Rane Steering Systems Private Limited
(Formerly known as Rane NSK Steering Systems Private Limited)
Balance sheet as at March 31, 2026
(All amounts are in Crores of Indian rupees unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	3	200.60	186.83
Capital work-in-progress	4a	42.23	36.01
Right-of-use assets	4b	18.73	11.08
Intangible assets	4c	3.43	2.31
Intangible assets under development	4d	36.20	22.65
Financial assets			
(i) Investments	5	0.66	0.44
(ii) Other financial assets	6	3.54	5.07
Deferred tax asset (net)	18	15.54	10.32
Income tax assets (net)	7	7.31	9.86
Other non-current assets	8	43.13	7.41
Total non-current assets		**371.37**	**291.98**
Current assets			
Inventories	9	145.67	118.40
Financial assets			
(i) Trade receivables	10	271.22	215.45
(ii) Cash and cash equivalents	11	0.13	0.05
(iii) Loans	12	0.28	0.43
(iv) Other financial assets	6	0.08	0.11
Other current assets	8	10.34	11.57
Total current assets		**427.72**	**346.01**
Non current assets held for sale	4e	-	26.13
Total Assets		**799.09**	**664.12**
Equity and Liabilities			
Equity			
Equity share capital	13	19.90	17.90
Other equity	14	150.12	66.31
Total equity		**170.02**	**84.21**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15	30.00	50.00
(ii) Lease liabilities	17	14.91	8.50
Provisions	16	14.03	8.72
Total non-current liabilities		**58.94**	**67.22**
Current liabilities			
Financial liabilities			
(i) Borrowings	15	217.30	174.05
(ii) Lease liabilities	17	5.26	3.35
(iii) Trade payables	19		
-Total outstanding dues of micro enterprises and small enterprises		19.15	5.58
-Total outstanding dues of creditors other than micro enterprises and small enterprises		269.87	267.47
(iv) Other financial liabilities	20	17.03	21.58
Other current liabilities	21	12.73	8.30
Provisions	16	26.46	32.36
Current tax liabilities, net	22	2.33	-
Total current liabilities		**570.13**	**512.69**
Total liabilities		**629.07**	**579.91**
Total Equity and Liabilities		**799.09**	**664.12**
Material accounting policies	2		
See the accompanying notes forming part of the financial statements			

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

For and on behalf of the Board of Directors of
Rane Steering Systems Private Limited
CIN: U29141TN1995PTC030621

Ankit Gupta
Partner
Membership No.: 301861
Place: Chennai
Date: April 29, 2026

Harish Lakshman
Chairman
DIN - 00012602

Ganesh Lakshminarayan
Director
DIN - 00012583

A Makesh
Manager, President

V Sethuraman
Chief Financial Officer

S Anand
Company Secretary
Membership No.: A60122

Place: Chennai
Date: April 29, 2026

Rane Steering Systems Private Limited
(Formerly known as Rane NSK Steering Systems Private Limited)
Statement of Profit and Loss for the year ended March 31, 2026
(All amounts are in Crores of Indian rupees unless otherwise stated)

	Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
I	Revenue from operations	23	2,012.97	1,706.33
II	Other income	24	5.23	1.72
III	**Total Income (I+II)**		**2,018.20**	**1,708.05**
IV	**Expenses**			
	Cost of materials consumed	25	1,665.49	1,418.42
	Changes in inventories of finished goods and work-in-progress	26	(4.91)	(6.12)
	Employee benefits expense	27	123.78	109.64
	Finance costs	28	14.83	26.92
	Depreciation and amortization expense	29	53.07	51.60
	Other expenses	30	175.41	161.23
	Total expenses (IV)		**2,027.67**	**1,761.69**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(9.47)**	**(53.64)**
VI	**Exceptional items**	31	44.39	176.00
VII	**Profit/(Loss) before tax (V+VI)**		**34.92**	**122.36**
VIII	**Tax expense**			
	Current tax	32	5.73	0.01
	Deferred Tax	32	(5.57)	51.06
			0.16	**51.07**
IX	**Profit for the year (VII-VIII)**		**34.76**	**71.29**
	Other comprehensive income (OCI):			
	(i) Items that will not to be reclassified to Statement of Profit or Loss			
	Remeasurement gains/ (losses) on defined benefit plans (net)		1.40	(0.52)
	Income tax relating to items that will not be reclassified to Statement of Profit or Loss		(0.35)	0.13
			1.05	**(0.39)**
X	**Total other comprehensive income / (loss) for the year, net of tax**		**1.05**	**(0.39)**
XI	**Total comprehensive income / (loss) for the year, net of tax (IX+X)**		**35.81**	**70.90**
XII	Earnings per equity share (in INR)	33		
	Basic		18.17	39.82
	Diluted		18.17	39.82
	Nominal value per equity share (in INR)		10.00	10.00
	Material accounting policies	2		
	See the accompanying notes forming part of the financial statements			

As per our report of even date attached

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For and on behalf of the Board of Directors of
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Chief Financial Officer

S Anand
Company Secretary
Membership No.: A60122

Place: Chennai
Date: April 29, 2026

Rane Steering Systems Private Limited
(Formerly known as Rane NSK Steering Systems Private Limited)
Statement of changes in equity for the year ended March 31, 2026
(All amounts are in Crores of Indian rupees unless otherwise stated)

a) Equity Share Capital:

	Amount
As at April 01, 2024	**17.90**
Issue of share capital	-
Changes in equity share capital due to prior period errors	-
As at March 31, 2025	**17.90**
Issue of share capital on rights basis	2.00
Changes in equity share capital due to prior period errors	-
As at March 31, 2026	**19.90**

b) Other equity

Particulars	Reserves and Surplus			Total other equity
	General Reserve	Securities Premium	Retained earnings	
As at April 01, 2024	**207.41**	**17.10**	**(229.10)**	**(4.59)**
Profit for the year	-	-	71.29	71.29
Other comprehensive income / (loss)	-	-	(0.39)	(0.39)
Total comprehensive income	**-**	**-**	**70.90**	**70.90**
Transfer to General Reserve	-	-	-	-
As at March 31, 2025	**207.41**	**17.10**	**(158.20)**	**66.31**
Profit for the year	-	-	34.76	34.76
Other comprehensive income / (loss)	-	-	1.05	1.05
Total comprehensive income	**-**	**-**	**35.81**	**35.81**
Issue of Equity Shares	-	48.00	-	48.00
Transfer to General Reserve	-	-	-	-
As at March 31, 2026	**207.41**	**65.10**	**(122.39)**	**150.12**

