and

(d) Community Development.

Overview of projects implemented during FY 2024-25

The Company contributed to Rane Foundation (RF), the CSR arm of Rane Group, which primarily focused on Education. RF has established Rane polytechnic and Rane Vidyalaya at Trichy, Tamil Nadu. Rane Polytechnic is accredited by the National Board of Accreditation (NBA) for its Diploma in Mechanical Engineering program. 100% of the students who opted for placements were placed through campus interviews. Rane Vidyalaya is recognized by Directorate of School Education, Tamil Nadu and is affiliated to the Central Board of Secondary Education, New Delhi and operates classes from LKG to IX standard. During the year, it reached a student strength of 924 in its seventh year of operations and proving the need for a quality school in rural area.

The Company also contributed to several other major CSR activities carried out by the company during FY 2024-25:

- Provided IT products to Government ITI Semmandalam, Pondy to improve the learning effectiveness. The school has students up to standard eight and 150 students are benefited through this project.
- Facility improvement in Government ITI Ulundurpet a civil work to renovate the existing structure is carried out to elevate infrastructure standards and it benefited near about 150 students and in Government school, Saniyasikuppam, Pondy Infrastructure development was carried out this benefitted around 250 school students.
- Education support to 5 children at SOS Children's Village of India, Chennai.
- Contribution to a Registered Trust which adopted 23 Government Middle Schools for infrastructure development and education of students.
- Provision of wooden desks to Government primary schools at Wargal and Gajwel in Telangana.
- Physical Fitness Education to Children – Physical fitness equipment given to Government Boys High School, Mogappair East, Chennai.
- Provision of LED TV to for evening classes at Government High School, Sanyasikuppam Village, Puducherry.
- Construction of Shed at Government High School, Padi, Chennai.
- Continued focus on providing Safe Drinking Water facility including Overhead tank under Sethurapatti Village panchayat, Trichy.
- Provision of water purifier with 100 litres capacity to Government middle school, Sanyasikuppam, Trichy.
- Installation of RO water plants at Ambakkam village thus enabling 600 people to have access to clean drinking water.
- Contribution towards purchase of CCTV cameras installed in the Varanavasi highway which will help to protect the local community from potential crimes. Similarly installed Street light poles in accident prone areas of Varanavasi surrounding highway.
- The Green Initiative and Educational Support is done in Nagawala Government School, Mysuru. This aims to enhance the quality of education in under-resourced schools by providing eco-friendly green boards and book racks. This initiative supports a more interactive and organized learning environment while promoting sustainability. Green boards offer a durable, dust-free surface that encourages visual learning and reduces paper waste, while the book racks help maintain classroom organization and improve access to educational materials, fostering better reading habits among students. By combining environmental responsibility with educational development, this initiative not only improves classroom infrastructure but also nurtures a culture of sustainability among young learners.

- Sponsored ceiling fans to District Fire Station, Trichy for their new office building.
- Continued to contribute for maintenance of Puducherry Keni (Lake) to protect the water resource for people, birds and animals.

2. The Composition of the CSR Committee

The Company has constituted a robust governance structure to oversee the implementation of the CSR projects, in compliance with the requirements of Section 135 of the Companies Act, 2013. The CSR governance structure is headed by the Board CSR Committee. The members of the CSR Committee as on March 31, 2025 are:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Harish Lakshman, Committee Chairman	Non-Executive Chairman and Promoter Director	One (1)	One (1)
2.	Mr. L Ganesh, Committee Member	Non-Executive and Promoter Director		
3.	Ms. Vasudha Sundararaman, Committee Member	Non-Executive and Independent Director		

Note:
1. With effect from April 01, 2024, CSR Committee has been re-constituted with Mr. Harish Lakshman as Chairman and Mr. L Ganesh as a Member.

The Board CSR Committee grants auxiliary powers to the division level Working Committee(s) of the Company to act on their behalf.

3. Web-links on the website of the Company

(a) Composition of CSR Committee: https://ranegroup.com/investors/rane-madras-limited-2/

(b) CSR Policy and CSR projects approved by the Board: https://ranegroup.com/investors/rane-madras-limited-2/?rml-cor-5

4. Provide executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 – Not Applicable

5. (a) Average net profit of the Company as per sub-section (5) of section 135

(Amount in ₹)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24
Net Profit/(Loss) for the year*	63,66,46,951/-	20,80,31,465/-	55,17,51,505/-
Adjusted Net profit (as per Section 198)*	87,07,38,365/-	1,69,97,51,055/-	98,57,31,535/-
Average Net profit		**1,18,54,06,985/-**	

* Includes the amount relating to the Company, erstwhile Rane Engine Valve Limited and erstwhile Rane Brake Lining Limited (now amalgamated with the Company)

(b) Two percent of average net profit of the Company as per sub-section (5) of section 135 – **₹2,37,08,140/-**

(c) Surplus arising out of CSR projects / programmes / activities of previous financial years – **NIL**

(d) Amount required to be set off for the financial year – **NIL**

(e) Total CSR obligation for the financial year (5b+5c-5d) – **₹2,37,08,140/-**

6. (a) Amount spent on CSR Projects (both Ongoing project and other than Ongoing Project) – **₹2,39,97,520/-**

(b) Amount spent in Administrative Overheads – **NIL**

(c) Amount spent on Impact Assessment – **Not Applicable**

(d) Total amount spent for the Financial Year (6a+6b+6c) – **₹2,39,97,520/-**

(e) CSR amount spent or unspent for the financial year:

<table>
<tr><th rowspan="3">Total Amount Spent for the Financial Year (in ₹)</th><th colspan="5">Amount Unspent (in ₹)</th></tr>
<tr><th colspan="2">Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135</th><th colspan="3">Amount transferred to any fund specified under Schedule VII as per second proviso to section (5) of section 135</th></tr>
<tr><th>Amount</th><th>Date of transfer</th><th>Name of the Fund</th><th>Amount</th><th>Date of transfer</th></tr>
<tr><td>2,39,97,520/-</td><td colspan="2">NIL</td><td colspan="3">NIL</td></tr>
</table>

(f) Excess amount for set-off: ₹**2,89,380/-**

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	2,37,08,140/-
(ii)	Total amount spent for the Financial Year*	2,39,97,520/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,89,380/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for carry forward in succeeding financial years [(iii)-(iv)]	2,89,380/-

* Includes amount spent by the Company, erstwhile Rane Engine Valve Limited and erstwhile Rane Brake Lining Limited (now amalgamated with the Company).

7. Details of Unspent CSR amount for the preceding three financial years:

<table>
<tr><th rowspan="2">Sl. No.</th><th rowspan="2">Preceding Financial Year</th><th rowspan="2">Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)</th><th rowspan="2">Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)</th><th rowspan="2">Amount spent in the reporting Financial Year (in ₹)</th><th colspan="2">Amount transferred to any fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any.</th><th rowspan="2">Amount remaining to be spent in succeeding financial years (in ₹)</th><th rowspan="2">Deficiency, if any</th></tr>
<tr><th>Amount (in ₹)</th><th>Date of transfer</th></tr>
<tr><td colspan="9">NIL</td></tr>
</table>

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year – No

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 – Not Applicable.

For and on behalf of the Board

Chennai
May 27, 2025

Ganesh Lakshminarayan
Director
DIN: 00012583

Harish Lakshman
Chairman of CSR Committee
DIN: 00012602

Annexure E to the Report of the Board of Directors

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

A. Conservation of Energy

Steps taken or impact on conservation, minimizing power consumption

- Renewable energy sources such as solar and wind power are being used more extensively.
- Solar Roof top power plant Installation 205kWp - to generate 2.8 lakhs unit per year in addition to existing 1 MWp.
- Energy conservation projects are identified through structured technique matrix and implemented.
- Motion sensor for the LED lights in office areas as part of Energy conservation.
- Installation floor mounted High Volume Low Speed fan for shop floor air circulation as part of Energy Conservation.
- Timer installation for the Street LED light for automatically switching the lights.
- Installation of solar street lights and VFD's – Energy conservation.
- Digital Freight Management System implemented to optimize the transportation vehicles in real time.
- 42 energy saving projects have been implemented.
- 5,25,722 units (kWh) have been saved through these energy saving projects.
- ₹42,05,776/- has been saved through energy saving measures.
- VFDs and thyristor controllers' usage optimized to minimize the power consumption.
- Usage of LED lighting, BLDC fans and 360° ceiling-mount passive infrared motion sensor switches for machine fans to enhance energy efficiency.
- Periodic thermography analysis, Transformer OLTC upgrades, power factor improvement, and harmonic filter installation to enhance power quality are few more initiatives to reduce the overall consumption levels.
- Periodic ultrasonic air leak audit conducted in Puducherry plant resulted into Pressure optimization in air compressors and optimize equipment utilization.
- Replaced high-loss motors with IE3 models, optimized motor-pump sequences and conducted process-wise motor idle time studies across all plants to eliminate energy loss during idle running.
- Installed inverter air conditioners in place of conventional units in office and admin buildings, improving energy efficiency and comfort.
- Utilization of waste heat from compressors to supply thermal energy for the wet blasting hot rinse process in Puducherry plant.

Waste Elimination

- Projects are identified with structured 10R-Circularity approach to minimize the wastes.
- Least carbon emission Green Steel with recycled content being used for Green product.
- Returnable containers instead of one way packaging for Finished Goods to customers.
- Reduce water consumption by reusing the treated water for toilet flushing.
- Implementation of mist collectors to eliminate coolant / oil mist and improve air quality.
- Digital IoT based initiatives to capture the data online and eliminate requirement of paper - Poka yoke, Start-up, Digital Safety Management (DSMS) check sheet.

Impact of such conservation projects

- CO_2 emission reduction by enhanced usage of electricity from renewable energy sources.
- Fossil Free Linkage product (with least Carbon emission product) developed and launched to a Global Customer.
- Improved air quality level enhancing the work environment for workers.

Steps taken for utilizing alternate sources of energy

- Renewable energy source – Solar power & wind power is utilized.
- Electric vehicle for visitor/customer commuting.
- Wind and solar energy approximately of 1,24,49,856 units (kWh) have been utilized during the year.
- Continued focus towards usage of renewable energy. Overall, renewable energy contributes around 43% of total energy consumption.

Capital Investment in Energy Conservation Equipment

- The Company has invested an amount of ₹0.85 Crores towards energy conservation equipment.
- Added surface areas measurement equipment to aid in advanced formulation design.
- Vehicle NVH test capability added to measure judder and creep groan noise.

B. Technology Absorption

Efforts towards Technology Absorption

Research and Development plays a vital role in creating and adopting new technologies to enhance our efficiencies. As part of this initiative, we have taken various steps to improve our manufacturing capability to produce best quality products and be at par / exceed the global competitors. Some of the steps are mentioned below:

- Designed and developed Automated Assembly lines with advanced smart sensors and cameras to improve productivity & quality.
- Advanced technology manufacturing process established in Hydraulic & Ball joint products to ensure better performance.
- Configurable modular assembly lines created for new range products.
- Working with Indian OEM's for smooth transition to new age requirements in fuel efficiency & emission norms.
- Working with OEM's in their strategy to localize valve procurement by adapting to the global requirements.
- Upgradation of testing technologies & techniques to validate newer fuels like hydrogen etc.
- New grade with high life developed for 2W.
- Developed electronic parking brake pad for LMV segment.
- New Sintered Buttons developed for clutch application and introduced in the market.
- High wheel life brake blocks developed for Main line Electric Multiple Unit (MEMU) and metro applications.
- Cost effective and high-performance new grade developed for LCV and HCV segment.
- Copper free CV disc pads developed for hydraulic brakes in North America region.

Benefits derived like Product Improvement, Cost reduction, Product development or import substitution

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

Product Improvement / Product Development

The Company is consistently focusing on initiatives towards improving product performance based on a clear product technology road map. Detailed action plans are arrived from this road map and are driven and monitored for their effective implementation. Few of such projects are:

- Electric steering column and Rack & Pinion gear assembly for 2.5 Tonnes electric SUV
- Capless elliptical opening ball joint for passenger cars designed strategically for European & EV OEMs.
- Designed and developed next generation of ECUs (Hardware & Software) for column mounted electric steering assembly.
- Designed and developed indigenous ball joints for Korean OEMs.
- Developed power steering cylinder for Global heavy commercial OEM with enhanced design fully validated for extreme temperature use.
- Design and development of Steering linkages, cylinders and ball joints for International Tractor OEM.
- Environmentally friendly products and processes are getting introduced (Gas nitriding / Head hollow valves).
- Localization of high cost Nickel alloys with suppliers and deployment in valves to reduce import dependency.
- Using the low cost base (RM + process) to leverage on international AM business by suitable VAVE substitutes.

Cost Reduction

Similarly, cost reduction initiative is an important element of management. In addition to cost reduction initiatives like Productivity Improvement in Process, we consistently optimize products through Value Analysis and Value Engineering process (VAVE) in consultation with customers. Few of the initiatives are:

- New domestic supplier development for export ball joints for higher production targets.
- Development of in-house testing facility to reduce external testing & Instrumentation cost.
- Farm Tractor steering cylinders & Steering unit with optimized design, simplified manufacturing process and ease of assembly.

- Commercial vehicle steering linkage ball joint, tube and sleeve cost optimization through alternate design and material.
- Small commercial vehicle steering gear cost optimisation through alternate material.

Details of Imported Technology (during the last 3 years reckoned from the beginning of the FY 2024-25):

Technology imported	Year of import	Has the technology been fully absorbed	Where technology not fully absorbed reason and future plan of action
Not Applicable			

Research and Development expenditure incurred

(₹ in Crores)

Sl. No.	Particulars	2024-25	2023-24
A	Capital expenditure	8.35	10.85
B	Recurring expenditure	30.36	36.70
C	**Total**	**38.72**	**47.55**
D	Total R & D expenses as a percentage of total turnover	1.13%	1.41%

C. Foreign Exchange Earnings and Outgo

(₹ in Crores)

Foreign Exchange	2024-25	2023-24
Earnings	731.37	651.33
Outgo	260.10	252.66

For and on behalf of the Board

Ganesh Lakshminarayan
Director
DIN: 00012583

Harish Lakshman
Chairman and Managing Director
DIN: 00012602

Chennai
May 27, 2025

Annexure F to the Report of the Board of Directors

CORPORATE GOVERNANCE REPORT

1. Philosophy on Code of Governance

Rane Group's time tested philosophy of Governance is based on principles of integrity, transparency and fairness. The Rane businesses seek enhancement of shareholder value within this framework. Directors' code of conduct and employee behaviour is nourished by this culture and is governed through a policy document "Ethical Standards of Behaviour – RANE COMPASS".

Rane Group, being a good corporate citizen, complies and fully abides by the laws and regulations of the land, both in letter and spirit. Our belief in good corporate citizenship is enshrined in the Company's Code of Conduct, its policies, compliance with law and robust internal control systems, which are subjected to regular assessment, drives its effectiveness and reinforces integrity of management and fairness in dealing with all the stakeholders. This meets with all statutory and regulatory compliance including those under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

The Company recognizes the rights of all its stakeholders and encourages co-operation between the Company and its stakeholders to enable their participation in the corporate governance process as enshrined in the "Ethical Standards of Behaviour - RANE COMPASS".

2. Board of Directors

Composition, Attendance and Meetings

As on March 31, 2025, the Board of Directors (Board) comprises of six (6) Non-Executive Directors with 50% of them being Independent Directors. The Chairman of the Board is a Non-Executive Director. There are no Alternate Directors on the Board. The Woman Director of the Company is an Independent Director. The composition of the Board is aimed at maintaining an appropriate balance of skills, background, experience and knowledge of the Board for guiding the Company in achieving its objectives in a sustainable manner. The composition of the Board as at end of FY 2024-25 was in conformity with the Regulation 17 of SEBI LODR.

To the best of our knowledge and information furnished to the Board, total Directorships held by the Directors are within the limits prescribed under Section 165 of the Companies Act, 2013 read with Regulation 17A of SEBI LODR. None of the Independent Directors serves as an Independent Director in more than seven (7) listed companies and not more than three (3) listed companies, in case he is a Whole-Time-Director in a listed company. Similarly, none of the Directors on the Board is a member of more than ten (10) Committees or Chairperson of more than five (5) Committees across all listed and unlisted public companies in which he / she is a Director in terms of Regulation 26 of SEBI LODR. The Directors periodically notify the Company about change in their Directorship(s) / Committee position(s) as and when they take place.

During FY 2024-25, the Board of Directors met four (4) times on May 09, 2024; July 24, 2024; October 24, 2024 and January 30, 2025 and requisite quorum was present throughout these meetings. Wherever required, the Company facilitates the participation of the Directors in Board / Committee meetings through video-conferencing or other audio visual means. The details of the Directors on the Board, their attendance at Board Meetings and Annual General Meeting held during the year, the number of Directorships and Committee membership / Chairman position(s) held by them in other public companies as on March 31, 2025 are given below:

Name of the Director / (DIN)	Category	No. of Board meetings attended	Attendance at the last AGM (July 24, 2024)	Number of Directorship in other public Companies [1]		Number of Committees Membership [2]	
				Chairperson	Member	Chairperson	Member
Mr. Harish Lakshman (00012602)[3]	Chairman, Non-Executive & Promoter	4	Yes	3	3	1	4
Mr. Ganesh Lakshminarayanan (00012583)	Non-Executive & Promoter	4	Yes	1	3	2	7
Ms. Vasudha Sundararaman (06609400)	Non-Executive & Independent	3	No	-	2	-	2
Mr. Pradip Kumar Bishnoi (00732640)	Non-Executive & Independent	4	Yes	-	4	1	6

Name of the Director / (DIN)	Category	No. of Board meetings attended	Attendance at the last AGM (July 24, 2024)	Number of Directorship in other public Companies #		Number of Committees Membership @	
				Chairperson	Member	Chairperson	Member
Mr. Vikram Taranath Hosangady (09757469)[5]	Non-Executive & Non-Independent	4	Yes	-	5	2	5
Mr. Ramesh Rajan Natarajan (01628318)	Non-Executive & Independent	4	Yes	-	6	4	7

Note:

1. Excludes Directorships held on the Boards of private companies, Section 8 companies and companies incorporated outside India.
2. Membership in Audit Committee and Stakeholders' Relationship Committee of other public companies are only considered as per Regulation 26 of SEBI LODR and membership includes the positions held as Chairperson of the Committee.
3. Mr. Harish Lakshman (DIN:00012602) Chairman has been appointed as Managing Director with effect from April 01, 2025.

The details of Directorship in other listed entities as on March 31, 2025 are as under:

Name of Director	Name of the listed entity	Category of Directorship
Mr. Harish Lakshman	Rane Brake Lining Limited	Chairman, Non-Executive & Promoter
	Rane Engine Valve Limited	Chairman, Non-Executive & Promoter
	Rane Holdings Limited	Vice Chairman & Joint Managing Director & Promoter
	The K C P Limited	Non-Executive & Independent
	Oriental Hotels Limited	Non-Executive & Independent
	Lumax Industries Limited	Non-Executive & Independent
Mr. L Ganesh	Rane Brake Lining Limited	Non-Executive & Promoter
	Rane Engine Valve Limited	Non-Executive & Promoter
	Rane Holdings Limited	Chairman & Managing Director & Promoter
	Sundaram Finance Limited	Non-Executive & Independent
Ms. Vasudha Sundararaman	Cholamandalam Financial Holdings Limited	Non-Executive & Independent
	Rane Engine Valve Limited	Non-Executive & Independent
Mr. Pradip Kumar Bishnoi	Avadh Sugar & Energy Limited	Non-Executive & Independent
	Rane Holdings Limited	Non-Executive & Independent
	Rane Engine Valve Limited	Non-Executive & Independent
	McNally Bharat Engineering Company Limited	Non-Executive & Independent
Mr. Vikram Taranath Hosangady	MRF Limited	Non-Executive & Independent
	Chemplast Sanmar Limited	Non-Executive & Non-Independent
	Bajaj Electricals Limited	Non-Executive & Independent
	Rane Engine Valve Limited	Non-Executive & Non-Independent
	Indef Manufacturing Limited	Non-Executive & Independent
Mr. Ramesh Rajan Natarajan	TTK Healthcare Limited	Non-Executive & Independent
	Cholamandalam Investment and Finance Company Limited	Non-Executive & Independent
	ESAB India Limited	Non-Executive & Independent
	Rane Engine Valve Limited	Non-Executive & Independent
	Rane Brake Lining Limited	Non-Executive & Independent

There is no inter-se relationship among the other Directors of the Company. The matters specified pursuant to Regulation 17(7) of SEBI LODR under PART A of Schedule II and in particular the annual operating plans and budgets, quarterly results for the Company, minutes of meetings of Audit Committee and other Committees of the Board, quarterly details of foreign exchange exposures, risk management and mitigation measures etc. were discussed by the Board.

An annual calendar for the Board and its Committee meeting(s) was circulated in advance to the Directors. The detailed agenda, setting out the business to be transacted at the meeting(s), supported by notes and presentations and action taken reports from previous meetings was circulated through e-mail and web-based application to the Directors, to enable them to effectively participate in discussions. Minutes of meeting(s) were circulated in a similar manner and comments of Directors, if any, were incorporated with the permission of the Chairman. Post Board meeting, reviews were held by the Chairman to monitor and follow up the effective execution of the decisions, directions and suggestions of the Board and its Committees, by the management. Action on matters discussed at previous meeting(s) are reported in the next meeting.

The disclosure regarding meeting of Independent Directors, Board, Directors' performance evaluation and criteria for performance evaluation of Independent Directors are discussed in detail in the Directors Report. In the opinion of Board, the Independent Directors fulfil the conditions specified in SEBI LODR and the provisions of Companies Act, 2013 and are independent of the management.

The Company had issued formal letter of appointment to all the Independent Directors, whenever they are appointed / re-appointed and the terms and conditions of appointment / re-appointment of Independent Directors have also been disclosed in the website of the Company at www.ranegroup.com. In case of resignation of a Director before the expiry of his term, the Company obtains a formal resignation letter requiring detailing of reasons for resignation and the same is furnished to the stock exchanges. However, there was no instance of resignation during the year under review.

Presentations on business and performance updates of the Company, global business environment and business strategy are made to the Board and to the Committee members. The details of familiarization programme for the Independent Directors are disclosed in the Corporate Governance section on the Investor's page of the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/.

Skills, expertise and competence of the Board

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and Committees. The Board ensures and maintains highest standards of corporate governance. The skills, expertise and competencies identified by the Board in the context of the automotive business in which the Company operates for it to function effectively, inter-alia, are as follows:

Areas / Fields	Skills / Competence / Expertise	Name of the Director
Industry and Technology	Possessing industrial, technical, operational expertise and experience in automotive, ancillary, emerging technologies and associations with industrial bodies and professional network.	Mr. Harish Lakshman Mr. L Ganesh Mr. Pradip Kumar Bishnoi
Business development	Experience in driving business success across various geographies, diverse business environment, economic conditions, its cultures and global market opportunities.	Mr. Harish Lakshman Mr. L Ganesh Mr. Pradip Kumar Bishnoi Mr. Vikram Taranath Hosangady Mr. Ramesh Rajan Natarajan
Governance	Having insight into maintaining effective Board and management relationship, protecting stakeholders' interest and observing appropriate governance practices.	Mr. Harish Lakshman Mr. L Ganesh Ms. Vasudha Sundararaman Mr. Pradip Kumar Bishnoi Mr. Vikram Taranath Hosangady Mr. Ramesh Rajan Natarajan
Allied disciplines	Expertise or leadership experience in allied disciplines like finance, law, management, sales, marketing, administration, research, corporate governance, technical operations and human resource.	Mr. Harish Lakshman Mr. L Ganesh Ms. Vasudha Sundararaman Mr. Pradip Kumar Bishnoi Mr. Vikram Taranath Hosangady Mr. Ramesh Rajan Natarajan

3. Audit Committee

Composition, Attendance and Meetings

The composition of the Audit Committee of the Board is in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI LODR. The Committee met four (4) times during the year, viz., May 09, 2024; July 24, 2024; October 24, 2024 and January 30, 2025 with requisite quorum was present throughout the meetings. The details of members and their attendance as on March 31, 2025 are as below:

Name of the Director	Category	No. of meetings attended
Mr. Ramesh Rajan Natarajan	Chairman, Non-Executive & Independent	4
Mr. L Ganesh	Member, Non-Executive & Promoter	4
Mr. Pradip Kumar Bishnoi	Member, Non-Executive & Independent	4
Ms. Vasudha Sundararaman	Member, Non-Executive & Independent	3

All the members of the Audit Committee are financially literate and possess accounting and related financial management expertise. The Company Secretary acts as the Secretary to the Committee.

The Statutory Auditor and the Internal Auditor were present in the meetings on invitation. The Manager, Business Head(s) and Group Finance Head, Chief Financial Officer of the Company attended the meetings by invitation. Based on the requirement, other Directors also attended the meetings by invitation. All the recommendations of the Audit Committee during the year, were considered, accepted and approved by the Board. The Chairman of the Audit Committee was present at the last AGM of the Company held on July 24, 2024.

Overall purpose and terms of reference

The purpose of the Audit Committee is to assist the Board of Directors (Board) in reviewing the financial information which is disseminated to the shareholders and others, reviewing the systems of internal controls established in the Company, appointing, retaining and reviewing the performance of Internal Auditor and overseeing the Company's accounting and financial reporting processes and the audit of the Company's financial statements.

The terms of reference of the Audit Committee are as per the provisions of the SEBI LODR read with Section 177 of the Companies Act, 2013 and other applicable provisions of SEBI LODR and the Act, as amended from time to time. In line with these provisions, the Company has framed an Audit Committee Charter, which is subject to the review by the Board of Directors.

The terms of reference and roles of the Audit Committee are in line with the provisions of SEBI LODR / Companies Act, 2013 which are mentioned hereunder:

- Review of financial statements with Statutory Auditors and management before submission to the Board.
- Review Internal control systems, findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Review Internal audit function, internal audit reports relating to internal control weaknesses and functioning of the whistle blower mechanism and prohibition of insider trading.
- Evaluation of internal financial controls and risk management systems.
- Review Management discussion and analysis of financial condition, results of operation.
- Review Defaults, if any, in payments to depositors, shareholders / creditors and the status of the inter-corporate loans and investments for scrutiny in detail.
- Approve related party transactions, material modifications including any subsequent modifications thereto.
- Compliance with listing and other legal requirements relating to financial statements.
- Changes, if any, in accounting policies and practices and reasons for the same, major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of the audit findings.
- Review Valuation of undertakings or assets of the company, as and when required.
- Review Financial statements, in particular, the investments made by any unlisted subsidiary of the Company.
- Utilization of loans and / or advances from / investment by the company to its subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans / advances / investments.
- Recommending appointment and remuneration of Auditors and CFO.

- Discuss the scope of audit and post-audit area of concern and qualifications, if any, with Statutory Auditor / Internal Auditor.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee reviews the quarterly unaudited / annual audited financial results of the Company. The unaudited results are subjected to limited review by the Statutory Auditors of the Company. The Statutory Auditors are eligible to issue limited review report as the audit firm has been subjected to peer review process of The Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of ICAI. The Audit Committee approves payments to Statutory Auditor for audit and non-audit services.

In accordance with the provisions of Companies Act, 2013, rules made thereunder and provisions of SEBI LODR, the Audit Committee accords prior approval for all Related Party Transactions (RPTs), including any modifications thereto, as per the policy on RPT.

The Audit Committee annually grants omnibus approvals for transactions that are routine or repetitive in nature including transactions which are unforeseen in nature or where complete details are unavailable and which are proposed to be undertaken / entered in the ordinary course of business at arm's length basis. While according omnibus approvals, the Audit Committee takes into consideration the following factors, viz., maximum value of the transactions including value per transaction nature of transaction and interest, basis, valuation, justification and material terms of the proposed transactions, their frequency, value as a percentage of consolidated turnover, extent and manner of disclosures made to the Audit Committee. On a quarterly basis, the Audit Committee reviews RPTs entered into by the Company pursuant to each of the omnibus approval. The Audit Committee reviews all mandatory information under Part C of Schedule II pursuant to Regulation 18 of SEBI LODR, including review of Internal Auditor observations, statutory compliance.

During the year, the Committee:

- Reviewed findings of internal audit.
- Reviewed the performance and effectiveness of M/s. B S R & Co. LLP, Chartered Accountants, as Statutory Auditors.
- Recommended the re-appointment and fixing of remuneration to M/s. Deloitte Touche Tohmatsu India LLP as Internal Auditor and their remuneration for the period January 01, 2025 to December 31, 2025.
- Considered and recommended amendments to the 'Policy on Related Party Transactions' to the Board pursuant to the changes in SEBI (LODR) (Third Amendment) Regulations, 2024.

4. Nomination and Remuneration Committee (NRC)

Composition, Attendance and Meetings

The NRC is constituted in terms of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI LODR. The Company Secretary acts as the Secretary to the Committee. The Committee met three (3) times during the year, viz., July 24, 2024; October 24, 2024 and January 30, 2025 with requisite quorum was present throughout the meetings. The details of members and their attendance as on March 31, 2025 are as below:

Name of the Director	Category	No. of meetings attended
Mr. Ramesh Rajan Natarajan	Chairman, Non-Executive & Independent	3
Mr. Pradip Kumar Bishnoi	Member, Non-Executive & Independent	3
Mr. Harish Lakshman	Member, Non-Executive & Promoter	3

Overall purpose and terms of reference

The brief of terms of reference of the NRC are in line with the provisions of SEBI LODR / Companies Act, 2013 and the roles of the NRC, inter-alia, are as under:

- To formulate criteria for determining qualifications, positive attributes and independence of Director for evaluation of performance of Independent Directors and the Board.
- To consider the balance of skills, knowledge and experience required for identifying the role and capabilities gap in the Board, select candidates based on evaluation criteria such as wide range of background, diversity, time commitments, etc., and recommend the candidate to the Board for appointment / reappointment as an Independent Director. For this, if required, NRC may also use the services of external agencies.
- To approve the remuneration policy of directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP).
- To devise policy on Board diversity.
- To provide guidance to the Board on matters relating to appointment of Directors, Independent Directors, KMP and SMP.
- To evaluate performance, recommend and review remuneration of the executive directors based on their performance.

- To recommend to the board, the extension / continuation of term of appointment and removal and to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either internally by the NRC / by the Board or by an independent external agency and review its implementation and compliance.
- To consider and recommend professional indemnity and liability insurance for Directors, KMPs and SMPs.
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

During the year, the NRC, inter alia,

- Reviewed and approved the compensation benefits of Senior Management Personnel (SMP) and Key Managerial Personnel (KMP).
- Considered and recommended the payment of Commission to Mr. Harish Lakshman, Chairman and Non-Executive Director for the FY 2024-25 and FY 2025-26.
- Considered and recommended the appointment of Mr. Harish Lakshman, Chairman as Managing Director of the Company with effect from April 01, 2025 (for a period five years).

During the year under review, the Board amended the Nomination and Remuneration Committee Charter to amend the definition of Senior Management Personnel to include Key Managerial Personnel other than Board in accordance with SEBI (LODR) (Third Amendment) Regulations, 2024.

Remuneration Policy

The policy on appointment and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) is available in the Corporate Governance section on the Investor's page of the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/. This policy is designed to attract, motivate, and retain talented employees who drive the company's success and aims at aligning compensation to goals of the company, performance of the individual, internal equity, market trends and industry practices, legal requirements and appropriate governance standards.

Remuneration to Non-Executive Directors

Mr. Harish Lakshman, Chairman is eligible to receive commission upto 2% of Net Profits apart from sitting fees. Other Non-Executive Directors do not receive any remuneration other than sitting fees for attending the Board and Committee meetings.

Sitting Fees

The Directors are eligible for sitting fees, apart from reimbursement of their actual travel and out-of-pocket expenses, if any, for attending the meetings of the Board / Committee(s). The sitting fees payable per meeting of Board and its Committees are as under:

Type of Meeting	Sitting fees per meeting (in ₹)
Board	40,000
Audit Committee	35,000
Nomination & Remuneration Committee	10,000
Corporate Social Responsibility Committee	5,000
Stakeholders' Relationship Committee	5,000
Finance Committee	2,500

The criteria for payment to Non-Executive Directors is available in the Corporate Governance section of the website of the Company at the web-link https://ranegroup.com/investors/rane-madras-limited-2/.

In accordance with the said policy, approval of the shareholders was obtained by way of Postal Ballot on December 07, 2024 for payment of commission and annual approval in terms of Regulation 17(6)(ca) of SEBI LODR for payment of remuneration for FY 2024-25 to Mr. Harish Lakshman, Chairman.

Details of remuneration paid to Directors

The details of remuneration paid to directors during the year under review are as follows:

Name of the Director	Sitting Fees (in ₹)	Commission (in ₹)	Shares held as on March 31, 2025
Mr. Harish Lakshman	2,07,500	2,19,76,000	750
Mr. L Ganesh	3,12,500	-	839
Ms. Vasudha Sundararaman	2,30,000	-	-
Mr. Pradip Kumar Bishnoi	3,35,000	-	-
Mr. N Ramesh Rajan	3,35,000	-	-
Mr. Vikram Taranath Hosangady	1,60,000	-	-
Total	**15,80,000**	**2,19,76,000**	**1,589**

Notes:

i. Commission is payable to Mr. Harish Lakshman, Chairman for FY 2024-25 in accordance with approval of shareholders obtained by way of Postal Ballot on December 07, 2024.

ii. No shares of the Company were pledged by the Directors and there is no stock option scheme prevailing in the Company.

iii. As on March 31, 2025, the Company does not have any Managing Director or Whole-time Director and therefore disclosure relating remuneration payable from the holding company or any of the subsidiary companies does not arise.

iv. Shareholding includes joint holdings & HUF, if any.

5. Stakeholders Relationship Committee (SRC)

Composition, Attendance and Meetings

The Stakeholders' Relationship Committee looks into grievances of shareholders and redresses them expeditiously in accordance with Section 178 of the Companies Act, 2013 and as per the requirements under Regulation 20 of SEBI LODR. The Company Secretary is the Compliance Officer of the Company and acts as the Secretary to the Committee. The Committee met one (1) time during the year on May 09, 2024 with requisite quorum present throughout the meetings. The details of members and their attendance as on March 31, 2025 are stated below:

Name of the Director	Category	No. of meetings attended
Mr. Harish Lakshman	Chairman, Non-Executive & Promoter	1
Mr. Pradip Kumar Bishnoi	Member, Non-Executive & Independent	1
Mr. Ramesh Rajan Natarajan	Member, Non-Executive & Independent	1

Overall purpose and terms of reference

The terms of reference and roles of the SRC are in line with the provisions of SEBI LODR and Companies Act, 2013, inter-alia, are as under:

- To resolve the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- To review measures taken for effective exercise of voting rights by shareholders.
- To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

During the year, 1 investor complaint was received and duly resolved (erstwhile Rane Engine Valve Limited) pertaining to issuance of entitlement letter. No Complaint remain unresolved at the end of the FY 2024-25. The Chairman of the SRC was present at the last AGM of the Company held on July 24, 2024.

The SRC during the year reviewed:

- The investor complaints / queries received and redressed.
- The measures taken for effective exercise of voting rights by shareholders at the AGM and Postal Ballot, wherein the Company engaged CDSL for providing remote e-voting facilities.
- Various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.
- The Internal Audit report of the Registrar and Share Transfer Agent.

6. Corporate Social Responsibility (CSR) Committee

Education, Healthcare, Community Development and Environment are the four focus areas under Corporate Social Responsibility (CSR) policy of the Company. The CSR projects and activities undertaken by the Company are in line with the CSR Policy and recommendations of the CSR Committee which are in accordance with the areas or subjects specified under the Companies Act, 2013, as amended from time to time. The Committee met once (1) during the year on May 09, 2024 with requisite quorum present throughout the meeting. The Company Secretary acts as the Secretary to the Committee. The details of members and their attendance as on March 31, 2025 are stated below:

Name of the Director	Category	No. of meetings attended
Mr. Harish Lakshman	Chairman, Non - Executive & Promoter	1
Mr. L Ganesh	Member, Non - Executive & Promoter	1
Ms. Vasudha Sundararaman	Member, Non - Executive & Independent	1

Note:

1. With effect from April 01, 2024, CSR Committee has been re-constituted with Mr. Harish Lakshman as Chairman and Mr. L Ganesh as a Member.

Overall purpose and terms of reference

The terms of reference of the Committee are as follows:

- Formulate and recommend CSR Policy, for approval of the Board.
- Formulate and recommend to the Board, an Annual Action Plan in pursuance to the CSR policy.

- Review and approve projects that are in line with the CSR policy.
- Implement CSR projects / programs directly and through implementing agencies.
- Have monitoring and reporting mechanisms in place to track the progress of implementation of each project / programmes and for multi year projects.
- Recommend the CSR expenditure to the Recommend the CSR expenditure to the Board of Directors of the Companies for approval.
- Carry out impact assessment of project / programmes, where required.
- Ensure the end utilization of CSR expenditure.
- Such other terms as required under any statutory obligation.

During the year, the Committee:

- Reviewed and recommended the CSR Report on the Projects undertaken during the FY 2023-24 to the Board.
- Reviewed and recommended Annual Action Plan of FY 2024-25.

The annual report on CSR activities undertaken during the year 2024-25 as approved by the CSR Committee in consultation with the Board is annexed to Report of Board of Directors as '**Annexure D**'.

7. Risk Management Committee (RMC)

The Company has constituted a Risk Management Committee in compliance with the SEBI LODR.

The Committee comprises of members from the Board and senior member(s) from leadership team. The Committee met two (2) times during the year on August 29, 2024 and March 21, 2025 with requisite quorum present thought the meetings. The details of members and their attendance as on March 31, 2025 are stated below:

Name of the Director	Category	No. of meetings attended
Mr. Harish Lakshman	Chairman, Non-Executive & Promoter	2
Mr. L Ganesh	Member, Non-Executive & Promoter	1
Mr. N Ramesh Rajan	Member, Non-Executive & Independent	2
Ms. Gowri Kailasam	Member, CEO - SLD & LMCD - Management Group	2
Mr. Aditya Ganesh	Member, President - LMCD - Management Group	1

Note:

1. With effect from April 01, 2024, RMC Committee has been re-constituted with Mr. Harish Lakshman as Chairman and Mr. L Ganesh as a Member.

The Company's approach towards risk management is to mitigate risks to an acceptable level within its tolerances, protect Rane Group's reputation and brand and strive to achieve operational and strategic business objectives.

Risk Assessment is conducted once in two years and the Company has a mechanism to identify, assess, mitigate and monitor various risks to key business objectives.

Business process and compliance risk evaluation is an on-going process within the Company. The Company has a dynamic risk management framework to identify, monitor, mitigate and minimise risks.

The Committee is governed by a charter as per the terms of reference prescribed under LODR viz.,

- To formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity; and
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

- Power to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The RMC during the year:

- Reviewed the overall cyber security risks mitigation framework.
- Reviewed the risk management policy.
- Reviewed the Environmental, Social and Governance (ESG) Risk.
- Reviewed the Business Continuity Plan (BCP) and ensured that all critical business plans are encompassed in the BCP.

8. Other Committees

Share Transfer Committee

To expedite the process relating to share registry, the Board has delegated the power of share transfer, transmission, dematerialization / rematerialization / split / consolidation, issue of duplicate share certificates etc. to a Committee comprising of such senior officials designated from time to time. The Committee meets on a case to case basis to approve share registry related activities and the details of such transfer / transmissions of securities are placed to the Board. No sitting fees is payable to the Committee members.

Finance Committee

A Finance Committee comprising of Mr. Harish Lakshman and Mr. L Ganesh (Non-Executive Directors) as its members are authorised to approve borrowings and connected matters, in accordance with the delegations made by the Board, from time to time. The Company Secretary acts as Secretary of the Committee. During the year, the Committee met three (3) times on July 26, 2024, August 30, 2024 and December 20, 2024 to approve matters relating to availment of term loan & working capital facilities.

