



Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]*

To
The Members,
M/s. Rane Steering Systems Private Limited.

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Rane Steering Systems Private Limited** (hereinafter called "the Company") bearing Corporate Identification Number **U29141TN1995PTC030621**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.
However, the provisions relating to Overseas Direct Investment and External Commercial borrowings are not applicable to the Company during the audit period.
- (iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are **not applicable** to the Company during the audit period:-
 - a) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - b) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - f) The Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021;
 - g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

I further report that the applicable financial laws, such as Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory auditor and by other designated professionals.

I have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned as above.

I further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Director(s), Non-Executive Directors and Nominee Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate Notice is given to all Directors to Schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through where there were no dissenting members.
- d) There are adequate system and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, rules, regulations and guidelines.

I further report that during the audit period, the following major transactions were identified:-

- (i) Mr. Hiroyasu Tomita was appointed as an Alternate Director to Mr. Takeshi Kihara with effect from 15.04.2024.
- (ii) Mr. L Ganesh retired as the Chairman of the Company with effect from close of business hours on 06.05.2024 and continues as a Non Executive Nominee Director on the Board.
- (iii) Mr. Harish Lakshman, Nominee Director was appointed as the Chairman of the Company with effect from 07.05.2024.
- (iv) The shareholders of the Company in their Annual General Meeting held on 14.06.2024, approved the appointment of the Nominee Directors Mr. Hideaki Hayami and Mr. Takeshi Kihara.
- (v) The Company has amended its Articles of Association to include provisions relating to dematerialization of securities with the approval of the shareholders in their Annual General Meeting dated 14.06.2024.
- (vi) The Board of Directors in their meeting held on 01/07/2024 approved the execution of Share Purchase agreement between and amongst Rane Holdings Limited (RHL), NSK Ltd Japan (NSK), Rane NSK Steering Systems Private Limited (RNSS) for the transfer of entire shareholding held by NSK in RNSS (representing 51% shareholding) ie., 91,29,000 equity shares of Rs. 10 each to RHL. Further, the Board approved the settlement agreement between and amongst Rane Holdings Limited (RHL), NSK Ltd Japan (NSK), Rane NSK Steering Systems Private Limited (RNSS) towards settlement of various claims amounting to INR 176 crores by NSK to RNSS.
- (vii) Pursuant to the terms of the Share Purchase agreement, the Company has changed its name to Rane Steering Systems Private Limited and consequently altered its Memorandum of Association with the approval of the shareholders vide the Extraordinary General Meeting dated 20.09.2024.
- (viii) The shareholders of the Company vide special resolution passed in the Extraordinary General Meeting dated 20.09.2024 approved the adoption of new set of Articles of Association of the Company.
- (ix) Consequent to the transfer of shares, the Company became a wholly owned subsidiary of Rane Holdings Limited and would be deemed to be a public Company for the purposes of Companies Act, 2013. Further, the Company is a material unlisted subsidiary of RHL.
- (x) In terms of Regulation 24(1) of SEBI LODR, Dr. Brinda Jagridar, an Independent Director in RHL was appointed as an Additional Director with effect from 20.09.2024.

- (xi) In order to meet the minimum members requirement for a deemed public Company, M/s. Rane Holdings Limited transferred six equity shares held by them to its Nominees.
- (xii) The Board of Directors in their meeting held on 26/07/2024 accorded approval under Section 186 of the Companies Act, 2013 to acquire the securities of M/s. AMPIN Energy C&I One Private Limited or any of its group Companies for a sum upto Rs. 21,60,000 in connection with the purchase of 10 lakh units of solar power under the Captive power consumption scheme.
- (xiii) Mr. Naoki Kamamoto, Mr. Taro Nagai, Mr. Takeshi Kihara, Mr. Hidaeki Hayami ceased to be Nominee Directors effective from 20.09.2024 due to withdrawal of nomination by NSK Ltd, Japan. Further, Mr. T.G.Vijayan, Mr.Hiroyasu Tomita ceased to be Alternate Directors due to the cessation of Mr. Hidaeki Hayami and Mr. Takeshi Kihara.
- (xiv) The Board granted in principle approval in their Board Meeting held on 25.10.2024 for establishment of a branch office in Japan.
- (xv) The Board of Directors of the Company approved the proposal to avail Inter corporate Loan of Rs. 50 crores from Rane Holdings Limited in their Board Meeting held on 13.11.2024.
- (xvi) A. Makesh, President of the Company was appointed as Manager (KMP) under the Companies Act, 2013 for a period of five years with effect from 01.02.2025.
- (xvii) The Company obtained the approval of the shareholders in the Extraordinary general Meeting dated 28.03.2025 for sale of land in Chengalpattu district measuring 3.99 acres (deemed to be an undertaking under Section 180 of the Companies Act, 2013) for a consideration of 50.50 crores.

FOR MOHAN KUMAR & ASSOCIATES

Place: Chennai.
Date: 07th May, 2024

A. Mohan Kumar
Practicing Company Secretary
Membership Number: FCS 4347
Certificate of Practice Number: 19145
Peer Review Certificate Number: 2205/2022
UDIN: **F004347G000285397**

*This Report is to be read with my testimony of even date which is annexed as **Annexure A** and forms an integral part of this report.*

Annexure A

To,
The Members,
M/s. Rane Steering Systems Private Limited.

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

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

FOR MOHAN KUMAR & ASSOCIATES



Place: Chennai.
Date: 07th May, 2024

A. Mohan Kumar
Practicing Company Secretary
Membership Number: FCS 4347
Certificate of Practice Number: 19145
Peer Review Certificate Number: 2205/2022