Refer note 2 for Material accounting policies

See the accompanying notes forming part of the financial statements

As per our report of even date attached

For B S R & Co. LLP
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ICAI Firm registration number: 101248W/W-100022

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Company Secretary
Membership No.: A60122

Place: Chennai
Date: April 29, 2026

Rane Steering Systems Private Limited
(Formerly known as Rane NSK Steering Systems Private Limited)
Cash flow statement for the year ended March 31, 2026
(All amounts are in Crores of Indian rupees unless otherwise stated)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from operating activities			
Profit for the year		**34.76**	**71.29**
Adjustments for:			
Depreciation and amortization expenses		53.07	51.60
Provision for warranty		(7.00)	3.90
Provision for inventory		(0.76)	5.57
Provisions no longer required written back		(4.51)	(0.36)
(Gain)/Loss on disposal of property, plant and equipment		(24.19)	(0.20)
Net foreign exchange differences (unrealised)		0.57	(0.20)
Interest income		(0.06)	(0.12)
Finance costs		14.83	26.92
Net reversal on derecognition of Lease liability and Right-of-use asset		-	(0.21)
Income tax expense		0.16	51.07
Operating profit before working capital changes		**66.87**	**209.26**
Adjustments for:			
Decrease/(increase) in Trade and other receivables		(55.77)	0.03
Decrease/(increase) in Other non current assets		(1.60)	0.01
Decrease/(increase) in Other current assets		1.24	(5.52)
Decrease/(increase) in Other financial assets		1.70	(2.35)
Decrease/(increase) in Inventories		(26.50)	(3.95)
Increase/(decrease) in Provisions		11.72	(9.90)
Increase/(decrease) in Other financial liabilities		5.31	(0.02)
Increase/(decrease) in Other current liabilities		9.42	(2.91)
Increase/(decrease) in Trade payables		18.35	10.49
Cash flows from operating activities		**30.74**	**195.14**
Income tax (paid)/refund, (net)		(0.85)	(0.36)
Net cash flows from/ (used in) operating activities	**A**	**29.89**	**194.78**
Cash used in investing activities			
Payments towards purchase of Property, plant and equipment (Including capital work-in-progress, capital advances and capital payables)		(125.36)	(68.95)
Proceeds from sale of Property, plant and equipment and Assets held for sale (including advance received for sale)		45.61	5.26
Investment in equity shares		(0.22)	-
Interest income		0.06	0.12
Net cash from/ (used in) investing activities	**B**	**(79.91)**	**(63.57)**
Cash flow from financing activities			
Proceeds from issue of equity shares		50.00	-
Proceeds from long term borrowings		40.00	50.00
Repayment of long term borrowings		(60.00)	-
Proceeds from short term borrowings		657.32	364.05
Repayment of short term borrowings		(614.07)	(515.00)
Interest paid		(14.62)	(25.99)
Interest on lease liability		(1.62)	(0.95)
Principle payment of lease liabilities		(4.58)	(3.62)
Net cash flows from/ (used in) financing activities	**C**	**52.43**	**(131.51)**
Net increase / (decrease) in cash and cash equivalents	**(A+B+C)**	**2.41**	**(0.30)**
Cash and cash equivalents at the beginning of the year (Refer note 11)		0.05	0.35
Cash and cash equivalents at the end of the year (Refer note 11)		**0.13**	**0.05**

Material accounting policies 2
See the accompanying notes forming part of the financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

For and on behalf of the Board of Directors of
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CIN: U29141TN1995PTC030621

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Chief Financial Officer

S Anand
Company Secretary
Membership No.: A60122

Place: Chennai
Date: April 29, 2026

1 Corporate information

Rane Steering Systems Private Limited (formerly known as Rane NSK Steering Systems Private Limited) ("RSSL" or " the Company") is a private 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 a wholly owned subsidiary of Rane Holdings Limited ("the Holding Company") with effect from September 19, 2024 pursuant to the Share Purchase Agreement (SPA) entered into between NSK Ltd, Japan (“NSK”), the erstwhile Holding Company, and Rane Holdings Limited (RHL), on July 01, 2024 to which the Company is also a party. As per the SPA, RHL acquired 51% of the shareholding in the Company from NSK. Consequently, the name of the Company stands changed to Rane Steering Systems Private Limited.

The Company is engaged in the business of manufacture and supply of steering columns to automotive customers.

The Company has multiple manufacturing facilities across India and an administrative branch located in Japan.

2 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of the financial statements. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to existing accounting standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on a periodic basis.

2.1 Basis of preparation

2.11 Statement of Compliance and basis of preparation

The 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.

Management has carried out a detailed assessment for appropriateness of going concern assumption in preparing these financial statements on the basis of approved business plans, including improvement in operating cash flows and continuous financial support from the Holding Company. The Company has concluded that the going concern assumption is appropriate in preparing these financial statements and that the Company, will be able to pay all liabilities as and when it falls due for payment for a period not less than 12 months from the date of signing of the financial statement of the Company for the year ended March 31, 2026.

2.12 Basis of measurement

The financial statements have been prepared under the historical cost convention on accrual basis of accounting, except for certain financial assets and liabilities and defined benefit obligation that have been measured on fair value basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.13 Functional and presentation currency

These 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.

2.14 Use of judgements and estimates

In preparing these 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.

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:

Whether an arrangement contains a lease and lease classification - Note 37

(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 2.32 and 34
(b) Measurement and likelihood of occurrence of provisions and contingencies – Notes 2.35, 16 and 35
(c) Recognition of deferred tax assets/liabilities – Note 2.36 and 18
(d) Useful life of Property, plant and equipment and intangible assets - Note 2.21, 2.22 and 3
(e) Impairment of Tangible, Intangible assets and goodwill – Note 2.23, 3 and 4
(f) Measurement of Lease liabilities and Right of Use Asset (ROU) – Notes 2. 25, 4b and 37
(g) Inventory obsolescence provisioning - Note 2.26 and 9

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(All amounts are in Crores of Indian rupees unless otherwise stated)

2.15 Current and non-current classification

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.

2.2 The material accounting policies are set out below :

2.21 Property, plant and equipment

Recognition and measurement

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.

Capital work-in-progress

The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress.

Transition to Ind AS

The cost of property, plant and equipment at April 01, 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).

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	30 years	30 years
Plant and equipment	5 - 15 years*	15 years
Vehicles	5 Years	6 years
Furniture and Fixtures	5 Years	10 years
Office Equipment (other than computers)	5 Years	5 years
Computers, Server and networks	3-6 Years	3-6 years

* The useful lives of plant and equipment used in manufacture of steering columns are estimated as 9 years. These lives are lower than those indicated in schedule II

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.

Derecognition

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.

2.22 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.