Executive Committee

An Executive Committee comprising of Mr. Harish Lakshman and Mr. L Ganesh (Non-Executive Directors) as its members, is authorized to carry out activities in connection with change in authorization of officials under various legislations, operation of bank accounts and other administrative matters between two consecutive meetings of the Board. The Company Secretary acts as Secretary of the Committee and no sitting fees is payable to the Committee members. During the year, no meeting was held.

Issue and Allotment Committee

The Committee was constituted in connection with the preferential issue of warrants / equity shares and it comprises of two Non-Executive Directors Mr. Harish Lakshman and Mr. L Ganesh as its members. No sitting fees is payable to the Committee members. The Company Secretary acts as Secretary to the Committee. No meeting was held during the year.

Investment Committee

An Investment Committee comprising of Mr. Harish Lakshman and Mr. L Ganesh and as its members is constituted to explore and in detail study any proposal for acquisition, carry out activities in connection with such proposals, submit recommendations to the Board, make investments and give financial support to Intermediate Holding Company (IHC) or Wholly Owned Subsidiary (WOS) or Step Down Subsidiary (SDS) of the Company, from time to time, within the overall limits approved by the Board. No sitting fees is payable to the Committee members. The Company Secretary acts as Secretary to the Committee. No meeting was held during the year.

Working Committee

A Working Committee comprising of Mr. Harish Lakshman and Mr. L Ganesh and as its members is constituted to perform of all such acts and deeds which are necessary or advisable for the implementation of the Scheme and upon sanction of the Scheme to implement and to make the Scheme effective, without any further approval of the Board. No sitting fees is payable to the Committee members. During the year, the Committee met two (2) times on May 06, 2024 and March 31, 2025 to approve administrative matters relating to the Scheme of Amalgamation. The Company Secretary acts as Secretary to the Committee.

Meeting of Independent Directors

During the year, in line with requirement under the Companies Act, 2013 and SEBI LODR, the Independent Directors had a separate meeting on March 21, 2025, without the presence of the other Directors and Management. The Lead Independent Director, elected at the meeting, discusses the outcome of such meeting(s) with the Chairman, for any action.

9. Code of conduct

The Board of Directors has laid down a code of conduct, i.e. "Ethical Standards of Behaviour – RANE COMPASS" for all Board members and employees of the Company in furtherance of its emphasis towards good Corporate Governance practices. The same has been posted in the policies section in the Corporate Governance section on the Investor's page of the website of the Company at the https://ranegroup.com/investors/rane-madras-limited-2/. The Board members and SMP have affirmed their compliance with the code of conduct. A declaration from the Manager of the Company to this effect forms part of this report in **'Annexure (i)'**.

Prevention of Insider Trading

The Board of Directors have formulated "Rane Code to regulate, monitor and report trading by insiders" and "Rane Code of practices and procedures for fair disclosure of unpublished price sensitive information" in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, to prevent misuse of any unpublished price sensitive information and prohibit insider trading activity. The Chief Financial Officer is the Compliance Officer under this code. The code of fair disclosure practices and procedures for unpublished price sensitive information is available in the Corporate Governance section on the Investor's page of the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/.

Further, the Company also maintains a Structured Digital Database as required under Regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 with adequate internal controls, checks, time stamping and audit trails.

10. General Body Meetings

Details of general body meetings held during last three years are as under:

Date of Meeting	Resolution / Type	Time	Venue / Mode
November 21, 2024 (NCLT - Unsecured Creditors Meeting)	Approval of Scheme of Amalgamation of Rane Engine Valve Limited and Rane Brake Lining Limited with and into Rane (Madras) Limited and their respective shareholders (Requisite Majority)	16:00 hrs (IST)	Video Conferencing / Other Audio Visual Means (VC / OAVM)
November 20, 2024 (NCLT - Equity Shareholders Meeting)	Approval of Scheme of Amalgamation of Rane Engine Valve Limited and Rane Brake Lining Limited with and into Rane (Madras) Limited and their respective shareholders (Requisite Majority)	16:00 hrs (IST)	
July 24, 2024 (20th AGM)	NIL	14:00 hrs (IST)	
July 26, 2023 (19th AGM)	1. Approval under Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the remuneration payable to Mr. Ganesh Lakshminarayan (DIN:00012583), Chairman (Non-Executive Director) exceeding fifty per cent of the total annual remuneration payable to all Non-Executive Directors. (Special) 2. Approval of increase in borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013. (Special)	14:00 hrs (IST)	
June 29, 2022 (18th AGM)	1. Approval under Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the remuneration payable to Mr. Ganesh Lakshminarayan (DIN:00012583), Chairman (Non-Executive Director) exceeding fifty per cent of the total annual remuneration payable to all Non-Executive Directors.(Special) 2. Appointment of Ms. Vasudha Sundararaman (DIN:06609400) as an Independent Director. (Special)	10:00 hrs (IST)	

During the year, two (2) postal ballots were conducted in accordance with Section 110 of the Companies Act, 2013, Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI LODR read with MCA and SEBI circulars relaxing the physical dispatch of postal ballot notice to all the shareholders. The postal ballot notice were sent by email to all the shareholders. The Company engaged Central Depository Services (India) Limited (CDSL) for facilitating the remote e-voting. The Board appointed Mr. Balu Sridhar, Practicing Company Secretary, as the Scrutinizer for conducting the voting through postal ballot in a fair and transparent manner. The Scrutinizer gave his report(s) and on the basis of the said report(s), the results of the Postal Ballot was declared as under:

Date of passing of the resolution	Special resolution passed	No. of Votes polled	Votes Cast			
			In favour		Against	
			No. of Votes	%	No. of Votes	%
December 07, 2024	Approval for payment of commission to Mr. Harish Lakshman (DIN:00012602), Chairman and Non-Executive Director	1,26,55,204	1,26,49,430	99.95	5,774	0.05
March 14, 2025	Approval of appointment and remuneration of Mr. Harish Lakshman, Chairman as Managing Director	1,18,51,341	1,18,47,384	99.97	3,957	0.03
	Approval under Regulation 17(6)(e) of SEBI LODR read with Section 197,198 and other applicable provisions of the Companies Act, 2013, the remuneration payable to Mr. Harish Lakshman	1,18,51,341	1,18,47,384	99.97	3,957	0.03

11. Other disclosures

i. During the year, the Company had not entered into any transaction of material nature with any of the promoters, Directors, management or relatives or subsidiaries etc., except for those disclosed in '**Annexure C**' to this report of the Board of Directors. The transactions entered with related parties during the year were in the ordinary course at arms' length and not in conflict with the interests of the Company. All routine and periodic transactions with related parties were covered in the omnibus approval of the Audit Committee. The details of the related party transactions including those with persons / entities belonging to the promoter /promoter group as per Ind AS are stated in Note no. 35 of the financial statements. The policy on related party transaction is available in the Corporate Governance section on the investor's page of the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/.

ii. There was no instance of non-compliance by the Company on any matters relating to the capital markets; nor was there any penalty / strictures imposed by the Stock Exchanges or SEBI or any other statutory authority on such matters during the last three years.

iii. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company.

iv. The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.

v. The Company has complied with the following non-mandatory requirements prescribed under Part – E of Schedule II, Chapter IV of the SEBI LODR:

   a. maintains an office for Mr. Harish Lakshman, Chairman (Non-Executive Director) at the registered office of the Company and allows re-imbursement of expenses incurred in performance of his duties.

   b. adopts best practices to ensure a regime of financial results / statement with unmodified audit opinion.

   c. Internal Auditor directly reports to the Audit Committee.

vi. In order to comply with all laws governing the operations and conduct of affairs of the Company in accordance with the highest ethical and legal standards, the Company has adopted a Statutory Compliance Kit (STACK). STACK is a structured process providing comprehensive reference framework to facilitate education to dealing personnel, execution, escalation and regular reviews to strengthen compliance management. The STACK is electronically integrated through an online platform (e-STACK) to improve the compliance management system and its efficiency. The master list of statutory requirements are effectively complied through practice of Daily Routine Management (DRM) and Vital Activity Monitoring (VAM) charts. Reports relating to the compliance with various laws applicable to the Company are regularly reviewed and the vital issues are presented to the Audit Committee and the Board.

vii. The Company has framed a policy for determining "material subsidiary" and the same is available in the Corporate Governance section on the Investor's page of the website of the Company at the web-link: https://ranegroup.com/investors/rane-madras-limited-2/

viii. The Company has obtained a certificate from a Company Secretary in Practice that none of the Director(s) on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the companies by the Board / Ministry of Corporate Affairs or any such statutory authority. The Certificate obtained is attached as an **'Annexure (ii)'** to this report on corporate governance.

ix. The Independent Directors have confirmed and declared that they meet the criteria of 'Independence' as stipulated under Section 149 including the compliance with the code of conduct as prescribed in Schedule – IV of the Companies Act, 2013 and Regulation 16 read with Regulation 25 and other provisions of the Act and SEBI LODR, as amended from time to time and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge duties with an objective independent judgment and without any external influence.

x. In terms of regulation 25 of SEBI LODR the Company has in place policy for Directors and Officers insurance ('D & O insurance') covering all the Independent Directors, of such quantum and for such risks which commensurate to the operations of the Company and in line with the industry standards.

xi. The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report.

xii. The Managing Director / Manager and CFO of the Company have certified to the Board on the integrity of the financial results / statements, effectiveness of internal controls and significant changes in internal control /accounting policies during the year as required under Regulation 17(8) of the SEBI LODR and Companies Act, 2013.

xiii. The Company has complied with all mandatory requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of SEBI LODR.

xiv. The Board has accepted / considered all the recommendation(s) made by its Committee(s) to the Board in the relevant financial year under review.

xv. The total fees for all services paid by the Company to Statutory Auditor and its network entities are given as under. The subsidiaries have not availed any services from these entities:

(₹ in Crores)

Name of the entity	Paid by the Company	Paid by the Subsidiaries	Paid by the Company	Paid by the Subsidiaries
	FY 2024-25		FY 2023-24	
B S R & Co. LLP, Chartered Accountants	1.06	-	0.83	-
Network entities and firms of B S R & Co. LLP (if any)	-	-	-	-
Varma & Varma, Chartered Accountants	0.08	-	0.22	-
Network entities and firms of B S R & Co. LLP (if any)	-	-	-	-
Total	**1.14**	**-**	**1.05**	**-**

xvi. During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement and hence, the disclosure on utilization of funds is not applicable. There are no convertible instruments issued or outstanding.

xvii. The Dividend Distribution Policy is available in the policies section of the website of the Company at the weblink: https://ranegroup.com/investors/rane-madras-limited-2/.

xiii. The Company on a periodical basis reviews various policies framed under the Companies Act, 2013 and SEBI LODR and such other statues, as applicable and amends them based on the requirement to ensure conformity with relevant regulatory changes and industry practices.

xix. There were no loans / advances to firms / companies in which Directors are interested.

xx. There are no agreements that require disclosure under Clause 5A of Paragraph A of Part A of Schedule III of the of the SEBI Listing Regulations.

xxi. Particulars of senior management including the changes therein since the close of the previous financial year are discussed in detail in the Directors Report.

xxii. Information about Directors seeking appointment / re-appointment at the ensuing AGM in compliance with Regulation 36(3) of SEBI LODR and Secretarial Standard on General Meetings (SS-2) is available in the Notice to Members.

12. Commodity price risk or foreign exchange risk and hedging activities

The Company does not have any exposure hedged through Commodity derivatives. The Company has well defined forex exposure guidelines approved by the Board of Directors and forex exposures are suitably hedged through plain vanilla forward covers.

13. Whistle blower mechanism

The Company has a whistle blower policy, which provides the vigil mechanism for reporting with reliable information on any improper or unethical practices or actions which are violative (actual or potential) of the code of the Company by any employee or others dealing with the Company. The policy also addresses the protection to whistleblower who makes protected disclosures under the policy and provides for direct access to the Chairman of the Audit Committee.

The policy and the mechanism for reporting have been appropriately communicated across all locations of the Company. During the year under review the Board of Directors amended certain provisions to strengthen the policy on procedural matters especially those governing the anonymous disclosures, committees, ombudsperson and timelines for detailed enquiry. No person has been denied access to the ombudsperson / Audit Committee. The whistle blower policy is available in the policies section of the website of the Company at the weblink: https://ranegroup.com/investors/rane-madras-limited-2/.

14. Means of communication

The quarterly / annual financial results were published in the prescribed format in "Business Standard" (English) and "Hindu Tamizh Thisai" (Tamil). The financial results, shareholding pattern and other disclosures / filings requirements under Regulation 17 to 27 and 46(2) (b) to (i), of SEBI LODR, wherever applicable, were uploaded on the websites of the Stock Exchanges and the Company viz., www.ranegroup.com. During the year, press releases and presentations that were made to analysts / institutional investors and they were also made available in the website of the Company.

In view of exemption available vide General Circular 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs ("MCA") read with SEBI Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 07, 2023, the company did not dispatch hard copies of the Annual Report to the shareholders. The full Annual Report was made available on the website of the Company and also disseminated to the stock exchanges where shares of the Company are listed. The hard copies of the Annual Report were sent only to those members who had specifically requested. The electronic copies of the Annual Report and the notice convening the 20th AGM were sent to all the members whose e-mail addresses were registered with the Company or their respective Depository Participants (DP).

The Company has sent KYC reminder letters to all the physical shareholders by registered post to update their e-mail ID, PAN & Bank Account details.

In compliance with SEBI Circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 27, 2023, the Company has disseminated in its website regarding simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination for creating awareness.

15. General Shareholder Information

i. Annual General Meeting

August 05, 2025 (Tuesday) at 16:00 hrs (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

ii. Financial Year: April 01, 2025 – March 31, 2026

Financial Calendar:

Board meeting for approval of	Tentative schedule
Audited annual financial results and financial statements* for the year ended March 31, 2025	May 27, 2025
Unaudited financial results* for the 1st quarter ending June 30, 2025	By second week of August 2025
Unaudited financial results* for the 2nd quarter ending September 30, 2025	By first week of November 2025
Unaudited financial results* for the 3rd quarter ending December 31, 2025	By fourth week of January 2026

(*both standalone and consolidated financial statements and financial results)

The above schedule dates are only tentative in nature and may undergo changes due to change in circumstances.

iii. Dividend

The Board of Directors of the Company at their meeting held on May 27, 2025 have considered and recommended a dividend of 80% (₹8/- per share) on the equity share capital for approval of the shareholders at the ensuing 21st AGM to be held on August 05, 2025. The dividend, if declared, would be paid for those eligible shareholders whose name appeared in the register of members of the Company as on Tuesday, July 29, 2025 (being the Record Date) fixed for this purpose. The dividend will be paid to the shareholders on August 14, 2025.

Listing Fee

The shares of the Company are listed on NSE & BSE, which provide nationwide access to trade and deal in Company's equity shares across the country. The Company has paid the Annual Listing fee for the financial year 2024-25 to NSE & BSE, where the shares of the Company continue to be listed. The shares of the Company were not suspended from trading during the FY 2024-25.

iv. Unpaid / Unclaimed Dividends

Pursuant to the provisions of Section 124 of the Companies Act, 2013, Dividend for the financial year ended March 31, 2018 and thereafter which remain unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government within the respective due dates.

Members who have not encashed the dividend warrants are requested to make their claim to the Company.

Information in respect of such unclaimed dividends when due for transfer to the said fund is given below:

Sl. No.	Year	Date of declaration	Dividend per share# (in ₹)	Amount outstanding in Unclaimed Dividend Account (as on 31-03-2025)^ (in ₹)	Last Date for claiming unpaid dividend	Due date for transfer to IEPF
1.	31.03.2018	25.07.2018	7.50	1,59,622.50	31.08.2025	30.09.2025
2.	31.03.2018&&	24.07.2018	9.00	1,96,677.00	30.08.2025	29.09.2025
3.	31.03.2019*	22.01.2019	4.00	91,584.00	27.02.2026	29.03.2026
4.	31.03.2019*&&	28.01.2019	6.50	1,43,221.00	05.03.2026	04.04.2026
5.	31.03.2019	24.07.2019	4.50	1,05,057.50	30.08.2026	29.09.2026
6.	31.03.2019&&	25.07.2019	9.00	2,88,774.00	31.08.2026	30.09.2026
7.	31.03.2020*&&	23.01.2020	6.00	1,34,670.00	28.02.2027	30.03.2027
8.	31.03.2020&&	05.08.2020	11.00	2,23,501.00	11.09.2027	11.10.2027
9	31.03.2021&&	26.07.2021	25.00	4,90,692.00	01.09.2028	01.10.2028
10.	31.03.2022&&	28.06.2022	20.00	7,98,896.00	04.08.2029	03.09.2029
11.	31.03.2023&&	24.07.2023	25.00	8,95,283.00	30.08.2030	29.09.2030
12.	31.03.2024&&	22.07.2024	30.00	13,76,901.00	28.08.2031	27.09.2031
13.	31.03.2024&	23.07.2024	5.00	5,18,713.00	29.08.2031	28.09.2031

share of paid-up value of ₹10 per share
* Interim Dividend
^ amount reflect the confirmation of balance issued by Bank(s)
& belongs to erstwhile Rane Engine Valve Limited
&& belongs to erstwhile Rane Brake Lining Limited

The Company had filed with the Registrar of Companies, the details of all unpaid and unclaimed dividend amounts as on March 31, 2024 in accordance with The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. The above details were also uploaded on the website of the Company at www.ranegroup.com.

v. Transfer of shares to IEPF Authority

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refunds) Rules, 2016, as amended from time to time, ("the Rules" / "IEPF Rules") the Company is required to transfer the equity shares in respect of which dividends are not claimed for the last 7 years by any shareholder to the IEPF Authority.

During the year, the following shares were transferred to IEPF

Year from which Dividend has remained unclaimed / unpaid for seven consecutive years	No. of shares transferred
2016 – 17 (Final)	885
2017 – 18 (Interim)	354
2016 – 17 (Final)&	11,126
2016 – 17 (Final)&&	305
2017 – 18 (Interim)&&	525

& belongs to erstwhile Rane Engine Valve Limited
&& belongs to erstwhile Rane Brake Lining Limited

The Company has remitted / transferred the dividends declared on the shares already transferred to the IEPF Authority and the details are available in the Company's website at www.ranegroup.com. The other benefits, if any, arising out of shares already transferred to IEPF Authority will also be received by the IEPF Authority unless those shares are claimed by the shareholders.

No claim shall lie against the Company in respect of any dividend or shares transferred to the IEPF Authority. However, the shareholders may claim their shares / dividend by filing the electronic request for the same by following the procedure prescribed on the website of IEPF at www.iepf.gov.in

The shares relating to unclaimed Dividend for FY 2017-18 (Final) are liable to be transferred to IEPF Authority during the current FY 2025-26. In this regard, the Company shall intimate / publish notice in newspapers and requisite details would be made available on the Investors section of the Company's website at www.ranegroup.com.

The concerned shareholders are requested to claim their shares before the due dates of transfer of shares to the IEPF, specified therein newspapers and Company website.

vi. Unclaimed share suspense

In accordance with Regulation 39 of SEBI LODR read with Schedule V of the SEBI LODR, the Company reports the movement of unclaimed shares in the unclaimed share suspense account during the year. The voting rights of these shareholders shall remain frozen till the rightful owner of such shares claims the same. The movement of unclaimed shares in unclaimed suspense account of the Company, during the year are as follows:

Details of Unclaimed Suspense account	Rane (Madras) Limited		erstwhile Rane Engine Valve Limited		erstwhile Rane Brake Lining Limited	
	No. of shareholders	Outstanding shares	No. of shareholders	Outstanding shares	No. of shareholders	Outstanding shares
Aggregate at the beginning of the year	**5**	**776**	**6**	**635**	**15**	**1369**
Claim received during the year for transfer	2	524	3	232	3	300
Shares transferred during the year	2	524	3	232	3	300
Balance at the end of the year	**3**	**252**	**3**	**403**	**12**	**1069**

In compliance with SEBI Circular No. SEBI/HO/MIRSD/PoD-1/0W/P/2022/64923 dated December 30, 2022, the Company has opened "Rane (Madras) Limited – Suspense Demat Escrow Account" with M/s. Integrated Enterprises (India) Private Limited, the Depository Participant to credit securities for which demat is pending beyond 120 days from the date of issuance of letter of confirmation.

vii. Registrar and Transfer Agent

The contact details of the Registrar and Transfer Agents are as follows:

Integrated Registry Management Services Private Limited
SEBI Registration No. INR000000544
II Floor, 'Kences Towers', No.1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai – 600 017
Phone: 28140801-03, Fax: 28142479, 28143378
email ID: einward@integratedindia.in
Website: www.integratedregistry.in
Name of the contact person:
Mr. K. Suresh Babu, Director.

viii. Share Transfer System & Share Capital Audit

The power to approve transfer of shares has been delegated by the Board to the Share Transfer Committee which approves the share transfers and demat / remat requests in co-ordination with the RTA.

The Share transfers and transmissions are approved and registered within prescribed timelines. On a yearly basis, the compliance with the share transfer / transmission formalities is audited by a Practising Company Secretary (PCS) in terms of Regulation 40(10) of SEBI (LODR) with the stock exchanges and a certificate to this effect is filed with the stock exchanges.

ix. Distribution of shareholding as on March 31, 2025

No. of shares held	Shareholders		Shares	
	Number	% to total	Number	% to total
Upto 500	13,025	92.08	7,72,971	4.75
501 – 1000	479	3.39	3,71,012	2.28
1001 – 2000	265	1.87	3,94,243	2.43
2001 – 3000	125	0.88	3,10,668	1.91
3001 – 4000	60	0.42	2,15,957	1.33
4001 – 5000	47	0.33	2,15,214	1.32
5001 – 10000	79	0.56	5,66,571	3.48
10001 & above	66	0.47	1,34,18,631	82.50
Total	**14,020**	**100.00**	**1,62,65,267**	**100.00**

x. Shares Dematerialization

Particulars	Number of shares - as on		% to total capital - as on	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Physical	52,765	65,396	0.32	0.40
Demat	1,62,12,502	1,61,99,871	99.68	99.60
Total	**1,62,65,267**	**1,62,65,267**	**100.00**	**100.00**

A reconciliation of share capital, audited by Practicing Company Secretary (PCS) is submitted to the Stock Exchanges on a quarterly basis in terms of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018. The Company is taking initiatives to reach out to investors holding shares in physical form, to dematerialize their shareholding immediately to avoid any inconvenience and avail numerous benefits of dematerialisation, which include easy liquidity / trading.

Demat ISIN: INE050H01012

During the year, the Company has neither issued any equity share with differential voting rights nor granted stock options nor sweat equity shares. The issue of warrants convertible into equity shares have been discussed in the earlier sections of this report. The Company has not bought-back its shares from its shareholders.

On April 23, 2025 the Company allotted new equity shares to the erstwhile shareholders of Rane Brake Lining Limited and Rane Engine Valve Limited pursuant to the scheme of amalgamation.

xi. Transfer / Transmission / Issue of duplicate share certificates of shares in demat mode only

In accordance with SEBI guidelines, with effect from January 25, 2022, all transmission/transfer requests including issuance of duplicate share certificates are mandatorily to be processed in dematerialised form only.

xii. Plant locations

Within India:

1) 79/84, Hootagally Industrial Area, Mysuru - 570 018, Karnataka.
2) 77, Thirubuvanai Main Road, Thirubuvanai Village, Puducherry - 605 107.
3) Ambakkam, Varanavasi Village, Varanavasi Post, Kancheepuram - 631 604, Tamil Nadu.
4) Plot No. 27, Sector 11, Integral Industrial Estate Pant Nagar, Uttarakhand - 263 153.
5) 143/A, SV Co-op Industrial Estate, IDA Bollaram, Medak, District - 502 325, Telangana.
6) Survey No. 789/AA, 781, 781/AA,790/A & 779 Sadasivpet Municipal Limits, Sadasivpet Mandal - 502 291, Medak Dist., Telangana.
7) Post Box No.4, Redhills Road, Madhavaram, Ponneri - 601 204, Tamil Nadu.
8) Plot No.68 to 77, Industrial Estate, Medchal - 501 401, R.R.District, Telangana.
9) Survey No.177/20, Hyderabad- Vikarabad Road, Aziz Nagar - 500 075, R.R.District, Telangana.
10) Survey Nos. 109,111 & 121, Seniapatti, Kasavanur Village, Viralimalai Union - 621 316, Pudukottai District, Tamil Nadu.
11) Plot No.36B & 37, Hirehalli Industrial Area - 572 168, Tumakuru, Karnataka.
12) Plot No.30, Industrial Estate, Ambattur, Chennai - 600 058, Tamil Nadu.
13) Pregnapur Village, Gajwel Mandal, Rajiv Gandhi Highway, Siddipet District - 502 311, Telangana.
14) RS No. 48, 49 & 50, Sanyasikuppam Village, Mannadipet Commune, Thirubhuvanai Post, Puducherry - 605 107.
15) Sethurapatti Village, Fathima Nagar Post, Srirangam Taluk, Trichy - 620 012, Tamil Nadu.

Overseas (through subsidiary):

16) Carr Panamericana, Sur K114+354, Interior Number 62, Parque Industrial Finsa, Aguascalientes, Aguascalientes AGS, Mexico CP 20393.

xiii. Credit Rating

The details of Credit Ratings assigned to the debt instruments / total bank loan facilities of the Company as on March 31, 2025 are as follows:

Rating Agency	Security - Type	(In Crores)	Credit Rating	Outlook	Status (Assigned/Re-affirmed/ Revised/withdrawn)	Date of credit rating obtained
CRISIL	Long term	910.51	A+	Stable	Re-affirmed	April 24, 2025
	Short term		A1	-	Re-affirmed	
	Long term	682.75	A+	Stable	Revised	April 16, 2025
	Short term		A1	-	Re-affirmed	
	Long term	682.75	A	Stable	Watch with Positive Implications	Feb 28, 2025
	Short term		A1	-	Re-affirmed	
	Long term	682.75	A	Stable	Watch with Positive Implications	Dec 04, 2024
	Short term		A1	-	Re-affirmed	
	Long term	604.55	A	Stable	Watch with Positive Implications	Nov 04, 2024
	Short term		A1	-	Re-affirmed	
	Long term	604.55	A	Stable	Watch with Positive Implications	Aug 08, 2024
	Short term		A1	-	Re-affirmed	
	Long term	604.55	A	Stable	Watch with Positive Implications	May 10, 2024
	Short term		A1	-	Re-affirmed	

xiv. Address for communication

The Compliance officer
Rane (Madras) Limited
Rane Corporate Centre,
"Maithri", No. 132, Cathedral Road,
Chennai - 600 086
Phone: 28112472
e-mail ID: investorservices@ranegroup.com
Website: www.ranegroup.com

OR

Mr. K Suresh Babu, Director
Integrated Registry Management Services Private Limited
II Floor, 'Kences Towers'
No.1, Ramakrishna Street, North Usman Road,
T. Nagar, Chennai - 600 017
Phone: 28140801–03, Fax: 28142479
e-mail ID: einward@integratedindia.in
Website: www.integratedregistry.in

For and on behalf of the Board

	Ganesh Lakshminarayan	**Harish Lakshman**
Chennai	Director	Chairman and Managing Director
May 27, 2025	DIN: 00012583	DIN: 00012602

Annexure (i)
CERTIFICATE FROM MANAGING DIRECTOR / MANAGER

To
The Members,
Rane (Madras) Limited

Declaration by Managing Director on the Code of Conduct pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, hereby declare that to the best of my knowledge and information, all the Board members and Senior Management Personnel have affirmed compliance with 'Ethical Standards of Behaviour – RANE COMPASS', the code of conduct, for the year ended March 31, 2025.

Chennai
May 27, 2025

Harish Lakshman
Chairman and Managing Director

Annexure (ii)
CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

for the financial year ended 31st March 2025

[Pursuant to Regulation 34 (3) read with Schedule V, paragraph C(10)(i) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Rane (Madras) Limited
[CIN: L65993TN2004PLC052856]
"Maithri", No.132, Cathedral Road, Chennai – 600 086.

We hereby certify that, in our opinion and to the best of our knowledge, **none of the below named Directors** who are on the Board of Directors of **Rane (Madras) Limited** as on 31st March 2025, **have been debarred or disqualified** from being appointed or continuing as directors of companies, by the Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs, Government of India (MCA).

Sl. No.	Name of the Director	Nature of Directorship	Director Identification Number (DIN)
1.	Harish Lakshman#	Chairman and Non-Executive Director, Promoter	00012602
2.	Ganesh Lakshminarayan	Non-Executive Director, Promoter	00012583
3.	Ramesh Rajan Natarajan	Non-Executive Independent Director	01628318
4.	Pradip Kumar Bishnoi	Non-Executive Independent Director	00732640
5.	Vikram Taranath Hosangady	Non-Executive, Non-Independent Director	09757469
6.	Vasudha Sundararaman	Non-Executive, Independent Director	06609400

#Appointed as Chairman and Managing Director with effect from 1st April 2025.

Basis for our opinion

We are issuing this certificate based on our verification of the following, which to the best of our knowledge and belief, were considered necessary in this regard:

1. Information relating to Directors available on the official website of MCA;
2. Disclosures / declarations / confirmations provided by the said Directors to the Company;
3. Registers and records maintained by the Company and forms, returns, documents and disclosures filed with MCA;
4. Corporate Governance reports filed on quarterly basis with the stock exchanges on which securities of the Company are listed; and
5. Information, explanation and representations provided by the key managerial personnel of the Company.

Responsibility of the management

The management of the Company is responsible to ensure the eligibility of a person for appointment / continuation as a Director of the Company.

Responsibility of the Secretarial Auditors

Our responsibility as the Secretarial Auditors of the Company, is to issue this Certificate based on verification of the relevant documents / records as stated herein above.

Our Certificate is neither an assurance as to the future viability of the Company or its Corporate Governance process, nor of the efficacy or effectiveness of the process followed by its management with regard to appointment / continuation of a person as a Director of the Company.

For **Sriram Krishnamurthy & Co.,**
(formerly known as S Krishnamurthy & Co.,)
Company Secretaries,
[Firm Unique Identification Number: **P1994TN045300**]
[Peer Review Certificate No. 6684/2025]

Sharanya Sriram,
Partner (Membership No.**F10252**)
C.P. No.12731
UDIN: F010252G000463397

Place: Chennai
Date: 27th May, 2025

Annexure (iii)
CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
Rane (Madras) Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated May 05, 2025.

2. We have examined the compliance of conditions of Corporate Governance by **Rane (Madras) Limited** ("the Company"), for the year ended March 31, 2025, as stipulated in regulations 17 to 27, clauses (b) to (i) and (t) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2025.

6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

S Sethuraman
Partner
Membership No: 203491
UDIN: 25203491BMLJSO1782

Place: Chennai
Date: May 27, 2025

Annexure G to the Report of the Board of Directors

PARTICULARS OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

for the Financial Year 2024–25

Details as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Remuneration paid to Directors and Key Managerial Personnel

Name	Designation	% increase / (decrease) of remuneration FY 2024-25	Ratio of remuneration of each Director to median remuneration of employees
Director			
Mr. Harish Lakshman	Chairman and Managing Director (Refer note i)	- (Refer note i)	31.91 times (Refer Note i)
Key Managerial Personnel			
Ms. Gowri Kailasam (Up to January 20, 2025)	CEO – SLD & LMCD (Refer note iii)	(2.06%)	Not Applicable
Mr. B Gnanasambandam	Chief Financial Officer	(11.30%)	
Ms. S Subha Shree	Company Secretary (Refer note iv)	(0.72%)	

Note:

(i) Mr. Harish Lakshman was appointed as Chairman of the Board w.e.f. April 01, 2024 and additionally as Managing Director w.e.f April 01, 2025. Hence, % change is not comparable with previous year. None of the other Directors receive any remuneration from the Company except sitting fees for attending meeting of the Board / Committee(s) thereof. Hence, the ratio of remuneration is provided only with respect to commission drawn by Mr. Harish Lakshman.

(ii) Remuneration considered is based on annual emoluments (including variable pay) and designation as on date.

(iii) Ms. Gowri Kailasam ceased to be Manager (KMP) of the Company on January 20, 2025 on completion of tenure as KMP. She continues to serve the Company in her current designation as Chief Executive Officer (SLD & LMCD).

(iv) Remuneration of Company Secretary is part of the secretarial services availed by the Company from Rane Holdings Limited.

2. Percentage increase in median remuneration during the year: **5.71%.** The increase in median is attributable to increase in headcount due to amalgamation of Rane Engine Valve Limited and Rane Brake Lining Limited into the Company.
3. Number of permanent employees on the rolls of the Company as on March 31, 2025: **2556**. The increase in headcount is attributable to amalgamation of Rane Engine Valve Limited and Rane Brake Lining Limited into the Company.
4. Average percentile increase already made in salaries of employees other than the managerial personnel in the last financial year (FY 2024-25) was **(1.42%)** as against a percentile increase in managerial remuneration of **(2.06%)** in the last financial year (FY 2024-25).
5. It is hereby affirmed that the remuneration paid is in accordance with the remuneration policy.

For and on behalf of the Board

Ganesh Lakshminarayan
Director
DIN: 00012583

Harish Lakshman
Chairman and Managing Director
DIN: 00012602

Chennai
May 27, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Rane (Madras) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Rane (Madras) Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2025, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive income, changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 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 these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

See Note 23 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Revenue recognition involves identification of contracts with customers, identification of distinct performance obligations, determination of transaction price and the basis used to recognize revenue at a point in time. Revenue is recognised when (or as) a performance obligation is satisfied i.e. when 'control' of the goods underlying the particular performance obligation is transferred to the customer. Revenue recognition has been identified as a key audit matter because the Company and its external stakeholders focus on revenue as a key performance metric. Therefore, there may be a possibility for revenue to be overstated or recognised before control has been transferred.	In view of the significance of the matter, the following key audit procedures were performed by us: • Assessed the compliance of the Company's revenue recognition accounting policies with applicable accounting standards. • Evaluated the design and implementation of the key internal financial controls with respect to the revenue recognition and tested the operating effectiveness of such controls on a sample basis. • Performed substantive testing of revenue transactions recorded during the year on a sample basis by verifying the underlying documents including shipping document, customer acknowledgement, dispatch notes, etc, as applicable. • Performed testing for samples of revenue transactions recorded closer to the year-end by verifying underlying documents, to determine the accuracy of the period in which revenue was recognized. • Performed testing of non-standard journal entries posted in revenue on a sample basis.

Recognition and recoverability of deferred tax assets

See Note 22 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company has recorded deferred tax assets on brought forward business losses, deductible temporary differences, unabsorbed depreciation and unused tax credits. As at March 31, 2025, the Company carries a deferred tax asset of INR 99.48 crores. The recognition and recoverability of these deferred tax assets involves: • assessment of the underlying tax laws; • dependency on the generation of sufficient future taxable income that can be set off against the losses recognized and hence, involves significant judgement. These judgements could change over time as the matter progresses depending on experience on actual assessment proceedings by tax authorities and other judicial precedents. Where considered necessary, the Company has obtained legal advice. Recoverability of deferred tax assets has been identified as a key audit matter due to the high degree of judgment required and significance of the amounts involved.	In view of the significance of the matter, the following key audit procedures were performed by us: • Assessed the compliance of the Company's accounting policies with applicable accounting standards. • Evaluated the design and implementation of the key internal financial controls with respect to the measurement and recognition of deferred tax assets and tested the operating effectiveness of such controls. • Involved our tax specialists to assist us in evaluating the appropriateness of the nature of the tax losses that can be set off against the future profits. • Evaluated the appropriateness of the key assumptions used in the projections considered for estimating future taxable profits. • Performed sensitivity analysis on the key assumptions used in the evaluation. • Assessed the adequacy of the disclosures in the standalone financial statements.

Business combination under common control

See Note 44 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Pursuant to the National Company Law Tribunal (NCLT) Order dated March 24, 2025, fellow subsidiaries of the Company viz. Rane Engine Valve Limited and Rane Brake Lining Limited ("Transferor Companies") were merged with the Company. The Company has accounted for the business combination using the pooling of interest method in accordance with Appendix C of Ind AS 103 – Business Combination. Accordingly, the comparitives have been restated to give effect of the amalgamation from the beginingng og the previous year. The difference betweent the assets, liabilities, acquired reserves and shares transferred were transferred to capital reserves. The aforesaid business combination has been identified as key audit matter due to the significance of amounts involved and complexity of accounting thereof.	In view of the significance of the matter, the following key audit procedures were performed by us: • Assessed the compliance of the Company's accounting policies in respect of business combination accounting with applicable accounting standards and the requirements of the approved scheme of amalgamation. • We understood from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the accounting of business combination. • We have traced the assets, liabilities and reserves of transferor companies from the audited financial statements and tested the management's computation of determining the amount determined to be recorded in the capital reserve. • We also assessed the adequacy and appropriateness of the disclosures made in the standalone financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the standalone financial statements does not cover the other information and we do 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Director's Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes 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 Management and Board of Directors are 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 skepticism 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 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 with reference to financial statements 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 and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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.

Other Matter

As stated in Note 44, the corresponding financial information in the standalone financial statements were restated to account for the scheme of amalgamation as per the requirement of applicable Accounting Standards. The figures for the year ended 31 March 2024 in so far it pertains to the erstwhile Rane Engine Valve Limited, were audited by another auditor whose report dated May 7, 2024 had expressed an unmodified opinion. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. 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 except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 10 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   (a) The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its standalone financial statements - Refer Note 40 to the standalone financial statements.

   (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   (d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 38 (iii) to the standalone financial statements, 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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.

   (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 38 (iv) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (iii) 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 (i) and (ii) above, contain any material misstatement.

   e. The final dividend paid by the erstwhile transferror companies during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

   As stated in Note 16 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

   f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has been operating throughout the year for all relevant transactions recorded in the respective softwares, except that:

- the feature of audit trail at the database layer to log any direct changes was enabled and operated from 7 June 2024 onwards.
- the feature of audit trail at the application layer for the accounting softwares used for maintaining books of accounts for certain fields relating to payroll was enabled from 4 June 2024 onwards.
- the feature of audit trail was not enabled at the application and database layer for the accounting software used for maintaining books of account in relation to price change system for sales/purchases.

Further, for the periods where audit trail (edit log) facility was enabled for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with. Additionally, except where audit trail (edit log) facility was not enabled in the previous year, the audit trail has been preserved by the company as per statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
ICAI UDIN:25203491BMLJSM7081

Place : Chennai
Date: 27 May 2025

Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of Rane (Madras) Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company for other than those laid out in Appendix I. Additionally, in respect of certain immovable properties of land and buildings whose title deeds have been pledged with banks as security for term loans, our reporting under this clause is based on confirmations received from such banks that the immovable properties are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as disclosed in Appendix II.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loans to employees and made investment in companies and other parties, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured to firms, limited liability partnership or any other parties.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans as below

Particulars	Loans (in INR crores)
Aggregate amount during the year Employees	0.97
Balance outstanding as at balance sheet date Employees	0.82

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans during the year are not prejudicial to the interest of the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of certain manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited except for slight delays in a few cases by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute except as disclosed in Appendix III.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) 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 no funds raised on short-term basis have been used 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 has taken funds from entities and persons as disclosed in Appendix IV on account of or to meet the obligations of its subsidiary (as defined under the Act).

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended) does not have any CIC.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and 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, 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 audit report that the 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3 (xx)(b) of the order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
ICAI UDIN:25203491BMLJSM7081

Place : Chennai
Date: 27 May 2025

Annexure B to the Independent Auditor's Report

on the standalone financial statements of Rane (Madras) Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Rane (Madras) Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's and Board of Director's Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
ICAI UDIN:25203491BMLJSM7081

Place : Chennai
Date : 27 May 2025

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Rane (Madras) Limited for the year ended 31 March 2025

Appendix I to the Independent Auditors' Report

Details of title deeds of assets (Other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) not held in the name of the Company :

Description of property	Gross carrying value (in crores)	Held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate*	Reason for not being held in name of company. Also indicate if in dispute
Freehold Land	1.49	Rane Brake Lining Limited	No	April 2024	For certain properties acquired through amalgamation, the title deeds are currently in the name of the transferror companies is pending.
Building	36.11	Rane Brake Lining Limited	No	April 2024	
Freehold Land	1.78	Rane Engine Valve Limited	No	April 2024	
Building	7.36	Rane Engine Valve Limited	No	April 2024	
Freehold Land	2.98	Rane Brake Lining Limited	No	April 2024	Title deeds for a part of an immovable property situated at Telangana are disputed by The State of Telangana for which the company has filed a writ petition with the Honourable High Court of Telangana and obtained an interim stay.
Freehold Land	0.52	Rane Engine Valve Limited	No	April 2024	

*In case of immovable properties acquired from Rane Brake Lining Limited and Rane Engine Valve Limited which got merged with the Company pursuant to National Company Law Tribunal Order dated April 01, 2024, dates have been considered with effect from the merger set out in Note 44 to the standalone financial statements.

Appendix II to the Independent Auditors' Report

Reconciliation of information in respect of quarterly returns or statements filed by the Company with banks or financial institutions with the books of accounts:

Quarter	Name of bank	Particulars	Amount as per books of account (in INR crores)	Amount as reported in the quarterly return/ statement (in INR crores)	Amount of difference (in INR crores)	Whether return/ statement subsequently rectified
June-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	580.30	579.52	0.78	No
June-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii)HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Inventory	429.75	428.62	1.13	No

Quarter	Name of bank	Particulars	Amount as per books of account (in INR crores)	Amount as reported in the quarterly return/ statement (in INR crores)	Amount of difference (in INR crores)	Whether return/ statement subsequently rectified
June-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade payables	444.98	279.22	165.76	No
September-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	656.88	620.42	36.46	No
September-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Inventory	491.43	298.00	193.43	No
December-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii)HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	658.04	632.43	25.61	No
December-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii)HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade payables	488.97	306.48	182.49	No
March-25	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii)HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	704.93	662.72	42.21	No

Quarter	Name of bank	Particulars	Amount as per books of account (in INR crores)	Amount as reported in the quarterly return/ statement (in INR crores)	Amount of difference (in INR crores)	Whether return/ statement subsequently rectified
March-25	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii)HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade payables	502.79	256.25	246.54	No
March-25	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii)HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Inventory	434.61	443.25	(8.64)	No

Note: Impact considered through cumulative information provided for the financial year during quarterly returns/ statements submission. Also refer note 38(xiii) to the financial statements.

Appendix III to the Independent Auditors' Report

Details of statutory dues which have not been deposited on account of any dispute:

Name of the Statute	Nature of the dues	Amount (in INR crores)	Amount unpaid (in INR crores)*	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1945	Excise Duty	0.75	-	2012-13	Customs, Goods & Service tax Appellate Tribunal, Chennai
Finance Act, 1994	Service Tax	0.72	-	2007-08 to 2011- 12	Customs, Goods & Service tax Appellate Tribunal, Chennai
Finance Act, 1994	Service Tax	0.07	0.04	2011-12	Deputy Commissioner, Nizamabad, Telengana
Finance Act, 1994	Service Tax	0.16	0.16	2012	Additional Commissioner, Medchal
Finance Act, 1994	Service Tax	0.07	0.07	2015	High Court
Finance Act, 1994	Service Tax	0.22	0.21	2013 - 2014	Original Authority
Finance Act, 1994	Service Tax	0.02	0.02	2014 - 2015	Original Authority
Finance Act, 1994	Service Tax	0.03	0.02	2014 - 2015	Original Authority
Finance Act, 1994	Service Tax	0.01	0.00	2016 - 2017	CESTAT
Finance Act, 1994	Service Tax	0.00	0.00	2015 - 2016	CESTAT
Finance Act, 1994	Service Tax	0.17	0.02	2016 - 2017	CESTAT
Finance Act, 1994	Service Tax	0.03	0.00	2017 - 2018	CESTAT
Maharashtra VAT Act, 2002	Sales tax / VAT	0.89	0.85	2005-06, 2006-07 and 2008-09	Maharashtra Sales Tax Appellate Tribunal
Tamil Nadu Value Added Tax Act, 2006	Sales tax / VAT	1.51	1.13	2016-17	Assistant Commissioner, Alandur, Tamil Nadu
Tamil Nadu Value Added Tax Act, 2006	Sales tax / VAT	0.25	0.19	2017-18	Assistant Commissioner, Alandur, Tamil Nadu
Karnataka Value Added Tax Act, 2003	Sales tax / VAT	0.01	-	2015-16	Assistant Commissioner of State Tax, Mysore
Karnataka Value Added Tax Act, 2003	Sales tax / VAT	0.17	-	2016-17	Assistant Commissioner of Sales Tax (Appeals), Mysore
Karnataka Value Added Tax Act, 2003	Sales tax / VAT	0.11	-	2014 - 15	Assistant Commissioner of Sales Tax (Appeals), Mysore
Puducherry Value Added Tax Act, 2007	Sales tax / VAT	0.07	0.03	2010-11	High Court

Name of the Statute	Nature of the dues	Amount (in INR crores)	Amount unpaid (in INR crores)*	Period to which the amount relates	Forum where the dispute is pending
Uttarakhand Value Added Tax Act, 2005	Sales tax / VAT	0.61	0.60	2011-12	Commissioner of Sales Tax (Appeals), Uttaranchal
Haryana Value Added Tax Act, 2003	Sales tax / VAT	0.01	0.01	2014-15	Commissioner of Sales Tax (Appeals), Gurgaon
Telangana Value Added Tax Act, 2005	Sales tax / VAT	1.40	1.40	2012-13	Telangana High Court
Telangana Entry of Goods into Local Areas Act, 2001	Sales tax / VAT	1.07	0.80	2011-12 to 2017-18	Telangana High Court
Telangana Value Added Tax Act, 2005	Sales tax / VAT	0.07	0.07	2012-13 to 2015-16	Telangana High Court
Tamil Nadu Value Added Tax Act, 2006	Sales tax / VAT	0.34	-	2014 - 15	Tamilnadu High Court
Haryana Value Added Tax Act, 2003	Sales tax / VAT	0.35	0.35	2013-14 to 2017-18	Excise & Taxation Officer-cum Assessing Authority, Ward 7, Gurgaon
Telangana Value Added Tax Act, 2005	Sales tax / VAT	0.06	0.06	2013 - 2017	Joint Commissioner of Sales Tax
Maharashtra VAT Act, 2002	Sales tax / VAT	0.37	0.37	2011 - 12	Maharashtra Sales Tax Tribunal, Mumbai
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.02	0.02	2010-13	Before Adjudicating authority
Central Sales Tax Act, 1956	Central Sales Tax Act	0.03	0.03	2014 - 2015	Assisstant Commissioner
Central Sales Tax Act, 1956	Central Sales Tax Act	0.00	0.00	2015 - 2016	Assisstant Commissioner
Central Sales Tax Act, 1956	Central Sales Tax Act	0.00	0.00	2016 - 2017	Assisstant Commissioner
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.07	0.07	2018-19	Joint / Additional Commissioner Appeals
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.05	0.05	2018-19	Joint / Additional Commissioner Appeals
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.03	-	2019-20	Assistant Commissioner, State Tax, Jamshedpur
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.01	-	2019-20	Deputy Commissioner, Mysore
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.03	0.03	2018-19	Excise and Taxation Officer
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.49	0.49	2019-20	Joint / Additional Commissioner Appeals
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	1.34	-	2020-21	Assistant Commissioner, Guindy Circle, Chennai
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	7.71	-	2020-21	Deputy Commissioner, Mysore
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.23	-	2020-21	Assisstant Commissioner of State Tax, Guindy Circle, Chennai.
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.46	-	2020-21	Assistant Commissioner, Ghatak, Ahmedabad, Gujarat.
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	6.92	-	2018-19	Deputy Commissioner, Nizamabad, Telengana
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.27	-	2020-21	Deputy Commissioner, Nizamabad, Telengana
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.29	-	2020-21	Deputy Commissioner, Nizamabad, Telengana
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.59	-	2020-21	Deputy Commissioner, Nizamabad, Telengana
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.76	-	2017-18	Commissioner of Central Tax, Appeals II, Chennai
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	1.32	1.32	2017-18	Deputy Commissioner (Appeals), Chennai

Name of the Statute	Nature of the dues	Amount (in INR crores)	Amount unpaid (in INR crores)*	Period to which the amount relates	Forum where the dispute is pending
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.91	0.91	2018-19	Joint Commissioner Appeals, Pune
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.29	0.29	2017-18	Order in appeal passed by Joint Commissioner Appeals and Awaiting for GST Tribunal Formation to file appeal before Tribunal.
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.07	-	2022-23	Appellate Deputy Commissioner
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.72	0.72	2017 - 2020	Adjudicating Authority
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	1.74	1.74	2017 - 2023	Adjudicating Authority
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	0.09	0.09	2020-21	Adjudicating Authority
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	1.11	0.06	2017-2023	Commissioner Appeals
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	22.61	22.61	2017 - 2018	Commissioner Appeals
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	1.61	1.61	2020 - 2021	Commissioner Appeals
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	4.39	4.39	2020 - 2021	Commissioner Appeals
Income Tax Act, 1961	Income tax	0.92	0.92	2005 - 06	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	22.76	21.76	2008 - 09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.85	0.85	2009 - 10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	4.02	2.79	2010 - 11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	4.07	0.51	2012 - 13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	3.29	3.10	2013 - 14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	5.96	5.96	2014 - 15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	6.16	1.39	2016 - 17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	6.85	6.85	2017 - 18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	11.67	12.63	2018 - 19	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	7.57	7.57	2020 - 21	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.01	-	2003 - 04	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.01	0.01	2012 - 13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.10	-	2014 - 15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	7.26	7.26	2015 - 16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.83	0.83	2017- 18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.25	0.25	2023 - 24	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.11	0.11	2002 - 03	High Court
Income Tax Act, 1961	Income tax	0.09	0.09	2004 - 05	High Court
Income Tax Act, 1961	Income tax	3.69	3.69	2011 -12	Commissioner of Income Tax (Appeals)

Name of the Statute	Nature of the dues	Amount (in INR crores)	Amount unpaid (in INR crores)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	3.71	3.71	2012 -13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	1.32	1.32	2013 - 14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	1.52	1.52	2014 - 15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.88	0.88	2015 - 16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.38	0.38	2016 - 17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	3.24	3.24	2017 - 18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	1.45	1.45	2020 - 21	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	12.99	12.99	2021 - 22	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	10.43	10.43	2021 - 22	Commissioner of Income Tax (Appeals)

*Net of amount paid under protest

Appendix IV to the Independent Auditors' Report

Details of funds taken to to meet the obligations of its subsidiaries, associates or joint ventures:

Nature of fund taken	Name of the lender	Amount involved (in INR crores)*	Amount outstanding as at the end of 31 March, 2025 (in INR crores)	Name of Subsidiary, associate or joint venture	Relationship	Nature of transaction for which funds utilized	Remarks, if any
Term Loan	Tata Capital Limited (NBFC)	60.00	48.96	Rane (Madras) International Holdings B.V.	Subsidiary	To meet the loan repayment obligations of subsidiary	NA
Term Loan	Bajaj Finance Limited (NBFC)	50.00	42.36	Rane (Madras) International Holdings B.V.	Subsidiary	To meet the loan repayment obligations of subsidiary	NA

*Loan availed during the previous year

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

S.No	Particulars	Note	As at March 31, 2025	As at March 31, 2024
A.	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	2	635.09	632.87
	(b) Capital work-in-progress	2	58.67	31.06
	(c) Right of use assets	3	30.19	5.70
	(d) Goodwill	4	4.63	4.63
	(e) Other intangible assets	5	3.45	2.34
	(f) Financial assets			
	(i) Investments	6	45.93	33.93
	(ii) Other financial assets	8	18.96	16.39
	(g) Deferred tax asset (net)	22	99.48	140.62
	(h) Income tax assets (net)	9	46.43	48.22
	(i) Other non-current assets	10	37.38	30.42
	Total non-current assets		**980.21**	**946.18**
	Current assets			
	(a) Inventories	11	433.41	421.14
	(b) Financial assets			
	(i) Investments	6	-	4.06
	(ii) Trade receivables	12	709.16	599.51
	(iii) Cash and cash equivalents	13	28.50	25.62
	(iv) Bank balances other than (iii) above	14	1.01	0.52
	(v) Loans	7	0.82	0.42
	(vi) Other financial assets	8	33.68	35.96
	(c) Other current assets	10	77.38	71.19
	Total current assets		**1,283.96**	**1,158.42**
	TOTAL ASSETS		**2,264.17**	**2,104.60**
B.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	15	16.27	16.27
	(b) Other equity	16	672.37	646.94
	Total Equity		**688.64**	**663.21**
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	17A	217.30	304.98
	(ii) Lease liabilities	39	26.05	5.72
	(iii) Other financial liabilities	18	1.69	1.60
	(b) Provisions	19	19.97	25.14
	(c) Other non-current liabilities	20	5.15	3.79
	Total non-current liabilities		**270.16**	**341.23**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	17B	543.63	517.48
	(ii) Lease liabilities	39	4.40	0.94
	(iii) Trade payables	21		
	(a) Total outstanding dues of micro enterprises and small enterprises		16.63	28.19
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		480.76	397.56
	(iv) Other financial liabilities	18	138.91	81.05
	(b) Other current liabilities	20	84.81	48.16
	(c) Provisions	19	36.23	26.48
	(d) Income tax liabilities	9	-	0.30
	Total current liabilities		**1,305.37**	**1,100.16**
	Total liabilities		**1,575.53**	**1,441.39**
	TOTAL EQUITY AND LIABILITIES		**2,264.17**	**2,104.60**
	Material accounting policies	1		

See accompanying notes forming part of standalone financial statements

In terms of our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration no. 101248W/W-100022

For and on behalf of the Board of Directors
Rane (Madras) Limited

S Sethuraman
Partner
Membership No.: 203491

Ganesh Lakshminarayan
Director
DIN:00012583

Harish Lakshman
Chairman and Managing Director
DIN:00012602

B Gnanasambandam
Chief Financial Officer

S Subha Shree
Company Secretary
M. No: 18315

Place: Chennai
Date: May 27, 2025

Place: Chennai
Date: May 27, 2025

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

S.No	Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024
I	Revenues from operations	23	3,405.92	3,366.03
II	Other income	24	12.18	8.32
III	**Total income (I+II)**		**3,418.10**	**3,374.35**
IV	**Expenses:**			
	Cost of materials consumed	25	1,940.98	1,963.83
	Purchase of Stock in trade	26	44.21	10.44
	Changes in inventories of finished goods, stock in trade and work-in-progress	27	(22.52)	(3.08)
	Employee benefits expense	28	469.98	435.90
	Finance costs	29	71.78	60.63
	Depreciation and amortisation expense	30	130.06	121.94
	Other expenses	31	680.76	656.68
	Total expenses (IV)		**3,315.25**	**3,246.34**
V	**Profit before exceptional items and tax (III-IV)**		**102.85**	**128.01**
VI	Exceptional items	6 & 42	12.99	148.55
VII	**Profit/(Loss) before tax (V-VI)**		**89.86**	**(20.54)**
VIII	**Tax expense:**			
	(1) Current tax	32	-	16.58
	(2) Deferred tax	22 & 31	40.25	(103.74)
			40.25	**(87.16)**
IX	**Profit/(Loss) for the year (VII-VIII)**		**49.61**	**66.62**
	Other comprehensive income			
	A. Items that will not be reclassified to statement of profit and loss			
	Remeasurements of the defined benefit liability/(asset)		3.54	(1.17)
	Income tax relating to items that will not be reclassified to statement of profit and loss		(0.91)	0.18
			2.63	**(0.99)**
X	**Total other comprehensive income/(loss)**		**2.63**	**(0.99)**
XI	**Total comprehensive income/(loss) for the year (IX+X)**		**52.24**	**65.63**
XII	**Earnings per equity share (Nominal value per share Rs.10)**			
	(a) Basic (In Rs.)	37	17.95	24.10
	(b) Diluted (In Rs.)	37	17.95	24.10
	Material accounting policies	1		

See accompanying notes forming part of standalone financial statements
In terms of our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration no. 101248W/W-100022

For and on behalf of the Board of Directors
Rane (Madras) Limited

S Sethuraman
Partner
Membership No.: 203491

Ganesh Lakshminarayan
Director
DIN:00012583

Harish Lakshman
Chairman and Managing Director
DIN:00012602

B Gnanasambandam
Chief Financial Officer

S Subha Shree
Company Secretary
M. No: 18315

Place: Chennai
Date: May 27, 2025

Place: Chennai
Date: May 27, 2025

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flow from operating activities		
Profit/(Loss) for the year	49.61	66.62
Adjustments for :		
Finance costs	71.78	60.63
Interest income	(1.42)	(2.51)
Net loss/(gain)on disposal of property, plant and equipment	0.24	(0.18)
Government grant income	(2.42)	(0.59)
Mark to market loss / (gain) on derivative instruments	-	(0.09)
Unrealised exchange loss/(gain)	(1.76)	3.42
Impairment loss / (write-back) on financial assets	8.39	4.61
Fair value change on investments recognised at FVTPL	12.00	133.92
Depreciation and amortisation of non-current assets	130.06	121.94
Liabilities no longer required written back	1.46	-
Income tax expense	40.25	(87.16)
	308.19	**300.79**
Movements in working capital :		
(Increase) / decrease in trade receivables	(118.31)	30.07
(Increase) / decrease in inventories	(12.27)	(6.75)
(Increase) / decrease in other current / non current financial assets	(0.13)	(55.71)
(Increase) / decrease in other current / non current assets	(7.21)	(16.66)
(Increase) / decrease in loans receivable	(0.40)	(0.03)
Increase / (decrease) in trade payables	70.15	(38.64)
Increase / (decrease) in long term provisions	(5.17)	1.22
Increase / (decrease) in short term provisions	13.29	8.89
Increase / (decrease) in other current / non current financial liabilities	53.12	(1.58)
Increase / (decrease) in other non current liabilities	-	(0.66)
Increase / (decrease) in other current liabilities	36.57	16.91
Cash generated from operations	**337.83**	**237.85**
Income tax (paid)/refund received (Net)	1.49	(36.87)
Net cash (used in) / generated by operating activities	**339.32**	**200.98**
B. Cash flow from investing activities		
Interest received	1.34	2.18
Investments in unquoted equity shares of subsidiaries	(23.21)	(130.75)
Disposal of current investments	4.06	18.66
Payments for property, plant and equipment and intangible assets	(183.66)	(179.20)
Proceeds from disposal of property, plant and equipment	27.75	1.22
Acquistion of fixed deposits	(0.49)	0.01
Net cash (used in) / generated by investing activities	**(174.21)**	**(287.88)**
C. Cash flow from financing activities		
Proceeds from long term borrowings	48.75	202.93
Repayment of long term borrowings	(131.75)	(87.60)
Proceeds from short term borrowings	648.43	1,765.35
Repayment of short term borrowings	(636.44)	(1,721.00)
Money received against share warrants	-	3.75
Interest paid	(70.88)	(58.11)
Payment of dividend	(26.81)	(19.32)
Payment of lease liabilities	(3.83)	(2.08)
Net cash (used in)/ generated by financing activities	**(172.53)**	**83.92**
Net increase / (decrease) in cash and cash equivalents	**(7.42)**	**(2.99)**

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash and cash equivalents at the beginning of the year (Refer note 13)	25.62	28.61
Cash and Cash equivalents at the end of the year (Refer note 13)	**18.20**	**25.62**
Cash and cash equivalents as above	28.50	25.62
Bank overdraft availed for cash management purposes	(10.30)	-
Total	**18.20**	**25.62**

Reconciliation of cash and cash equivalents to cash flow statement		
Cash and cash equivalents as above	28.50	25.62
Bank overdraft availed for cash management purposes	(10.30)	-
Total	**18.20**	**25.62**

Material accounting policies

See accompanying notes forming part of standalone financial statements
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration no. 101248W/W-100022

For and on behalf of the Board of Directors
Rane (Madras) Limited

S Sethuraman
Partner
Membership No.: 203491

Ganesh Lakshminarayan
Director
DIN:00012583

Harish Lakshman
Chairman and Managing Director
DIN:00012602

B Gnanasambandam
Chief Financial Officer

S Subha Shree
Company Secretary
M. No: 18315

Place: Chennai
Date: May 27, 2025

Place: Chennai
Date: May 27, 2025

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

A. Equity share capital

Particulars	Amount
As at April 1, 2024	**16.27**
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2024	16.27
Changes in equity share capital during the year	-
As at March 31, 2025	**16.27**
As at April 1, 2023	**16.27**
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2023	16.27
Changes in equity share capital during the year	-
As at March 31, 2024	**16.27**

B. Other equity

Description	Share capital pending issuance	General reserve	Securities premium	Capital redemption reserve	Amalgamation adjustment account	Capital reserve	Retained earnings	Money received against share warrants	Other Comprehensive Income	Total reserves and surplus
Balance as at April 1, 2024 (Refer note 44)	**11.37**	**533.44**	**202.30**	**12.91**	**(0.20)**	**4.93**	**(116.55)**	**-**	**(1.26)**	**646.94**
Profit/(Loss) for the year	-	-	-	-	-	-	49.61	-	-	49.61
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	3.54	-	-	3.54
Income tax on OCI Items	-	-	-	-	-	-	(0.91)	-	-	(0.91)
Transfer of OCI to Retained earnings	-	-	-	-	-	-	(1.26)	-	1.26	-
Total comprehensive income for the year	11.37	533.44	202.30	12.91	(0.20)	4.93	(65.57)	-	-	699.18
Payment of dividend	-	-	-	-	-		(26.81)	-	-	(26.81)
Balance as at March 31, 2025	**11.37**	**533.44**	**202.30**	**12.91**	**(0.20)**	**4.93**	**(92.38)**	**-**	**-**	**672.37**
Balance as at April 1, 2023	**11.29**	**489.00**	**197.48**	**12.91**	**(0.20)**	**1.34**	**(119.48)**	**1.25**	**(0.20)**	**593.39**
Common control deficit/surplus	-	-	-	-	-	3.50	-	-	-	3.50
Balance as at April 1, 2023 (Refer note 44)	**11.29**	**489.00**	**197.48**	**12.91**	**(0.20)**	**4.84**	**(119.48)**	**1.25**	**(0.20)**	**596.88**
Profit/(Loss) for the year	-	-	-	-	-	-	66.62	-	-	66.62
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	0.25	-	(1.42)	(1.17)
Income tax on OCI Items	-	-	-	-	-	-	(0.18)	-	0.36	0.18
Total comprehensive income for the year	11.29	489.00	197.48	12.91	(0.20)	4.84	(52.79)	1.25	(1.26)	662.51
Transfer from retained earnings	-	44.44	-	-	-	-	(44.44)	-	-	-
Money received against share warrants	-	-	-	-	-	-	-	(1.25)	-	(1.25)

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

Description	Share capital pending issuance	General reserve	Securities premium	Capital redemption reserve	Amalgamation adjustment account	Capital reserve	Retained earnings	Money received against share warrants	Other Comprehensive Income	Total reserves and surplus
Premium on preferential issue of equity shares (Refer note 15)	-	-	4.82	-	-	-	-	-	-	4.82
Payment of dividend	-	-	-	-	-	-	(19.32)	-	-	(19.32)
Shares capital pending issuance on warrants conversion	0.08	-	-	-	-	-	-	-	-	0.08
Common control deficit/ surplus	-	-	-	-	-	0.09	-	-	-	0.09
Balance as at March 31, 2024 (Refer note 44)	**11.37**	**533.44**	**202.30**	**12.91**	**(0.20)**	**4.93**	**(116.55)**	**-**	**(1.26)**	**646.94**

Material accounting policies

See accompanying notes forming part of standalone financial statements
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration no. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place: Chennai
Date: May 27, 2025

For and on behalf of the Board of Directors
Rane (Madras) Limited

Ganesh Lakshminarayan
Director
DIN:00012583

Harish Lakshman
Chairman and Managing Director
DIN:00012602

B Gnanasambandam
Chief Financial Officer

S Subha Shree
Company Secretary
M. No: 18315

Place: Chennai
Date: May 27, 2025

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

1 Summary of material accounting policies, critical judgements and Key estimates

General Information

Rane (Madras) Limited (The "Company") is a public limited Company incorporated under the provisions of the Companies Act, 1956, in India with its registered office in Chennai, Tamil Nadu, India. The Company is listed on the Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited, Mumbai. (also refer note 44)

The Company is primarily engaged in manufacture and sale of Steering and Suspension Linkage Products, Steering Gear Products, Valves, Guides, Tappets, Brake Linings, Disc pads, Clutch facings, Railway brake blocks, High Precision Aluminium Die Casting Products and others. The Company is a significant supplier to major manufacturers of passenger cars, utility vehicles and Farm tractors across the globe and also supplies to other suppliers of components for transportation industry. The Company has multiple manufacturing facilities across India.

Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of the standalone financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

1.1 Statement of Compliance

The Standalone Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The Company has consistently applied accounting policies to all periods.

1.11 Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained below.

Items	Measurement basis
Certain financial assets and liabilities (including forward contracts)	Fair value
Investments	Fair value
Defined benefit liability / plan assets	Fair Value of plan assets less the present value of the defined benefit obligation / plan assets

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –

- it expects to settle the liability, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded to the nearest crores, unless otherwise indicated.

Use of judgements and estimates

In preparing these standalone financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

Key accounting estimates, assumptions and judgements

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Recoverability of deferred tax assets - Note 22

Whether an arrangement contains a lease and lease classification - Note 39

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

(a) Measurement of defined benefit obligations, key actuarial assumptions – Note 36

(b) Measurement and likelihood of occurrence of provisions and contingencies – Notes 19 and 40

(c) Recognition of deferred tax assets/liabilities – Note 22

(d) Fair value of financial instruments through profit and loss account – Note 6

(e) Impairment of Tangible, Intangible assets and goodwill – Note 2 and 4

(f) Measurement of Lease liabilities and Right of Use Asset (ROUA) – Notes 3 and 39

The material accounting policies are set out below :

1.12 Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at historical cost less any accumulated impairment losses.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Transition to Ind AS

The cost property, plant and equipment at 1 April 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Depreciation

Depreciation is calculated on the cost of assets (other than freehold land and properties under construction) less their residual values on pro rata basis on the basis of the estimated life specified in Schedule II of the Companies Act, 2013, using the straight-line method or based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/ (upto) the date on which asset is ready for use/ (disposed off).

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Estimated useful lives of the assets are as follows:

Category of assets	Management estimate of useful Life (in years)	Useful life as per Schedule II (in years)
Buildings (Other than factory buildings)	60 years	60 Years
Factory building	30 years	30 years
Plant and equipment	1 - 15 years	15 years
Vehicles	5 Years	6 years
Furniture & Fixtures	5 Years	10 years
Office Equipment (other than computers)	3 Years	5 years
Computers, Server and networks	3-6 Years	3-6 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

1.13 Intangible assets

Goodwill

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Other Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Category of assets	Useful Life (in years)
Software License	3 years
Customer Contracts	4 years

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

1.14 Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value

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less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.15 Borrowings and Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.16 Leases

The Company's lease asset classes primarily consist of leases for land, buildings and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

From 1 April 2021, where the basis for determining future lease payments changed as required by interest rate benchmark reform, the Company remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the

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lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

1.17 Inventories

Inventories are valued at the lower of cost on weighted average basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

1.18 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.

1.19 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.20 Foreign currency transactions and translations

In preparing the standalone financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they

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arise except for qualifying cash flow hedges to the extent that the hedges are effective.

1.21 Revenue Recognition

The Company derives revenues primarily from sale of components for the transportation industry. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognized upon transfer of control of promised products or services to customers (i.e. when products are delivered to customers or when delivered to a carrier, as the case may be) at an amount that reflects the consideration that the Company expects to receive in exchange for those products or services. Revenue is reduced for estimated discounts and other similar allowances.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount/ pricing incentives varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount/pricing incentives is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts/pricing incentives in the period in which the change occurs.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised.

The refund liability is included in other current liabilities (see Note 20) and the right to recover returned goods is included in inventory (see Note 11)

Revenue from services are recognised when the performance obligations are satisfied.

A trade receivable without a significant financing component is initially measured at transaction price.

1.22 Other income

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

1.23 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Such grants are valued at fair value at the initial recognition.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the balance sheet and transferred to profit or loss on a systematic basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

1.24 Employee benefits

(i) Short - Term employee benefits

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined Contribution Plans

Provident Fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further

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amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Superannuation Fund

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

(iii) 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. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other Long term employee benefits

Compensated Absence

Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. The Company's net obligation in respect of other long-term employee benefit of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the year. That benefit is discounted to determine its present value The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise. The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

1.25 Expenditure on Corporate Social Responsibility (CSR)

The Company accounts the expenditure incurred towards Corporate Social Responsibility as required under the Act as a charge to the statement of profit and loss.

1.26 Research and Development expenses

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible assets utilised for Research and Development are capitalized and depreciated in

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accordance with the policies stated for property, plant and equipment and intangible assets.

1.27 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for.

Where the Company expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed for (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or (ii) Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for Warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto two years. As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates. Provision of warranties are recognized net of reimbursements.

1.28 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

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Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this presumption.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are recognised in other comprehensive income or directly in equity respectively.

1.29 Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (except trade receivables and contract asset) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- fair value through other comprehensive income (FVOCI); or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company has irrevocably elected to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company has

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irrevocably designated a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

– contingent events that would change the amount or timing of cash flows;

– terms that may adjust the contractual coupon rate, including variable interest rate features;

– prepayment and extension features; and

– terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

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Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform, the Company updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Company first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Company applied the policies on accounting for modifications to the additional changes.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial instruments

The Company recognise loss allowance for expected credit loss on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit - impaired includes the following observable data:

- significant financial difficulty;
- a breach of contract such as a default or being past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are credit losses that result from all possible default events over expected life of financial instrument. The Company follows the simplified approach permitted by Ind AS 109

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Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company considers a financial asset to be in default when:

- the recipient is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 180/270 days past due for domestic/ export receivables.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). Expected credit losses are discounted at the effective interest rate of the financial asset.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. The company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Financial and Corporate guarantee contracts

Company as a beneficiary: Financial guarantee contracts involving the Company as a beneficiary are accounted as per Ind AS 109. The Company assesses whether the financial guarantee is a separate unit of account (a separate component of the overall arrangement) and recognises a liability as may be applicable

Company as a guarantor: The Company on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 117 on Insurance Contracts, respectively. Wherever the Company has regarded its financial guarantee contracts as insurance contracts, at the end of each reporting period the company performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cashflows), and any deficiency is recognised in profit or loss.

Where they are treated as a financial instrument, the financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of less allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

1.30 Fair Value

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as

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possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 33 on financial instruments.

1.31 Earnings Per Share

Basic earnings per share is computed by dividing the net profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

1.32 Business Combination

In accordance with Ind AS 103, the Company accounts for business combinations using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where that control is not transitory are accounted for as per the pooling of interest method. The business combination is accounted for as if the business combination had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the standalone financial statements of the Company in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

1.33 Dividend

The final dividend on shares is recorded as a liability on the date of approval by shareholders and interim dividends are recorded as liability on the date of declaration by the Company's Board of Directors.

1.34 Segment reporting

The Company is engaged in the activities related to manufacture and supply of auto components for transportation industry. The Chief Operating Decision Maker (Board of Directors) review the operating results of the Company 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 segment, namely components for transportation industry.

1.35 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS 117 Insurance Contracts and amendments to Ind AS 116 –Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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2 Property, plant and equipment

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of:		
Freehold land	32.83	32.83
Buildings	156.02	153.09
Plant and equipment	436.57	438.72
Furniture and Fixtures	1.51	1.10
Office Equipments	7.93	6.76
Vehicles	0.24	0.37
Sub Total	**635.09**	**632.87**
Capital Work-in-progress	58.67	31.06
Total	**693.76**	**663.93**

Cost

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and Fixtures	Office Equipments	Vehicles	Total
Balance as at April 1, 2023	**32.83**	**194.87**	**1,014.53**	**7.97**	**30.49**	**2.08**	**1,282.77**
Additions	-	15.95	148.97	0.21	4.53	0.13	169.79
Disposals	-	-	(6.78)	(0.27)	(0.32)	-	(7.37)
Balance as at March 31, 2024	**32.83**	**210.82**	**1,156.72**	**7.91**	**34.70**	**2.21**	**1,445.19**
Additions	-	11.88	137.01	1.06	5.97	0.01	155.93
Disposals	-	-	(36.76)	(0.07)	(0.74)	(0.01)	(37.58)
Balance as at March 31, 2025	**32.83**	**222.70**	**1,256.97**	**8.90**	**39.93**	**2.21**	**1,563.54**

Accumulated depreciation

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and Fixtures	Office Equipments	Vehicles	Total
Balance as at April 1, 2023	**-**	**49.34**	**618.66**	**6.47**	**24.38**	**1.68**	**700.53**
Disposals	-	-	(5.70)	(0.27)	(0.32)	-	(6.29)
Depreciation expense	-	8.39	105.04	0.61	3.88	0.16	118.08
Balance as at March 31, 2024	**-**	**57.73**	**718.00**	**6.81**	**27.94**	**1.84**	**812.32**
Disposals	-	-	(8.79)	(0.07)	(0.72)	(0.01)	(9.59)
Depreciation expense	-	8.95	111.19	0.65	4.78	0.15	125.72
Balance as at March 31, 2025	**-**	**66.68**	**820.40**	**7.39**	**32.00**	**1.98**	**928.45**
Carrying amount as at March 31, 2024	**32.83**	**153.09**	**438.72**	**1.10**	**6.76**	**0.37**	**632.87**
Carrying amount as at March 31, 2025	**32.83**	**156.02**	**436.57**	**1.51**	**7.93**	**0.24**	**635.09**

Notes:

1) Refer note 17 for assets pledged as securities for borrowings.

2) Refer note 40A for capital commitments.

3) All the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the leasee) are held in the name of the Company. Certain title deeds of immovable properties are held in the name of the erstwhile Rane Engine Valve Limited and Rane Brake Lining Limited which have since merged with the Company. Title deeds for a part of an immovable property in nature of land and building thereon situated at Telangana

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(measuring 12.79 acres), with aggregate gross carrying values of INR 3.50 crores approximately, are disputed by The State of Telangana for which the erstwhile Rane Brake Lining Limited and Rane Engine Valve Limited (both merged with the Company) have filed a writ petition with the Honourable High Court of Telangana and obtained an interim stay.

4) Office Equipments includes Computers, Server and networks.

5) The Company has not revalued its property, plant & equipment.

6) Pursuant to the in-principle approval from Board of Directors obtained after the year ended March 31, 2025, the Company seeks to monetize certain surplus non-core land parcels for reducing its debt and liabilities after obtaining requisite shareholders approvals in financial year 2025-26.

Movement in capital work-in-progress is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
As at the beginning of the year	31.06	25.45
Additions	55.98	11.84
(Capitalisations)	(28.37)	(6.23)
As at the end of the year	**58.67**	**31.06**

Ageing details:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Projects in progress	55.72	2.46	0.49	-	58.67
Projects temporarily suspended	-	-	-	-	-
Total	**55.72**	**2.46**	**0.49**	**-**	**58.67**
As at March 31, 2024					
Projects in progress	29.51	1.55	-	-	31.06
Projects temporarily suspended	-	-	-	-	-
Total	**29.51**	**1.55**	**-**	**-**	**31.06**

The Company does not have any capital work-in-progress that has exceeded its cost compared to its original plan. Capital work-in-progress includes certain projects whose completion is overdue. Expected completion schedule of such projects are as follows :

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Projects in progress					
Capacity enhancement project	8.25	-	-	-	8.25
Others	0.40	-	-	-	0.40
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**8.65**	**-**	**-**	**-**	**8.65**
As at March 31, 2024					
Projects in progress					
Capacity enhancement project	1.21	-	-	-	1.21
Others	7.94	0.08	-	-	8.02
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**9.15**	**0.08**	**-**	**-**	**9.23**

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3 Right of use assets

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of:		
Right of use assets	30.19	5.70
	30.19	**5.70**

Particulars	Land	Buildings	Vehicles	Plant and equipment	Others	Total
Cost						
Balance as at April 1, 2023	**5.36**	**2.45**	**1.55**	**-**	**0.18**	**9.54**
Additions	-	-	1.02	-	-	1.02
Derecognition	-	-	(0.22)	-	-	(0.22)
Balance as at March 31, 2024	**5.36**	**2.45**	**2.35**	**-**	**0.18**	**10.34**
Additions	-	0.07	0.74	26.26	-	27.07
Derecognition	-	-	-		-	-
Balance as at March 31, 2025	**5.36**	**2.51**	**3.09**	**26.26**	**0.18**	**37.40**
Accumulated depreciation						
Balance as at April 1, 2023	**0.69**	**1.30**	**1.27**	**-**	**0.10**	**3.36**
Depreciation expense	0.20	0.91	0.36	-	0.02	1.49
Derecognition	-	-	(0.21)	-	-	(0.21)
Balance as at March 31, 2024	**0.89**	**2.21**	**1.42**	**-**	**0.12**	**4.64**
Depreciation expense	0.20	0.25	0.33	1.77	0.02	2.57
Derecognition	-	-	-		-	-
Balance as at March 31, 2025	**1.09**	**2.46**	**1.75**	**1.77**	**0.14**	**7.21**
Carrying amount as at March 31, 2024	**4.47**	**0.24**	**0.93**	**-**	**0.06**	**5.70**
Carrying amount as at March 31, 2025	**4.27**	**0.05**	**1.34**	**24.49**	**0.04**	**30.19**

1) Also refer note 39 - Leases

4 Goodwill

Particulars	As at March 31, 2025	As at March 31, 2024
Cost	4.63	4.63
Total	**4.63**	**4.63**

Particulars	Goodwill
Cost	
Balance as at April 1, 2023	**4.63**
Additions	-
Impairment loss	-
Balance as at March 31, 2024	**4.63**
Additions	-
Impairment loss	-
Balance as at March 31, 2025	**4.63**

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Impairment tests for goodwill

Goodwill has been allocated for impairment testing purposes to the identified cash-generating units - primarily to Light Metal Castings business.

The Company tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU)-Light Metal Castings business is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets for a five year period approved by management.

Key assumptions used for value-in-use calculations

Value in use has been determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use is based on the following key assumptions:

Particulars	As at March 31, 2025	As at March 31, 2024
Post tax discount rate	16.20%	13.52%
Terminal value growth rate	6.00%	7.05%
Budgeted average EBITDA as a % of sales	14.06%	16.82%

The discount rate is a pre-tax measure based on the rate of 10 year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systemic risk of the specific CGU.

The discount rate was a post-tax measure estimated based on the weighted-average cost of capital, with a possible debt leveraging of 50% at a risk free rate of 6.70%.

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately INR 64.10 crores (31 March 2024: INR 156.87 crores). Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

Impairment testing for CGUs containing goodwill	Change required for carrying amount to equal recoverable amount	
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Post tax discount rate	18.61%	16.06%
Budgeted average EBITDA growth rate	11.23%	6.36%

Based on the assessment, the management has concluded that there is no impairment for Goodwill.