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
Technical knowhow	5 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.

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.

2.23 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.

For impairment testing, assets that do not generate independent cash inflows are Companyed together into cash-generating units (CGUs). Each CGU represents the smallest Company 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 Company of CGUs) on a pro rata basis.

In respect of 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.

2.24 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.

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2.25 Leases

As a lessee

The Company's lease asset classes primarily consist of leases for buildings and plant and machinery. 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.

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.

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 the present value of the future lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. the Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. The lease liability is measured at amortised cost using the effective interest method. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

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.

2.26 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.

2.27 Cash and cash equivalents

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

2.28 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) for the year 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.

2.29 Foreign currency transactions and translations

In preparing the 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 arise except for qualifying cash flow hedges to the extent that the hedges are effective.

2.30 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.

Tool development income is recognized on completion of tooling program and its satisfactory performance and when the substantial risk and rewards of ownership in the tool is transferred to the buyer as per the terms of the contract.

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.

A trade receivable without a significant financing component is initially measured at transaction price.

2.31 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.

2.32 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 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 and Code on Wages, 2019. 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.

2.33 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.

2.34 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.

2.35 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.

2.36 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.

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.

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.

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.

2.37 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 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.

2.37 Financial instruments (continued)

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 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
Financial Guarantees 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.

2.38 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 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 39 on financial instruments.

2.39 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.

2.40 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.

2.41 Non- Current Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets are available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets and its sale is highly probable. The Company treats sale of the asset to be highly probable when:

(a) The appropriate level of management is committed to a plan to sell the asset;
(b) An active programme to locate a buyer and complete the plan has been initiated;
(c) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value
(d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification; and

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Non-current assets once classified as held for sale are not depreciated or amortised.

2.42 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules from time to time.
In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
In August 2025, MCA notified the following amendments to:
Ind AS 1, Presentation of Financial Statements, for accounting periods beginning on or after 1 April 2026, when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date.

However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.
This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, ounting Estimates and Errors. The Company has no impact on account of these amendments in classification criteria of current and non-current liabilities.

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Rane Steering Systems Private Limited
(Formerly known as Rane NSK Steering Systems Private Limited)
Notes to Financial Statements for the year ended March 31, 2026
(All amounts are in Crores of Indian rupees unless otherwise stated)

3 Property, Plant and Equipment

Particulars	Freehold Land	Buildings	Plant and Equipment	Computers and Accessories	Furniture and Fixtures	Office Equipments	Vehicles	Total
Gross carrying value								
As at April 01, 2024	**32.25**	**43.47**	**467.29**	**8.37**	**2.36**	**6.57**	**1.16**	**561.47**
Additions	-	1.08	16.81	1.09	-	0.20	0.08	19.26
Disposals	-	-	(5.04)	(0.38)	-	-	(0.57)	(5.99)
Reclassified as Assets held for Sale	(26.13)	-	-	-	-	-	-	(26.13)
As at March 31, 2025	**6.12**	**44.55**	**479.06**	**9.08**	**2.36**	**6.77**	**0.67**	**548.61**
Additions	-	0.32	55.98	1.35	0.01	2.29	-	59.95
Disposals	-	(0.16)	(0.60)	(0.33)	-	-	(0.07)	(1.16)
As at March 31, 2026	**6.12**	**44.71**	**534.44**	**10.10**	**2.37**	**9.06**	**0.60**	**607.40**
Accumulated Depreciation								
As at April 01, 2024	**-**	**18.69**	**289.94**	**5.37**	**2.00**	**4.35**	**0.55**	**320.90**
Depreciation expense	-	2.67	41.49	1.20	0.11	1.20	0.15	46.82
Disposals	-	-	(5.00)	(0.37)	-	-	(0.57)	(5.94)
As at March 31, 2025	**-**	**21.36**	**326.43**	**6.20**	**2.11**	**5.55**	**0.13**	**361.78**
Depreciation expense	-	2.75	40.52	1.43	0.09	1.14	0.13	46.06
Disposals	-	(0.16)	(0.48)	(0.33)	-	-	(0.07)	(1.04)
As at March 31, 2026	**-**	**23.95**	**366.47**	**7.30**	**2.20**	**6.69**	**0.19**	**406.80**
Carrying value								
As at March 31, 2025	**6.12**	**23.19**	**152.63**	**2.88**	**0.25**	**1.22**	**0.54**	**186.83**
As at March 31, 2026	**6.12**	**20.76**	**167.97**	**2.80**	**0.17**	**2.37**	**0.41**	**200.60**

3.1 All title deeds of immovable properties are held in the name of the Company.
3.2 Refer note 35 (a) for capital commitments
3.3 Refer note 15 for assets pledged for borrowings
3.4 The Company has not revalued its property, plant and equipment.

(All amounts are in Crores of Indian rupees unless otherwise stated)

4a Capital Work-in Progress (CWIP)

Capital work in progress as at March 31, 2026 comprises expenditure for the plant and equipment in various stages of installation.

Movement in capital work-in-progress is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
As at April 01, 2024	36.01	7.89
Additions	66.17	47.38
Capitalisations	(59.95)	(19.26)
As at the end of the year	**42.23**	**36.01**

As at March 31, 2025

As at March 31, 2026

	Amount in CWIP for a period of				
Particulars	**Less than 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
As at March 31, 2026	41.83	0.40	-	-	**42.23**
Project temporarily suspended	-	-	-	-	-
Total CWIP	**41.83**	**0.40**	**-**	**-**	**42.23**

As at March 31, 2025

	Amount in CWIP for a period of				
Particulars	**Less than 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Project in Progress	36.01	-	-	-	**36.01**
Project temporarily suspended	-	-	-	-	-
Total CWIP	**36.01**	**-**	**-**	**-**	**36.01**

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 :

As at March 31, 2026

	To be completed in				
Particulars	**Less than 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Projects in progress					
Modernisation	1.02	-	-	-	**1.02**
Development of tools	0.74		-	-	**0.74**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
As at March 31, 2026	**1.76**	**-**	**-**	**-**	**1.76**

As at March 31, 2025

	To be completed in				
Particulars	**Less than 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Projects in progress					
Gen-III Traceability	0.02	-	-	-	**0.02**
Capacity Enhancement	2.22	-	-	-	**2.22**
Modernisation	1.74	-	-	-	**1.74**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
As at March 31, 2025	**3.98**	**-**	**-**	**-**	**3.98**

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(All amounts are in Crores of Indian rupees unless otherwise stated)

4b Right-of-use assets

Right-of-use assets as at March 31, 2026 comprises of Buildings and Plant and equipment.

Particulars	Plant and equipment	Buildings	Total
Gross carrying value			
As at April 01, 2024	2.39	11.04	13.43
Additions	-	9.65	9.65
Decrecognition	-	1.66	1.66
As at March 31, 2025	**2.39**	**19.03**	**21.42**
Additions	-	12.90	12.90
Decrecognition	-	7.79	7.79
As at March 31, 2026	**2.39**	**24.14**	**26.53**
Accumulated depreciation			
As at April 01, 2024	0.47	7.33	7.80
Depreciation expense	0.11	3.57	3.68
Decrecognition	-	1.13	1.13
As at March 31, 2025	**0.58**	**9.76**	**10.34**
Depreciation expense	0.11	5.14	5.25
Decrecognition	-	7.79	7.79
As at March 31, 2026	**0.69**	**7.11**	**7.80**
Carrying value			
As at March 31, 2025	**1.81**	**9.27**	**11.08**
As at March 31, 2026	**1.70**	**17.03**	**18.73**

Also refer note 37 - Leases

4c Intangible Assets

Particulars	Technical know-how	Software License	Total
Gross carrying value			
As at April 01, 2024	**2.97**	**5.62**	**8.59**
Additions	-	1.59	1.59
Disposals	-	-	-
As at March 31, 2025	**2.97**	**7.21**	**10.18**
Additions	-	2.88	2.88
Disposals	-	-	-
As at March 31, 2026	**2.97**	**10.09**	**13.06**
Accumulated Amortization			
As at April 01, 2024	**2.96**	**3.81**	**6.77**
Amortization	-	1.10	1.10
Disposals	-	-	-
As at March 31, 2025	**2.96**	**4.91**	**7.87**
Amortization	-	1.76	1.76
Disposals	-	-	-
As at March 31, 2026	**2.96**	**6.67**	**9.63**
Carrying value			
As at March 31, 2025	**0.01**	**2.30**	**2.31**
As at March 31, 2026	**0.01**	**3.42**	**3.43**

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4d Intangible Assets under development (ITUD)

Intangible assets under development as at March 31, 2026 represents expenditure incurred for acquisition and utilisation of technical know-how under various stages of absorption and hence, are not yet fully available for use as at the reporting date.

As at March 31, 2026

	Amount in ITUD for a period of				
Particulars	**Less than 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Project in Progress	13.55	22.65	-	-	**36.20**
Project temporarily suspended	-	-	-	-	-
Total Intangible assets under development	**13.55**	**22.65**	**-**	**-**	**36.20**

As at March 31, 2025

	Amount in ITUD for a period of				
Particulars	**Less than 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Project in Progress	22.65	-	-	-	**22.65**
Project temporarily suspended	-	-	-	-	-
Total Intangible assets under development	**22.65**	**-**	**-**	**-**	**22.65**

The Company does not have any Intangible Assets under development that has exceeded its cost compared to its original plan or whose completion is overdue.

4e Non-current assets held for sale

The major classes of Assets classified as held for sale as at March 31, 2026 as follows:

Assets	**As at March 31, 2026**	**As at March 31, 2025**
Property, plant and equipment		
Freehold land	-	26.13
Total Non-current assets held for sale	**-**	**26.13**

The Company during the year has disposed off one of its land parcels classified as non-current assets held for sale as part of its strategy of monetization on non core assets. Details of the transaction is as below:-

Particulars	**Amount**
Sale value (net off costs of disposal)	50.32
Carrying value of the land	26.13
Profit on sale of land	**24.19**

4f Impairment assesment

As at March 31, 2026, the Company has assessed the recoverable amount of the carrying value of the business, which represents a single CGU. Based on such assessment, no impairment loss exists as at March 31, 2026. In order to carry out the above assessment, the Company has considered projections of future cash flows of the CGU based on the most recent long-term forecasts.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management’s assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Particulars	**As at 31 March 2026**
Post tax discount rate	17.73%
Terminal value growth rate	4.00%
Budgeted average EBITDA as a % of sales	6.80%

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 7%.

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 408.55 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.

Particulars	**Change required for carrying amount to equal recoverable amount**
Post tax discount rate	26.18%
Budgeted average EBITDA growth rate as a % of sales	5.88%

(All amounts are in Crores of Indian rupees unless otherwise stated)

5 Investments

	As at March 31, 2026	As at March 31, 2025
Investments at amortised cost		
Unquoted equity shares		
1,50,000 (March 31,2025: 1,50,000) equity shares of Capsol Energy Private Limited of INR 10 each	0.15	0.15
900 (March 31,2025: 900) equity shares of Shree MTK Textiles Private Limited of INR 100 each	0.29	0.29
1,68,000 (March 31,2025: Nil) equity shares of Ampin Energy C&I One Private Limited of INR 10 each	0.17	-
4,800 (March 31,2025: Nil) equity shares of Mehala Mill India Private Limited of INR 100 each	0.05	-
	0.66	**0.44**
Current	**-**	**-**
As at March 31, 2025	**0.66**	**0.44**
Aggregate carrying value of unquoted investments	0.66	0.44
Aggregate amount of impairment / Fair value change on investments recognised at FVTPL	-	-

6 As at March 31, 2026
(Unsecured and considered good, unless otherwise stated)

	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Security deposits	3.54	5.07	-	-
Other advances - considered doubtful	0.15	0.15	-	-
Less: Impairment for doubtful advances	(0.15)	(0.15)	-	-
Rent deposit	-	-	-	0.02
Claims receivable	-	-	0.08	0.09
Total other financial assets	**3.54**	**5.07**	**0.08**	**0.11**

7 Income tax assets (Net)

	As at March 31, 2026	As at March 31, 2025
Income tax refund receivable	7.31	9.86
	7.31	**9.86**

8 Other assets
(Unsecured and considered good, unless otherwise stated)

	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Capital advances	40.77	6.65	-	-
Balances with government authorities	1.61	-	3.10	7.16
Prepaid expenses	-	-	4.90	3.76
Advance to suppliers	-	-	2.34	0.65
Others	0.75	0.76	-	-
Total Other assets	**43.13**	**7.41**	**10.34**	**11.57**

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9 Inventories (at lower of cost and net realisable value)

	As at March 31, 2026	As at March 31, 2025
Raw materials (including goods-in-transit amounting to INR 12.26 crores (March 31, 2025: INR 16.41 crores))	81.43	66.56
Work-in progress	11.18	10.20
Finished goods (including goods-in-transit amounting to INR 3.57 crores (March 31, 2025: INR 4.03 crores))	31.50	27.57
Stores and Spares	15.89	12.43
Tooling Inventories	5.67	1.64
Total Inventories	**145.67**	**118.40**

9.1 Inventories of finished goods have been reduced by INR 1.12 crores (March 31, 2025: INR 1.12 crores) as a result of the write-down to net realisable value.