5 Other intangible assets

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of:		
Software Licence	3.45	2.34
Customer Contract	-	-
	3.45	**2.34**

Cost

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Particulars	Technical knowhow	Software Licence	Customer Contract	Total
Balance as at April 1, 2023	**4.40**	**8.78**	**3.67**	**16.85**
Additions	-	1.15	-	1.15
Disposals	-	-	-	-
Balance as at March 31, 2024	**4.40**	**9.93**	**3.67**	**18.00**
Additions	-	2.88	-	2.88
Disposals	-	(0.01)	-	(0.01)
Balance as at March 31, 2025	**4.40**	**12.80**	**3.67**	**20.87**

Accumulated amortisation

Particulars	Technical knowhow	Software Licence	Customer Contract	Total
Balance as at April 1, 2023	**4.40**	**6.19**	**2.70**	**13.29**
Amortisation	-	1.40	0.97	2.37
Disposals	-	-	-	-
Balance as at March 31, 2024	**4.40**	**7.59**	**3.67**	**15.66**
Amortisation	-	1.77	-	1.77
Disposals	-	(0.01)	-	(0.01)
Balance as at March 31, 2025	**4.40**	**9.35**	**3.67**	**17.42**
Carrying amount as at March 31, 2024	**-**	**2.34**	**-**	**2.34**
Carrying amount as at March 31, 2025	**-**	**3.45**	**-**	**3.45**

Notes

1) The Company has not revalued its other intangible assets.

6 Investments

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Investments in equity instruments (fully paid-up) (Unquoted) At cost				
Investment In Subsidiaries				
Rane (Madras) International Holdings, B.V (RMIH)	23.21	-	-	-
(250,000,100 number of equity shares @ Euro 0.01 each (March 31, 2024: 100 number of equity shares @ Euro 0.01 each))				
Rane Automotive Components Mexico S. de. R. L. de C. V.	-	-	-	-
(9,999 number of fixed capital membership interest @ Mxn Peso 1 each (March 31, 2024: 9,999 number of fixed capital membership interest @ Mxn Peso 1 each))				
Sub total	**23.21**	**-**	**-**	**-**
Investments at FVTPL				
Investment In Subsidiaries				
(5,48,72,000 number of NCRPS @ Euro 0.08 each (March 31, 2024: 5,48,72,000 number of NCRPS @ Euro 0.08 each)) in Rane (Madras) International Holdings, B.V (RMIH)	40.55	39.60	-	-
Less: Fair value change on investments recognised at FVTPL (Refer Note below)	(24.52)	(12.36)	-	-
Sub total	**16.03**	**27.24**	**-**	**-**
Investments in other equity shares (Amortised cost)				

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Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Capsol Energy Private Limited	2.10	2.10	-	-
(21,00,000 (March 31, 2024: 21,00,000) number of equity shares @ Rs. 10 each)				
Shree MTK Textiles Private limited	2.82	2.82	-	-
(8,820 (March 31, 2024: 8,820) number of equity shares @ Rs. 100 each)				
Atria Wind (Kadambur) Private Limited	1.54	1.54	-	-
(71,000 (March 31, 2024: 71,000) number of equity shares @ Rs. 10 each)				
CWRE Wind Power Private Limited	-	-	-	-
(947 (March 31, 2024: 947) number of equity shares @ Rs. 10 each)				
Clean Wind Power (Manvi) Private Limited	0.04	0.04	-	-
(43,200 (March 31, 2024: 43,200) number of equity shares @ Rs. 10 each)				
AMP Energy C&I Eight Private Limited	0.19	0.19	-	-
(1,92,500 (March 31, 2024: 1,92,500) number of equity shares @ Rs. 10 each)				
Investment in mutual fund (Unquoted) - mandatorily measured at FVTPL				
Nippon India Liquid Fund - Growth Plan - Growth Option	-	-	-	4.06
(Nil (March 31, 2024: 6,950 Units @ Rs. 5,843 each))				
Total Investments	**45.93**	**33.93**	**-**	**4.06**
Aggregate carrying value of unquoted investments	70.45	46.29	-	4.06
Aggregate amount of impairment / Fair value change on investments recognised at FVTPL	24.52	12.36	-	-

In the previous year ended 31 March 2024, pursuant to the approval of the Board of Directors and Shareholders of the Company, Rane Madras International Holdings B.V. (the Company's subsidiary) had sold its entire stake in LMCA (the Company's step-down subsidiary) on September 14, 2023 for a consideration of USD 4.9 million. Consequently, RMIH had carried out a reduction of capital in the NCRPS issued to the Company wherein the face value was reduced from Euro 1 per share to Euro 0.08 per share and equity share capital wherein the face value was reduced from Euro 1 per share to Euro 0.01 per share. Accordingly, the Company had recorded a fair value loss arising there from aggregating to Rs. 121.56 crores in the standalone financial statements as an exceptional item for the year ended 31 March 2024.

The Management has assessed the fair value change as at March 31, 2025 and has recorded an incremental reduction in the fair value amounting to INR 12.00 crores (March 31, 2024: INR 12.36 crores) based on the recoverable values of the underlying assets in RMIH as at the balance sheet date primarily resulting from certain non-routine events.

7 Loans

Particulars	As at March 31, 2025	As at March 31, 2024
Loans receivable considered good - Unsecured		
- Loans to employees	0.82	0.42
Total	**0.82**	**0.42**

The Company's exposure to credit risk and market risk are disclosed in note 33.

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(All amounts are in INR Crores unless otherwise stated)

8 Other financial assets

(Unsecured and considered good, unless otherwise stated)

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Security deposits	18.96	16.39	0.01	0.01
Claims receivable	-	-	0.06	0.75
Tooling related receivables	-	-	21.72	15.17
Dues from related parties (Refer note 35)	-	-	2.08	15.24
Derivative assets	-	-	0.37	0.29
Export incentives			8.24	3.03
Others	-	-	1.20	1.47
Total	**18.96**	**16.39**	**33.68**	**35.96**

The Company's exposure to credit risk and market risk are disclosed in note 33.

9 Income Tax assets/(liabilities) (net)

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Income Tax assets/(liabilities) (net)	46.43	48.22	-	(0.30)

10 Other assets

(Unsecured and considered good, unless otherwise stated)

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Capital advances	22.41	16.47	-	-
Advances paid to suppliers	-	-	21.90	18.79
Advance to employees	-	-	1.28	1.20
Balance with statutory authorities	6.80	6.37	37.73	33.45
Export entitlement receivable	-	-	0.60	1.23
Prepaid expenses	8.17	7.58	15.87	16.52
Unsecured and considered doubtful:				
Capital advances	-	0.20	-	-
Advances paid to suppliers	-	-	1.49	-
Balance with statutory authorities	-	0.27	-	-
Provision for doubtful advances	-	(0.47)	(1.49)	-
Total	**37.38**	**30.42**	**77.38**	**71.19**

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(All amounts are in INR Crores unless otherwise stated)

11 Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials (including goods- in-transit amounting to INR 20.79 crores (March 31, 2024 : INR 16.34 crores))	149.50	143.32
Work-in-progress	45.22	54.29
Finished goods (including goods-in-transit amounting to INR 28.52 crores (March 31, 2024 : INR 24.06 crores))	190.11	163.03
Stores and spares	41.04	57.47
Stock in Trade	7.54	3.03
Total	**433.41**	**421.14**

Inventories of finished goods is stated after provisions (net of reversals) of INR 3.78 Crores (March 31, 2024 : INR 5.43 crores) as a result of the write-down to net realisable value.

The mode of valuation of inventories has been stated in note 1.17

For the carrying value of inventories pledged as securities for borrowings, refer note 17.

12 Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
From Related parties		
Trade receivables considered good - unsecured	1.97	2.02
Trade receivable - credit impaired	-	-
Less: Loss allowance (expected credit loss allowance)	-	-
Sub Total	**1.97**	**2.02**
From Others		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	731.40	608.04
Trade receivable - credit impaired	-	6.57
Less: Loss allowance (expected credit loss allowance)	(24.21)	(17.12)
Sub Total	**707.19**	**597.49**
Total	**709.16**	**599.51**

(i) Movements in allowance for credit losses of receivables as per ECL is as below

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	17.12	12.71
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	8.39	4.64
Bad debts written off/written back	(1.30)	(0.23)
Balance at the end of the year	**24.21**	**17.12**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

(ii) Ageing Schedule

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
(i) Considered good	573.47	143.07	6.01	6.97	1.55	2.30	733.37
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables							
(i) Considered good	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Total	**573.47**	**143.07**	**6.01**	**6.97**	**1.55**	**2.30**	**733.37**

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
(i) Considered good	508.17	96.13	5.02	0.41	-	0.33	610.06
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	0.26	2.06	1.14	1.14	0.60	1.37	6.57
Disputed Trade receivables							
(i) Considered good	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Total	**508.43**	**98.19**	**6.16**	**1.55**	**0.60**	**1.70**	**616.63**

1) Ageing has been determined based on due date of payment. Where there is no due date for payment, date of transaction has been considered.

2) The Company's exposure to credit and currency risks, loss allowances are disclosed in note 33.

3) For terms and conditions relating to related party transactions, refer note 35.

13 Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks (including deposits with original maturity upto 3 months)		
In Current account	25.12	18.54
In EEFC account	3.34	7.03
Cash on hand	0.04	0.05
Total	**28.50**	**25.62**

The Company's exposure to credit risk and market risk are disclosed in note 33.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
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Reconciliation of cash and cash equivalents to cash flow statement

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents as above	28.50	25.62
Bank overdraft availed for cash management purposes	(10.30)	-
Total	**18.20**	**25.62**

14 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks in earmarked accounts		
In unpaid dividend account	0.54	0.52
Lien marked deposits	0.47	-
Total	**1.01**	**0.52**

The Company's exposure to credit risk and market risk are disclosed in note 33.

15 Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024
AUTHORISED :		
Equity Shares:		
25,000,000 (March 31, 2024: 25,000,000) equity shares of Rs.10 each*	25.00	25.00
Preference shares:		
10,500,000 (March 31, 2024: 10,500,000) preference shares of Rs.10 each*	10.50	10.50
ISSUED, SUBSCRIBED AND FULLY PAID UP		
16,265,267 (March 31, 2024: 16,265,267) equity shares of Rs.10 each fully paid-up	16.27	16.27
	16.27	**16.27**

*Pursuant to the scheme of amalgamation (Refer note 44), the Company has filed requisite forms with the Registrar of Companies for consolidating the authorised share capital of Rane Brake Lining Limited consisting of 10,000,000 equity shares and Rane Engine Valve Limited consisting of 12,350,000 equity shares and 150,000 preference shares after March 31, 2025. Accordingly, the effect of such consolidation has not been disclosed above.

15.1 Reconciliation of Shares Outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity Shares of Rs.10 each fully paid up				
At the beginning of the year	1,62,65,267	16.27	1,62,65,267	16.27
Allotment of shares under preferential issue	-	-	-	-
At the end of the year	**1,62,65,267**	**16.27**	**1,62,65,267**	**16.27**

Rights, preferences and restrictions attached to Shares mentioned above :

The Company has one class of equity share having a par value of Rs.10 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
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15.2 Shares of the Company held by holding company and/ or their subsidiaries/associates

Name of the share holder	No of shares held as at			
	As at March 31, 2025		As at March 31, 2024	
	Nos.	%	Nos.	%
Rane Holdings Limited, ultimate holding company	1,16,72,774	71.77%	1,16,72,774	71.77%

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

Name of the share holder	No of shares held as at			
	As at March 31, 2025		As at March 31, 2024	
	Nos.	%	Nos.	%
Rane Holdings Limited, ultimate holding company	1,16,72,774	71.77%	1,16,72,774	71.77%

15.4 Information regarding issue of shares in the last five years

(a) The Company has not issued any shares without payment being received in cash.

(b) The Company has not issued any bonus shares.

(c) The Company has not undertaken any buy-back of shares.

(d) The Company has not issued any stock options or warrants.

15.5 Shares held by promoters at the end of the year

Promoter Name	March 31, 2025		March 31, 2024		Change during the year		Change during the previous year	
	No. of Shares	% of total shares	No. of Shares	% of total shares	No. of shares	% Change during the year	No. of shares	% Change during the year
Rane Holdings Limited	1,16,72,774	71.77%	1,16,72,774	71.77%	-	0.00%	-	0.00%
Shanthi Narayan	24,775	0.15%	24,775	0.15%	-	0.00%	-	0.00%
Raman T G G	28,000	0.17%	28,000	0.17%	-	0.00%	-	0.00%
Rathika R Sundaresan	20,000	0.12%	20,000	0.12%	-	0.00%	-	0.00%
Narayanaswamy Sundaresan (Legal Heir of Late. Chitra Sundaresan)	12,604	0.08%	12,604	0.08%	-	0.00%	-	0.00%
Geetha Raman Subramanyam	12,000	0.07%	12,000	0.07%	-	0.00%	-	0.00%
Ranjini R Iyer	12,000	0.07%	12,000	0.07%	-	0.00%	-	0.00%
Aditya Ganesh	8,483	0.05%	8,483	0.05%	-	0.00%	-	0.00%
Aparna Ganesh	7,851	0.05%	7,851	0.05%	-	0.00%	-	0.00%
Vanaja Aghoram	5,010	0.03%	5,010	0.03%	-	0.00%	-	0.00%
Malavika Lakshman	4,866	0.03%	4,866	0.03%	-	0.00%	-	0.00%
Rama R Krishnan	4,193	0.03%	4,193	0.03%	-	0.00%	-	0.00%
Rekha Sundar	1,060	0.01%	1,060	0.01%	-	0.00%	-	0.00%
Meenakshi Ganesh & L Ganesh	839	0.01%	839	0.01%	-	0.00%	-	0.00%
Harish Lakshman	750	0.00%	750	0.00%	-	0.00%	-	0.00%
Vinay Lakshman	750	0.00%	750	0.00%	-	0.00%	-	0.00%
Total promoter shareholding	**1,18,15,955**	**72.65%**	**1,18,15,955**	**72.65%**	**-**	**0.00%**	**-**	**0.00%**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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(All amounts are in INR Crores unless otherwise stated)

16. Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
General Reserve	533.44	533.44
Securities Premium	202.30	202.30
Amalgamation adjustment account	(0.20)	(0.20)
Capital redemption reserve	12.91	12.91
Capital reserve (Refer note 44)	4.93	4.93
Retained Earnings	(92.38)	(116.55)
Other comprehensive income	-	(1.26)
Shares Capital pending issuance (Refer note 44)	11.37	11.37
Total	**672.37**	**646.94**

Particulars	As at March 31, 2025	As at March 31, 2024
General Reserve		
Opening balance	533.44	489.00
Add : Addition during the year	-	44.44
Closing balance	**533.44**	**533.44**

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.

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium		
Opening balance	202.30	197.48
Add : Addition during the year	-	4.82
Closing balance	**202.30**	**202.30**

Securities premium is used to record premium received on issue of shares. Additions during the previous year represents Premium received on fresh issue of equity shares to Rane Holdings Limited on conversion of share warrants, by erstwhile Rane Engine Valve Limited had issued. The reserve is utilised in accordance with the provisions of the Companies Act, 2013 (the "Companies Act").

Particulars	As at March 31, 2025	As at March 31, 2024
Amalgamation Adjustment account		
Opening balance	(0.20)	(0.20)
Add : Addition during the year	-	-
Closing balance	**(0.20)**	**(0.20)**

At the time of business combination under common control, amalgamation adjustment reserve of transferor Company becomes the amalgamation adjustment reserve of transferee Company. The Company established this reserve at the time of business combinations made in the earlier years.

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Redemption Reserve		
Opening balance	12.91	12.91
Add : Addition during the year	-	-
Closing balance	**12.91**	**12.91**

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The Companies Act requires that where a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the Company, in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares. The Company established this reserve pursuant to the redemption of preference shares issued in earlier years.

Particulars	As at March 31, 2025	As at March 31, 2024
Capital reserve		
Opening balance	4.93	4.84
Add: Common control surplus	-	0.09
Closing balance	**4.93**	**4.93**

The excess of fair value of net assets acquired over the consideration paid is recognised as capital reserve. The above amount includes INR 3.59 crores representing the difference between the net identifiable assets acquired and the consideration paid on amalgamation of Rane Brake Lining Limited and Rane Engine Valve Limited, with the Company. Also refer note 44.

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings		
Opening Balance	(116.55)	(119.48)
Profit attributable to equity shareholders of the company	49.61	66.62
Other comprehensive income arising from remeasurement of defined benefit obligation, net of tax	2.63	0.07
Transfer to General Reserve	-	(44.44)
Transfer from other comprehensive income, net of tax	(1.26)	-
Payment of dividend on equity shares	(26.81)	(19.32)
Closing balance	**(92.38)**	**(116.55)**

The amount that can be distributed by the Company as dividend to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013.

The Board has proposed a dividend of INR 8 per share be paid to all holders of fully paid equity shares. This dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial Statement. The total estimated equity dividend to be paid is INR 22.11 crores.

During the year, the erstwhile companies Rane Brake Lining Limited and Rane Engine Valve Limited have paid a dividend of INR 26.81 crores in respect of the previous year ended March 31, 2024 (refer note 44).

Particulars	As at March 31, 2025	As at March 31, 2024
Money received against share warrants		
Opening Balance	-	1.25
Add: Additions/(Deletions) during the year*	-	(1.25)
Closing balance	**-**	**-**

* During the previous year erstwhile Rane Engine Valve Limited issued fresh equity shares to Rane Holdings Limited on conversion of share warrants.

Particulars	As at March 31, 2025	As at March 31, 2024
Other comprehensive income		
Opening Balance	(1.26)	(0.20)
Other comprehensive income for the year, net of tax	-	(1.06)
Transfer to retained earnings	1.26	-
Closing balance	**-**	**(1.26)**

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Particulars	As at March 31, 2025	As at March 31, 2024
Share capital pending issuance		
Opening Balance	11.37	11.29
Shares capital pending issuance on warrant conversion	-	0.08
Closing balance	**11.37**	**11.37**

17A Non-current borrowings

Particulars	Non-Current		Current Maturities (Refer Note 17B)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Unsecured - at amortised cost				
Term Loans				
- from banks	-	13.33	13.33	16.00
Sub Total	**-**	**13.33**	**13.33**	**16.00**
Secured - at amortised cost				
Term Loans				
- from banks	154.38	200.60	77.18	78.24
- from others	62.92	91.05	28.40	20.21
Sub Total	**217.30**	**291.65**	**105.58**	**98.45**
Total	**217.30**	**304.98**	**118.91**	**114.45**

Summary of borrowing arrangements

Secured loans include loan from banks. The secured loans outstanding as at March 31, 2025 and 2024 are secured by a charge created on the Company's fixed assets both present and future (excluding immoveable properties at Velachery, Ambattur, Virudhunagar, Trichy, Athipattu, Siddipet, Puducherry and Pollachi).

The terms of repayment of term loans are given below

As at March 31, 2025

Secured

Particulars	Balance	Terms of repayment
HDFC Bank - INR Long Term Loan	18.70	Repayable in 12 structured quarterly Instalments commencing from May 2023 with 2 years of moratorium period.
HDFC Bank - INR Long Term Loan	23.88	Repayable in 48 equal monthly Instalments commencing from May 2024 with 2 years of moratorium period.
HDFC Bank - INR Long Term Loan	81.36	Repayable in 16 equal quarterly Instalments commencing from February 2024 with 1 year of moratorium period.
Exim Bank - INR Long Term Loan	56.62	Repayable in 16 equal quarterly Instalments commencing from October 2023 with 1 year of moratorium period.
TATA Capital - INR Long Term Loan	48.96	Repayable in 16 equal quarterly Instalments commencing from August 2024 with 1 year of moratorium period
Bajaj Finance - INR Long Term Loan	42.36	Repayable in 48 equal monthly Instalments commencing from August 2024 with 1 year of moratorium period
IndusInd Bank Ltd - INR Long Term Loan	37.15	Repayable in 16 equal quarterly Instalments commencing from September 2024 with 1 year of moratorium period
HDFC Bank Ltd - INR Long Term Loan	2.79	Repayable in 49 equal monthly Instalments commencing from April 2022 with 1 year of moratorium period
HDFC Bank Ltd - INR Long Term Loan	11.06	Repayable in 48 equal monthly Instalments commencing from May 2025 with 2 years of moratorium period
Total	**322.88**	

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Unsecured

Particulars	Balance	Terms of repayment
Axis Bank - INR Long Term Loan	13.33	Repayable in 48 equal monthly Instalments commencing from February 2022 with 1 year of moratorium period

The interest rate for INR loans range from 7.49% p.a to 9.85% p.a.

As at March 31, 2024

Secured

Particulars	Balance	Terms of repayment
HDFC Bank - INR Long Term Loan	1.48	Repayable in 16 equal quarterly Instalments commencing from September 2020 with 1 year of moratorium period
HDFC Bank - INR Long Term Loan	29.55	Repayable in 20 structured quarterly Instalments commencing from February 2022
HDFC Bank - INR Long Term Loan	31.22	Repayable in 48 equal monthly Instalments commencing from May 2024 with 2 years of moratorium period
HDFC Bank - INR Long Term Loan	73.72	Repayable in 20 equal quarterly Instalments commencing from February 2024
Federal Bank - INR Long Term Loan	7.08	Repayable in 12 equal quarterly Instalments commencing from September 2021 with 2 years of moratorium period
Exim Bank - INR Long Term Loan	79.32	Repayable in 16 equal quarterly Instalments commencing from October 2023 with 1 year of moratorium period
TATA Capital - INR Long Term Loan	60.24	Repayable in 16 equal quarterly Instalments commencing from August 2024 with 1 year of moratorium period
Bajaj Finance - INR Long Term Loan	50.39	Repayable in 48 equal monthly Instalments commencing from August 2024 with 1 year of moratorium period
HDFC Bank - INR Long Term Loan	3.66	Repayable in 12 equal quarterly Instalments commencing from April 2022 with 2 years of moratorium period
Yes Bank Ltd - INR Long Term Loan	14.98	Repayable in 12 equal quarterly Instalments commencing from September 2024 with 2 years of moratorium period
IndusInd Bank Ltd - INR Long Term Loan	15.86	Repayable in 16 equal quarterly Instalments commencing from September 2024 with 1 year of moratorium period
HDFC Bank Ltd - ECLGS Loans	5.38	Repayable in 49 equal monthly Instalments commencing from April 2022 with 1 year of moratorium period
HDFC Bank Ltd - ECLGS Loans	10.93	Repayable in 48 equal monthly Instalments commencing from May 2025 with 2 years of moratorium period
Federal Bank Ltd - ECLGS Loans	6.29	Repayable in 46 equal monthly Instalments commencing from April 2022 with 1 year of moratorium period
Total	**390.10**	

Unsecured

Particulars	Balance	Terms of repayment
Axis Bank - INR Long Term Loan	29.33	Repayable in 48 equal monthly Instalments commencing from February 2022 with 1 year of moratorium period.

The interest rate for INR loans range from 6.78% p.a to 10.30% p.a.

Information about the Company's exposure to interest rate, foreign currency and liquidity risks are included in note 33.

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17B Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured - at amortised cost		
Loans from banks	71.00	60.00
Bill Discounting	-	2.66
Secured - at amortised cost*		
Loans from banks	353.72	340.37
Current maturities of long term borrowings	118.91	114.45
Total	**543.63**	**517.48**

The interest rate for INR loans range from 3.49% p.a to 10.25% p.a.

*Secured loans include cash credit, packing credit, and working capital demand loan from banks. The secured loans outstanding as at March 31, 2025 and 2024 are secured on a pari passu basis by way of hypothecation of inventories, book debts and on certain fixed assets.

Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in note 33.

17C Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Liabilities		
	Short-term borrowings	Long-term borrowings (including current maturities)	Lease liabilities
Balance as at April 1, 2023	358.38	302.58	7.08
Changes from financing cash flows			
Proceeds from long term borrowings	-	202.93	-
Repayment of long term borrowings	-	(87.60)	-
Proceeds from short term borrowings	1,765.35	-	-
Repayment of short term borrowings	(1,721.00)	-	-
Payment of lease liabilities	-	-	(2.01)
Other changes			
New leases	-	-	1.02
Interest expense	53.19	6.78	0.64
Interest paid	(52.78)	(5.26)	(0.07)
Other changes	(0.11)	-	-
Balance as at March 31, 2024	**403.03**	**419.43**	**6.66**
Changes from financing cash flows			
Proceeds from long term borrowings	-	48.75	-
Repayment of long term borrowings	-	(131.75)	-
Proceeds from short term borrowings	648.43	-	-
Repayment of short term borrowings	(636.44)	-	-
Payment of lease liabilities	-	-	(2.68)
Other changes			
New leases	-	-	26.47
Interest expense	38.27	30.64	1.15
Interest paid	(38.87)	(30.86)	(1.15)
Bank over draft not considered for cashflow	10.30	-	-
Balance as at March 31, 2025	**424.72**	**336.21**	**30.45**

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(All amounts are in INR Crores unless otherwise stated)

18 Other financial liabilities

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Unclaimed dividends	-	-	0.54	0.52
Security deposits	1.69	1.60	1.31	1.24
Payable to employees	-	-	51.86	33.25
Commission payable to chairman	-	-	2.11	1.91
Payables on purchase of fixed assets	-	-	13.75	8.92
Others^	-	-	69.34	35.21
Total	**1.69**	**1.60**	**138.91**	**81.05**

^ Comprises of dealer incentives and royalty payable amounting to INR 64.27 crores and INR 5.03 crores respectively as at March 31, 2025 and INR 28.52 crores and INR 5.01 crores respectively as at March 31, 2024.

The Company's exposure to currency and liquidity risk related to above financial liabilities is disclosed in Note 33.

19 Provisions

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Provision for leave encashment	19.49	20.19	6.44	4.68
Provision for Gratuity (Refer note 36)	0.48	4.95	9.06	7.26
Provision for Warranty	-	-	20.73	14.54
Total	**19.97**	**25.14**	**36.23**	**26.48**

(i) Information about individual provisions and significant estimates

Provision for leave encashment

Refer Note 1.24

Provision for Warranty

Refer Note 1.27

(ii) Movements in provisions

Movements in each class of provision during the financial year, are set out below:

Particulars	Provision for leave encashment	Provision for Warranty
As at April 1, 2023	**21.45**	**7.27**
Charged to profit or loss	8.55	30.15
Amounts utilised during the year	(5.13)	(22.88)
As at March 31, 2024	**24.87**	**14.54**
Charged to profit or loss	8.84	10.60
Amounts utilised during the year	(7.78)	(4.41)
As at March 31, 2025	**25.93**	**20.73**

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20 Other liabilities

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Deferred income (refer note below)	5.15	3.79	1.35	1.26
Tooling advance received from customers	-	-	40.97	17.25
Statutory dues	-	-	28.48	19.71
Advances from customers	-	-	1.06	2.33
Others	-	-	12.95	7.61
Total	**5.15**	**3.79**	**84.81**	**48.16**

Note : The deferred revenue comprise of the benefit received from government as grant at a subsidised price for setting up business plants and government grant pertaining to capital goods imported under EPCG Scheme.

21 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables - Micro enterprises and Small enterprises	16.63	28.19
Trade payables - Related Parties (Refer note 35)	20.70	23.32
Trade payables - Others	460.06	374.24
Total	**497.39**	**425.75**

Micro, Small & Medium Enterprises have been determined to the extent such parties have been identified on the basis of confirmations from such parties collected by the Management till date.

As at March 31, 2025

Particulars	Outstanding for following periods from the due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues						
(i) MSME	11.02	5.59	0.02	-	-	16.63
(ii) Others	255.59	183.07	3.15	-	0.16	441.97
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
	266.61	**188.66**	**3.17**	**-**	**0.16**	**458.60**
Unbilled						38.79
Total						**497.39**

As at March 31, 2024

Particulars	Outstanding for following periods from the due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues						
(i) MSME	27.12	1.06	0.01	-	-	28.19
(ii) Others	219.04	141.12	0.20	0.00	0.20	360.56
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
	246.16	**142.18**	**0.21**	**0.00**	**0.20**	**388.75**
Unbilled						37.00
Total						**425.75**

1) The Company's exposure to currency and liquidity risk related to trade payables is disclosed in Note 33.

2) For terms and conditions relating to related party transactions, refer note 35

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21.1 Micro and small enterprises :

Particulars	As at March 31, 2025	As at March 31, 2024
i. The Company has amounts due to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure required under Section 22 of the Act is given below:		
The Principal amount and interest due there on, remaining unpaid to suppliers under MSMED Act:		
- Principal	16.63	28.19
- Interest	-	-
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:		
- Principal	-	5.24
- Interest	-	-
The amount of interest due and payable for principal paid during the year beyond the appointed day but without adding the interest specified under MSMED Act:		
- Principal	-	-
- Interest	-	-
The amount of interest accrued and remaining unpaid at the end of the year (being interest outstanding as at the beginning of the accounting year)	0.07	0.06
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 MSMED Act.	-	-

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

22 Deferred tax asset/(liability) (Net)

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

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax asset/(liabilities)	99.48	140.62
Total	**99.48**	**140.62**

Movements in deferred tax assets/(liabilities)

Particulars	Provision for employee benefit expense	Depreciation	Other Provisions (towards Warranty, Bad and Doubtful debts, Inventory, etc.)	Others^	Total
As at April 1, 2023	4.10	(5.41)	6.29	31.72	36.70
Charged/(Credited)					
- to profit & loss	0.40	4.41	8.08	90.85	103.74
- to other comprehensive income	0.18	-	-	-	0.18
As at March 31, 2024	**4.68**	**(1.00)**	**14.37**	**122.57**	**140.62**
Charged/(Credited)					
- to profit & loss	5.96	3.34	0.73	(50.28)	(40.25)
- to other comprehensive income	(0.91)	-	-	-	(0.91)
As at March 31, 2025	**9.73**	**2.34**	**15.10**	**72.29**	**99.48**

^ Includes deferred taxes in respect of allowable business loss/ expenditure (refer note below)

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Details for amount and expiry of losses carried forward/ unabsorbed depreciation

Particulars	As at March 31, 2025		As at March 31, 2024	
	Amount	Expiry	Amount	Expiry
AY 2024-25	244.85	AY 2032-33	389.04	AY 2032-33

Note -

As indicated in note 6, consequent to the sale of the entire stake in LMCA, RMIH has carried out a reduction of capital in NCRPS and equity shares issued to the Company. The Company had determined that it is eligible to claim the tax benefit arising from the underlying losses and has accordingly recorded a Deferred Tax Asset of INR 113.34 crores in the previous year. The Company had also obtained legal advise in this matter and believes that it will have sufficient future taxable profits to utilize this asset.

During the year ended March 31, 2025, erstwhile REVL has elected to opt for the new tax regime under the Income Tax Act, 1961 with effect from FY 2023-24 resulting in an additional tax expense of INR 14.20 crores (including INR 5.93 crores on account of reversal of MAT credit) for the current year due to remeasurement of the deferred tax asset (net).

23 Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers		
Sale of products	3,364.45	3,317.28
Sale of services	0.86	0.01
Other operating revenues		
Scrap sales	25.20	29.55
Export entitlements	15.37	15.92
Others	0.04	3.27
Total	**3,405.92**	**3,366.03**

Reconciliation of revenue from sale of products

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Gross revenues	3,425.89	3,373.10
Less: Customer discounts	(61.44)	(55.82)
Net revenues from sale of products	**3,364.45**	**3,317.28**

23.1 Disaggregation of revenue information

The table below presents disaggregated revenues from contracts with customers which is recognised based on goods transferred at a point of time by geography and offerings of the Company. The payment terms vary with each customer but do not constitute any significant financing component cost.

As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of how revenues and cash flows are affected by industry, market and other economic factors.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue by geography		
India	2,717.29	2,640.70
Outside India	647.16	676.58
Total revenue from contracts with customers	**3,364.45**	**3,317.28**
Revenue by offerings		
Manufactured goods		
Steering and Suspension Linkage Products, Steering Gear Products and Hydraulic Products	1,795.51	1,801.26
Diecasting products	237.49	226.71
Valves, Guides and Tappets	544.57	553.70
Brake Linings, Disc pads, Clutch facings, Railway brake blocks and others	710.26	657.85
Other Auto components	76.62	77.76
Total revenue from contracts with customers	**3,364.45**	**3,317.28**

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(All amounts are in INR Crores unless otherwise stated)

23.2 Trade Receivables

The Company classifies the right to consideration in exchange for goods transferred as receivable.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognised when the Company satisfies the performance obligation by transferring the promised goods to the customers.

Trade receivable are presented net of impairment in the Balance Sheet.

Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

23.3 Contract balances

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

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Receivables, included under trade receivables	709.16	599.51
Contract liabilities included under advance from customers	1.06	2.33

The amount of INR 2.33 crores included in contract liabilities as at March 31, 2024 has been recogonised as revenue during the year ended March 31, 2025 (INR 1.45 crores for March 31, 2024).

The contract liabilities primarily relate to the advance consideration received from customers for manufacturing of products for which the delivery of goods is expected to be completed in the next one year.

24 Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income earned on -		
Deposits	1.42	1.65
Income tax refunds	4.52	0.50
Net gain on foreign currency transactions	1.53	-
Liabilities no longer required written back	1.46	0.31
Net gain on disposal of property, plant and equipment	-	0.18
Financial assets measured at FVTPL	-	0.36
Other non-operating income -		
Government grant income	2.42	2.84
Others	0.83	2.48
Total	**12.18**	**8.32**

25 Cost of materials consumed

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening stock	143.32	143.59
Add: Purchases	1,803.52	1,832.43
Less: Closing stock	(149.50)	(143.32)
Raw materials and Components consumed	**1,797.34**	**1,832.70**
Freight inward	33.69	25.90
Job work expenses	109.95	105.23
Total	**1,940.98**	**1,963.83**

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26 Purchase of Stock in trade

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of stock in trade	44.21	10.44

27 Changes in inventories of finished goods, stock in trade and work-in-progress

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock:		
Work-in-progress	54.29	53.37
Finished goods	163.03	161.75
Stock-in-Trade	3.03	2.15
Closing Stock:		
Work-in-progress	45.22	54.29
Finished goods	190.11	163.03
Stock-in-Trade	7.54	3.03
Increase in inventories	**(22.52)**	**(3.08)**

28 Employee benefit expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, Wages and Bonus	396.98	369.97
Contribution to		
Provident and Other Funds (Refer note 36)	17.57	17.86
Superannuation Fund (Refer note 36)	1.13	1.00
National Pension Scheme	0.59	0.24
Gratuity Fund (Refer note 36)	6.10	5.27
Staff Welfare Expenses	47.61	41.56
Total	**469.98**	**435.90**

29 Finance cost

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest costs on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	69.54	59.45
Other borrowing costs	0.52	0.52
Interest on lease liabilities (Refer note 39)	1.15	0.64
Net (gain) / loss on foreign currency transactions and translation	0.57	0.02
Total	**71.78**	**60.63**

30 Depreciation and amortisation expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on Property, plant and equipment (Refer note 2)	125.72	118.08
Depreciation on Right to use assets (Refer note 3)	2.57	1.49
Amortisation of Intangible assets (Refer note 5)	1.77	2.37
Total	**130.06**	**121.94**

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(All amounts are in INR Crores unless otherwise stated)

31 Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Power and Fuel	115.83	110.89
Rent expense	2.61	1.34
Travelling and Conveyance	23.98	23.90
Repairs and Maintenance		
- Buildings	6.03	4.26
- Plant and Machinery	64.33	51.16
- Others	12.60	13.78
Insurance	15.87	12.30
Rates and Taxes, excluding taxes on income	4.32	9.06
Auditors' Remuneration (Refer note 31.1)	1.14	1.05
Directors' Sitting Fees	0.39	0.56
Professional Charges	33.91	32.57
Impairment loss on financial assets	8.39	4.64
Consumption of stores and consumables	124.08	123.34
Packing materials consumed	89.29	85.75
Royalty and Technical Fees	7.16	6.32
Information Systems	15.32	16.17
Commission to Chairman	2.11	2.00
Freight Outward and Storage charges	82.71	82.74
Advertisement and Sales Promotion	10.82	11.17
Commission to selling agents	3.18	2.25
Product Warranty	10.60	11.00
Trade Mark fee	16.70	16.60
Printing and Stationery	2.15	2.69
Postage and Telecom expenses	1.64	1.21
Bank Charges	1.49	1.24
Corporate Social Responsibility Expenditure * (Refer note 31.2)	2.39	2.16
Net loss on disposal of property, plant and equipment	0.24	-
Net loss/(gain) on foreign currency transactions	-	4.67
Fair value loss on investments (Refer note 6)	12.00	12.36
Miscellaneous Expenses	9.48	9.50
Total	**680.76**	**656.68**

Included in other expenses are the below:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
31.1. Payment to auditors#		
a) For statutory audit	0.72	0.59
b) For tax audit	0.02	0.04
c) For limited review	0.27	0.20
d) For certifications	0.07	0.16
e) For reimbursement of expenses	0.06	0.07
	1.14	**1.05**

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Particulars	Year ended March 31, 2025	Year ended March 31, 2024
31.2. Expenditure incurred for Corporate social responsibility		
(a) Amount required to be spent by the company during the year *	1.47	1.31
(b) Amount approved by the board	1.47	1.31
(c) Amount spent during the year (in cash):		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above		
(a) Education	2.16	1.12
(b) Healthcare	0.03	0.03
(c) Community development	0.17	0.07
(c) Environment	0.03	0.09
	2.39	**1.31**
(d) Excess / (shortfall) at the end of the year	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall(if any)	NA	NA
(g) Details of Related Party Transactions	Refer note below	Refer note below
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

Note: The above expenditure includes contribution to Rane Foundation of Rs. 2.00 crores (March 31, 2024: Rs. 1.74 crores), over which the Company has significant influence (also refer note 35).

* The comparative figures for the previous financial year, as disclosed above, represent expenditures attributable solely to Rane (Madras) Limited and do not include amounts pertaining to Rane Brake Lining Limited and Rane Engine Valve Limited. (Also refer note 44)

Includes an amount of INR 0.08 crores for the year ended March 31, 2025 (March 31, 2024: INR 0.22 crores) paid to auditors other than B S R & Co. LLP

32 Tax expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Income taxes		
Income tax recognised in profit or loss		
Current tax		
In respect of current year	-	16.58
	-	16.58
Deferred tax		
In respect of current year	40.25	(103.74)
	40.25	(103.74)
Total income tax expense recognised in the profit or loss	**40.25**	**(87.16)**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Income taxes		
Income tax recognised in other comprehensive income		
Deferred tax		
In respect of current year	(0.91)	0.18
Total income tax expense /(gain) recognised in other comprehensive income	**(0.91)**	**0.18**

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Reconciliation of Effective tax rate:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(Loss) before tax	**89.86**	**(20.54)**
Income Tax expense calculated at 25.17% (2023-24: 25.17% & 34.94%)	22.62	(3.63)
Non deductible expense	2.13	(0.40)
Changes in tax rates (Refer note 22)	14.20	-
Others	1.30	(0.38)
Impact due to change in estimates (Refer Note 21)	-	(82.75)
Income Tax expense recognised in profit or loss	**40.25**	**(87.16)**

The tax rate used for the 2024-25 tax computation above is the corporate tax rate of 25.17% payable by corporate entities in India on taxable profits under the Indian tax law.

The tax rate used for the 2023-24 tax computation above is the corporate tax rate of 25.17% and 34.94% (in respect of erstwhile Rane Engine Valve Limited, also refer note 22) payable by corporate entities in India on taxable profits under the Indian tax law.

33 Financial instruments

33.1 Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company.

The Company's capital management is intended to create value for shareholders by achieving the long term and short term goals of the Company, maintain the Company as a going concern and maintain optimal structure.

The Company determines the amount of capital required on the basis of annual operating plan coupled with long term and strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term bank borrowings.

The Company monitors the capital structure on the basis of debt to equity of the Company.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances) and current investments.

The table below summarises the net debt to equity ratio of the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Debt *	760.93	822.46
Cash and bank balances	29.51	26.14
Net debt	731.42	796.32
Total Equity**	688.64	663.21
Net debt to equity ratio	**1.06**	**1.20**

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

** Equity includes all capital and reserves of the Company.

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33.2 Fair value measurement

The management considers that the carrying amount of financial assets and financial liabilities recognised at amortised cost in the balance sheet approximates their fair value.