9.2 The mode of valuation of inventories has been stated in note 2.26

9.3 For the carrying value of inventories pledged as securities for borrowings, refer note 15.

10 Trade receivables

	As at March 31, 2026	As at March 31, 2025
From Related parties		
Trade receivables considered good - unsecured	10.18	7.05
Trade receivables credit impaired	-	-
Less: Loss allowance (except credit loss allowance)	-	-
Sub total	**10.18**	**7.05**
From Others		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	261.04	208.40
Trade receivables credit impaired	0.50	0.50
Less: Loss allowance (except credit loss allowance)	(0.50)	(0.50)
Sub total	**261.04**	**208.40**
Total Trade receivables (net)	**271.22**	**215.45**

10.1 Movements in allowance for credit losses of receivables as per ECL is as below

Balance at the beginning of the year	0.50	0.50
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	-	-
Bad debts written off/written back	-	-
Balance at the end of the year	**0.50**	**0.50**

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(All amounts are in Crores of Indian rupees unless otherwise stated)

Trade Receivables (continued)

10.2 Ageing schedule

As at March 31, 2026

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Trade receivables							
(i) Considered good	252.28	19.44	-	-	-	-	271.72
(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	**252.28**	**19.44**	**-**	**-**	**-**	**-**	**271.72**

As at March 31, 2025

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Trade receivables							
(i) Considered good	204.91	10.47	0.07	-	-	-	215.45
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	0.49	0.01	-	-	-	-	0.50
Disputed Trade receivables							
(i) Considered good	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Total	**205.40**	**10.48**	**0.07**	**-**	**-**	**-**	**215.95**

10.3 Ageing has been determined based on due date of payment. Where there is no due date for payment, date of transaction has been considered.
10.4 The Company's exposure to credit and currency risks, loss allowances are disclosed in note 39.
10.5 For terms and conditions relating to related party transactions, refer note 38.

11 Cash and cash equivalents

	As at March 31, 2026	As at March 31, 2025
Balances with banks:		
– In current accounts	0.13	0.05
– Deposits with original maturity of less than three months	-	-
Cash on hand	0.00	0.00
	0.13	**0.05**

For the purpose of statement of cashflows, cash and cash equivalents comprise the following:

In current accounts	0.13	0.05
Cash on hand	0.00	0.00
	0.13	**0.05**

12 Loans
(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
Loans to employees	0.28	0.43
Total loans	0.28	0.43

The Company's exposure to credit risk and market risk are disclosed in note 39.

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13 Equity share capital

	As at March 31, 2026	As at March 31, 2025
Authorised:		
2,00,00,000 (March 31, 2025: 1,80,00,000) equity shares of INR 10 each	20.00	18.00
Issued, Subscribed and Fully paid up		
1,99,00,000 (March 31, 2025: 1,79,00,000) equity shares of INR 10 each fully paid up	19.90	17.90
	19.90	**17.90**

(i) Term/ Rights attached to equity shares

The Company has only one class of equity shares having a face value of INR 10 each. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subjected to the approval of the shareholder in the ensuing Annual General Meeting.

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

	March 31, 2026		March 31, 2025	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Equity shares of INR 10 each fully paid up				
At the beginning of the year	1,79,00,000	17.90	1,79,00,000	17.90
Allotment of shares under rights issue*	20,00,000	2.00	-	-
At the end of the year	**1,99,00,000**	**19.90**	**1,79,00,000**	**17.90**

* The Company has allotted 20,00,000 equity shares of face value INR 10 each at a price of INR 250 per share (including share premium of INR 240 per share), aggregating to INR 50 Crores, to Rane Holdings Limited on a rights basis. The allotment was completed on August 19, 2025, following the approval of the Board of Directors.

(iii) Shares held by holding company
Out of equity shares issued by the Company, shares held by its holding company are as below:

	March 31, 2026		March 31, 2025	
Name of shareholder	**No. of Shares**	**% against total no of shares**	**No. of Shares**	**% against total no of shares**
Rane Holdings Limited	1,99,00,000	100%	1,79,00,000	100%

Apart from the above, there are no shares held by the ultimate holding company, or their subsidiaries, associate/ joint venture entities.

(iv) Details of Shareholders holding more than 5 percent shares in the Company:

	March 31, 2026		March 31, 2025	
Name of shareholder	**No. of Shares**	**% against total no of shares**	**No. of Shares**	**% against total no of shares**
Rane Holdings Limited	1,99,00,000	100%	1,79,00,000	100%

As per records of the Company, including its register of members, the above shareholding represents both legal and beneficial ownerships of shares.

(v) Details of Shares held by promoters at the end of the year:

As at March 31, 2026

Name of shareholder	No. of shares at the begining of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Equity shares of INR 10 each fully paid up held by:					
Rane Holdings Limited	1,79,00,000	20,00,000	1,99,00,000	100%	0%

As at March 31, 2025

Name of shareholder	No. of shares at the begining of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Equity shares of INR 10 each fully paid up held by:					
Rane Holdings Limited	87,71,000	91,29,000	1,79,00,000	100%	51%
NSK Ltd, Japan	91,29,000	(91,29,000)	-	0%	-51%

(vi) 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.

(All amounts are in Crores of Indian rupees unless otherwise stated)

14 Other equity

	As at March 31, 2026	As at March 31, 2025
General reserve	207.41	207.41
Securities premium	65.10	17.10
Retained earnings	(122.39)	(158.20)
Total other equity	**150.12**	**66.31**

Movement in reserves and surplus

General Reserve

Particulars	**Amount**
General reserve	
As at April 01, 2024	**207.41**
Add: Amount transferred during the year	-
As at March 31, 2025	**207.41**
Add: Amount transferred during the year	-
As at March 31, 2026	**207.41**

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.

Securities premium

Particulars	**Amount**
As at April 01, 2024	**17.10**
Add: Issue of equity shares	-
As at March 31, 2025	**17.10**
Add: Issue of equity shares (refer note 13 (ii))	48.00
As at March 31, 2026	**65.10**

The Securities premium represents the premium received towards allotment of shares. This balance will be utilised in accordance with the provisions of Section 52 of the Companies Act towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission / discount expenses on issue of shares / debentures, premium payable on redemption of redeemable preference shares / debentures and buy back of its own shares / securities under Section 68 of the Companies Act.

Retained earnings

Particulars	**Amount**
As at April 01, 2024	**(229.10)**
Add: Profit for the year	71.29
Less : Other Comprehensive income /(loss)	(0.39)
Less: Amount transferred to general reserve	-
As at March 31, 2025	**(158.20)**
Add: Profit for the year	34.76
Less : Other Comprehensive income /(loss)	1.05
Less: Amount transferred to general reserve	-
As at March 31, 2026	**(122.39)**

Retained earnings represents profits generated and retained by the Company post distribution of dividends to the equity shareholders in the respective years, if any. The balance in retained earnings can be utilized for distribution of dividend by the Company considering the requirements of the Companies Act, 2013.

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15 Borrowings

	As at March 31, 2026	As at March 31, 2025
Non-current borrowings		
Term Loans		
- from Related Parties (unsecured)	30.00	50.00
Total non-current borrowings	**30.00**	**50.00**
Current borrowings		
Loans from Banks (secured)*	217.04	174.05
Loans from Related Parties (unsecured)	0.26	-
Total current borrowings	**217.30**	**174.05**
Aggregate Unsecured loans	30.26	50.00
Aggregate Secured loans	217.04	174.05

*Secured loans include cash credit and working capital demand loans from ICICI Bank as at March 31, 2026 and as at March 31, 2025.

15.1 Terms of repayment of Current and Non current borrowings

Secured loans from banks:

(i) The loans from banks outstanding as at March 31, 2026 are secured by way of exclusive charge on current assets, movable fixed assets and factory land at Guduvancherry location of the Company (as at March 31, 2025 - charge on current assets and movable fixed assets) and the interest rate on these loans range from 7.40% p.a to 8.40% p.a (March 31, 2025: 8.40% p.a to 9.00% p.a)

Loan from related party:

(i) Unsecured loan received from Rane Holdings Limited amounting to INR 30.00 crores (March 31, 2025: Nil) with an interest rate of 9.25% p.a to 9.30% p.a. The loan is repayable after 3 years from the date of disbursement.

(ii) Unsecured term loan amounting to INR 50.00 crores was availed from Rane Holdings Limited during the previous financial year 2024-25 and carries an interest rate of 9.55% p.a. The loan was repayable after 3 years from the date of disbursement, however the loan was fully repaid during the current year.

15.2 There has been no default in repayment of borrowings and interest.

15.3 The Company has used the borrowings availed during the year for the specific purpose for which it was taken.

15.4 Quarterly returns or statements of current assets filed by the Company for the sanctioned working capital loans with banks along with reconciliation and reasons for difference is as follows:

Quarter ended	Bank Name	Particulars	Amount as reported in the statement submitted to bank	Amount as per books of account	Amount of difference*
Jun-25	ICICI Bank	Inventories	129.80	136.45	(6.65)
Jun-25	ICICI Bank	Trade receivable	221.60	221.34	0.26
Sep-25	ICICI Bank	Inventories	133.60	146.21	(12.61)
Sep-25	ICICI Bank	Trade receivable	231.34	230.93	0.41
Dec-25	ICICI Bank	Inventories	152.81	161.10	(8.29)
Dec-25	ICICI Bank	Trade receivable	211.18	214.25	(3.07)
Mar-26	ICICI Bank	Inventories	138.95	145.67	(6.72)
Mar-26	ICICI Bank	Trade receivable	273.91	271.22	2.69

* Differences arising on account of adjustments made during the book closure process

15.5 Information about the Company’s exposure to interest rate and liquidity risks is included in note 39.

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(All amounts are in Crores of Indian rupees unless otherwise stated)

Borrowings (continued)

15.6 Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Short-term borrowings	Long-term borrowings	Lease liabilites
Balance as at April 01, 2024	**325.00**	**-**	**6.57**
Changes from financing cash flows			
Proceeds from long term borrowings	-	50.00	-
Repayment of long term borrowings	-	-	-
Proceeds from short term borrowings	364.05	-	-
Repayment of short term borrowings	(515.00)	-	-
Payment of lease liabilities	-	-	(4.57)
Interest paid	(24.97)	(1.00)	-
Other changes			
New leases	-	-	9.65
Interest expense	24.97	1.00	0.95
Other changes	-	-	(0.75)
Balance as at March 31, 2025	**174.05**	**50.00**	**11.85**
Changes from financing cash flows			
Proceeds from long term borrowings	-	40.00	-
Repayment of long term borrowings	-	(60.00)	-
Proceeds from short term borrowings	657.32	-	-
Repayment of short term borrowings	(614.07)	-	-
Payment of lease liabilities	-	-	(6.20)
Interest paid	(10.88)	(2.58)	-
Other changes			
New leases	-	-	12.90
Interest expense	10.88	2.58	1.62
Impact of foreign exchange rate differences	-	-	-
Balance as at March 31, 2026	**217.30**	**30.00**	**20.17**

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16 Provisions

	Non-current		Current	
	As at March 31, 2026	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**
A) Provision for employee benefits				
Provision for leave encashment	7.09	5.93	2.04	1.96
Provision for gratuity (refer note 34)	3.25	2.79	1.20	1.20
B) Provision for others				
Provision for warranty	3.69	-	14.32	29.20
Provision for tax matters	-	-	8.90	-
Total Provisions	**14.03**	**8.72**	**26.46**	**32.36**

16.1 Movements in provisions

Particulars	**Provision for leave encashment**	**Provision for Warranty**
As at April 01, 2024	**6.68**	**36.60**
Created/(reversals) during the year	2.77	3.90
Amounts utilised during the year	1.56	11.30
As at March 31, 2025	**7.89**	**29.20**
Created/(reversals) during the year	3.76	(8.58)
Amounts utilised during the year	2.52	2.61
As at March 31, 2026	**9.13**	**18.01**

16.2 Provision for warranty

The provision for warranty obligations is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The outstanding provision for product warranties as at the reporting date is the balance unexpired period of the respective warranties on the various products which range from 18 to 24 months.

The warranty provision includes special warranty claims in respect of specific lots of parts supplied by the Company to a customer in the earlier years. The Company has re-assessed the closing provision based on past trends of actual claims received and extended warranty period and determined the provision of INR 10.62 crores as at March 31, 2026 (March 31, 2025: INR 19.00 crores). Accordingly, provision in respect of such special warranty claims amounting to INR 7.00 crores has been reversed during the current year and has been presented as exceptional income in the Statement of Profit and Loss.