Financial instrument by category

Particulars	As at March 31, 2025			As at March 31, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial Assets						
Loans		-	0.82	-	-	0.42
Investments	16.03	-	29.90	31.30	-	6.69
Trade Receivables	-	-	709.16	-	-	599.51
Cash and Cash Equivalents	-	-	28.50	-	-	25.62
Bank balances other than above	-	-	1.01	-	-	0.52
Other Financial assets	-	-	52.27	-	-	52.06
Derivative assets	0.37	-	-	0.29	-	-
Total Financial Assets	**16.40**	**-**	**821.66**	**31.59**	**-**	**684.82**
Financial Liabilities						
Borrowings	-	-	760.93	-	-	822.46
Trade Payables	-	-	497.39	-	-	425.75
Lease Liability	-	-	30.45	-	-	6.66
Other Financial liabilities	-	-	140.60	-	-	82.65
Total Financial Liabilities	**-**	**-**	**1,429.37**	**-**	**-**	**1,337.52**

The below tables summarise the fair value hierarchy of the financial assets/liabilities

i. The fair value hierarchy of financial assets and liabilities carried at fair value

Particulars	As at March 31, 2025	As at March 31, 2024	Fair Value Hierarchy (Level 1,2,3)*	Valuation Technique
Financial assets				
Investments	16.03	27.24	3	The fair value is estimated considering the net assets value approach.
Investments in Mutual Funds	-	4.06	2	Fair value of investment in mutual fund is determined based on Net Assets Value published by respective funds (Level 2 - Fair value hierarchy).
Derivative Assets	0.37	0.29	2	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Total	**16.40**	**31.59**		

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Level 3 Fair Values

Reconciliation of Level 3 Fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

Particulars	FVTPL Securities
Balance as at April 1, 2023	38.44
Investments made during the year	129.48
Net change in Fair value (Unrealised)	(133.92)
Net loss on restatement	(6.30)
Balance as at March 31, 2024	**27.24**
Investments made during the year	-
Net change in Fair value (Unrealised)	(12.00)
Net loss on restatement	0.79
Balance as at March 31, 2025	**16.03**

The key assumptions used in the estimation of the fair value changes are set out below. The values assigned to the key assumptions is based on the management's assessment.

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate (in %)	6.60%	7.70%

Sensitivity analysis

For the fair values of FVTPL securities, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

Particulars	Impact on Profit/(Loss)	
	Increase	Decrease
March 31, 2025		
Risk adjusted discount rate (1% movement)	(0.16)	0.16

* Fair Value Hierarchy (Level 1,2,3)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

33.3 Financial risk management objectives

The Company's activities expose it to a variety of financial risks : market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual credit profile of each customer and the concentration of risk from the top few customers.

The risk management objective of the company is to hedge risk of change in the foreign currency exchange rates associated with it's direct & indirect transactions denominated in foreign currency. Since most of the transactions of the company are denominated in its functional currency (INR), any foreign exchange fluctuation affects the profitability of the Company and its financial position. Hedging provides stability to the financial performance by estimating the amount of future cash flows and reducing volatility.

The Company shall follow a consistent policy of mitigating foreign exchange risk by entering into appropriate hedging instruments as considered from time to time. Depending on the future outlook on currencies, the Company may keep the exposures un-hedged or hedge only a part of the total exposure. The Company shall not enter into a foreign exchange transaction for speculative purposes i.e. without any actual /anticipated underlying exposures.

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(a) Market risk

The Company operates on a global platform and a portion of the business is transacted in multiple currencies. Consequently, the Company is exposed to foreign exchange risk through its sales in the United States, European Union and other parts of the world, and purchases from overseas suppliers in different foreign currencies. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

Foreign Currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities as reported to the management are as follows :

Particulars	As at March 31, 2025		As at March 31, 2024	
	In equivalent INR (Crores)	In Foreign Currency (Crores)	In equivalent INR (Crores)	In Foreign Currency (Crores)
	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)
Financial Assets				
USD				
Trade Receivable	140.75	1.64	104.47	1.25
Other financial assets	2.08	0.02	15.24	0.19
Bank Balances	3.25	0.04	6.85	0.08
EUR				
Non Convertible Non Cumulative Redeemable Preference Shares	16.03	0.44	27.24	0.44
Trade Receivable	44.85	0.49	21.47	0.23
Bank Balances	0.09	0.00	0.18	0.01
GBP				
Trade Receivable	0.34	0.00	0.31	0.00
Sub Total	**207.39**		**175.76**	
Financial Liabilities				
USD				
Trade Payable	(1.16)	(0.01)	(8.46)	(0.11)
Capital Creditors	(1.46)	(0.02)	(0.06)	(0.00)
Short-term Borrowings	(89.24)	(1.04)	-	-
EUR				
Trade Payable	(3.64)	(0.04)	(1.15)	(0.01)
Capital Creditors	(0.48)	(0.01)	-	-
Short-term Borrowings	(30.01)	(0.33)	-	-
CNY				
Trade Payable	-	-	(0.01)	(0.00)
JPY				
Capital Creditors	(1.91)	(3.40)	(2.79)	(4.97)
Sub Total	**(127.90)**	**-**	**(12.47)**	**-**
Net Balance	**79.49**	**-**	**163.29**	**-**

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Foreign Currency sensitivity analysis

The Company is mainly exposed to US Dollar and EURO currencies. The following table details the Company's sensitivity to a 5% increase and decrease against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes loans to foreign operations within the Company where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity where the Indian Rupee strengthens by 5% against the relevant currency. For a 5% weakening of the Indian Rupee against the relevant currency, there would be an opposite impact on the profit or equity.

Particulars	Currency USD impact		Currency EUR impact		Currency JPY impact	
	INR in Crores	INR in Crores	INR in Crores	INR in Crores	INR in Crores	INR in Crores
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Impact on profit or loss for the year						
- Increase by 5%	2.71	5.90	1.34	2.39	0.10	0.14
- Decrease by 5%	(2.71)	(5.90)	(1.34)	(2.39)	(0.10)	-0.14
Impact on equity as at the end of the reporting period						
- Increase by 5%	2.03	4.42	1.00	1.79	0.07	0.10
- Decrease by 5%	(2.03)	(4.42)	(1.00)	(1.79)	(0.07)	(0.10)

In management's opinion, the sensitivity analysis is not a complete reflection of the inherent foreign exchange risk considering the fact that the exposure at the end of the reporting period does not reflect the exposure during the year.

Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. It is the policy of the Company to enter into forward foreign exchange contracts to cover specific foreign currency payments and receipts. The Company also enters into forward foreign exchange contracts to manage the risk associated with anticipated sales and purchase transactions ranging from 6 months to two year by covering a specific range of exposure generated. Adjustments are made to the initial carrying amount of non-financial hedged items when the anticipated sale or purchase transaction takes place.

The following table details the forward foreign currency (FC) contracts outstanding at the end of the reporting period:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Foreign currency (In Crores)	INR (In Crores)	Foreign currency In Crores	INR (In Crores)
Forward Contracts				
In USD	1.42	122.88	1.49	124.31
In Euro	0.52	48.00	0.42	37.93
In JPY	3.46	2.04	2.91	1.66
In CNY	0.03	0.31	0.00	0.02
In GBP	0.00	0.24	0.00	0.32
In Euro (Buy)	0.03	2.76	-	-
Total forwards		**176.23**		**164.24**

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The foreign exchange forward contracts mature within 24 months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Balance Sheet date:

Particulars	As at March 31, 2025	As at March 31, 2024
Not later than 1 month	35.78	42.57
Later than 1 month but not later than 3 months	64.11	50.91
Later than 3 months upto 6 months	76.34	70.76
Total	**176.23**	**164.24**

As at March 31, 2025, the Company does not have any foreign currency forward contracts which are designated as hedge instruments and hence all gains and losses in respect of such contracts have been recorded in the statement of profit and loss.

Interest rate risk

The Company adopts appropriate policies to ensure that the interest rate risk exposure is minimised. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate.

Exposure to interest rate risk

Particulars	As at March 31, 2025	As at March 31, 2024
Variable rate instruments		
Financial assets	-	-
Financial liabilities	760.93	822.46

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Impact on equity		Impact on Profit/(Loss)	
	Increase	Decrease	Increase	Decrease
March 31, 2025				
Variable rate instruments	(5.69)	5.69	(7.61)	7.61
March 31, 2024				
Variable rate instruments	(6.15)	6.15	(8.22)	8.22

The Company's variable rate instruments are benchmarked to the Bank's base rate or repo rate and hence fair value approximates to the carrying amounts.

(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from loans, investments, deposits with banks and financial institutions and trade and other financial receivables. The carrying amount of financial assets represents the maximum credit risk.

Particulars	Net carrying amount	
	As at March 31, 2025	As at March 31, 2024
India	515.91	474.00
USA	61.81	38.95
Europe	66.93	29.26
Rest of the world	64.51	57.30

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The following table provides information about the exposure to credit risk and ECLs for trade receivables.

As at March 31, 2025

Particulars	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Not due	0.16%	573.47	0.91	No
1-30 days past due	1.64%	95.01	1.56	No
31-60 days past due	5.01%	24.76	1.24	No
61-90 days past due	10.81%	11.10	1.20	No
90-180 days past due	26.07%	12.20	3.18	No
More than 180 days past due	95.78%	16.83	16.12	No
Total		**733.37**	**24.21**	

As at March 31, 2024

Particulars	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Not due	0.18%	511.33	0.94	No
1-30 days past due	1.53%	68.56	1.05	No
31-60 days past due	7.01%	13.87	0.97	No
61-90 days past due	11.79%	5.81	0.68	No
90-120 days past due	20.21%	4.50	0.91	No
More than 120 days past due	100.00%	12.56	12.56	Yes*
Total		**616.63**	**17.12**	

* Includes credit impaired receivables of INR 6.57 crores.

(i) Expected credit loss for loans, security deposits and other financial assets

The estimated gross carrying amount at default is INR 0.90 Crores (March 31, 2024: INR 0.90 crores) for loans, security deposits and other financial assets. Consequently there are no expected credit loss recognised for these financial assets.

The credit risk on derivative financial instruments is limited because the counterparties are banks with high credit-ratings.

(ii) Expected credit loss for trade receivables under simplified approach

The Company applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. It has computed expected credit losses based on a provision matrix which takes into account historical credit loss experience based on : a) Past trend of outstanding receivables over a rolling period of past 24 months and b) actual amount of outstanding receivables as on the reporting date.

Further the Company, groups the trade receivables depending on location of the customers and accordingly credit risk is determined.

(c) Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

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Liquidity and interest risk

The following information provides details of the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The below information has 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 and includes 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.

33.3 Financial risk management objectives

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2025

Particulars	Less than 1 year	1-5 years	More than 5 years	Total contractual cash flows	Carrying amount
Borrowings	558.82	217.30	-	776.12	760.93
Trade Payables	497.39	-	-	497.39	497.39
Lease liability	6.91	26.43	9.02	42.36	30.45
Other Financial liabilities	138.91	1.69	-	140.60	140.60
Total	**1,202.03**	**245.42**	**9.02**	**1,456.47**	**1,429.37**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2024

Particulars	Less than 1 year	1-5 years	More than 5 years	Total contractual cash flows	Carrying amount
Borrowings	552.36	342.33	-	894.69	822.46
Trade Payables	426.60	-	-	426.60	425.75
Lease liability	1.04	2.75	10.38	14.17	6.66
Other Financial liabilities	81.05	1.60	-	82.65	82.65
Total	**1,061.06**	**346.68**	**10.38**	**1,418.12**	**1,337.52**

The Company exceeded the threshold on certain covenants regarding financial ratios as at March 31, 2024. However, it had obtained waivers and / or revised thresholds from banks / financial institutions.

34 Segment reporting

The Company is engaged in the activities related to manufacture and supply of auto components for transportation industry. The Chief Operating Decision Maker (Board of Directors) review the operating results of the company 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 segment, namely components for transportation industry. All the manufacturing facilities are located in India. Accordingly, there is no other reportable segment as per Ind AS 108 Operating Segments.

34.1 Product wise break up - Please refer note no. 23.1

34.2 Geographical information

The Company's revenue from contract with customers by location of operations and information about its non current assets** by location of operations are detailed below.

Particulars	Revenue from contract with customers		Non - current assets**	
	Year ended March 31, 2025	Year ended March 31, 2024	As at March 31, 2025	As at March 31, 2024
India	2,717.29	2,640.70	732.03	676.60
Rest of the world	647.16	676.58	-	-
Total	**3,364.45**	**3,317.28**	**732.03**	**676.60**

The geographical information considered for disclosure are – India and Rest of the World. All the manufacturing facilities are located in India.

** Non- current assets are used in the operations of the Company to generate revenues both in India and outside India. Non-current assets exclude financial instruments, income tax assets and deferred tax assets.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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34.3 Information about major customers

The Company is a manufacturer of steering and suspension linkage products, steering gear products, hydraulic products, die-casting products, valves, engines and tappets, brake linings, disc pads, clutch facings, railway brake blocks and other auto components for transportation industry.

The Company has no major customers i.e. greater than 10% of total sales.

35 Related Party Disclosures

(a) Names of Related Parties and nature of relationship :

(i) Holding company	Rane Holdings Limited (RHL)
(ii) Subsidiary	Rane (Madras) International Holdings B.V (RMIH), Netherlands
	Rane Light Metal Castings Inc. (LMCA), USA (till September 14, 2023)
	Rane Automotive Components Mexico S. de. R. L. de C. V. (RACM)
Other related parties where transactions have taken place during the year	
(iii) Key Management Personnel ('KMP')	L Ganesh, Chairman (till March 31, 2024) (KMP of Holding company)
	Harish Lakshman, Vice Chairman (till March 31, 2024) (KMP of Holding company) (Chairman effective from April 01, 2024 and Chairman and Managing Director effective from April 01, 2025)
	Gowri Kailasam, Manager (till January 20, 2025)
	R Balakrishnan, Manager & President * (erstwhile Rane Brake Lining Limited)
	S Rajkumar, Manager & President * (erstwhile Rane Engine Valve Limited)
(iv) Relative of KMP	L Lakshman (Director upto May 27, 2021)
	Aditya Ganesh
(v) Enterprises over which KMP or relatives of KMP can exercise significant influence	Rane Foundation
(vi) Entity with significant influence	Nisshinbo Holdings Inc, Japan *
(vii) Associates / Joint ventures of entity with significant influence	Nisshinbo Automotive Manufacturing Inc, USA *
	Nisshinbo Brake Inc, Japan *
	Nisshintoa Iwao Inc, Japan *
	Saeron Automotive Corporation, Korea *
(viii) Subsidiaries of the Holding company	Rane Steering Systems Private Limited (Formerly known as Rane NSK Steering Systems Private Limited) #
	Rane Holdings America Inc.
	Rane Holdings Europe GmbH
(ix) Joint ventures of the Holding company	ZF Rane Automotive India Private Limited (Formerly known as Rane TRW Steering Systems Private Limited)
	Rane NSK Steering Systems Private Limited (RNSS) (till September 19, 2024) #
(x) Post employment benefit plan of the Entity	Rane Madras Employee Gratuity Fund
	Rane Madras Employee Senior Executives Pension Fund
	Rane Brake Lining Limited Employees Gratuity Fund
	Rane Brake Lining Limited Senior Executives Pension Fund
	Rane Engine Valve Limited Employees Gratuity Fund
	Rane Engine Valve Limited Senior Executives Pension Fund

* Related party disclosures also includes related party transactions and balances in respect of erstwhile Rane Engine Valve Limited and Rane Brake Lining Limited which has since merged with the Company (also refer note 44).

During the year, Rane NSK Steering Systems Private Limited (RNSS) was fully acquired by Rane Holdings Limited with effect from September 19, 2024. Accordingly, disclosures of transactions with RNSS during the year has been disclosed under the relationship 'Subsidiaries of the Holding company'.

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(b) Details of related party transactions:

Description	31-Mar-25	31-Mar-24
Holding Company		
- Professional charges	14.10	14.48
- Information system expenses	10.73	5.88
- Staff welfare expenses - Training	1.08	0.86
- Trade mark fee	16.70	16.60
- Reimbursement of Expenses	0.22	-
- Miscellaneous Expenses	1.13	0.71
- Dividend Paid	13.71	9.67
- Money received against share warrants	-	3.75
Enterprises over which KMP or relatives of KMP can exercise significant influence		
- Purchase of capital goods	-	0.03
- CSR	2.00	1.06
Subsidiaries		
- Sales	0.48	0.26
- Interest income on Loan given	-	0.04
- Sale of Machinery	2.10	14.67
- Investments in Equity Shares	23.21	-
- Investments in NCRPS	-	129.01
- Repayment of Interest	-	(0.04)
- Impairment Loss	-	133.92
- SBLC availed/(repaid)	-	(146.98)
- SBLC Commission Income	-	0.02
Subsidiaries of the Holding company		
- Sales	0.03	0.01
- Purchases	34.08	44.20
- Sales Promotion Expenses	7.85	6.87
- Reimbursement of Expenses (Income)	0.01	0.01
Joint ventures of the Holding company		
- Sales	7.19	9.86
- Purchases	3.02	3.36
- Reimbursement of Expenses	0.25	
- Reimbursement of Expenses (Income)	0.45	0.35
Associates / Joint ventures of entity with significant influence		
- Purchases	30.23	42.28
- Miscellaneous Expenses	0.04	-
- Professional charges	2.94	2.24
- Royalty	5.42	4.75
- Reimbursement of Expenses (Income)	0.14	-
Post employment benefit plan of the Entity		
- Post Employment benefit plan	5.28	2.37
Relatives of KMP		
- Remuneration	0.84	0.94
Entity with significant influence		
- Dividend Paid	4.97	3.99

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(c) Details of Related Party balances:

Description	31-Mar-25	31-Mar-24
Chairman Commission payable	2.11	2.00
Trade payables (including unbilled purchases)		
- Holding Company	7.64	6.60
- Subsidiaries of the Holding company	6.82	7.78
- Joint ventures of the Holding company	1.08	0.88
- Associates / Joint ventures of entity with significant influence	5.15	0.96
Trade receivables		
- Joint ventures of the Holding company	1.66	1.70
- Subsidiaries of the Holding company	0.31	-
- Subsidiaries	2.44	15.51

(d) Remuneration to Key Management Personnel

Particulars	31-Mar-25	31-Mar-24
Short term benefits paid	6.14	6.18
Termination benefits	-	0.08
Gratuity	1.35	0.10
Total	7.49	6.36

Notes -

(i) All the transactions with the related parties are on the same terms and conditions as those entered into with other non-related customers and priced on arms length basis.

36 Employee benefit plans

A. Defined contribution plans

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Company are as below:

(a) Provident fund

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the Government.

(b) Superannuation fund

The Company has a superannuation plan for the benefit of its employees. Employees who are members of the superannuation plan are entitled to benefits depending on the years of service and salary drawn.

The Company contributes up to 15% of the eligible employees' salary to LIC every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligation beyond this contribution.

The total expense recognised in profit or loss of INR 18.70 Crores (for the year ended March 31, 2024: INR 18.86 Crores) represents contributions payable to these plans by the company at rates specified in the rules of the plans. As at March 31, 2025, contributions of INR 2.84 Crores (as at March 31, 2024: INR 2.00 Crores) due in respect to 2024-25 (2023-24) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

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B. Defined benefit plans

The defined benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

C. Details of defined benefit obligation and plan assets:

(a) Gratuity

The Company has an obligation towards gratuity governed by the Payment of Gratuity Act, 1972, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts; funded to LIC. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

(i) Movements in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening defined benefit obligation	79.19	73.96
Liability Transfer In/(Out)	(0.10)	(0.16)
Current Service Cost	5.17	4.62
Past Service Cost	0.26	-
Interest cost	5.33	5.22
Remeasurement (gains) / losses :		
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	-	1.66
Actuarial gains and losses arising from experience adjustments	(2.74)	(0.64)
Benefits paid	(5.34)	(5.46)
Closing defined benefit obligation	**81.77**	**79.19**

(ii) Movements in the fair value of the plan assets

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening fair value of plan assets	66.99	64.14
Asset Transfer In/ (Out)	(0.10)	(0.16)
Interest income	4.66	4.57
Remeasurement gain (loss) :		-
Return on plan assets (excluding amounts included in net interest expense)	0.80	0.15
Contributions from the Employer	5.28	4.05
Benefits paid	(5.40)	(5.76)
Closing fair value of plan assets	**72.23**	**66.99**

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(iii) The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of funded defined benefit obligation	81.77	79.19
Less: Fair value of plan assets	(72.23)	(66.99)
Funded status	**9.54**	**12.20**
Net (asset)/liability arising from defined benefit obligation	**9.54**	**12.20**
Current	**9.06**	**7.25**
Non Current	**0.48**	**4.95**

(iv) Amounts recognised in statement of profit and loss and other comprehensive income in respect of these defined benefit plans are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Service Cost :		
Current Service cost	5.17	4.62
Past Service cost	0.26	-
Net interest Expense	0.67	0.65
Components of defined benefit costs recognised in profit or loss	**6.10**	**5.27**
Remeasurement on the net defined benefit liability :		
Return on plan assets (excluding amounts included in net interest expense)	(0.80)	0.15
Actuarial (gains) / losses arising from changes in financial assumptions	-	1.66
Actuarial (gains) / losses arising from experience adjustments	(2.74)	(0.64)
Components of defined benefit costs recognised in other comprehensive income	**(3.54)**	**1.17**
Total	**2.56**	**6.44**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

(v) Risk Exposure

The Company has 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 estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(vi) The principal assumptions used for the purposes of the actuarial valuations were as follows :

Particulars	Valuation as at	
	March 31, 2025	March 31, 2024
Discount Rate	6.45%	6.97%p.a. to 7.19%p.a.
Expected Rate of salary increase		
Executives and Staff	8.00%	8% p.a. to 9% p.a.
Operators	6.00%	4.5% p.a. to 8% p.a.
Attrition Rate		
Executives and Staff	22.00%	6.2% to 8% p.a.
Operators	3.00%	1% p.a. to 8% p.a.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase. The sensitivity analysis below 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.

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Sensitivity Analysis

Change in assumption		Valuation as at	
		March 31, 2025	March 31, 2024
A.	Discount Rate + 50 BP	6.95%	7.54%
	Defined Benefit Obligation	79.57	76.66
	Increase/(Decrease)	(2.20)	(2.53)
B.	Discount Rate - 50 BP	5.95%	6.5%
	Defined Benefit Obligation	83.86	81.67
	Increase/(Decrease)	2.09	2.48
C.	Salary Escalation Rate +50 BP	8.5% pa and 6.5% pa	8.83% pa and 6.67% pa
	Defined Benefit Obligation	83.94	81.56
	Increase/(Decrease)	2.17	2.36
D.	Salary Escalation Rate -50 BP	7.5% pa and 5.5% pa	7.83% pa and 5.67% pa
	Defined Benefit Obligation	79.47	76.79
	Increase/(Decrease)	(2.30)	(2.40)
E.	Attrition Rate +50 BP	22.5% pa and 3.5% pa	7.07% pa & 3.61% pa
	Defined Benefit Obligation	81.70	79.21
	Increase/(Decrease)	(0.07)	0.02
F.	Attrition Rate -50 BP	21.5% pa and 2.5% pa	6.34% pa & 3.70% pa
	Defined Benefit Obligation	81.61	79.16
	Increase/(Decrease)	(0.16)	(0.03)

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 and assumptions used in preparing the sensitivity analysis from prior years.

Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 5.9 years (March 31, 2024 - 7.8 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	March 31, 2025	March 31, 2024
Year 1	10.48	6.91
Year 2	16.47	9.54
Year 3	10.98	8.22
Year 4	8.87	7.27
Year 5	9.02	7.95
Next 5 Years	38.60	52.75

The Company expects to pay INR 3.50 crores in contributions to its defined benefit plans in 2025-26.

37 Earnings per share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Basic Earnings per share	17.95	24.10
Diluted Earnings per share	17.95	24.10

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

Basic Earnings per share

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

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(Loss) for the year	49.61	66.62
Earnings used in the calculation of basic earnings per share	**49.61**	**66.62**

Particulars	In Nos. Year ended March 31, 2025	In Nos. Year ended March 31, 2024
(a) Number of equity Shares of Rs. 10 each outstanding at the end of the year *	2,76,37,148	2,76,37,148
(b) Weighted Average number of Equity Shares for the purpose of basic earnings per share *	2,76,37,148	2,76,37,148

* Consequent to the scheme of amalgamation (refer note 44), the Company is required to allot specified number of shares as mentioned in scheme to the shareholders of the transferor companies. Accordingly, the weighted average number of equity shares has been adjusted for shares pending issuance.

Diluted Earnings per share

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

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Earnings used in the calculation of basic earnings per share	49.61	66.62
Earnings used in the calculation of diluted earnings per share	49.61	66.62

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:

Particulars	In Nos. Year ended March 31, 2025	In Nos. Year ended March 31, 2024
Weighted average number of equity shares used in the calculation of basic earnings per share	2,76,37,148	2,76,37,148
Weighted average number of equity shares used in the calculation of diluted earnings per share	2,76,37,148	2,76,37,148

38 Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

(iii) The Company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to any persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise that the Intermediary shall:

a) 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

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries other than in the ordinary course of business.

(iv) The Company has not received any fund from any persons or entities, including foreign entities with the understanding, whether recorded in writing or otherwise that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

(v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vi) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period.

(vii) The Company has no transactions with struck off companies during the year.

(viii) Term loans were applied for the purpose they were obtained. Further, short term loans availed have not been utilised for long term purposes by the Company.

(ix) The Company has not been declared as wilful defaulters by any bank or financial institution or government or any government authority.

(x) The Company has not revalued its property, plant and equipment(including Right of use assts)/ intangible assets/ both during the current/previous year.

(xi) The Company has not entered into scheme of arrangements as per sections 230 to 237 of the Companies Act, 2013 except as mentioned in note 44.

(xii) Quarterly returns or statements of current assets filed by the Company for the sanctioned working capital loans with banks or financial institutions along with reconciliation and reasons for discrepancies is as follows:

Quarter	Name of banks	Particulars of information submitted	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	580.30	579.52	0.78	The amount reported excludes debtors more than 90 days.
		Inventory	429.75	428.62	1.13	Inventory amount as per books includes certain items of inventory that were not grouped in Inventory for return submission.
		Trade payables	444.98	279.22	165.76	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank
Sep-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	656.88	620.42	36.46	The amount reported excludes debtors more than 90 days.
		Trade payables	491.43	298.00	193.43	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

Quarter	Name of banks	Particulars of information submitted	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Dec-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	658.04	632.43	25.61	The amount reported excludes debtors more than 90 days.
		Trade payables	488.97	306.48	182.49	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank
Mar-25	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	704.93	662.72	42.21	The amount reported excludes debtors more than 90 days.
		Trade payables	502.79	256.25	246.54	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank
		Inventory	434.61	443.25	(8.64)	Inventory amount as per books includes certain items of inventory that were not grouped in Inventory for return submission.

Notes:

1. Impact considered through cumulative information provided for the financial year during quarterly returns/ statements submission except as at March 31, 2025.
2. Quarterly information requirements for individual banks may be different for similar line items.
3. The above information is based on the revised returns/ statements filed.

(xiii) Accounting ratios

Ratio	Note No.	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance(%)	Reasons
Current ratio		Current assets	Current liabilities	0.98	1.05	-7%	No significant change
Debt - equity ratio		Total debt	Total equity	1.10	1.24	-11%	No significant change
Debt service coverage ratio	(a)	Earnings available for debt services	Total interest and principal repayments	1.22	2.53	-52%	Due to one time deferred tax credit and non-cash exceptional items in the previous year

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

Ratio	Note No.	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance(%)	Reasons
Return on equity ratio		Profit after tax	Average shareholders' equity	7.34%	10.44%	-30%	Due to higher tax expense on account of change in tax regime
Inventory turnover ratio	(b)	Cost of goods sold	Average inventory	5.09	5.13	-1%	No significant change
Trade Receivables turnover ratio		Sales	Average trade receivables	5.21	5.58	-7%	No significant change
Trade payables turnover ratio	(c)	Purchases	Average trade payables	4.68	4.90	-4%	No significant change
Net capital turnover ratio	(d)	Revenue from operations	Working capital	(159.03)	57.78	-375%	Due to increase in working capital facilities and higher term loan repayments due in the next 12 months
Net profit ratio		Profit after tax	Revenue from operations	1.46%	1.98%	-26%	Due to higher tax expense on account of change in tax regime
Return on Capital employed		Earnings before interest and taxes	Capital employed	12.05%	11.91%	1%	No significant change
Return on Investment		Income generated from invested funds	Average invested funds in treasury investments	-	9.11%	-100%	Due to redemption of mutual funds

a) Earnings available for debt services = Profit after tax+ Non-cash exceptional items+ Depreciation and Amortisation+ Finance costs.

b) Cost of goods sold = Cost of materials consumed + Changes in inventories of finished goods and work-inprogress + Consumption of packing material + Consumption of stores, and spares.

c) Purchases = Purchase of materials + Job work charges + Freight inward + Consumption of packing material + Consumption of stores, and spares

d) Working capital= Current assets- current liabilities. (current liabilities is negative as at March 31, 2025)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

39 Leases

The Company leases plant and machinery, warehouses and factory facilities. The leases typically run for a period of ranging between 2 years to 35 years.

Some property leases contain extension options exercisable by the Company up to one year before the end of the non-cancellable contract period. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility.

a) Break-up of current and non-current lease liabilities :

The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	4.40	0.94
Non-current lease liabilities	26.05	5.72
Total	**30.45**	**6.66**

b) Movement in Lease liabilities :

The following is the movement in lease liabilities:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	**6.66**	**7.08**
Additions	26.47	1.02
Finance costs accrued during the period	1.15	0.64
Deletions	-	-
Payment of Lease liabilities	(3.83)	(2.08)
Closing balance	**30.45**	**6.66**

c) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	6.91	1.04
One to five years	26.43	2.75
More than five years	9.02	10.38
Total	**42.36**	**14.17**

d) Amounts recognized in profit or loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on lease liabilities	1.15	0.64
Expenses relating to short-term leases recognised in other expenses	2.61	1.34

e) Amounts recognized/disclosed in Cash flow statement

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Total cash outflows for leases included under financing activities	3.83	2.08

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

40 Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Contingent Liabilities		
Claims against the Company not acknowledged as debt		
- Income Tax matters under appeal	29.22	30.06
- Central Excise, Service Tax and Sales tax matters under appeal	46.93	10.48
- Labour related matters under appeal	3.39	5.93
Total	**79.54**	**46.47**

In addition to the above, the Company from time to time is also engaged in proceedings pending with various authorities in the ordinary course of business. Judgement is required in assessing the range of possible outcomes for some of these matters, which could change substantially over time as each of the matters progresses depending on experience on actual assessment proceedings by the respective authorities and other judicial precedents. Based on its internal assessment supported by external legal counsel views, as considered necessary, the Company believes that it will be able to sustain its positions if challenged by the authorities and accordingly no additional provision / disclosures are required for these matters.

Management is of the view that above matters will not have any material adverse effect on the Company's financial position and results of operations.

40A Guarantees and commitment

Particulars	As at March 31, 2025	As at March 31, 2024
Commitments		
- Estimated amount of contracts remaining to be executed on capital account and not provided for	31.51	44.23

41 Events after the reporting date

The Company has evaluated subsequent events from the balance sheet date through May 27, 2025, the date on which the standalone financial statements were authorised for issue, and determined that there are no items to disclose except as disclosed in note 2 and note 16.

42 Exceptional item

Exceptional items include INR 12.99 crores which primarily comprise of provision for merger related expenses (including stamp duty charges), one-time warranty related costs and expenditure towards Voluntary Retirement Scheme (year ended March 31, 2024 : INR 26.99 crores. In addition, also refer note 6).

43 Particulars of loans given, investment made, guarantees given, security provided together with purpose in terms of section 186 (4) of the Companies Act, 2013

Name of entity	Amount	Purpose
Investment Made (Gross carrying amount)		
Rane (Madras) International Holdings B.V. (Wholly Owned Subsidiary-WOS)	23.21	Equity Investment
Rane (Madras) International Holdings B.V. (Wholly Owned Subsidiary-WOS)	40.55	For Equity investment of RMIH to step down subsidiaries, for meeting local establishment expenses, etc.

44 Amalgamation

(a) The Board of Directors of the Company in its meeting held on February 29, 2024, had approved the scheme of amalgamation for the merger of the fellow subsidiaries of the Company viz. Rane Engine Valve Limited ("REVL") and Rane Brake Lining Limited ("RBL") ("Transferor Companies") with the Company, under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions. The aforesaid Scheme was sanctioned by Hon'ble National Company Law Tribunal (NCLT) vide order dated March 24, 2025. The Scheme has become effective from April 01, 2024 upon filing of the certified copy of the orders passed by NCLT with the relevant Registrar of Companies on April 07, 2025.

(b) As per the Scheme, 9 (Nine) equity shares of Rs.10/- each of the Company will be issued for every 20 (Twenty) equity shares of INR 10/- each held in REVL and 21 (Twenty-One) equity shares of Rs.10/- each of the Company will be issued for every 20 (Twenty) equity shares of INR 10/- each held in RBL.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

(c) The amalgamation has been accounted in accordance with "Pooling of interest method" as laid down in Appendix C - 'Business combinations of entities under common control' of Ind AS 103 notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, comparatives have been restated to give effect of the amalgamation from the beginning of the previous year. The difference between the assets, liabilities, acquired reserves and shares transferred were transferred to Capital Reserves.

(d) Summary of the assets, liabilities and reserves taken over as on April 1, 2024 as mentioned below:-

Particulars	Rane Engine Valve Limited	Rane Brake Lining Limited	Total
Total assets taken over	353.83	399.47	753.30
Total liabilities taken over	(233.02)	(118.39)	(351.41)
Reserves taken over	(113.58)	(273.35)	(386.93)
Net assets taken over	**7.23**	**7.73**	**14.96**
Allotment of shares pursuant to amalgamation*	**3.26**	**8.12**	**11.37**
Difference between investment value and net assets (after reducing reserves) adjusted in retained earnings			**3.59**

* The Company is yet to issue shares in the ratio of 21:20 and 9:20 for the shareholders of RBL and REVL respectively pursuant to the amalgamation.

(e) The impact of the above merger on the previously reported balance sheet as at March 31, 2024 is as follows:

Particulars	As per the previously issued financial statements	REVL	RBL	Eliminations	As presented in these financial statements
ASSETS					
Non-current assets					
Property, plant and equipment	420.73	86.43	125.71	-	632.87
Capital work-in-progress	13.14	10.92	7.00	-	31.06
Right-of-use assets	4.72	0.40	0.58	-	5.70
Goodwill	4.63	-	-	-	4.63
Intangible assets	1.29	0.40	0.65	-	2.34
Financial assets				-	
- Investments	29.16	2.87	1.90	-	33.93
- Other financial assets	6.91	5.19	4.29	-	16.39
Deferred tax asset (net)	110.58	31.25	-1.21	-	140.62
Income tax assets (net)	41.89	2.21	4.12	-	48.22
Other non-current assets	27.06	1.17	2.19	-	30.42
Total non-current assets	**660.11**	**140.85**	**145.23**	**-**	**946.18**
Current assets					
Inventories	240.34	87.30	93.5	-	421.14
Financial assets				-	
- Investments	-	-	4.06	-	4.06
- Trade receivables	339.56	113.76	147.04	(0.85)	599.51
- Cash and cash equivalents	19.31	2.45	3.86	-	25.62
- Bank balances other than cash and cash equivalents above	0.08	0.03	0.41	-	0.52
- Loans	0.34	0.08	-	-	0.42
- Other financial assets	31.87	3.42	0.67	-	35.96
Other current assets	60.54	5.95	4.70	-	71.19
Total current assets	**692.04**	**212.99**	**254.24**	**(0.85)**	**1,158.42**
Total assets	**1,352.15**	**353.83**	**399.47**	**(0.85)**	**2,104.60**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

Particulars	As per the previously issued financial statements	REVL	RBL	Eliminations	As presented in these financial statements
EQUITY AND LIABILITIES					
Equity					
Equity share capital	16.27	7.23	7.73	(14.96)	16.27
Other equity	245.05	113.58	273.35	14.96	646.94
Total equity	**261.32**	**120.81**	**281.08**	**-**	**663.21**
Liabilities					
Non-current liabilities					
Financial liabilities					
- Borrowings	262.20	42.78	-	-	304.98
- Lease liabilities	4.97	0.28	0.47	-	5.72
- Other financial liabilities	-	0.98	0.62	-	1.60
Provisions	8.73	12.01	4.40	-	25.14
Other Non Current liabilities	3.34	0.13	0.32	-	3.79
Total non-current liabilities	**279.24**	**56.18**	**5.81**	**-**	**341.23**
Current liabilities					
Financial liabilities					
- Borrowings	438.50	78.98	-	-	517.48
- Lease liabilities	0.64	0.14	0.16	-	0.94
- Trade payables				-	
a) total outstanding dues of micro enterprises and small enterprises; and	2.30	6.57	19.32	-	28.19
b) total outstanding dues of creditors other than micro enterprises and small enterprises	282.58	72.00	43.83	(0.85)	397.56
- other financial liabilities	43.25	12.23	25.57	-	81.05
Other current liabilities	26.47	3.38	18.31	-	48.16
Provisions	17.85	3.54	5.09	-	26.48
Income tax liabilities	-	-	0.30	-	0.30
Total current liabilities	**811.59**	**176.84**	**112.58**	**(0.85)**	**1,100.16**
Total liabilities	**1,090.83**	**233.02**	**118.39**	**(0.85)**	**1,441.39**
Total equity and liabilities	**1,352.15**	**353.83**	**399.47**	**(0.85)**	**2,104.60**

(f) The impact of the above amalgamation on the previously reported statement of profit and loss for the year ended March 31, 2024 is as follows:

Particulars	As per the previously issued financial statements	REVL	RBL	Eliminations	As presented in these financial statements
Income					
Revenue from operations	2,142.25	566.75	660.83	(3.80)	3,366.03
Other income	2.59	3.59	2.14	-	8.32
Total income	**2,144.84**	**570.34**	**662.97**	**(3.80)**	**3,374.35**
Expenses					
Cost of materials consumed	1,376.94	233.23	357.46	(3.80)	1,963.83
Purchase of Stock-in-Trade	-	10.44	-	-	10.44

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

Particulars	As per the previously issued financial statements	REVL	RBL	Eliminations	As presented in these financial statements
Changes in inventories of finished goods and work-in-progress	(10.20)	2.47	4.65	-	(3.08)
Employee benefits expense	209.66	139.02	87.22	-	435.90
Finance costs	50.41	10.19	0.03	-	60.63
Depreciation and amortisation expense	81.08	19.02	21.84	-	121.94
Other expenses	385.69	134.87	136.12	-	656.68
Total expenses	**2,093.58**	**549.24**	**607.32**	**(3.80)**	**3,246.34**
Profit before exceptional items and tax	**51.26**	**21.10**	**55.65**	**-**	**128.01**
Exceptional item	(141.91)	(5.42)	(1.22)		(148.55)
Profit before tax	**(90.65)**	**15.68**	**54.43**	**-**	**(20.55)**
Tax expense					
a) Current tax	-	3.66	12.92	-	16.58
b) Deferred tax	(105.53)	0.56	1.23	-	(103.74)
Total tax expense	**(105.53)**	**4.22**	**14.15**	**-**	**(87.16)**
Profit for the year	**14.88**	**11.46**	**40.28**	**-**	**66.62**
Other comprehensive income (OCI)					
Items that will not be reclassified to profi t or loss					
(i) Remeasurements losses on defined benefit liability	(0.90)	1.15	(1.42)	-	(1.17)
(ii) Income tax effect on above	0.23	(0.40)	0.36	-	0.18
Total other comprehensive income	**(0.67)**	**0.75**	**(1.06)**	**-**	**(0.98)**
Total comprehensive income for the year	**14.21**	**12.21**	**39.22**	**-**	**65.64**

(g) The impact of the above amalgamation on the previously reported statement of cashflows for the year ended March 31, 2024 is as follows:

Particulars	As per the previously issued financial statements	REVL	RBL	Eliminations	As presented in these financial statements
Cashflows from operating activities	129.98	41.71	29.29	-	200.98
Cashflows used in investing activities	(249.92)	(25.31)	(12.65)	-	(287.87)
Cashflows from financing activities	125.36	(21.91)	(19.54)	-	83.91
Total	**5.42**	**(5.50)**	**(2.90)**	**0.00**	**(2.98)**

45 Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 27, 2025.

For B S R & Co. LLP
Chartered Accountants
Firm's registration no. 101248W/W-100022

For and on behalf of the Board of Directors
Rane (Madras) Limited

S Sethuraman
Partner
Membership No.: 203491

Ganesh Lakshminarayan
Director
DIN:00012583

Harish Lakshman
Chairman and Managing Director
DIN:00012602

B Gnanasambandam
Chief Financial Officer

S Subha Shree
Company Secretary
M. No: 18315

Place: Chennai
Date: May 27, 2025

Place: Chennai
Date: May 27, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Rane (Madras) Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Rane (Madras) Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2025, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2025, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

See Note 23 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Revenue recognition involves identification of contracts with customers, identification of distinct performance obligations, determination of transaction price and the basis used to recognize revenue at a point in time. Revenue is recognised when (or as) a performance obligation is satisfied i.e. when 'control' of the goods underlying the particular performance obligation is transferred to the customer. Revenue recognition has been identified as a key audit matter because the Group and its external stakeholders focus on revenue as a key performance metric. Therefore, there may be a possibility for revenue to be overstated or recognised before control has been transferred.	In view of the significance of the matter, the following key audit procedures were performed by us : • Assessed the compliance of the Group's revenue recognition accounting policies with applicable accounting standards. • Evaluated the design and implementation of the key internal financial controls with respect to the revenue recognition and tested the operating effectiveness of such controls on a sample basis. • Performed substantive testing of revenue transactions recorded during the year on a sample basis by verifying the underlying documents including shipping document, customer acknowledgement, dispatch notes, etc, as applicable. • Performed testing for samples of revenue transactions recorded closer to the year-end by verifying underlying documents, to determine the accuracy of the period in which revenue was recognized. • Performed testing of non-standard journal entries posted in revenue.

Recognition and recoverability of deferred tax assets

See Note 22 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Company has recorded deferred tax assets on brought forward business losses, deductible temporary differences, unabsorbed depreciation and unused tax credits. As at March 31, 2025, the Company carries a deferred tax asset of INR 99.48 crores. The recognition and recoverability of these deferred tax assets involves: • assessment of the underlying tax laws; • dependency on the generation of sufficient future taxable income that can be set off against the losses recognized and hence, involves significant judgement. • These judgements could change over time as the matter progresses depending on experience on actual assessment proceedings by tax authorities and other judicial precedents. Where considered necessary, the Group has obtained legal advice. Recoverability of deferred tax assets has been identified as a key audit matter due to the high degree of judgment required and significance of the amounts involved.	In view of the significance of the matter, the following key audit procedures were performed by us: • Assessed the compliance of the Group's accounting policies with applicable accounting standards. • Evaluated the design and implementation of the key internal financial controls with respect to the measurement and recognition of deferred tax assets and tested the operating effectiveness of such controls. • Involved our tax specialists to assist us in evaluating the appropriateness of the nature of the tax losses that can be set off against the future profits. • Evaluated the appropriateness of the key assumptions used in the projections considered for estimating future taxable profits. • Performed sensitivity analysis on the key assumptions used in the evaluation. • Assessed the adequacy of the disclosures in the consolidated financial statements

Business combination under common control

See Note 44 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Pursuant to the National Company Law Tribunal (NCLT) Order dated March 24, 2025, fellow subsidiaries of the Holding Company viz. Rane Engine Valve Limited and Rane Brake Lining Limited ("Transferor Companies") were merged with the Holding Company. The Holding Company has accounted for the business combination using the pooling of interest method in accordance with Appendix C of Ind AS 103 – Business Combination. Accordingly, the comparatives have been restated to give effect of the amalgamation from the beginning of the previous year. The difference between the assets, liabilities, acquired reserves and shares transferred were transferred to Capital Reserves. The aforesaid business combination has been identified as key audit matter due to the significance of amounts involved and complexity of accounting thereof.	In view of the significance of the matter, the following key audit procedures were performed by us: • Assessed the compliance of the Group's accounting policies in respect of the business combination accounting with applicable accounting standards and the requirements of the approved scheme of amalgamation. • We understood from the management, assessed and tested the design and operating effectiveness of the Group's key controls over the accounting of business combination. • We have traced the assets liabilities and reserves of transferor companies from the audited financial statements and tested the management's computation of determining the amount determined to be recorded in the capital reserve. • We also assessed the adequacy and appropriateness of the disclosures made in the consolidated financial statements.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Director's Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to 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 with reference to financial statements 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 and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company 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 consolidated 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.

Other Matters

(a) The financial information of two subsidiaries, whose financial information reflects total assets (before consolidation adjustments) of Rs. 84.14 crores as at 31 March 2025, total revenues (before consolidation adjustments) of Rs. Nil and net cash flows (before consolidation adjustments) amounting to Rs. 1.01 crores for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditor. These unaudited financial information has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial information certified by the Management.

(b) As stated in Note 44, the corresponding financial information in the Consolidated financial statements were restated to account for the scheme of amalgamation as per the requirement of applicable Accounting Standards. The figures for the year ended March 31, 2024 in so far it pertains to the erstwhile Rane Engine Valve Limited, were audited by another auditor whose report dated May 7, 2024 had expressed an unmodified opinion. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated 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 of the Holding Company as on 10 April 2025 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group. Refer Note 40 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2025.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2025.

d (i) The management of the Holding Company represented that, to the best of its knowledge and belief, as disclosed in the Note 38 (iii) to the consolidated financial statements, 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 Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate

Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company represented that, to the best of its knowledge and belief, as disclosed in the Note 38 (iv) to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) 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 (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the erstwhile transferror companies during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 16 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, the Holding Company has used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has been operating throughout the year for all relevant transactions recorded in the respective softwares, except that:

- the feature of audit trail at the database layer to log any direct changes was enabled and operated from 7 June 2024 onwards.
- the feature of audit trail at the application layer for the accounting softwares used for maintaining books of accounts for certain fields relating to payroll was enabled from 4 June 2024 onwards
- the feature of audit trail was not enabled at the application and database layer for the accounting software used for maintaining books of account in relation to price change system for sales/purchases.

Further, for the periods where audit trail (edit log) facility was enabled for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with. Additionally, except where audit trail (editlog) facility was not enabled in the previous year, the audit trail has been preserved by the company as per statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act:

In our opinion and according to the information and explanations, the remuneration payable during the current year by the Holding company is not in excess of limit laid down under section 197 of the Act. The Group has no subsidiaries incorporated in India which are required to be commented upon by us. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

S Sethuraman

Partner

Place : Chennai | Membership No.: 203491

Date: 27 May 2025 | ICAI UDIN:25203491BMLJSN7584

Annexure A to the Independent Auditor's Report

on the Consolidated Financial Statements of Rane (Madras) Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following Company incorporated in India and included in the consolidated financial statements, has unfavourable remarks given by its auditors in their report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Rane (Madras) Limited	L65993TN2004 PLC052856	Holding Company	Clause (ii) (b) Clause (ix) (e) Clause (xi) (c)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
ICAI UDIN:25203491BMLJSN7584

Place : Chennai
Date: 27 May 2025

Annexure B to the Independent Auditor's Report

on the consolidated financial statements of Rane (Madras) Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Opinion

In conjunction with our audit of the consolidated financial statements of Rane (Madras) Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Managment's and Board of Director's Responsibilities for Internal Financial Controls

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. 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 the Holding 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the consolidated 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.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
ICAI UDIN:25203491BMLJSN7584

Place : Chennai
Date : 27 May 2025

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

S.No	Particulars	Note	As at March 31, 2025	As at March 31, 2024
A.	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	2	635.09	632.87
	(b) Capital work-in-progress	2	72.67	45.26
	(c) Right of use assets	3	50.14	27.49
	(d) Goodwill	4	4.63	4.63
	(e) Other intangible assets	5	3.45	2.34
	(f) Financial assets		-	-
	(i) Investments	6	6.69	6.69
	(ii) Other financial assets	8	19.13	16.79
	(g) Deferred tax asset (net)	22	99.48	140.62
	(h) Income tax assets (net)	9	46.43	48.22
	(i) Other non-current assets	10	42.10	30.42
	Total non-current assets		**979.81**	**955.33**
	Current assets			
	(a) Inventories	11	433.82	421.37
	(b) Financial assets			
	(i) Investments	6	-	4.06
	(ii) Trade receivables	12	709.07	599.25
	(iii) Cash and cash equivalents	13	33.78	29.84
	(iv) Bank balances other than (iii) above	14	1.01	0.52
	(v) Loans	7	0.82	0.17
	(vi) Other financial assets	8	31.80	32.60
	(c) Other current assets	10	79.01	78.47
	Total current assets		**1,289.31**	**1,166.28**
	TOTAL ASSETS		**2,269.12**	**2,121.61**
B.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	15	16.27	16.27
	(b) Other equity	16	654.62	641.58
	Total Equity		**670.89**	**657.85**
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	17A	217.30	304.98
	(ii) Lease liabilities	39	44.64	24.30
	(iii) Other financial liabilities	18	1.69	1.60
	(b) Provisions	19	19.97	25.14
	(c) Other non-current liabilities	20	5.15	3.79
	Total non-current liabilities		**288.75**	**359.81**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	17B	543.63	517.48
	(ii) Lease liabilities	39	7.40	4.48
	(iii) Trade payables	21		
	(a) Total outstanding dues of micro enterprises and small enterprises		16.63	28.19
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		481.82	397.72
	(iv) Other financial liabilities	18	138.93	81.15
	(b) Other current liabilities	20	84.84	48.16
	(c) Provisions	19	36.23	26.48
	(d) Income tax liabilities	9	-	0.30
	Total current liabilities		**1,309.48**	**1,103.95**
	Total liabilities		**1598.23**	**1463.76**
	TOTAL EQUITY AND LIABILITIES		**2,269.12**	**2,121.61**
	Material accounting policies	1		

See accompanying notes forming part of Consolidated financial statements

In terms of our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration no. 101248W/W-100022

For and on behalf of the Board of Directors
Rane (Madras) Limited

S Sethuraman
Partner
Membership No.: 203491

Ganesh Lakshminarayan
Director
DIN:00012583

Harish Lakshman
Chairman and Managing Director
DIN:00012602

B Gnanasambandam
Chief Financial Officer

S Subha Shree
Company Secretary
M. No: 18315

Place: Chennai
Date: May 27, 2025

Place: Chennai
Date: May 27, 2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

S.No	Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024
I	Revenues from operations	23	3,405.75	3,462.73
II	Other income	24	15.67	10.31
III	**Total income (I+II)**		**3,421.42**	**3,473.04**
IV	**Expenses:**			
	Cost of materials consumed	25	1,940.80	2,006.31
	Purchase of Stock in trade	26	44.21	10.44
	Changes in inventories of finished goods, stock in trade and work-in-progress	27	(22.52)	(4.18)
	Employee benefits expense	28	470.39	477.61
	Finance costs	29	74.54	66.59
	Depreciation and amortisation expense	30	132.32	131.89
	Other expenses	31	690.79	704.33
	Total expenses (IV)		**3,330.53**	**3,392.99**
V	**Profit before exceptional items and tax (III-IV)**		**90.89**	**80.05**
VI	Exceptional items	6 & 42	12.99	112.45
VII	**Profit/(Loss) before tax (V-VI)**		**77.90**	**(32.40)**
VIII	**Tax expense:**			
	(1) Current tax	32	-	16.58
	(2) Deferred tax	22 & 31	40.25	(103.74)
			40.25	**(87.16)**
IX	**Profit/(Loss) for the year (VII-VIII)**		**37.65**	**54.76**
	Other comprehensive income			
	A. Items that will not be reclassified to statement of profit and loss			
	Remeasurements of the defined benefit liability/(asset)		3.54	(1.17)
	Income tax relating to items that will not be reclassified to statement of profit and loss		(0.91)	0.18
	B. Items that will be reclassified to statement of profit and loss		2.63	(0.99)
	Exchange differences in translating the financial statements of foreign operations		(0.42)	11.96
			(0.42)	**11.96**
X	**Total other comprehensive income/(loss)**		**2.21**	**10.97**
XI	**Total comprehensive income/(loss) for the year (IX+X)**		**39.86**	**65.73**
XII	**Earnings per equity share (Nominal value per share Rs.10)**			
	(a) Basic (In Rs.)	37	13.62	19.81
	(b) Diluted (In Rs.)	37	13.62	19.81
Material accounting policies		1		

See accompanying notes forming part of Consolidated financial statements
In terms of our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration no. 101248W/W-100022

For and on behalf of the Board of Directors
Rane (Madras) Limited

S Sethuraman
Partner
Membership No.: 203491

Ganesh Lakshminarayan
Director
DIN:00012583

Harish Lakshman
Chairman and Managing Director
DIN:00012602

B Gnanasambandam
Chief Financial Officer

S Subha Shree
Company Secretary
M. No: 18315

Place: Chennai
Date: May 27, 2025

Place: Chennai
Date: May 27, 2025

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flow from operating activities		
Profit/(Loss) for the year	37.65	54.76
Adjustments for :		
Finance costs	74.54	66.59
Interest income	(5.87)	(4.89)
Mark to market loss / (gain) on derivative instruments	-	0.09
Net loss/(gain)on disposal of property, plant and equipment	0.24	(0.18)
Government grant income	(2.42)	(0.59)
Unrealised exchange loss/(gain)	2.04	(1.89)
Impairment loss / (write-back) on financial assets	20.39	19.16
Loss on sale of subsidiary	-	85.46
Depreciation and amortisation of non-current assets	132.32	131.89
Liabilities no longer required written back	1.46	(0.28)
Income tax expense	40.25	(87.16)
	300.60	**262.96**
Movements in working capital :		
(Increase) / decrease in trade receivables	(118.48)	40.11
(Increase) / decrease in inventories	(12.45)	(7.25)
(Increase) / decrease in other current / non current financial assets	(13.75)	(34.65)
(Increase) / decrease in other current / non current assets	(6.28)	(23.93)
(Increase) / decrease in loans receivable	(0.40)	0.03
Increase / (decrease) in trade payables	67.22	(30.88)
Increase / (decrease) in long term provisions	(5.17)	0.99
Increase / (decrease) in short term provisions	13.29	9.13
Increase / (decrease) in other current / non current financial liabilities	53.12	(3.79)
Increase / (decrease) in other non current liabilities	-	(0.66)
Increase / (decrease) in other current liabilities	36.57	15.87
Cash generated from operations	**314.26**	**227.93**
Income tax (paid)/refund received (Net)	1.49	(36.87)
Net cash (used in) / generated by operating activities	**315.75**	**191.06**
B. Cash flow from investing activities		
Interest received	6.49	2.18
Investments in unquoted equity shares	-	(1.73)
Proceeds from sale of current investments	4.06	18.66
Proceeds from sale of subsidiary	-	16.84
Payments for property, plant and equipment and intangible assets	(184.55)	(194.40)
Proceeds from disposal of property, plant and equipment	27.75	1.22
Acquistion of fixed deposits	(0.49)	0.01
Net cash (used in) / generated by investing activities	**(146.74)**	**(157.22)**
C. Cash flow from financing activities		
Proceeds from long term borrowings	48.75	202.93
Repayment of long term borrowings	(131.75)	(177.38)
Proceeds from short term borrowings	648.43	1,765.35
Proceeds/(Repayment) of short term borrowings	(636.44)	(1,763.83)
Money received against share warrants	-	3.75
Interest paid	(73.99)	(63.53)
Payment of dividend	(26.81)	(19.32)
Payment of lease liabilities	(4.37)	(3.33)
Net cash (used in)/ generated by financing activities	**(176.18)**	**(55.36)**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net increase / (decrease) in cash and cash equivalents	**(7.17)**	**(21.52)**
Adjustment related to disposal of step-down subsidiary	-	9.48
Cash and cash equivalents at the beginning of the year (Refer note 13)	29.69	41.73
Cash and cash equivalents at the end of the year (Refer note 13)	**22.52**	**29.69**
Reconciliation of cash and cash equivalents to cash flow statement		
Cash and cash equivalents as above	33.78	29.84
Bank overdraft availed for cash management purposes	(10.30)	-
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(0.96)	(0.15)
Total	**22.52**	**29.69**

Material accounting policies

See accompanying notes forming part of Consolidated financial statements
As per our report of even date attached

In terms of our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration no. 101248W/W-100022

For and on behalf of the Board of Directors
Rane (Madras) Limited

S Sethuraman
Partner
Membership No.: 203491

Ganesh Lakshminarayan
Director
DIN:00012583

Harish Lakshman
Chairman and Managing Director
DIN:00012602

B Gnanasambandam
Chief Financial Officer

S Subha Shree
Company Secretary
M. No: 18315

Place: Chennai
Date: May 27, 2025

Place: Chennai
Date: May 27, 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

A. Equity share capital

Particulars	Amount
As at April 1, 2024	**16.27**
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2024	16.27
Changes in equity share capital during the year	-
As at March 31, 2025	**16.27**
As at April 1, 2023	**16.27**
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2023	16.27
Changes in equity share capital during the year	-
As at March 31, 2024	**16.27**

B. Other equity

Description	Share capital pending issuance	General reserve	Securities premium	Capital redemption reserve	Amalgamation adjustment account	Capital reserve	Retained earnings	Money received against share warrants	Other Comprehensive Income	Exchange difference on translation of foreign operation	Total reserves and surplus
Balance as at April 1, 2024 (Refer note 44)	**11.37**	**533.44**	**202.30**	**12.91**	**(0.20)**	**4.93**	**(107.67)**	**-**	**(1.26)**	**(14.24)**	**641.58**
Profit/(Loss) for the year	-	-	-	-	-	-	37.65	-	-	-	37.65
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	3.54	-	-	-	3.54
Income tax on OCI Items	-	-	-	-	-	-	(0.91)	-	-	(0.42)	(1.33)
Transfer of OCI to Retained earnings	-	-	-	-	-	-	(1.26)	-	1.26	-	-
Total comprehensive income for the year	**11.37**	**533.44**	**202.30**	**12.91**	**(0.20)**	**4.93**	**(68.65)**	**-**	**-**	**(14.66)**	**681.43**
Payment of dividend	-	-	-	-	-		(26.81)	-	-	-	(26.81)
Balance as at March 31, 2025	**11.37**	**533.44**	**202.30**	**12.91**	**(0.20)**	**4.93**	**(95.46)**	**-**	**-**	**(14.66)**	**654.62**
Balance as at April 1, 2023	**11.29**	**489.00**	**197.48**	**12.91**	**(0.20)**	**1.34**	**(98.74)**	**1.25**	**(0.20)**	**(26.20)**	**587.93**
Common control deficit/ surplus	-	-	-	-	-	3.50	-	-	-	-	3.50
Balance as at April 1, 2023 (Refer note 44)	**11.29**	**489.00**	**197.48**	**12.91**	**(0.20)**	**4.84**	**(98.74)**	**1.25**	**(0.20)**	**(26.20)**	**591.43**
Profit/(Loss) for the year	-	-	-	-	-	-	54.76	-	-	-	54.76

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

Description	Share capital pending issuance	General reserve	Securities premium	Capital redemption reserve	Amalgamation adjustment account	Capital reserve	Retained earnings	Money received against share warrants	Other Comprehensive Income	Exchange difference on translation of foreign operation	Total reserves and surplus
Other comprehensive income/(loss) for the year	-	-	-	-	-	-	0.25	-	(1.42)	11.96	10.79
Income tax on OCI Items	-	-	-	-	-	-	(0.18)	-	0.36	-	0.18
Total comprehensive income for the year	**11.29**	**489.00**	**197.48**	**12.91**	**(0.20)**	**4.84**	**(43.91)**	**1.25**	**(1.26)**	**(14.24)**	**657.15**
Transfer from retained earnings	-	44.44	-	-	-	-	(44.44)	-	-	-	-
Money received against share warrants	-	-	-	-	-	-	-	(1.25)	-	-	(1.25)
Premium on preferential issue of equity shares (Refer note 15)	-	-	4.82	-	-	-	-	-	-	-	4.82
Payment of dividend	-	-	-	-	-	-	(19.32)	-	-	-	(19.32)
Shares capital pending issuance on warrants conversion	0.08	-	-	-	-	-	-	-	-	-	0.08
Common control deficit/ surplus	-	-	-	-	-	0.09	-	-	-	-	0.09
Balance as at March 31, 2024 (Refer note 44)	**11.37**	**533.44**	**202.30**	**12.91**	**(0.20)**	**4.93**	**(107.67)**	**-**	**(1.26)**	**(14.24)**	**641.58**

Material accounting policies

See accompanying notes forming part of Consolidated financial statements
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration no. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491

Place: Chennai
Date: May 27, 2025

For and on behalf of the Board of Directors
Rane (Madras) Limited

Ganesh Lakshminarayan
Director
DIN:00012583

Harish Lakshman
Chairman and Managing Director
DIN:00012602

B Gnanasambandam
Chief Financial Officer

S Subha Shree
Company Secretary
M. No: 18315

Place: Chennai
Date: May 27, 2025

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

1 Summary of material accounting policies, critical judgements and Key estimates

General Information

Rane (Madras) Limited (The "Holding Company" or "Company") is a public limited group incorporated under the provisions of the Companies Act, 1956, in India with its registered office in Chennai, Tamilnadu, India. The Holding Company is listed on the Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited, Mumbai.

These consolidated financial statements comprise the Holding Company and its subsidiaries (together referred to as the 'Group') for the year ended 31 March 2025. The Group is primarily engaged in manufacture and sale of Steering and Suspension Linkage Products, Steering Gear Products, Valves, Guides, Tappets, Brake Linings, Disc pads, Clutch facings, Railway brake blocks, High Precision Aluminium Die Casting Products and others. The Group is a significant supplier to major manufacturers of passenger cars, utility vehicles and Farm tractors across the globe and also supplies to other suppliers of components for transportation industry. The Group, including its subsidiaries, has multiple manufacturing facilities across India and at Mexico.

The investment in Rane Light Metal Casting Inc. (held by Rane (Madras) International Holdings, B.V, Netherlands, a Wholly Owned Subsidiary of the group ('RMIH' / 'WOS') formed to hold strategic overseas investments of the Group), was sold during the previous year.

During the year ended 31 March 2024, the Group had set up a new subsidiary - Rane Automotive Compoeents S. de R.L. de C.V. in Mexico and is currently in the process of setting up a new manufacturing facility.

Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of the consolidated financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

1.1 Statement of Compliance

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The Group has consistently applied accounting policies to all periods.

1.11 Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained below.

Items	Measurement basis
Certain financial assets and liabilities (including forward contracts)	Fair value
Investments	Fair value
Defined benefit liability / plan assets	Fair Value of plan assets less the present value of the defined benefit obligation / plan assets

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –

- it expects to settle the liability, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months.

Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All amounts have been rounded to the nearest crores, unless otherwise indicated.

Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements and estimates

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Key accounting estimates, assumptions and judgements

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Recoverability of deferred tax assets - Note 22

Whether an arrangement contains a lease and lease classification - Note 39

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

(a) Measurement of defined benefit obligations, key actuarial assumptions – Note 36

(b) Measurement and likelihood of occurrence of provisions and contingencies – Notes 19 and 40

(c) Recognition of deferred tax assets/liabilities – Note 22

(d) Fair value of financial instruments through profit and loss account – Note 6

(e) Impairment of Tangible, Intangible assets and goodwill – Note 2 and 4

(f) Measurement of Lease liabilities and Right of Use Asset (ROUA) – Notes 3 and 39

Basis of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

Items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries are combined like to like basis. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The material accounting policies are set out below :

1.12 Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at historical cost less any accumulated impairment losses.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Transition to Ind AS

The cost property, plant and equipment at 1 April 2016, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Depreciation

Depreciation is calculated on the cost of assets (other than freehold land and properties under construction) less their residual values on pro rata basis on the basis of the estimated life specified in Schedule II of the Companies Act, 2013, using the straight-line method or based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/ (upto) the date on which asset is ready for use/ (disposed off).

Estimated useful lives of the assets are as follows:

Category of assets	Management estimate of useful Life (in years)	Useful life as per Schedule II (in years)
Buildings (Other than factory buildings)	60 years	60 Years
Factory building	30 years	30 years
Plant and equipment	1 - 15 years	15 years
Vehicles	5 Years	6 years
Furniture & Fixtures	5 Years	10 years
Office Equipment (other than computers)	3 Years	5 years
Computers, Server and networks	3-6 Years	3-6 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

1.13 Intangible assets

Goodwill

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Other Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Group for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Category of assets	Useful Life (in years)
Software License	3 years
Customer Contracts	4 years

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

1.14 Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.15 Borrowings and Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.16 Leases

The Group's lease asset classes primarily consist of leases for land, buildings, plant and machinery and vehicles. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

As a lessee

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

From 1 April 2021, where the basis for determining future lease payments changed as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

1.17 Inventories

Inventories are valued at the lower of cost on weighted average basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

1.18 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.

1.19 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

1.20 Foreign currency transactions and translations

In preparing the consolidated financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for qualifying cash flow hedges to the extent that the hedges are effective.

1.21 Revenue Recognition

The Group derives revenues primarily from sale of components for the transportation industry. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognized upon transfer of control of promised products or services to customers (i.e. when products are delivered to customers or when delivered to a carrier, as the case may be) at an amount that reflects the consideration that the Group expects to receive in exchange for those products or services. Revenue is reduced for estimated discounts and other similar allowances.

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount/pricing incentives varies with increases in levels of revenue transactions, the Group recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount/pricing incentives is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognizes changes in the estimated amount of obligations for discounts/ pricing incentives in the period in which the change occurs.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised.

The refund liability is included in other current liabilities (see Note 20) and the right to recover returned goods is included in inventory (see Note 11)

A trade receivable without a significant financing component is initially measured at transaction price.

1.22 Other income

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

1.23 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Such grants are valued at fair value at the initial recognition.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the balance sheet and transferred to profit or loss on a systematic basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

1.24 Employee benefits

(i) Short - Term employee benefits

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined Contribution Plans

Provident Fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

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Superannuation Fund

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

(iii) Defined Benefit Plan

Gratuity

The Group 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. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other Long term employee benefits

Compensated Absence

Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. The Group's net obligation in respect of other long-term employee benefit of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the year. That benefit is discounted to determine its present value The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

1.25 Expenditure on Corporate Social Responsibility (CSR)

The Group accounts the expenditure incurred towards Corporate Social Responsibility as required under the Act as a charge to the statement of profit and loss.

1.26 Research and Development expenses

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible assets utilised for Research and Development are capitalized and depreciated in accordance with the policies stated for property, plant and equipment and intangible assets.

1.27 Provisions and Contingent Liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for.

Where the Group expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

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The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed for (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or (ii) Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for Warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto two years. As per the terms of the contracts, the Group provides post-contract services / warranty support to some of its customers. The Group accounts for the post contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates. Provision of warranties are recognized net of reimbursements.

1.28 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

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Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are recognised in other comprehensive income or directly in equity respectively.

1.29 Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (except trade receivables and contract asset) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- fair value through other comprehensive income (FVOCI); or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group has irrevocably elected to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group has irrevocably designated a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

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- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

– contingent events that would change the amount or timing of cash flows;

– terms that may adjust the contractual coupon rate, including variable interest rate features;

– prepayment and extension features; and

– terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform, the Group updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applied the policies on accounting for modifications to the additional changes

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial instruments

The Group recognise loss allowance for expected credit loss on financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit - impaired includes the following observable data:

- significant financial difficulty;
- a breach of contract such as a default or being past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are credit losses that result from all possible default events over expected life of financial instrument. The Group follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group considers a financial asset to be in default when:

- the recipient is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

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- the financial asset is more than 180/270 days past due for domestic/ export receivables.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). Expected credit losses are discounted at the effective interest rate of the financial asset.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial and Corporate guarantee contracts

Financial Guarantees

Group as a beneficiary: Financial guarantee contracts involving the Group as a beneficiary are accounted as per Ind-As 109. The Group assesses whether the financial guarantee is a separate unit of account (a separate component of the overall arrangement) and recognises a liability as may be applicable Group as a guarantor: The Group on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 117 on Insurance Contracts, respectively. Wherever the Group has regarded its financial guarantee contracts as insurance contracts, at the end of each reporting period the Group performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cashflows), and any deficiency is recognised in profit or loss.

Where they are treated as a financial instrument, the financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of less allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

1.30 Fair Value

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 33 on financial instruments.

1.31 Earnings Per Share

Basic earnings per share is computed by dividing the net profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

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1.32 Business Combination

In accordance with Ind AS 103, the Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where that control is not transitory are accounted for as per the pooling of interest method. The business combination is accounted for as if the business combination had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the consolidated financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

1.33 Dividend

The final dividend on shares is recorded as a liability on the date of approval by shareholders and interim dividends are recorded as liability on the date of declaration by the Company's Board of Directors.

1.34 Segment reporting

The Group is engaged in the activities related to manufacture and supply of auto components for transportation industry. The Chief Operating Decision Maker (Board of Directors) review the operating results of the Group 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 segment, namely components for transportation industry.

1.35 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS 117 Insurance Contracts and amendments to Ind AS 116 –Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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2 Property, plant and equipment

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of:		
Freehold land	32.83	32.83
Buildings	156.02	153.09
Plant and equipment	436.57	438.72
Furniture and Fixtures	1.51	1.10
Office Equipments	7.93	6.76
Vehicles	0.24	0.37
Sub Total	**635.09**	**632.87**
Capital Work-in-progress	72.67	45.26
Total	**707.76**	**678.13**

Cost

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and Fixtures	Office Equipments	Vehicles	Total
Balance as at April 1, 2023	**32.83**	**194.87**	**1,014.53**	**7.97**	**30.49**	**2.08**	**1,282.77**
Additions	-	15.95	148.97	0.21	4.53	0.13	169.79
Disposals	-	-	(6.78)	(0.27)	(0.32)	-	(7.37)
Balance as at March 31, 2024	**32.83**	**210.82**	**1,156.72**	**7.91**	**34.70**	**2.21**	**1,445.19**
Additions	-	11.88	137.01	1.06	5.97	0.01	155.93
Disposals	-	-	(36.76)	(0.07)	(0.74)	(0.01)	(37.58)
Balance as at March 31, 2025	**32.83**	**222.70**	**1,256.97**	**8.90**	**39.93**	**2.21**	**1,563.54**

Accumulated depreciation

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and Fixtures	Office Equipments	Vehicles	Total
Balance as at April 1, 2023	**-**	**49.34**	**618.66**	**6.47**	**24.38**	**1.68**	**700.53**
Disposals	-	-	(5.70)	(0.27)	(0.32)	-	(6.29)
Depreciation expense	-	8.39	105.04	0.61	3.88	0.16	118.08
Balance as at March 31, 2024	**-**	**57.73**	**718.00**	**6.81**	**27.94**	**1.84**	**812.32**
Disposals	-	-	(8.79)	(0.07)	(0.72)	(0.01)	(9.59)
Depreciation expense	-	8.95	111.19	0.65	4.78	0.15	125.72
Balance as at March 31, 2025	**-**	**66.68**	**820.40**	**7.39**	**32.00**	**1.98**	**928.45**
Carrying amount as at March 31, 2024	**32.83**	**153.09**	**438.72**	**1.10**	**6.76**	**0.37**	**632.87**
Carrying amount as at March 31, 2025	**32.83**	**156.02**	**436.57**	**1.51**	**7.93**	**0.24**	**635.09**

Notes:

1) Refer note 17 for assets pledged as securities for borrowings.

2) Refer note 40A for capital commitments.

3) All the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the leasee) are held in the name of the Holding company. Certain title deeds of immovable properties are held in the name of the erstwhile Rane Engine Valve Limited and Rane Brake Lining Limited which have since merged with the Holding company. Title deeds for a part of an immovable property in nature of land and building thereon situated at Telangana (measuring 12.79 acres), with aggregate gross carrying values of INR 3.50 crores approximately, are disputed by The State of Telangana for which the

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erstwhile Rane Brake Lining Limited and Rane Engine Valve Limited (both merged with the Holding company) have filed a writ petition with the Honourable High Court of Telangana and obtained an interim stay.

4) Office Equipments includes Computers, Server and networks.

5) The Group has not revalued its property, plant & equipment.

6) Pursuant to the in-principle approval from Board of Directors obtained after the year ended March 31, 2025, the Company seeks to monetize certain surplus non-core land parcels for reducing its debt and liabilities after obtaining requisite shareholders approvals in financial year 2025-26.

Movement in capital work-in-progress is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
As at the beginning of the year	45.26	37.96
Additions	56.87	11.84
(Capitalisations)	(28.37)	(6.23)
Foreign exchange difference	(1.09)	1.69
As at the end of the year	**72.67**	**45.26**

Ageing details:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Projects in progress	56.61	15.57	0.49	-	72.67
Projects temporarily suspended	-	-	-	-	-
Total	**56.61**	**15.57**	**0.49**	**-**	**72.67**
As at March 31, 2024					
Projects in progress	43.71	1.55	-	-	45.26
Projects temporarily suspended	-	-	-	-	-
Total	**43.71**	**1.55**	**-**	**-**	**45.26**

The Company does not have any capital work-in-progress that has exceeded its cost compared to its original plan. Capital work-in-progress includes certain projects whose completion is overdue. Expected completion schedule of such projects are as follows :

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Projects in progress					
Capacity enhancement project	8.25	-	-	-	8.25
Others	0.40	-	-	-	0.40
Projects temporarily suspended	-	-	-	-	-
Total	**8.65**	**-**	**-**	**-**	**8.65**
As at March 31, 2024					
Projects in progress					
Capacity enhancement project	1.21	-	-	-	1.21
Others	7.94	0.08	-	-	8.02
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**9.15**	**0.08**	**-**	**-**	**9.23**

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3 Right of use assets

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of:		
Right of use assets	50.14	27.49
	50.14	**27.49**

Cost

Particulars	Land	Buildings	Vehicles	Plant and equipment	Office equipment	Others	Total
Balance as at April 1, 2023	**5.36**	**2.45**	**1.55**	**5.29**	**1.14**	**0.18**	**15.97**
Additions	**-**	**22.16**	**1.02**	**0.79**	**-**	**-**	**23.97**
Derecognition	-	-	(0.22)	-		-	(0.22)
Deletions on account of disposal of subsidiary (Refer note 42)	-	-	-	(6.13)	(1.15)	-	(7.28)
Effect of foreign currency exchange differences	-	-	-	0.05	0.01	-	0.06
Balance as at March 31, 2024	**5.36**	**24.61**	**2.35**	**0.00**	**-**	**0.18**	**32.50**
Additions	-	0.07	0.74	26.26	-	-	27.07
Derecognition	-	-	-			-	-
Effect of foreign currency exchange differences	0.42	-	-	-	-	-	0.42
Balance as at March 31, 2025	**5.78**	**24.67**	**3.09**	**26.26**	**-**	**0.18**	**59.98**

Accumulated depreciation

Particulars	Land	Buildings	Vehicles	Plant and equipment	Office equipment	Others	Total
Balance as at April 1, 2023	**0.69**	**1.30**	**1.27**	**1.87**	**0.86**	**0.10**	**6.09**
Depreciation expense	**0.20**	**1.28**	**0.36**	**0.47**	**0.11**	**0.02**	**2.44**
Derecognition	-	-	(0.21)	-		-	(0.21)
Deletions on account of disposal of subsidiary (Refer note 42)	-	-	-	(2.35)	(0.95)	-	(3.30)
Effect of foreign currency exchange differences	-	-	-	0.01	(0.02)	-	(0.01)
Balance as at March 31, 2024	**0.89**	**2.58**	**1.42**	**(0.00)**	**-**	**0.12**	**5.01**
Depreciation expense	0.20	2.51	0.33	1.77		0.02	4.83
Derecognition	-	-	-			-	-
Effect of foreign currency exchange differences							-
Balance as at March 31, 2025	**1.09**	**5.09**	**1.75**	**1.77**	**-**	**0.14**	**9.84**
Carrying amount as at March 31, 2024	**4.47**	**22.03**	**0.93**	**0.00**	**-**	**0.06**	**27.49**
Carrying amount as at March 31, 2025	**4.69**	**19.58**	**1.34**	**24.49**	**-**	**0.04**	**50.14**

1) Also refer note 39 - Leases

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4 Goodwill

Particulars	As at March 31, 2025	As at March 31, 2024
Cost	4.63	4.63
Total	**4.63**	**4.63**

Particulars	Goodwill
Cost	
Balance as at April 1, 2023	**4.63**
Additions	-
Impairment loss	-
Balance as at March 31, 2024	**4.63**
Additions	-
Impairment loss	-
Balance as at March 31, 2025	**4.63**

Impairment tests for goodwill

Goodwill has been allocated for impairment testing purposes to the identified cash-generating units - primarily to Light Metal Castings business.

The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU)-Light Metal Castings business is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets for a five year period approved by management. .

Key assumptions used for value-in-use calculations

Value in use has been determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use is based on the following key assumptions:

Particulars	As at March 31, 2025	As at March 31, 2024
Post tax discount rate	16.20%	13.52%
Terminal value growth rate	6.00%	7.05%
Budgeted average EBITDA as a % of sales	14.06%	16.82%

The discount rate is a pre-tax measure based on the rate of 10 year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systemic risk of the specific CGU.

The discount rate was a post-tax measure estimated based on the weighted-average cost of capital, with a possible debt leveraging of 50% at a risk free rate of 6.70%.

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately INR 64.10 crores (31 March 2024: INR 156.87 crores). Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

Impairment testing for CGUs containing goodwill	Change required for carrying amount to equal recoverable amount	
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Post tax discount rate	18.61%	16.06%
Budgeted average EBITDA growth rate	11.23%	6.36%

Based on the assessment, management has concluded that there is no impairment for Goodwill.

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5 Other intangible assets

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amounts of:		
Software Licence	3.45	2.34
Customer Contract	-	-
	3.45	**2.34**

Cost

Particulars	Technical knowhow	Software Licence	Customer Contract	Total
Balance as at April 1, 2023	**4.40**	**8.78**	**3.67**	**16.85**
Additions	-	1.15	-	1.15
Disposals	-	-	-	-
Balance as at March 31, 2024	**4.40**	**9.93**	**3.67**	**18.00**
Additions	-	2.88	-	2.88
Disposals	-	(0.01)	-	(0.01)
Balance as at March 31, 2025	**4.40**	**12.80**	**3.67**	**20.87**

Accumulated amortisation

Particulars	Technical knowhow	Software Licence	Customer Contract	Total
Balance as at April 1, 2023	**4.40**	**6.19**	**2.70**	**13.29**
Amortisation	-	1.40	0.97	2.37
Disposals	-	-	-	-
Balance as at March 31, 2024	**4.40**	**7.59**	**3.67**	**15.66**
Amortisation	-	1.77	-	1.77
Disposals	-	(0.01)	-	(0.01)
Balance as at March 31, 2025	**4.40**	**9.35**	**3.67**	**17.42**
Carrying amount as at March 31, 2024	**-**	**2.34**	**-**	**2.34**
Carrying amount as at March 31, 2025	**-**	**3.45**	**-**	**3.45**

Notes

1) The Company has not revalued its other intangible assets.