17 Lease liabilities

	Non-current		Current	
	As at March 31, 2026	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**
Lease liability (refer note 37)	14.91	8.50	5.26	3.35
Total lease liabilities	**14.91**	**8.50**	**5.26**	**3.35**

18 Deferred Tax Asset

	As at March 31, 2026	**As at March 31, 2025**
<u>Tax effect of items constituting deferred tax assets</u>		
On difference between book balance and tax balance of property, plant and equipment	4.24	3.15
Provision for bonus	0.48	0.69
Provision for leave encashment	2.30	1.99
Provision for gratuity	1.12	1.00
Provision for Voluntary retirement scheme expenses	0.30	0.03
Provision for warranty	4.46	2.50
Provision for bad debts/other provisions	2.28	0.55
Provision for Ind AS 116	0.36	0.24
Provision for unabsorbed depreciation	-	0.17
Net Deferred tax asset	**15.54**	**10.32**

Reconciliation of deferred tax asset

Opening Balance	10.32	61.25
Tax income/(expense) during the period recognised in Profitor loss	5.57	(51.06)
Tax income/(expense) during the period recognised in OCI	(0.35)	0.13
Closing Balance	**15.54**	**10.32**

(All amounts are in Crores of Indian rupees unless otherwise stated)

19 Trade Payables

	As at March 31, 2026	As at March 31, 2025
Trade Payables		
Dues to micro and small Enterprises (refer note 20.1)	19.15	5.58
Dues to Related Party (refer note 38)	1.31	0.17
Dues to other than micro & small Enterprises	268.56	267.30
Total Trade Payables	**289.02**	**273.05**

19.1 Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are normally settled on 30-60-days term for domestic vendors and 60 to 90 days term for import vendors.

19.2 Trade Payables - Ageing

As at March 31, 2026

		Outstanding for following periods from due date of payment				
Particulars	**Not Due**	**Less than 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Undisputed dues						
(i) MSME	14.07	5.08	-	-	-	19.15
(ii) Others	193.75	76.12	-	-	-	269.87
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Total Trade Payables	**207.82**	**81.20**	**-**	**-**	**-**	**289.02**

As at March 31, 2025

		Outstanding for following periods from due date of payment				
Particulars	**Not Due**	**Less than 1 year**	**1 to 2 years**	**2 to 3 years**	**More than 3 years**	**Total**
Undisputed dues						
(i) MSME	5.14	0.44	-	-	-	5.58
(ii) Others	242.27	25.20	-	-	-	267.47
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Total Trade Payables	**247.42**	**25.63**	**-**	**-**	**-**	**273.05**

19.3 There are no trade payables that are outstanding on account of legal disputes.
19.4 The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 39.
19.5 For terms and conditions relating to related party transactions, refer note 38

20 Other current financial liabilities

	As at March 31, 2026	As at March 31, 2025
Creditors for capital goods		
- dues to micro and small Enterprises (refer note 20.1)	0.90	1.06
- dues to other than micro & small Enterprises	7.17	17.08
Security deposits received	0.34	0.33
Payables to employees	8.35	3.04
Others	0.27	0.07
Total other current financial liabilities	**17.03**	**21.58**

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(All amounts are in Crores of Indian rupees unless otherwise stated)

20.1 Micro and small enterprises :

	As at March 31, 2026	As at March 31, 2025
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:	20.05	6.64
The Principal amount and interest due there on, remaining unpaid to suppliers under MSMED Act:		
- Principal	-	-
- 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	-	-
- 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)	-	-
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.	-	-

21 Other Current liabilities

	As at March 31, 2026	As at March 31, 2025
Statutory dues	6.22	1.83
Advance from customers	6.51	1.47
Advance for sale of land	-	5.00
Total Other Current liabilities	**12.73**	**8.30**

22 Current tax liabilities (net)

Current tax liabilities (net)	2.33	-
	2.33	**-**

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(All amounts are in Crores of Indian rupees unless otherwise stated)

23 Revenue from operations

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers		
Sale of products		
- Steering columns	1,998.94	1,684.77
- Sale of tools	8.01	16.35
Sale of service	2.99	1.78
	2009.94	**1702.90**
Other operating revenue		
Scrap sales	3.03	3.42
Government grant - Export incentive	-	0.01
	3.03	**3.43**
Total Revenue from operations	**2012.97**	**1706.33**

Information about the Company's performance obligations are summarised below:

The performance obligation with respect to sale of steering columns is satisfied upon delivery of the steering columns and acceptance of customer.

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 generally vary from 30 to 90 days, 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.

	Year ended March 31, 2026	Year ended March 31, 2025
Timing of revenue recognition		
Goods transferred at a point in time	2,006.95	1,701.12
Services transferred over time	2.99	1.78
Total revenue from contracts with customers	**2,009.94**	**1,702.90**
Revenue by geography		
In India	2,000.40	1,688.91
Outside India	9.54	13.99
Total revenue from contracts with customers	**2,009.94**	**1,702.90**
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price, (net)	2,009.94	1,702.90
Adjustments:		
Discount	(0.00)	(0.00)
Revenue from contract with customers	**2,009.94**	**1,702.90**

Revenue from operations (continued)

Contract Balances

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Receivables, included under trade receivables (refer note 10)	271.22	215.45
Contract liabilities included under advance from customers (refer note 21)	6.51	1.47

The amount of INR 1.47 crores included in contract liabilities as at March 31, 2025 has been recogonised as revenue during the year ended March 31, 2026.

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

	Year ended March 31, 2026	Year ended March 31, 2025
Interest received on deposits	0.06	0.12
Interest on income tax refund received	0.11	0.08
Net gain on disposal of property, plant and equipment	-	0.20
Net gain on foreign exchange fluctuation	-	0.51
Provisions no longer required written back	4.51	0.36
Miscellaneous income	0.55	0.45
Total other income	**5.23**	**1.72**

25 Cost of materials consumed

Opening stock	66.56	69.06
Add: Purchases for the year	1,664.81	1,401.60
Less: Closing stock	81.43	66.56
Job work expenses	15.55	14.32
Cost of raw material and components consumed	**1,665.49**	**1,418.42**

26 Changes in inventories of finished goods and work-in-progress

Opening stock		
Finished Goods	27.57	24.17
Work-in-progress	10.20	7.48
	37.77	**31.65**
Closing stock		
Finished Goods	31.50	27.57
Work-in-progress	11.18	10.20
	42.68	**37.77**
Changes in inventories	**(4.91)**	**(6.12)**

(All amounts are in Crores of Indian rupees unless otherwise stated)

27 Employee benefits expense

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	98.52	86.86
Contribution to provident and other funds (Refer note 34)	6.13	4.95
Gratuity expense (Refer note 34)	3.11	1.44
Staff welfare expenses	16.02	16.39
Total Employee benefits expense	**123.78**	**109.64**

28 Finance costs

Interest costs on financial liabilities measured at amortised cost:		
Interest on term loans (Refer note 38)	2.58	1.00
Interest on working capital loans from banks	10.88	23.86
Interest on lease liabilities (Refer note 37)	1.62	0.95
Interest on others	1.36	1.11
Less: Borrowing cost capitalised for eligible assets (refer note below)	(1.61)	-
Total Finance costs	**14.83**	**26.92**

Note: The capitalisation rate used to determine the amount of borrowing costs to be capitalised is weighted average interest rate applicable to the Company's borrowings, being 7.12% p.a.