6 Investments

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Investments in equity shares (Amortised cost)				
Capsol Energy Private Limited	2.10	2.10	-	-
(21,00,000 (March 31, 2024: 21,00,000) number of equity shares @ Rs. 10 each)				
Shree MTK Textiles Private limited	2.82	2.82	-	-
(8,820 (March 31, 2024: 8,820) number of equity shares @ Rs. 100 each)				
Atria Wind (Kadambur) Private Limited	1.54	1.54	-	-
(71,000 (March 31, 2024: 71,000) number of equity shares @ Rs. 10 each)				

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Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
CWRE Wind Power Private Limited	-	-	-	-
(947 (March 31, 2024: 947) number of equity shares @ Rs. 10 each)				
Clean Wind Power (Manvi) Private Limited	0.04	0.04	-	-
(43,200 (March 31, 2024: 43,200) number of equity shares @ Rs. 10 each)				
AMP Energy C&I Eight Private Limited	0.19	0.19	-	-
(1,92,500 (March 31, 2024: 1,92,500) number of equity shares @ Rs. 10 each)				
Investment in mutual fund (Unquoted) - mandatorily measured at FVTPL				
Nippon India Liquid Fund - Growth Plan - Growth Option	-	-	-	4.06
(Nil (March 31, 2024: 6,950 Units @ Rs. 5,843 each))				
Total Investments	**6.69**	**6.69**	**-**	**4.06**
Aggregate carrying value of unquoted investments	6.69	6.69	-	4.06
Aggregate amount of impairment / Fair value change on investments recognised at FVTPL	-	-	-	-

7 Loans

Particulars	As at March 31, 2025	As at March 31, 2024
Loans receivable considered good - Unsecured		
- Loans to employees	0.82	0.17
Total	**0.82**	**0.17**

The Company's exposure to credit risk and market risk are disclosed in note 33.

8 Other financial assets

(Unsecured and considered good, unless otherwise stated)

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Security deposits	19.13	16.79	0.01	0.01
Claims receivable	-	-	0.06	12.64
Tooling related receivables	-	-	21.72	15.17
Dues from related parties (Refer note 35)	-	-	0.15	0.00
Derivative assets	-	-	0.37	0.29
Export incentives			8.24	3.03
Others	-	-	1.25	1.46
Total	**19.13**	**16.79**	**31.80**	**32.60**

The Group's exposure to credit risk and market risk are disclosed in note 33.

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9 Income Tax assets/(liabilities) (net)

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Income Tax assets/(liabilities) (net)	46.43	48.22	-	(0.30)

10 Other assets

(Unsecured and considered good, unless otherwise stated)

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Capital advances	27.13	16.47	-	-
Advances paid to suppliers	-	-	21.90	21.56
Advance to employees	-	-	1.28	1.20
Balance with statutory authorities	6.80	6.37	39.36	37.96
Export entitlement receivable	-	-	0.60	1.23
Prepaid expenses	8.17	7.58	15.87	16.52
Unsecured and considered doubtful:				
Capital advances	-	0.20	-	-
Advance to suppliers	-	-	1.49	-
Balance with statutory authorities	-	0.27	-	-
Provision for doubtful advances	-	(0.47)	(1.49)	-
Total	**42.10**	**30.42**	**79.01**	**78.47**

11 Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials (including goods- in-transit amounting to INR 20.79 crores (March 31, 2024 - INR 16.34 crores))	149.86	143.33
Work-in-progress	45.22	54.29
Finished goods (including goods-in-transit amounting to INR 28.52 crores (March 31, 2024- INR 24.06 crores))	190.11	163.03
Stores and spares	41.09	57.69
Stock in Trade	7.54	3.03
Total	**433.82**	**421.37**

Inventories of finished goods is stated after provisions (net of reversals) of INR 3.78 Crores (March 31, 2024 : INR 5.43 crores) as a result of the write-down to net realisable value.

The mode of valuation of inventories has been stated in note 1.17

For the carrying value of inventories pledged as securities for borrowings, refer note 17.

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12 Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
From Related parties		
Trade receivables considered good - unsecured	1.97	1.76
Trade receivable - credit impaired	-	-
Less: Loss allowance (expected credit loss allowance)	-	-
Sub Total	**1.97**	**1.76**
From Others		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	731.31	608.04
Trade receivable - credit impaired	-	6.57
Less: Loss allowance (expected credit loss allowance)	(24.21)	(17.12)
Sub Total	**707.10**	**597.49**
Total	**709.07**	**599.25**

(i) Movements in allowance for credit losses of receivables as per ECL is as below

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	17.12	12.71
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	8.39	4.64
Bad debts written off/written back	(1.30)	(0.23)
Balance at the end of the year	**24.21**	**17.12**

(ii) Ageing Schedule

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
(i) Considered good	573.38	143.07	6.01	6.97	1.55	2.30	733.28
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables							
(i) Considered good	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Total	**573.38**	**143.07**	**6.01**	**6.97**	**1.55**	**2.30**	**733.28**

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As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
(i) Considered good	509.37	96.13	3.57	0.41	-	0.32	609.80
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	0.26	2.06	1.14	1.14	0.60	1.37	6.57
Disputed Trade receivables							
(i) Considered good	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Total	**509.63**	**98.19**	**4.71**	**1.55**	**0.60**	**1.69**	**616.37**

1) Ageing has been determined based on due date of payment. Where there is no due date for payment, date of transaction has been considered.

2) The Group's exposure to credit and currency risks, loss allowances are disclosed in note 33.

3) For terms and conditions relating to related party transactions, refer note 35.

13 Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks (including deposits with original maturity upto 3 months)		
In Current account	30.35	22.76
In EEFC account	3.34	7.03
Cash on hand	0.09	0.05
Total	**33.78**	**29.84**

The Group's exposure to credit risk and market risk are disclosed in note 33.

Reconciliation of cash and cash equivalents to cash flow statement

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents as above	33.78	29.84
Bank overdraft availed for cash management purposes	(10.30)	-
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(0.96)	(0.15)
Total	**22.52**	**29.69**

14 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks in earmarked accounts		
In unpaid dividend account	0.54	0.52
Lien marked deposits	0.47	-
Total	**1.01**	**0.52**

The Group's exposure to credit risk and market risk are disclosed in note 33.

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15 Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024
AUTHORISED :		
Equity Shares:		
25,000,000 (March 31, 2024: 25,000,000) equity shares of Rs.10 each*	25.00	25.00
Preference shares:		
10,500,000 (March 31, 2024: 10,500,000) preference shares of Rs.10 each*	10.50	10.50
ISSUED, SUBSCRIBED AND FULLY PAID UP		
16,265,267 (March 31, 2024: 16,265,267) equity shares of Rs.10 each fully paid-up	16.27	16.27
	16.27	**16.27**

*Pursuant to the scheme of amalgamation (Refer note 44), the Holding Company has filed requisite forms with the Registrar of Companies for consolidating the authorised share capital of Rane Brake Lining Limited consisting of 10,000,000 equity shares and Rane Engine Valve Limited consisting of 12,350,000 equity shares and 150,000 preference shares after March 31, 2025. Accordingly, the effect of such consolidation has not been disclosed above.

15.1 Reconciliation of Shares Outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity Shares of Rs.10 each fully paid up				
At the beginning of the year	1,62,65,267	16.27	1,62,65,267	16.27
Allotment of shares under preferential issue	-	-	-	-
At the end of the year	**1,62,65,267**	**16.27**	**1,62,65,267**	**16.27**

Rights, preferences and restrictions attached to Shares mentioned above :

The Holding Company has one class of equity share having a par value of Rs.10 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.

15.2 Shares of the Company held by holding company and/ or their subsidiaries/associates

Name of the share holder	No of shares held as at			
	As at March 31, 2025		As at March 31, 2024	
	Nos.	%	Nos.	%
Rane Holdings Limited, ultimate holding company	1,16,72,774	71.77%	1,16,72,774	71.77%

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

Name of the share holder	No of shares held as at			
	As at March 31, 2025		As at March 31, 2024	
	Nos.	%	Nos.	%
Rane Holdings Limited, ultimate holding company	1,16,72,774	71.77%	1,16,72,774	71.77%

15.4. Information regarding issue of shares in the last five years

(a) The Group has not issued any shares without payment being received in cash.

(b) The Group has not issued any bonus shares.

(c) The Group has not undertaken any buy-back of shares.

(d) The Group has not issued any stock options or warrants.

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15.5 Shares held by promoters at the end of the year

Promoter Name	March 31, 2025		March 31, 2024		Change during the year		Change during the previous year	
	No. of Shares	% of total shares	No. of Shares	% of total shares	No. of shares	% Change during the year	No. of shares	% Change during the year
Rane Holdings Limited	1,16,72,774	71.77%	1,16,72,774	71.77%	-	0.00%	-	0.00%
Shanthi Narayan	24,775	0.15%	24,775	0.15%	-	0.00%	-	0.00%
Raman T G G	28,000	0.17%	28,000	0.17%	-	0.00%	-	0.00%
Rathika R Sundaresan	20,000	0.12%	20,000	0.12%	-	0.00%	-	0.00%
Narayanaswamy Sundaresan (Legal Heir of Late. Chitra Sundaresan)	12,604	0.08%	12,604	0.08%	-	0.00%	-	0.00%
Geetha Raman Subramanyam	12,000	0.07%	12,000	0.07%	-	0.00%	-	0.00%
Ranjini R Iyer	12,000	0.07%	12,000	0.07%	-	0.00%	-	0.00%
Aditya Ganesh	8,483	0.05%	8,483	0.05%	-	0.00%	-	0.00%
Aparna Ganesh	7,851	0.05%	7,851	0.05%	-	0.00%	-	0.00%
Vanaja Aghoram	5,010	0.03%	5,010	0.03%	-	0.00%	-	0.00%
Malavika Lakshman	4,866	0.03%	4,866	0.03%	-	0.00%	-	0.00%
Rama R Krishnan	4,193	0.03%	4,193	0.03%	-	0.00%	-	0.00%
Rekha Sundar	1,060	0.01%	1,060	0.01%	-	0.00%	-	0.00%
Meenakshi Ganesh & L Ganesh	839	0.01%	839	0.01%	-	0.00%	-	0.00%
Harish Lakshman	750	0.00%	750	0.00%	-	0.00%	-	0.00%
Vinay Lakshman	750	0.00%	750	0.00%	-	0.00%	-	0.00%
Total promoter shareholding	**1,18,15,955**	**72.65%**	**1,18,15,955**	**72.65%**	**-**	**0.00%**	**-**	**0.00%**

16 Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
General Reserve	533.44	533.44
Securities Premium	202.30	202.30
Amalgamation adjustment account	(0.20)	(0.20)
Capital redemption reserve	12.91	12.91
Capital reserve (Refer note 44)	4.93	4.93
Retained Earnings	(95.46)	(107.67)
Other comprehensive income	-	(1.26)
Shares Capital pending issuance (Refer note 44)	11.37	11.37
Foreign Currency Translation reserve	(14.67)	(14.24)
Total	**654.62**	**641.58**

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Particulars	As at March 31, 2025	As at March 31, 2024
General Reserve		
Opening balance	533.44	489.00
Add : Addition during the year	-	44.44
Closing balance	**533.44**	**533.44**

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.

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium		
Opening balance	202.30	197.48
Add : Addition during the year	-	4.82
Closing balance	**202.30**	**202.30**

Securities premium is used to record premium received on issue of shares. Additions during the previous year represents Premium received on fresh issue of equity shares to Rane Holdings Limited on conversion of share warrants, by erstwhile Rane Engine Valve Limited had issued. The reserve is utilised in accordance with the provisions of the Companies Act, 2013 (the "Companies Act").

Particulars	As at March 31, 2025	As at March 31, 2024
Amalgamation Adjustment account		
Opening balance	(0.20)	(0.20)
Add : Addition during the year	-	-
Closing balance	**(0.20)**	**(0.20)**

At the time of business combination under common control, amalgamation adjustment reserve of transferor Company becomes the amalgamation adjustment reserve of transferee Company. The Group established this reserve at the time of business combinations made in the earlier years.

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Redemption Reserve		
Opening balance	12.91	12.91
Add : Addition during the year	-	-
Closing balance	**12.91**	**12.91**

The Companies Act requires that where a Group purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the Group, in paying up unissued shares of the Group to be issued to shareholders of the Group as fully paid bonus shares. The Group established this reserve pursuant to the redemption of preference shares issued in earlier years.

Particulars	As at March 31, 2025	As at March 31, 2024
Capital reserve		
Opening balance	4.93	4.84
Add: Common control surplus	-	0.09
Closing balance	**4.93**	**4.93**

The excess of fair value of net assets acquired over the consideration paid is recognised as capital reserve. The above amount includes INR 3.59 crores representing the difference between the net identifiable assets acquired and the consideration paid on amalgamation of Rane Brake Lining Limited and Rane Engine Valve Limited, with the Group. Also refer note 44.

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Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings		
Opening Balance	(107.67)	(98.74)
Profit attributable to equity shareholders of the Group	37.65	54.76
Other comprehensive income arising from remeasurement of defined benefit obligation, net of tax	2.63	0.07
Transfer to General Reserve	-	(44.44)
Transfer from other comprehensive income, net of tax	(1.26)	-
Payment of dividend on equity shares	(26.81)	(19.32)
	(95.46)	**(107.67)**

The amount that can be distributed by the Group as dividend to its equity shareholders is determined based on the separate financial statements of the Group and also considering the requirements of the Companies Act, 2013.

The Board has proposed a dividend of INR 8 per share be paid to all holders of fully paid equity shares. This dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statement. The total estimated equity dividend to be paid is INR 22.11 crores. During the year, the erstwhile companies Rane Brake Lining Limited and Rane Engine Valve Limited have paid a dividend of INR 26.81 crores in respect of the previous year ended March 31, 2024 (refer note 44).

Particulars	As at March 31, 2025	As at March 31, 2024
Money received against share warrants		
Opening Balance	-	1.25
Add: Additions/(Deletions) during the year*		(1.25)
Closing balance	**-**	**-**

* During the previous year erstwhile Rane Engine Valve Limited issued fresh equity shares to Rane Holdings Limited on conversion of share warrants.

Particulars	As at March 31, 2025	As at March 31, 2024
Other comprehensive income		
Opening Balance	(1.26)	(0.20)
Other comprehensive income for the year, net of tax	-	(1.06)
Transfer to retained earnings	1.26	-
Closing balance	**-**	**(1.26)**

Particulars	As at March 31, 2025	As at March 31, 2024
Share capital pending issuance		
Opening Balance	11.37	11.29
Shares capital pending issuance on warrant conversion	-	0.08
Closing balance	**11.37**	**11.37**

Particulars	As at March 31, 2025	As at March 31, 2024
Foreign Currency Translation reserve		
Balance at the beginning of the year	(14.24)	(26.20)
Add : Addition during the year	(0.43)	11.96
Balance at the end of the year	**(14.67)**	**(14.24)**

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

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17A Non-current borrowings

Particulars	Non-Current		Current Maturities (Refer Note 17B)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Unsecured - at amortised cost				
Term Loans				
- from banks	-	13.33	13.33	16.00
Sub Total	**-**	**13.33**	**13.33**	**16.00**
Secured - at amortised cost				
Term Loans				
- from banks	154.38	200.60	77.18	78.24
- from others	62.92	91.05	28.40	20.21
Sub Total	**217.30**	**291.65**	**105.58**	**98.45**
Total	**217.30**	**304.98**	**118.91**	**114.45**

Summary of borrowing arrangements

Secured loans include loan from banks. The secured loans outstanding as at March 31, 2025 and 2024 are secured by a charge created on the Group's fixed assets both present and future (excluding immoveable properties in Velachery, Ambattur, Virudhunagar, Trichy, Athipattu, Siddipet, Puducherry and Pollachi).

The terms of repayment of term loans are given below

As at March 31, 2025

Secured

Particulars	Balance	Terms of repayment
HDFC Bank - INR Long Term Loan	18.70	Repayable in 12 structured quarterly Instalments commencing from May 2023 with 2 years of moratorium period.
HDFC Bank - INR Long Term Loan	23.88	Repayable in 48 equal monthly Instalments commencing from May 2024 with 2 years of moratorium period.
HDFC Bank - INR Long Term Loan	81.36	Repayable in 16 equal quarterly Instalments commencing from February 2024 with 1 year of moratorium period.
Exim Bank - INR Long Term Loan	56.62	Repayable in 16 equal quarterly Instalments commencing from October 2023 with 1 year of moratorium period.
TATA Capital - INR Long Term Loan	48.96	Repayable in 16 equal quarterly Instalments commencing from August 2024 with 1 year of moratorium period
Bajaj Finance - INR Long Term Loan	42.36	Repayable in 48 equal monthly Instalments commencing from August 2024 with 1 year of moratorium period
IndusInd Bank Ltd - INR Long Term Loan	37.15	Repayable in 16 equal quarterly Instalments commencing from September 2024 with 1 year of moratorium period
HDFC Bank Ltd - INR Long Term Loan	2.79	Repayable in 49 equal monthly Instalments commencing from April 2022 with 1 year of moratorium period
HDFC Bank Ltd - INR Long Term Loan	11.06	Repayable in 48 equal monthly Instalments commencing from May 2025 with 2 years of moratorium period
Total	**322.88**	

Unsecured

Particulars	Balance	Terms of repayment
Axis Bank - INR Long Term Loan	13.33	Repayable in 48 equal monthly Instalments commencing from February 2022 with 1 year of moratorium period

The interest rate for INR loans range from 7.49% p.a to 9.85% p.a.

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As at March 31, 2024

Secured

Particulars	Balance	Terms of repayment
HDFC Bank - INR Long Term Loan	1.48	Repayable in 16 equal quarterly Instalments commencing from September 2020 with 1 year of moratorium period
HDFC Bank - INR Long Term Loan	29.55	Repayable in 20 structured quarterly Instalments commencing from February 2022
HDFC Bank - INR Long Term Loan	31.22	Repayable in 48 equal monthly Instalments commencing from May 2024 with 2 years of moratorium period
HDFC Bank - INR Long Term Loan	73.72	Repayable in 20 equal quarterly Instalments commencing from February 2024
Federal Bank - INR Long Term Loan	7.08	Repayable in 12 equal quarterly Instalments commencing from September 2021 with 2 years of moratorium period
Exim Bank - INR Long Term Loan	79.32	Repayable in 16 equal quarterly Instalments commencing from October 2023 with 1 year of moratorium period
TATA Capital - INR Long Term Loan	60.24	Repayable in 16 equal quarterly Instalments commencing from August 2024 with 1 year of moratorium period
Bajaj Finance - INR Long Term Loan	50.39	Repayable in 48 equal monthly Instalments commencing from August 2024 with 1 year of moratorium period
HDFC Bank - INR Long Term Loan	3.66	Repayable in 12 equal quarterly Instalments commencing from April 2022 with 2 years of moratorium period
Yes Bank Ltd - INR Long Term Loan	14.98	Repayable in 12 equal quarterly Instalments commencing from September 2024 with 2 years of moratorium period
IndusInd Bank Ltd - INR Long Term Loan	15.86	Repayable in 16 equal quarterly Instalments commencing from September 2024 with 1 year of moratorium period
HDFC Bank Ltd - ECLGS Loans	5.38	Repayable in 49 equal monthly Instalments commencing from April 2022 with 1 year of moratorium period
HDFC Bank Ltd - ECLGS Loans	10.93	Repayable in 48 equal monthly Instalments commencing from May 2025 with 2 years of moratorium period
Federal Bank Ltd - ECLGS Loans	6.29	Repayable in 46 equal monthly Instalments commencing from April 2022 with 1 year of moratorium period
Total	**390.10**	

Unsecured

Particulars	Balance	Terms of repayment
Axis Bank - INR Long Term Loan	29.33	Repayable in 48 equal monthly Instalments commencing from February 2022 with 1 year of moratorium period.

The interest rate for INR loans range from 6.78% p.a to 10.30% p.a.

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 33.

17B Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured - at amortised cost		
Loans from banks	71.00	60.00
Bill Discounting	-	2.66
Secured - at amortised cost*		
Loans from banks	353.72	340.37
Current maturities of long term borrowings	118.91	114.45
Total	**543.63**	**517.48**

The interest rate for INR loans range from 3.49% p.a to 10.25% p.a.

*Secured loans include cash credit, packing credit, and working capital demand loan from banks. The secured loans outstanding as at March 31, 2025 and 2024 are secured on a pari passu basis by way of hypothecation of inventories, book debts and on certain fixed assets.

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Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in note 33.

17C Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Liabilities		
	Short-term borrowings	Long-term borrowings (including current maturities)	Lease liabilities
Balance as at April 1, 2023	401.41	393.14	11.01
Changes from financing cash flows			
Proceeds from long term borrowings	-	202.93	-
Repayment of long term borrowings	-	(177.38)	-
Proceeds from short term borrowings	1,765.35	-	-
Repayment of short term borrowings	(1,763.83)	-	-
Payment of lease liabilities	-	-	(3.26)
Other changes			
New leases	-	-	23.97
Interest expense	60.73	6.78	1.14
Interest paid	(58.86)	(6.32)	(0.07)
Other changes	(1.77)	0.28	-
Deletion on account of disposal of subsidiary (refer note 42)	-	-	(4.17)
Impact of foreign exchange rate differences	-	-	0.16
Balance as at March 31, 2024	**403.03**	**419.43**	**28.78**
Changes from financing cash flows			
Proceeds from long term borrowings	-	48.75	-
Repayment of long term borrowings	-	(131.75)	-
Proceeds from short term borrowings	648.43	-	-
Repayment of short term borrowings	(636.44)	-	-
Payment of lease liabilities	-	-	(0.46)
Other changes			
New leases	-	-	26.47
Interest expense	38.27	30.99	3.91
Interest paid	(38.87)	(31.21)	(3.91)
Bank over draft not considered for cashflow	10.30	-	-
Impact of foreign exchange rate differences	-	-	(2.75)
Balance as at March 31, 2025	**424.72**	**336.21**	**52.04**

18 Other financial liabilities

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Unclaimed dividends	-	-	0.54	0.52
Security deposits	1.69	1.60	1.31	1.24
Payable to employees	-	-	51.86	33.25
Commission payable to chairman	-	-	2.11	1.91
Payables on purchase of fixed assets	-	-	13.75	8.92
Others^	-	-	69.36	35.31
Total	**1.69**	**1.60**	**138.93**	**81.15**

^ Comprises of dealer incentives and royalty payable amounting to INR 64.27 crores and INR 5.03 crores respectively as at March 31, 2025 and INR 28.52 crores and INR 5.01 crores respectively as at March 31, 2024.

The Group's exposure to currency and liquidity risk related to above financial liabilities is disclosed in Note 33.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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19 Provisions

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Provision for leave encashment	19.49	20.19	6.44	4.68
Provision for Gratuity (Refer note 36)	0.48	4.95	9.06	7.26
Provision for Warranty	-	-	20.73	14.54
Total	**19.97**	**25.14**	**36.23**	**26.48**

(i) Information about individual provisions and significant estimates

Provision for leave encashment

Refer Note 1.24

Provision for Warranty

Refer Note 1.27

(ii) Movements in provisions

Movements in each class of provision during the financial year, are set out below:

Particulars	Provision for leave encashment	Provision for Warranty
As at April 1, 2023	**21.45**	**7.27**
Charged to profit or loss	8.55	30.15
Amounts utilised during the year	(5.13)	(22.88)
As at March 31, 2024	**24.87**	**14.54**
Charged to profit or loss	8.84	10.60
Amounts utilised during the year	(7.78)	(4.41)
As at March 31, 2025	**25.93**	**20.73**

20 Other liabilities

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Deferred income (refer note below)	5.15	3.79	1.35	1.26
Tooling advance received from customers	-	-	40.97	17.25
Statutory dues	-	-	28.48	19.71
Advances from customers	-	-	1.06	2.33
Others	-	-	12.98	7.60
Total	**5.15**	**3.79**	**84.84**	**48.15**

Note : The deferred revenue comprise of the benefit received from government as grant at a subsidised price for setting up business plants and government grant pertaining to capital goods imported under EPCG Scheme.

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21 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables - Micro enterprises and Small enterprises	16.63	28.19
Trade payables - Related Parties (Refer note 35)	20.70	23.32
Trade payables - Others	461.12	374.40
Total	**498.45**	**425.91**

Micro, Small & Medium Enterprises have been determined to the extent such parties have been identified on the basis of confirmations from such parties collected by the Management till date.

As at March 31, 2025

Particulars	Outstanding for following periods from the due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues						
(i) MSME	11.02	5.59	0.02	-	-	16.63
(ii) Others	256.65	183.07	3.15	-	0.16	443.03
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
	267.67	**188.66**	**3.17**	**-**	**0.16**	**459.66**
Unbilled						38.79
Total						**498.45**

As at March 31, 2024

Particulars	Outstanding for following periods from the due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues						
(i) MSME	27.12	1.06	0.01	-	-	28.19
(ii) Others	219.20	141.12	0.20	0.00	0.20	360.72
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
	246.32	**142.18**	**0.21**	**0.00**	**0.20**	**388.91**
Unbilled						37.00
Total						**425.91**

1) The Group's exposure to currency and liquidity risk related to trade payables is disclosed in Note 33.

2) For terms and conditions relating to related party transactions, refer note 35

21.1 Micro and small enterprises :

Particulars	As at March 31, 2025	As at March 31, 2024
i. The Group has amounts due to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure required under Section 22 of the Act is given below:		
The Principal amount and interest due there on, remaining unpaid to suppliers under MSMED Act:		
- Principal	16.63	28.19
- Interest	-	-

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Particulars	As at March 31, 2025	As at March 31, 2024
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:		
- Principal	-	5.24
- Interest	-	-
The amount of interest due and payable for principal paid during the year beyond the appointed day but without adding the interest specified under MSMED Act:		
- Principal	-	-
- Interest	-	-
The amount of interest accrued and remaining unpaid at the end of the year (being interest outstanding as at the beginning of the accounting year)	0.07	0.06
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 MSMED Act.	-	-

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

22 Deferred tax asset/(liability) (Net)

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

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax asset/(liabilities)	99.48	140.62
MAT Credit	-	-
Total	**99.48**	**140.62**

Movements in deferred tax assets/(liabilities)

Particulars	Provision for employee benefit expense	Depreciation	Other Provisions (towards Warranty, Bad and Doubtful debts, Inventory, etc.)	Others^	Total
As at April 1, 2023	4.10	(5.41)	6.29	31.72	36.70
Charged/(Credited)					
- to profit & loss	0.40	4.41	8.08	90.85	103.74
- to other comprehensive income	0.18	-	-		0.18
As at March 31, 2024	**4.68**	**(1.00)**	**14.37**	**122.57**	**140.62**
Charged/(Credited)					
- to profit & loss	5.96	3.34	0.73	(50.28)	(40.25)
- to other comprehensive income	(0.91)	-	-	-	(0.91)
As at March 31, 2025	**9.73**	**2.34**	**15.10**	**72.29**	**99.48**

^ Includes deferred taxes in respect of allowable business loss/ expenditure (refer note below)

Details for amount and expiry of losses carried forward

Particulars	As at March 31, 2025		As at March 31, 2024	
	Amount	Expiry	Amount	Expiry
AY 2024-25	244.85	AY 2032-33	389.04	AY 2032-33

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Note -

As indicated in note 42, consequent to the sale of the entire stake in LMCA, RMIH has carried out a reduction of capital in NCRPS and equity shares issued to the Holding company. The Holding company has determined that it is eligible to claim the tax benefit arising from the underlying losses and has accordingly recorded a Deferred Tax Asset of INR 113.34 crores in the current year. The Company has also obtained legal advise in this matter and believes that it will have sufficient future taxable profits to utilize this asset.

During the year ended March 31, 2025, erstwhile REVL has elected to opt for the new tax regime under the Income Tax Act, 1961 with effect from FY 2023-24 resulting in an additional tax expense of INR 14.20 crores (including INR 5.93 crores on account of reversal of MAT credit) for the current year due to remeasurement of the deferred tax asset (net).

23. Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers		
Sale of products	3,364.28	3,412.49
Sale of services	0.86	0.01
Other operating revenues		
Scrap sales	25.20	31.04
Export entitlements	15.37	15.92
Others	0.04	3.27
Total	**3,405.75**	**3,462.73**

Reconciliation of revenue from sale of products

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Gross revenues	3,425.72	3,468.31
Less: Customer discounts	(61.44)	(55.82)
Net revenues from sale of products	**3,364.28**	**3,412.49**

23.1 Disaggregation of revenue information

The table below presents disaggregated revenues from contracts with customers which is recognised based on goods transferred at a point of time by geography and offerings of the Group. The payment terms vary with each customer but do not constitute any significant financing component cost.

As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of how revenues and cash flows are affected by industry, market and other economic factors.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue by geography		
India	2,716.82	2,735.91
USA	-	110.82
Mexico	0.13	-
Rest of the world	647.33	565.76
Total revenue from contracts with customers	**3,364.28**	**3,412.49**
Revenue by offerings		
Manufactured goods		
Steering and Suspension Linkage Products, Steering Gear Products and Hydraulic Products	1,795.34	1,801.26
Diecasting products	237.49	321.92
Valves, Guides and Tappets	544.57	553.70
Brake Linings, Disc pads, Clutch facings, Railway brake blocks and others	710.26	657.85
Other Auto components	76.62	77.76

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Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Total revenue from contracts with customers	**3,364.28**	**3,412.49**

23.2 Trade Receivables

The Group classifies the right to consideration in exchange for goods transferred as receivable.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognised when the Group satisfies the performance obligation by transferring the promised goods to the customers.

Trade receivable are presented net of impairment in the Balance Sheet.

Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

23.3 Contract balances

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

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Receivables, included under trade receivables	709.07	599.25
Contract liabilities included under advance from customers	1.06	2.33

The amount of INR 2.33 crores included in contract liabilities as at March 31, 2024 has been recogonised as revenue during the year ended March 31, 2025 (INR 1.45 crores for March 31, 2024).

The contract liabilities primarily relate to the advance consideration received from customers for manufacturing of products for which the delivery of goods is expected to be completed in the next one year.

24 Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income earned on -		
Deposits	5.87	4.03
Income tax refunds	4.52	0.50
Net gain on foreign currency transactions	0.57	-
Liabilities no longer required written back	1.46	0.31
Net gain on disposal of property, plant and equipment	-	0.18
Financial assets measured at FVTPL	-	0.36
Other non-operating income -		
Government grant income	2.42	2.84
Others	0.83	2.09
Total	**15.67**	**10.31**

25 Cost of materials consumed

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening stock	143.33	145.80
Add: Purchases	1,803.69	1,871.83
Less: Deletions on account of disposal of subsidiary (Refer note 42)	-	(1.47)
Less: Closing stock	(149.86)	(143.33)
Raw materials and Components consumed	**1,797.16**	**1,872.83**
Freight inward	33.69	27.22
Job work expenses	109.95	106.26
Total	**1,940.80**	**2,006.31**

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26 Purchase of Stock in trade

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of stock in trade	44.21	10.44

27 Changes in inventories of finished goods, stock in trade and work-in-progress

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock:		
Work-in-progress	54.29	61.67
Finished goods	163.03	163.49
Stock-in-Trade	3.03	2.15
Closing Stock:		
Work-in-progress	45.22	54.29
Finished goods	190.11	163.03
Stock-in-Trade	7.54	3.03
Deletions on account of disposal of subsidiary (Refer note 42)		
Work-in-progress	-	5.76
Finished goods	-	5.38
Changes in inventories	**(22.52)**	**(4.18)**

28 Employee benefit expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, Wages and Bonus	397.38	405.43
Contribution to :		
Provident and Other Funds (Refer note 36)	17.57	23.10
Superannuation Fund (Refer note 36)	1.13	1.00
National Pension Scheme	0.59	0.54
Gratuity Fund (Refer note 36)	6.10	5.95
Staff Welfare Expenses	47.62	41.59
Total	**470.39**	**477.61**

29 Finance cost

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest costs on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	69.54	64.92
Other borrowing costs	0.52	0.52
Interest on lease liabilities (Refer note 39)	3.91	1.13
Net (gain) / loss on foreign currency transactions and translation	0.57	0.02
Total	**74.54**	**66.59**

30 Depreciation and amortisation expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on Property, plant and equipment (Refer note 2)	125.72	127.08
Depreciation on Right to use assets (Refer note 3)	4.83	2.44
Amortisation of Intangible assets (Refer note 5)	1.77	2.37
Total	**132.32**	**131.89**

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31 Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Power and Fuel	115.83	118.41
Rent expense	2.68	1.68
Travelling and Conveyance	24.12	24.03
Repairs and Maintenance		
- Buildings	6.03	4.26
- Plant and Machinery	64.33	56.86
- Others	12.60	14.37
Insurance	15.92	15.15
Rates and Taxes, excluding taxes on income	4.36	9.53
Auditors' Remuneration (Refer note 31.1)	1.14	1.57
Directors' Sitting Fees	0.39	0.56
Professional Charges	35.32	42.11
Impairment loss on financial assets	20.39	19.19
Consumption of stores and consumables	124.14	128.45
Packing materials consumed	89.29	87.23
Royalty and Technical Fees	7.16	6.32
Information Systems	15.32	16.66
Commission to Chairman	2.11	2.00
Freight Outward and Storage charges	82.71	83.64
Advertisement and Sales Promotion	10.82	11.17
Commission to selling agents	3.18	2.25
Product Warranty	10.60	11.00
Trade Mark fee	16.70	16.60
Printing and Stationery	2.15	2.73
Postage and Telecom expenses	1.64	1.31
Bank Charges	1.51	1.33
Corporate Social Responsibility Expenditure * (Refer note 31.2)	2.39	2.16
Net loss on disposal of property, plant and equipment	0.24	-
Net loss/(gain) on foreign currency transactions	3.33	13.86
Miscellaneous Expenses	14.39	9.90
Total	**690.79**	**704.33**

Included in other expenses are the below:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
31.1. Payment to auditors#		
a) For statutory audit	0.72	0.59
b) For tax audit	0.02	0.04
c) For limited review	0.27	0.20
d) For certifications	0.07	0.16
e) For reimbursement of expenses	0.06	0.07
	1.14	**1.05**

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Particulars	Year ended March 31, 2025	Year ended March 31, 2024
31.2. Expenditure incurred for Corporate social responsibility		
(a) Amount required to be spent by the company during the year *	1.47	1.31
(b) Amount approved by the board	1.47	1.31
(c) Amount spent during the year (in cash):		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above		
(a) Education	2.16	1.12
(b) Healthcare	0.03	0.03
(c) Community development	0.17	0.07
(d) Environment	0.03	0.09
	2.39	**1.31**
(d) Excess / (shortfall) at the end of the year	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall(if any)	NA	NA
(g) Details of Related Party Transactions	Refer note below	Refer note below
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

Note: The above expenditure includes contribution to Rane Foundation of Rs. 2.00 crores (March 31, 2024: Rs. 1.74 crores), over which the Company has significant influence (also refer note 35).

* The comparative figures for the previous financial year, as disclosed above, represent expenditures attributable solely to Rane (Madras) Limited and do not include amounts pertaining to Rane Brake Lining Limited and Rane Engine Valve Limited. (Also refer note 44)

Includes an amount of INR 0.08 crores for the year ended March 31, 2025 (March 31, 2024: INR 0.22 crores) paid to auditors other than B S R & Co. LLP

32 Tax expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Income taxes		
Income tax recognised in profit or loss		
Current tax		
In respect of current year	-	16.58
	-	16.58
Deferred tax		
In respect of current year	40.25	(103.74)
	40.25	(103.74)
Total income tax expense recognised in the profit or loss	**40.25**	**(87.16)**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Income taxes		
Income tax recognised in other comprehensive income		
Deferred tax		
In respect of current year	(0.91)	0.18
Total income tax expense /(gain) recognised in other comprehensive income	**(0.91)**	**0.18**

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Reconciliation of Effective tax rate:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(Loss) before tax	**77.90**	**(32.40)**
Income Tax expense calculated at 25.17% (2023-24: 25.17% & 34.94%)	19.61	(6.62)
Differences in tax rates in foreign jurisdictions	3.01	2.99
Non deductible expense	2.13	(0.40)
Changes in tax rates (Refer note 22)	14.20	-
Others	1.30	(0.38)
Impact due to change in estimates (Refer Note 21)	-	(82.75)
Income Tax expense recognised in profit or loss	**40.25**	**(87.16)**

The tax rate used for the 2024-25 tax computation above is the corporate tax rate of 25.17% payable by corporate entities in India on taxable profits under the Indian tax law.

The tax rate used for the 2023-24 tax computation above is the corporate tax rate of 25.17% and 34.94% (in respect of erstwhile Rane Engine Valve Limited, also refer note 22) payable by corporate entities in India on taxable profits under the Indian tax law.

33 Financial instruments

33.1 Capital management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group.

The Group's capital management is intended to create value for shareholders by achieving the long term and short term goals of the Group, maintain the Group as a going concern and maintain optimal structure.

The Group determines the amount of capital required on the basis of annual operating plan coupled with long term and strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term bank borrowings.

The Group monitors the capital structure on the basis of debt to equity of the Group.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances) and current investments.

The table below summarises the net debt to equity ratio of the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Debt *	760.93	822.46
Cash and bank balances	34.79	30.36
Net debt	726.14	792.10
Total Equity**	670.89	657.85
Net debt to equity ratio	**1.08**	**1.20**

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

** Equity includes all capital and reserves of the Group..

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33.2 Fair value measurement

The management considers that the carrying amount of financial assets and financial liabilities recognised at amortised cost in the balance sheet approximates their fair value.

Financial instrument by category

Particulars	As at March 31, 2025			As at March 31, 2024		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial Assets						
Loans		-	0.82	-	-	0.17
Investments	-	-	6.69	4.06	-	6.69
Trade Receivables	-	-	709.07	-	-	599.25
Cash and Cash Equivalents	-	-	33.78	-	-	29.84
Bank balances other than above	-	-	1.01	-	-	0.52
Other Financial assets	-	-	50.56	-	-	49.10
Derivative assets	0.37	-	-	0.29	-	-
Total Financial Assets	**0.37**	**-**	**801.93**	**4.35**	**-**	**685.57**
Financial Liabilities						
Borrowings	-	-	760.93	-	-	822.46
Trade Payables	-	-	498.45	-	-	425.91
Lease Liability	-	-	52.04	-	-	28.78
Other Financial liabilities	-	-	140.62	-	-	82.75
Total Financial Liabilities	**-**	**-**	**1,452.04**	**-**	**-**	**1,359.90**

The below tables summarise the fair value hierarchy of the financial assets/liabilities

i. The fair value hierarchy of financial assets and liabilities carried at fair value

Particulars	As at March 31, 2025	As at March 31, 2024	Fair Value Hierarchy (Level 1,2,3)*	Valuation Technique
Financial assets				
Investments in Mutual Funds	-	4.06	2	Fair value of investment in mutual fund is determined based on Net Assets Value published by respective funds (Level 2 - Fair value hierarchy).
Derivative Assets	0.37	0.29	2	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Total	**0.37**	**4.35**		

Level 3 Fair Values

*** Fair Value Hierarchy (Level 1,2,3)**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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33.3 Financial risk management objectives

The Group's activities expose it to a variety of financial risks : market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk is influenced mainly by the individual credit profile of each customer and the concentration of risk from the top few customers.

The risk management objective of the Group is to hedge risk of change in the foreign currency exchange rates associated with it's direct & indirect transactions denominated in foreign currency. Since most of the transactions of the Group are denominated in its functional currency (INR), any foreign exchange fluctuation affects the profitability of the Group and its financial position. Hedging provides stability to the financial performance by estimating the amount of future cash flows and reducing volatility.

The Group shall follow a consistent policy of mitigating foreign exchange risk by entering into appropriate hedging instruments as considered from time to time. Depending on the future outlook on currencies, the Group may keep the exposures un-hedged or hedge only a part of the total exposure. The Group shall not enter into a foreign exchange transaction for speculative purposes i.e. without any actual /anticipated underlying exposures.

(a) Market risk

The Group operates on a global platform and a portion of the business is transacted in multiple currencies. Consequently, the Group is exposed to foreign exchange risk through its sales in the United States, European Union and other parts of the world, and purchases from overseas suppliers in different foreign currencies. The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

Foreign Currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities as reported to the management are as follows :

Particulars	As at March 31, 2025		As at March 31, 2024	
	In equivalent INR (Crores)	In Foreign Currency (Crores)	In equivalent INR (Crores)	In Foreign Currency (Crores)
	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)
Financial Assets				
USD				
Trade Receivable	140.75	1.64	104.47	1.25
Other financial assets	2.08	0.02	15.24	0.19
Bank Balances	3.25	0.04	6.85	0.08
EUR				
Non Convertible Non Cumulative Redeemable Preference Shares	16.03	0.44	27.24	0.44
Trade Receivable	44.85	0.49	21.47	0.23
Bank Balances	0.09	0.00	0.18	0.01
GBP				
Trade Receivable	0.34	0.00	0.31	0.00
Sub Total	**207.39**		**175.76**	
Financial Liabilities				
USD				
Trade Payable	(1.16)	(0.01)	(8.46)	(0.11)
Capital Creditors	(1.46)	(0.02)	(0.06)	(0.00)
Short-term Borrowings	(89.24)	(1.04)	-	-

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Particulars	As at March 31, 2025		As at March 31, 2024	
	In equivalent INR (Crores)	In Foreign Currency (Crores)	In equivalent INR (Crores)	In Foreign Currency (Crores)
	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)
EUR				
Trade Payable	(3.64)	(0.04)	(1.15)	(0.01)
Capital Creditors	(0.48)	(0.01)	-	-
Short-term Borrowings	(30.01)	(0.33)	-	-
CNY				
Trade Payable	-	-	(0.01)	(0.00)
JPY				
Capital Creditors	(1.91)	(3.40)	(2.79)	(4.97)
Sub Total	**(127.90)**		**(12.47)**	
Net Balance	**79.49**		**163.29**	

Foreign Currency sensitivity analysis

The Group is mainly exposed to US Dollar and EURO currencies. The following table details the Group's sensitivity to a 5% increase and decrease against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes loans to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity where the Indian Rupee strengthens by 5% against the relevant currency. For a 5% weakening of the Indian Rupee against the relevant currency, there would be an opposite impact on the profit or equity.

Particulars	Currency USD impact		Currency EUR impact		Currency JPY impact	
	INR in Crores	INR in Crores	INR in Crores	INR in Crores	INR in Crores	INR in Crores
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Impact on profit or loss for the year						
- Increase by 5%	2.71	5.90	1.34	2.39	0.10	0.14
- Decrease by 5%	(2.71)	(5.90)	(1.34)	(2.39)	(0.10)	(0.14)
Impact on equity as at the end of the reporting period						
- Increase by 5%	2.03	4.42	1.00	1.79	0.07	0.10
- Decrease by 5%	(2.03)	(4.42)	(1.00)	(1.79)	(0.07)	(0.10)

In management's opinion, the sensitivity analysis is not a complete reflection of the inherent foreign exchange risk considering the fact that the exposure at the end of the reporting period does not reflect the exposure during the year.

Derivative Financial Instruments

The Group holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. It is the policy of the Group to enter into forward foreign exchange contracts to cover specific foreign currency payments and receipts. The Group also enters into forward foreign exchange contracts to manage the risk associated with anticipated sales and purchase transactions ranging from 6 months to two year by covering a specific range of exposure generated. Adjustments are made to the initial carrying amount of non-financial hedged items when the anticipated sale or purchase transaction takes place.

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The following table details the forward foreign currency (FC) contracts outstanding at the end of the reporting period:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Foreign currency (In Crores)	INR (In Crores)	Foreign currency In Crores	INR (In Crores)
Forward Contracts				
In USD	1.42	122.88	1.49	124.31
In Euro	0.52	48.00	0.42	37.93
In JPY	3.46	2.04	2.91	1.66
In CNH	0.03	0.31	0.00	0.02
In GBP	0.00	0.24	0.00	0.32
In Euro (Buy)	0.03	2.76	-	-
Total forwards		**176.23**		**164.24**

The foreign exchange forward contracts mature within 24 months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Balance Sheet date:

Particulars	As at March 31, 2025	As at March 31, 2024
Not later than 1 month	35.78	42.57
Later than 1 month but not later than 3 months	64.11	50.91
Later than 3 months upto 6 months	76.34	70.76
Total	**176.23**	**164.24**

As at March 31, 2025, the Group does not have any foreign currency forward contracts which are designated as hedge instruments and hence all gains and losses in respect of such contracts have been recorded in the statement of profit and loss.

Interest rate risk

The Group adopts appropriate policies to ensure that the interest rate risk exposure is minimised. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate.

Exposure to interest rate risk

Particulars	As at March 31, 2025	As at March 31, 2024
Variable rate instruments		
Financial assets	-	-
Financial liabilities	760.93	822.46

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Impact on equity		Impact on Profit/(Loss)	
	Increase	Decrease	Increase	Decrease
March 31, 2025				
Variable rate instruments	(5.69)	5.69	(7.61)	7.61
March 31, 2024				
Variable rate instruments	(6.15)	6.15	(8.22)	8.22

The Group's variable rate instruments are benchmarked to the Bank's base rate or repo rate and hence fair value approximates to the carrying amounts.

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(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from loans, investments, deposits with banks and financial institutions and trade and other financial receivables. The carrying amount of financial assets represents the maximum credit risk.

Particulars	Net carrying amount	
	As at March 31, 2025	As at March 31, 2024
India	515.91	474.00
USA	61.72	38.69
Europe	66.93	29.26
Rest of the world	64.51	57.30

The following table provides information about the exposure to credit risk and ECLs for trade receivables.

As at March 31, 2025

Particulars	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Not due	0.16%	573.38	0.91	No
1-30 days past due	1.64%	95.01	1.56	No
31-60 days past due	5.01%	24.76	1.24	No
61-90 days past due	10.81%	11.10	1.20	No
90-180 days past due	26.07%	12.20	3.18	No
More than 180 days past due	95.78%	16.83	16.12	No
Total		**733.28**	**24.21**	

As at March 31, 2024

Particulars	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Not due	0.18%	511.07	0.94	No
1-30 days past due	1.53%	68.56	1.05	No
31-60 days past due	7.01%	13.87	0.97	No
61-90 days past due	11.79%	5.81	0.68	No
90-120 days past due	20.21%	4.50	0.91	No
More than 120 days past due	100.00%	12.56	12.56	Yes*
Total		**616.37**	**17.12**	

* Includes credit impaired receivables of INR 6.57 crores.

(i) Expected credit loss for loans, security deposits and other financial assets

The estimated gross carrying amount at default is INR 0.90 Crores (March 31, 2024: INR 0.90 crores) for loans, security deposits and other financial assets. Consequently there are no expected credit loss recognised for these financial assets.

The credit risk on derivative financial instruments is limited because the counterparties are banks with high credit-ratings.

(ii) Expected credit loss for trade receivables under simplified approach

The Group applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. It has computed expected credit losses based on a provision matrix which takes into account historical credit loss experience based on : a) Past trend of outstanding receivables over a rolling period of past 24 months and b) actual amount of outstanding receivables as on the reporting date.

Further the Group classifies the trade receivables into segments depending on location of the customers and accordingly credit risk is determined.

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(c) Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

Liquidity and interest risk

The following information provides details of the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The below information has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay and includes 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 Group 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, 2025

Particulars	Less than 1 year	1-5 years	More than 5 years	Total contractual cash flows	Carrying amount
Borrowings	558.82	217.30	-	776.12	760.93
Trade Payables	498.45	-	-	498.45	498.45
Lease liability	10.45	41.60	21.32	73.36	52.04
Other Financial liabilities	138.93	1.69	-	140.62	140.62
Total	**1,206.65**	**260.59**	**21.32**	**1,488.55**	**1,452.04**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2024

Particulars	Less than 1 year	1-5 years	More than 5 years	Total contractual cash flows	Carrying amount
Borrowings	552.36	342.33	-	894.69	822.46
Trade Payables	426.60	-	-	426.60	425.91
Lease liability	0.88	2.21	10.38	13.48	28.78
Other Financial liabilities	81.05	1.60	-	82.65	82.75
Total	**1,060.90**	**346.14**	**10.38**	**1,417.42**	**1,359.90**

The Group exceeded the threshold on certain covenants regarding financial ratios as at March 31, 2024. However, it had obtained waivers and / or revised thresholds from banks / financial institutions.

34 Segment reporting

The Group is engaged in the activities related to manufacture and supply of auto components for transportation industry. The Chief Operating Decision Maker (Board of Directors) review the operating results of the Group 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 segment, namely components for transportation industry. All the manufacturing facilities are located in India and Mexico in the current year. Accordingly, there is no other reportable segment as per Ind AS 108 Operating Segments.

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34.1 Product wise break up - Please refer note no. 23.1

34.2 Geographical information

The Group's revenue from contract with customers by location of operations and information about its non current assets** by location of operations are detailed below.

Particulars	Revenue from contract with customers		Non - current assets**	
	Year ended March 31, 2025	Year ended March 31, 2024	As at March 31, 2025	As at March 31, 2024
India	2,716.82	2,735.91	732.03	712.59
USA	-	110.82	-	-
Mexico	0.13	-	33.95	-
Rest of the world	647.33	565.76	-	-
Total	**3,364.28**	**3,412.49**	**765.98**	**712.59**

The geographical information considered for disclosure are – India and Rest of the World. The manufacturing facilities are located in India and Mexico.

** Non- current assets are used in the operations of the Group to generate revenues both in India and outside India. Non-current assets exclude financial instruments, income tax assets and deferred tax assets.

34.3 Information about major customers

The Group is a manufacturer of steering and suspension linkage products, steering gear products, hydraulic products, die-casting products, valves, engines and tappets, brake linings, disc pads, clutch facings, railway brake blocks and other auto components for transportation industry.

The Group has no major customers i.e. greater than 10% of total sales.

35 Related Party Disclosures

(a) Names of Related Parties and nature of relationship :

(i)	Holding company	Rane Holdings Limited (RHL)
Other related parties where transactions have taken place during the year		
(ii)	Key Management Personnel ('KMP')	L Ganesh, Chairman (till March 31, 2024) (KMP of Holding company)
		Harish Lakshman, Vice Chairman (till March 31, 2024) (KMP of Holding company) (Chairman effective from April 01, 2024 and Chairman and Managing Director effective from April 01, 2025)
		Gowri Kailasam, Manager (till January 20, 2025)
		R Balakrishnan, Manager & President * (erstwhile Rane Brake Lining Limited)
		S Rajkumar, Manager & President * (erstwhile Rane Engine Valve Limited)
(iii)	Relatives of KMP	L Lakshman, (Director upto May 27, 2021)
		Aditya Ganesh
(iv)	Enterprises over which KMP or relatives of KMP can exercise significant influence	Rane Foundation
(v)	Entity with significant influence	Nisshinbo Holdings Inc, Japan *
(vi)	Associates / Joint ventures of entity with significant influence	Nisshinbo Automotive Manufacturing Inc, USA *
		Nisshinbo Brake Inc, Japan *
		Nisshintoa Iwao Inc, Japan *
		Saeron Automotive Corporation, Korea *
(vii)	Subsidiaries of the Holding company	Rane Steering Systems Private Limited (Formerly known as Rane NSK Steering Systems Private Limited) #
		Rane Holdings America Inc.
		Rane Holdings Europe GmbH

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(viii)	Joint ventures of the Holding company	ZF Rane Automotive India Private Limited (Formerly known as Rane TRW Steering Systems Private Limited)
		Rane NSK Steering Systems Private Limited (RNSS) (till September 19, 2024)#
(ix)	Post employment benefit plan of the Entity	Rane Madras Employee Gratuity Fund
		Rane Madras Employee Senior Executives Pension Fund
		Rane Brake Lining Limited Employees Gratuity Fund
		Rane Brake Lining Limited Senior Executives Pension Fund
		Rane Engine Valve Limited Employees Gratuity Fund
		Rane Engine Valve Limited Senior Executives Pension Fund

* Related party disclosures also includes related party transactions and balances in respect of erstwhile Rane Engine Valve Limited and Rane Brake Lining Limited which has since merged with the Company (also refer note 44).

During the year, Rane NSK Steering Systems Private Limited (RNSS) was fully acquired by Rane Holdings Limited with effect from September 19, 2024. Accordingly, disclosures of transactions with RNSS during the year has been disclosed under the relationship 'Subsidiaries of the Holding company'.

(b) Details of related party transactions:

Description	31-Mar-25	31-Mar-24
Holding Company		
- Professional charges	14.10	14.48
- Information system expenses	10.73	5.88
- Staff welfare expenses - Training	1.08	0.86
- Trade mark fee	16.70	16.60
- Reimbursement of Expenses	0.22	0.23
- Miscellaneous Expenses	1.13	0.71
- Dividend Paid	13.71	9.67
- Money received against share warrants	-	3.75
Enterprises over which KMP or relatives of KMP can exercise significant influence		
- Purchase of capital goods	-	0.03
- CSR	2.00	1.06
Subsidiaries of the Holding company		
- Sales	0.03	0.01
- Purchases	34.08	44.20
- Sales Promotion Expenses	7.85	6.87
- Reimbursement of Expenses (Income)	0.01	0.01
Joint ventures of the Holding company		
- Sales	7.19	9.86
- Purchases	3.02	3.36
- Reimbursement of Expenses	0.25	-
- Reimbursement of Expenses (Income)	0.45	0.35
Associates / Joint ventures of entity with significant influence		
- Purchases	30.23	42.28
- Miscellaneous Expenses	0.04	-
- Professional charges	2.94	2.24
- Royalty	5.42	4.75
- Reimbursement of Expenses (Income)	0.14	-
Post employment benefit plan of the Entity		
- Post Employment benefit plan	5.28	2.37
Relatives of KMP		
- Remuneration	0.84	0.94
Entity with significant influence		
- Dividend Paid	4.97	3.99

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(c) Details of Related Party balances:

Description	31-Mar-25	31-Mar-24
Chairman Commission payable	2.11	2.00
Trade payables (including unbilled purchases)		
- Holding Company	7.64	6.60
- Subsidiaries of the Holding company	6.82	7.78
- Joint ventures of the Holding company	1.08	0.88
- Associates / Joint ventures of entity with significant influence	5.15	0.96
Trade receivables		
- Joint ventures of the Holding company	1.66	1.70
- Subsidiaries of the Holding company	0.31	-

(d) Remuneration to Key Management Personnel

Particulars	31-Mar-25	31-Mar-24
Short term benefits paid	6.14	6.18
Termination benefits	-	0.08
Gratuity	1.35	0.10
Total	**7.49**	**6.36**

Notes -

(i) All the transactions with the related parties are on the same terms and conditions as those entered into with other non-related customers and priced on arms length basis.

36 Employee benefit plans

A. Defined contribution plans

The Holding company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Holding company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Holding company are as below:

(a) Provident fund

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Holding company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the Government.

(b) Superannuation fund

The Holding company has a superannuation plan for the benefit of its employees. Employees who are members of the superannuation plan are entitled to benefits depending on the years of service and salary drawn.

The Holding company contributes up to 15% of the eligible employees' salary to LIC every year. Such contributions are recognised as an expense as and when incurred. The Holding company does not have any further obligation beyond this contribution.

The total expense recognised in profit or loss of INR 18.70 Crores (for the year ended March 31, 2024: INR 18.86 Crores) represents contributions payable to these plans by the Holding company at rates specified in the rules of the plans. As at March 31, 2025, contributions of INR 2.84 Crores (as at March 31, 2024: INR 2.00 Crores) due in respect to 2024-25 (2023-24) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

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B. Defined benefit plans

The defined benefit plans typically expose the Holding company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

C. Details of defined benefit obligation and plan assets:

(a) Gratuity

The Holding company has an obligation towards gratuity governed by the Payment of Gratuity Act, 1972, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Holding company makes annual contributions to gratuity funds established as trusts; funded to LIC. The Holding company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

(i) Movements in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening defined benefit obligation	79.19	73.96
Liability Transfer In/(Out)	(0.10)	(0.16)
Current Service Cost	5.17	4.62
Past Service Cost	0.26	-
Interest cost	5.33	5.22
Remeasurement (gains) / losses :		
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	-	1.66
Actuarial gains and losses arising from experience adjustments	(2.74)	(0.64)
Benefits paid	(5.34)	(5.46)
Closing defined benefit obligation	**81.77**	**79.19**

(ii) Movements in the fair value of the plan assets

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening fair value of plan assets	66.99	64.14
Asset Transfer In/ (Out)	(0.10)	(0.16)
Interest income	4.66	4.57
Remeasurement gain (loss) :	-	-
Return on plan assets (excluding amounts included in net interest expense)	0.80	0.15
Contributions from the Employer	5.28	4.05
Benefits paid	(5.40)	(5.76)
Closing fair value of plan assets	**72.23**	**66.99**

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(iii) The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of funded defined benefit obligation	81.77	79.19
Less: Fair value of plan assets	(72.23)	(66.99)
Funded status	**9.54**	**12.20**
Net (asset)/liability arising from defined benefit obligation	**9.54**	**12.20**
Current	**9.06**	**7.25**
Non Current	**0.48**	**4.95**

(iv) Amounts recognised in statement of profit and loss and other comprehensive income in respect of these defined benefit plans are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Service Cost :		
Current Service cost	5.17	4.62
Past Service cost	0.26	-
Net interest Expense	0.67	0.65
Components of defined benefit costs recognised in profit or loss	**6.10**	**5.27**
Remeasurement on the net defined benefit liability :		
Return on plan assets (excluding amounts included in net interest expense)	(0.80)	0.15
Actuarial (gains) / losses arising from changes in financial assumptions	-	1.66
Actuarial (gains) / losses arising from experience adjustments	(2.74)	(0.64)
Components of defined benefit costs recognised in other comprehensive income	**(3.54)**	**1.17**
Total	**2.56**	**6.44**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

(v) Risk Exposure

The Holding company has invested the plan assets with the insurer managed funds. The insurance Holding company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits.

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

(vi) The principal assumptions used for the purposes of the actuarial valuations were as follows :

Particulars	Valuation as at	
	March 31, 2025	March 31, 2024
Discount Rate	6.45%	6.97%p.a. to 7.19%p.a.
Expected Rate of salary increase		
Executives and Staff	8.00%	8% p.a. to 9% p.a.
Operators	6.00%	4.5% p.a. to 8% p.a.
Attrition Rate		
Executives and Staff	22.00%	6.2% to 8% p.a.
Operators	3.00%	1% p.a. to 8% p.a.

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Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase. The sensitivity analysis below 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.

Sensitivity Analysis

Change in assumption		Valuation as at	
		March 31, 2025	March 31, 2024
A.	Discount Rate + 50 BP	6.95%	7.54%
	Defined Benefit Obligation	79.57	76.66
	Increase/(Decrease)	(2.20)	(2.53)
B.	Discount Rate - 50 BP	5.95%	6.5%
	Defined Benefit Obligation	83.86	81.67
	Increase/(Decrease)	2.09	2.48
C.	Salary Escalation Rate +50 BP	8.5% pa and 6.5% pa	8.83% pa and 6.67% pa
	Defined Benefit Obligation	83.94	81.56
	Increase/(Decrease)	2.17	2.36
D.	Salary Escalation Rate -50 BP	7.5% pa and 5.5% pa	7.83% pa and 5.67% pa
	Defined Benefit Obligation	79.47	76.79
	Increase/(Decrease)	(2.30)	(2.40)
E.	Attrition Rate +50 BP	22.5% pa and 3.5% pa	7.07% pa & 3.61% pa
	Defined Benefit Obligation	81.70	79.21
	Increase/(Decrease)	(0.07)	0.02
F.	Attrition Rate -50 BP	21.5% pa and 2.5% pa	6.34% pa & 3.70% pa
	Defined Benefit Obligation	81.61	79.16
	Increase/(Decrease)	(0.16)	(0.03)

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 and assumptions used in preparing the sensitivity analysis from prior years.

Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 5.9 years (March 31, 2024 - 7.8 years). The expected maturity analysis of undiscounted gratuity is as follows::

Particulars	March 31, 2025	March 31, 2024
Year 1	10.48	6.91
Year 2	16.47	9.54
Year 3	10.98	8.22
Year 4	8.87	7.27
Year 5	9.02	7.95
Next 5 Years	38.60	52.75

The Group expects to pay INR 3.50 crores in contributions to its defined benefit plans in 2025-26.

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37 Earnings per share:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Basic Earnings per share	13.62	19.81
Diluted Earnings per share	13.62	19.81

Basic Earnings per share

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

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(Loss) for the year	37.65	54.76
Earnings used in the calculation of basic earnings per share	**37.65**	**54.76**

Particulars	In Nos. Year ended March 31, 2025	In Nos. Year ended March 31, 2024
(a) Number of equity Shares of Rs. 10 each outstanding at the end of the year *	27,637,148	27,637,148
(b) Weighted Average number of Equity Shares for the purpose of basic earnings per share *	27,637,148	27,637,148

* Consequent to the scheme of amalgamation (refer note 44), the Group is required to allot specified number of shares as mentioned in scheme to the shareholders of the transferor companies. Accordingly, the weighted average number of equity shares has been adjusted for shares pending issuance.

Diluted Earnings per share

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

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Earnings used in the calculation of basic earnings per share	37.65	54.76
Earnings used in the calculation of diluted earnings per share	37.65	54.76

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:

Particulars	In Nos. Year ended March 31, 2025	In Nos. Year ended March 31, 2024
Weighted average number of equity shares used in the calculation of basic earnings per share	27,637,148	27,637,148
Weighted average number of equity shares used in the calculation of diluted earnings per share	27,637,148	27,637,148

38 Other statutory information

(i) The Holding company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Holding company has not traded or invested in Crypto currency or virtual currency during the financial year.

(iii) The Holding company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to any persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries other than in the ordinary course of business.

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(iv) The Holding company has not received any fund from any persons or entities, including foreign entities with the understanding, whether recorded in writing or otherwise that the Holding company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vi) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period.

(vii) The Group has no transactions with struck off companies during the year.

(viii) Term loans were applied for the purpose they were obtained. Further, short term loans availed have not been utilised for long term purposes by the Group.

(ix) The Group has not been declared as wilful defaulters by any bank or financial institution or government or any government authority.

(x) The Group has not revalued its property, plant and equipment(including Right of use assts)/ intangible assets/both during the current/previous year.

(xi) The Group has not entered into scheme of arrangements as per sections 230 to 237 of the Companies Act, 2013 except as mentioned in note 44.

(xii) Quarterly returns or statements of current assets filed by the Holding company for the sanctioned working capital loans with banks or financial institutions along with reconciliation and reasons for discrepancies is as follows:

Quarter	Name of banks	Particulars of information submitted	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	580.30	579.52	0.78	The amount reported excludes debtors more than 90 days.
		Inventory	429.75	428.62	1.13	Inventory amount as per books includes certain items of inventory that were not grouped in Inventory for return submission.
		Trade payables	444.98	279.22	165.76	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank
Sep-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	656.88	620.42	36.46	The amount reported excludes debtors more than 90 days.
		Trade payables	491.43	298.00	193.43	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank

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Quarter	Name of banks	Particulars of information submitted	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Dec-24	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	658.04	632.43	25.61	The amount reported excludes debtors more than 90 days.
		Trade payables	488.97	306.48	182.49	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank
Mar-25	(i) RBL Bank Limited (ii) Kotak Mahindra Bank (iii) HDFC Bank (iv) DBS Bank India Limited (v) Standard chartered Bank (vi) Axis Bank (vii) ICICI Bank (viii) State Bank of India	Trade receivables	704.93	662.72	42.21	The amount reported excludes debtors more than 90 days.
		Trade payables	502.79	256.25	246.54	Unbilled expenses and bills acceptance which are grouped under trade payables are not considered in the quarterly return / statement submitted to bank
		Inventory	434.61	443.25	(8.64)	Inventory amount as per books includes certain items of inventory that were not grouped in Inventory for return submission.

Notes:

1. Impact considered through cumulative information provided for the financial year during quarterly returns/ statements submission except as at March 31, 2025.
2. Quarterly information requirements for individual banks may be different for similar line items.
3. The above information is based on the revised returns/ statements filed.

39 Leases

The Group leases plant and machinery, warehouses and factory facilities. The leases typically run for a period of ranging between 2 years to 35 years.

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility.

a) Break-up of current and non-current lease liabilities :

The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	7.40	4.48
Non-current lease liabilities	44.64	24.30
Total	**52.04**	**28.78**

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b) Movement in Lease liabilities :

The following is the movement in lease liabilities:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	**28.78**	**11.01**
Additions	26.47	23.97
Finance costs accrued during the period	3.91	1.13
Deletions on account of disposal of subsidiary (Refer note 42)	-	(4.17)
Payment of Lease liabilities	(4.37)	(3.33)
Impact of foreign exchange differences	(2.75)	0.17
Closing balance	**52.04**	**28.78**

c) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	10.45	1.01
One to five years	41.60	2.70
More than five years	21.32	10.38
Total	**73.36**	**14.09**

d) Amounts recognized in profit or loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on lease liabilities	3.91	1.13
Expenses relating to short-term leases recognised in other expenses	2.68	1.68

e) Amounts recognized/disclosed in Cash flow statement

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Total cash outflows for leases included under financing activities	4.37	3.33

40 Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Contingent Liabilities		
Claims against the Company not acknowledged as debt		
- Income Tax matters under appeal	29.22	30.06
- Central Excise, Service Tax and Sales tax matters under appeal	46.93	10.48
- Labour related matters under appeal	3.39	5.93
Total	**79.54**	**46.47**

In addition to the above, the Group from time to time is also engaged in proceedings pending with various authorities in the ordinary course of business. Judgement is required in assessing the range of possible outcomes for some of these matters, which could change substantially over time as each of the matters progresses depending on experience on actual assessment proceedings by the respective authorities and other judicial precedents. Based on its internal assessment supported by external legal counsel views, as considered necessary, the Group believes that it will be able to sustain its positions if challenged by the authorities and accordingly no additional provision / disclosures are required for these matters.

Management is of the view that above matters will not have any material adverse effect on the Group's financial position and results of operations.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

40A Guarantees and commitment

Particulars	As at March 31, 2025	As at March 31, 2024
Commitments		
- Estimated amount of contracts remaining to be executed on capital account and not provided for	31.51	44.23

41 Events after the reporting date

The Group has evaluated subsequent events from the balance sheet date through May 27, 2025, the date on which the consolidated financial statements were authorised for issue, and determined that there are no items to disclose except as disclosed in note 2 and note 16.

42 Exceptional item

(a) Exceptional items include INR 12.99 crores which primarily comprise of provision for merger related expenses (including stamp duty charges), one time warranty related costs and expenditure towards Voluntary Retirement Scheme (year ended March 31, 2024 : INR 26.99 crores).

(b) Pursuant to the approval of the Board of Directors and Shareholders of the Holding Company, Rane Madras International Holdings B.V. has sold its entire stake in Rane Light Metal Castings Inc., USA (LMCA) on September 14, 2023 for a consideration of USD 4.9 million. Accordingly, for the year ended March 31, 2024, the Group has recorded loss on sale of the aforesaid step down subsidiary aggregating to Rs. 85.46 crores in the consolidated financial statements as an exceptional item.

43 (a) Interest in other entities

Subsidiaries

The Group's subsidiaries at March 31, 2025 and March 31, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of Business / Country of Incorporation	Ownership Interest held by the group		Ownership interest held by non-controlling interests		Principal Activities
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	
Rane (Madras) International Holdings B.V (RMIH)	Netherlands	100%	100%	0%	0%	Strategic overseas investment
Rane Automotive Components Mexico S. de. R. L. de C. V. (RACM)	Mexico	100%	0%	0%	0%	Manufacture of Inner ball joints and outer ball joints
Rane Light Metal Castings Inc. (LMCA) (till September 14, 2023) (Refer note 42)	USA	0%	0%	0%	0%	Manufacture of High pressure aluminium die casting

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

(b) Additional Information required by Schedule III

Name of the entity in the Group	Net Assets (total assets minus total liabilities)		Share in Profit or (Loss)		Share in other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated Net Assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Holding company								
Rane (Madras) Limited								
As at March 31, 2025	103%	688.64	132%	49.61	119%	2.63	131%	52.24
As at March 31, 2024	101%	663.21	122%	66.62	-9%	(0.99)	165%	65.63
Subsidiaries								
Rane (Madras) International Holdings B.V (RMIH)								
As at March 31, 2025	(1%)	(3.69)	(33%)	(12.40)	(8%)	(0.17)	(32%)	(12.57)
As at March 31, 2024	(2%)	(14.33)	(257%)	(140.97)	100%	10.94	(326%)	(130.03)
Rane Automotive Components Mexico S. de. R. L. de C. V.								
As at March 31, 2025	2%	10.77	(31%)	(11.77)	(11%)	(0.25)	(30%)	(12.02)
As at March 31, 2024	0%	(1.98)	(3%)	(1.90)	(1%)	(0.09)	(5%)	(1.99)
Rane Light Metal Castings Inc.								
As at March 31, 2025	0%	-	0%	-	0%	-	0%	-
As at March 31, 2024	0%	-	(61%)	(33.52)	10%	1.11	(81%)	(32.41)
Consolidation adjustments								
As at March 31, 2025	(4%)	(24.83)	32%	12.21	0%	-	31%	12.21
As at March 31, 2024	2%	10.95	300%	164.53	0%	0.00	413%	164.53
Total								
As at March 31, 2025	100%	670.89	100%	37.65	100%	2.21	100%	39.86
As at March 31, 2024	100%	657.85	100%	54.76	100%	10.97	100%	65.73

44 Amalgamation

(a) The Board of Directors of the Holding company in its meeting held on February 29, 2024, had approved the scheme of amalgamation for the merger of the fellow subsidiaries of the Holding Company viz. Rane Engine Valve Limited ("REVL") and Rane Brake Lining Limited ("RBL") ("Transferor Companies") with the Holding Company, under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions. The aforesaid Scheme was sanctioned by Hon'ble National Holding company Law Tribunal (NCLT) vide order dated March 24, 2025. The Scheme has become effective from April 01, 2024 upon filing of the certified copy of the orders passed by NCLT with the relevant Registrar of Companies on April 07, 2025.

(b) As per the Scheme, 9 (Nine) equity shares of Rs.10/- each of the Holding company will be issued for every 20 (Twenty) equity shares of INR 10/- each held in REVL and 21 (Twenty-One) equity shares of Rs.10/- each of the Holding company will be issued for every 20 (Twenty) equity shares of INR 10/- each held in RBL.

(c) The amalgamation has been accounted in accordance with "Pooling of interest method" as laid down in Appendix C - 'Business combinations of entities under common control' of Ind AS 103 notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, comparatives have been restated to give effect of the amalgamation from the beginning of the previous year. The difference between the assets, liabilities, acquired reserves and shares transferred were transferred to Capital Reserves.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

(d) Summary of the assets, liabilities and reserves taken over as on April 1, 2024 as mentioned below:-

Particulars	Rane Engine Valve Limited	Rane Brake Lining Limited	Total
Total assets taken over	353.83	399.47	753.30
Total liabilities taken over	(233.02)	(118.39)	(351.41)
Reserves taken over	(113.58)	(273.35)	(386.93)
Net assets taken over	**7.23**	**7.73**	**14.96**
Allotment of shares pursuant to amalgamation*	**3.26**	**8.12**	**11.37**
Difference between investment value and net assets (after reducing reserves) adjusted in retained earnings			**3.59**

* The Holding company is yet to issue shares in the ratio of 21:20 and 9:20 for the shareholders of RBL and REVL respectively pursuant to the amalgamation.

(e) The impact of the above merger on the previously reported balance sheet as at March 31, 2024 is as follows:

Particulars	As per the previously issued financial statements	REVL	RBL	Eliminations	As presented in these financial statements
ASSETS **Non-current assets**					
Property, plant and equipment	420.73	86.43	125.71	-	632.87
Capital work-in-progress	27.34	10.92	7.00	-	45.26
Right-of-use assets	26.51	0.40	0.58	-	27.49
Goodwill	4.63	-	-	-	4.63
Intangible assets	1.29	0.40	0.65	-	2.34
Financial assets					
- Investments	1.92	2.87	1.90	-	6.69
- Other financial assets	7.31	5.19	4.29	-	16.79
Deferred tax asset (net)	110.58	31.25	(1.21)	-	140.62
Income tax assets (net)	41.89	2.21	4.12	-	48.22
Other non-current assets	27.06	1.17	2.19	-	30.42
Total non-current assets	**669.26**	**140.85**	**145.23**	**-**	**955.33**
Current assets					
Inventories	240.57	87.30	93.5	-	421.37
Financial assets					
- Investments	-	-	4.06	-	4.06
- Trade receivables	339.30	113.76	147.04	(0.85)	599.25
- Cash and cash equivalents	23.53	2.45	3.86	-	29.84
- Bank balances other than cash and cash equivalents above	0.08	0.03	0.41	-	0.52
- Loans	0.09	0.08	-	-	0.17
- Other financial assets	28.51	3.42	0.67	-	32.60
Other current assets	67.82	5.95	4.70	-	78.47
Total current assets	**699.90**	**212.99**	**254.24**	**(0.85)**	**1,166.28**
Total assets	**1,369.16**	**353.83**	**399.47**	**(0.85)**	**2,121.61**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

Particulars	As per the previously issued financial statements	REVL	RBL	Eliminations	As presented in these financial statements
EQUITY AND LIABILITIES					
Equity					
Equity share capital	16.27	7.23	7.73	(14.96)	16.27
Other equity	239.69	113.58	273.35	14.96	641.58
Total equity	**255.96**	**120.81**	**281.08**	**-**	**657.85**
Liabilities					
Non-current liabilities					
Financial liabilities					
- Borrowings	262.20	42.78	-	-	304.98
- Lease liabilities	23.55	0.28	0.47	-	24.30
- Other financial liabilities	-	0.98	0.62	-	1.60
Provisions	8.73	12.01	4.40	-	25.14
Other non current liabilities	3.34	0.13	0.32	-	3.79
Total non-current liabilities	**297.82**	**56.18**	**5.81**	**-**	**359.81**
Current liabilities					
Financial liabilities					
- Borrowings	438.50	78.98	-	-	517.48
- Lease liabilities	4.18	0.14	0.16	-	4.48
- Trade payables	-				-
a) total outstanding dues of micro enterprises and small enterprises; and	2.30	6.57	19.32	-	28.19
b) total outstanding dues of creditors other than micro enterprises and small enterprises	282.74	72.00	43.83	(0.85)	397.72
- Other financial liabilities	43.35	12.23	25.57	-	81.15
Other current liabilities	26.46	3.38	18.31	-	48.15
Provisions	17.85	3.54	5.09	-	26.48
Income tax liabilities	-	-	0.30	-	0.30
Total current liabilities	**815.38**	**176.84**	**112.58**	**(0.85)**	**1,103.95**
Total liabilities	**1,113.20**	**233.02**	**118.39**	**(0.85)**	**1,463.76**
Total equity and liabilities	**1,369.16**	**353.83**	**399.47**	**(0.85)**	**2,121.61**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in INR Crores unless otherwise stated)

(f) The impact of the above amalgamation on the previously reported statement of profit and loss for the year ended March 31, 2024 is as follows:

Particulars	As per the previously issued financial statements	REVL	RBL	Eliminations	As presented in these financial statements
Income					
Revenue from operations	2,238.95	566.75	660.83	(3.80)	3,462.73
Other income	4.58	3.59	2.14	-	10.31
Total income	**2,243.53**	**570.34**	**662.97**	**(3.80)**	**3,473.04**
Expenses					
Cost of materials consumed	1,419.42	233.23	357.46	(3.80)	2,006.31
Purchase of Stock-in-Trade	-	10.44	-	-	10.44
Changes in inventories of finished goods and work-in-progress	(11.30)	2.47	4.65	-	(4.18)
Employee benefits expense	251.37	139.02	87.22	-	477.61
Finance costs	56.37	10.19	0.03	-	66.59
Depreciation and amortisation expense	91.03	19.02	21.84	-	131.89
Other expenses	433.34	134.87	136.12	-	704.33
Total expenses	**2,240.23**	**549.24**	**607.32**	**(3.80)**	**3,392.99**
Profit before exceptional items and tax	**3.30**	**21.10**	**55.65**	**-**	**80.05**
Exceptional item	(105.81)	(5.42)	(1.22)		(112.45)
Profit before tax	**(102.51)**	**15.68**	**54.43**	**-**	**(32.40)**
Tax expense					
a) Current tax	-	3.66	12.92	-	16.58
b) Deferred tax	(105.53)	0.56	1.23	-	(103.74)
Total tax expense	**(105.53)**	**4.22**	**14.15**	**-**	**(87.16)**
Profit for the year	**3.02**	**11.46**	**40.28**	**-**	**54.76**
Other comprehensive income (OCI)					
Items that will not be reclassified to profi t or loss					
(i) Remeasurements losses on defined benefit liability	(0.90)	1.15	(1.42)	-	(1.17)
(ii) Income tax effect on above	0.23	(0.40)	0.36	-	0.18
	-				-
Items that will not be reclassified to profit or loss	-				-
(i) Effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to statement of profit and loss	-	-	-	-	-
(iii) Exchange differences in translating the financial statements of foreign operations	11.96	-	-	-	11.96
Total other comprehensive income	**11.29**	**0.75**	**(1.06)**	**0.00**	**10.97**
Total comprehensive income for the year	**14.31**	**12.21**	**39.22**	**-**	**65.73**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in INR Crores unless otherwise stated)

(g) The impact of the above amalgamation on the previously reported statement of cashflows for the year ended March 31, 2024 is as follows:

Particulars	As per the previously issued financial statements	REVL	RBL	Eliminations	As presented in these financial statements
Cashflows from operating activities	120.06	41.71	29.29	-	191.06
Cashflows used in investing activities	(119.26)	(25.31)	(12.65)	-	(157.22)
Cashflows from financing activities	(13.92)	(21.91)	(19.53)	-	(55.36)
Total	**(13.12)**	**(5.50)**	**(2.89)**		**(21.52)**

45 Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 27, 2025.

In terms of our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration no. 101248W/W-100022

For and on behalf of the Board of Directors
Rane (Madras) Limited

S Sethuraman
Partner
Membership No.: 203491

Ganesh Lakshminarayan
Director
DIN:00012583

Harish Lakshman
Chairman and Managing Director
DIN:00012602

B Gnanasambandam
Chief Financial Officer

S Subha Shree
Company Secretary
M. No: 18315

Place: Chennai
Date: May 27, 2025

Place: Chennai
Date: May 27, 2025

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

(Information in respect of each subsidiary to be presented with amounts in INR)

(₹ in Crores)

S.No	Particulars	1	2
1	Name of the subsidiary	Rane (Madras) International Holdings, B.V	Rane Automotive Components Mexico S. de. R. L. de C. V.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period		
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	EUR 1EUR= Rs 92.36	MXN 1 MXN = Rs. 4.2109
		INR	INR
4	Share capital	23.21	24.78
5	Reserves & surplus	(26.90)	(14.01)
6	Total assets	37.07	47.07
7	Total Liabilities	40.76	36.30
8	Investments	24.78	-
9	Turnover (including other Income)	5.15	0.31
10	Profit before taxation	(12.40)	(11.77)
11	Provision for taxation	-	-
12	Profit after taxation	(12.40)	(11.77)
13	Proposed Dividend	-	
14	% of shareholding	100%	0.02%

For and on behalf of the Board of directors

Ganesh Lakshminarayan
Director
DIN:00012583

Harish Lakshman
Chairman and Managing Director
DIN:00012602

Place : Chennai
Date : May 27, 2025

B Gnanasambandam
Chief Financial Officer

S Subha Shree
Company Secretary

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