29 Depreciation and amortization expense

Depreciation of Property, plant and equipment (Refer note 3)	46.06	46.82
Amortization of intangible assets (Refer note 4c)	1.76	1.10
Depreciation of Right-of-use assets (Refer Note 4b)	5.25	3.68
Total Depreciation and amortization expense	**53.07**	**51.60**

30 Other expenses

Consumption of stores and spares	40.91	40.33
Power and fuel	13.45	11.55
Rental expenses	0.44	0.66
Repairs and maintenance		
-Plant and equipment	11.49	10.94
-Buildings	2.71	2.38
-Others	0.72	0.44
Packing and Freight	27.85	26.41
Royalty expense	40.16	34.95
Rates and taxes	2.62	1.72
Insurance	2.90	5.01
Travelling and conveyance	4.58	3.64
Legal and professional fees	15.20	9.15
Audit Fees (refer note 30.1)	0.23	0.28
Information Systems expenses	7.91	6.83
Postage and Telecom expenses	0.30	0.52
Printing and Stationary	0.17	0.25
Net Loss on disposal of property, plant and equipment	0.01	-
Net loss on foreign exchange translation	1.30	-
Warranty expenses (refer note 16)	-	3.90
Donation	-	0.05
CSR expenses (refer note 30.2)	0.15	0.15
Miscellaneous expenses	2.31	2.07
Total	**175.41**	**161.23**

		Year ended March 31, 2026	Year ended March 31, 2025*
30.1	**Payment to Auditors**		
	- statutory audit	0.12	0.12
	- tax audit	0.02	0.02
	- limited review	0.06	0.08
	- certifications	0.02	0.06
	- reimbursement of expenses	0.01	-
	Total Payment to Auditors	**0.23**	**0.28**

*Represents amounts paid to auditor other than B S R & Co. LLP

30.2 Expenditure incurred for Corporate social responsibility

(a) Amount required to be spent by the company during the year	0.43	-
(b) Amount approved by the board	0.15	0.15
(c) Amount spent during the year (in cash):		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above		
-Education	0.15	0.15
(d) Details of Related Party Transactions	Not Applicable	Not Applicable
Details of excess amount spent under Sec 135(5) of the Act		
Opening Balance (Excess spent)	(0.55)	(0.75)
Amount required to be spent during the year	0.43	-
Amount spent during the year	0.15	0.15
Amount lapsed during the year	-	0.35
Closing Balance (Excess spent)*	**(0.27)**	**(0.55)**

* Not recognised as asset in the books of accounts

31 Exceptional items

	Year ended March 31, 2026	Year ended March 31, 2025
Profit on sale of land (net off expense) (refer note 4e)	24.19	-
Reversal of warranty expenses (refer note 16.2)	7.00	-
Settlement amount (refer note 31.1)	-	176.00
Insurance claim (refer note 31.2)	14.32	-
VRS expenditure	(1.12)	-
	44.39	**176.00**

31.1 (a) NSK and RHL, along with the Company (“Parties”), had entered into a settlement agreement (“SA”) on July 01, 2024, as a settlement and compromise of various claims, including warranty claim. Pursuant to the same, the Company has received the settlement amount of INR 176 crores on September 27, 2024, from NSK.

31.2 (b) Insurance claim amounting to INR 14.32 crores received during the year in respect of special warranty claims.

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32 Income Tax expense

	Year ended March 31, 2026	Year ended March 31, 2025
Current Tax		
Income tax charge for the current year	5.73	0.01
	5.73	**0.01**
Deferred Tax		
Relating to the origination and reversal of temporary differences	(5.57)	51.06
	(5.57)	**51.06**
Total Income tax expense reported in the statement of profit and loss	**0.16**	**51.07**
Deferred tax related to items recognised in OCI during in the year		
Re-measurement of defined benefit obligations (net)	0.35	(0.13)
Total income tax expense /(gain) recognised in OCI	**0.35**	**(0.13)**

Reconciliation of Effective tax rate:

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the standard rate of corporation tax in India as follows:

	Year ended March 31, 2026	Year ended March 31, 2025
Profit/(Loss) before tax	34.92	122.36
Enacted tax rate in India	25.17%	25.17%
Income Tax expense calculated at enacted tax rate in India	8.79	30.79
Effects of:		
Impact of opting for concessional tax regime*	-	22.37
Impact of capital gains taxed at special rates	(2.63)	-
Changes in estimates related to prior years	(5.89)	(2.09)
Non deductible expenses	0.04	0.05
Others	(0.15)	(0.05)
Net effective income tax	**0.16**	**51.07**

*Based on an assessment carried out by the management in respect of the relative tax costs and benefits under the different tax regimes available under Income Tax Act, 1961, the Company, based on its future estimates, has decided to opt for the concessional tax regime u/s 115BAA of the Income Tax Act, 1961 with effective tax rate of 25.168% from the year 2024-25 onwards, and has accordingly remeasured the tax expense for the year ended March 31, 2025 and the net deferred tax asset balance as on the said date (also considering impact of carry forward of only those unused tax losses that are permitted under the said section) resulting in a net impact of INR 22.37 crores.

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33 Earnings Per Share (EPS)

	Year ended March 31, 2026	Year ended March 31, 2025
Basic Earnings per share	18.17	39.82
Diluted Earnings per share	18.17	39.82

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

Profit after tax	34.76	71.29
Weighted-average number of equity shares		
Opening balance	1,79,00,000	1,79,00,000
Effect of share issued on August 19, 2025 (refer note 13)	12,32,877	-
Weighted-average number of equity shares for the year		
- Basic	**1,91,32,877**	**1,79,00,000**
- Diluted	**1,91,32,877**	**1,79,00,000**

34 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.

(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 5.00 crores (for the year ended March 31, 2025 : INR 4.23 crores) represents contributions payable to these plans by the Company at rates specified in the rules of the plans. As at March 31, 2026, contributions of INR 0.45 crores (as at March 31, 2025 : INR 0.34 crores) had not been paid. The amounts were paid subsequent to the end of the respective reporting periods.

B. Defined Benefit plan

The defined benefit plans operated by the Company are as below :

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees upon resignation, 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 and in case of fixed term contract employees ("FTC"), completion of one year. The Company makes annual contributions to Life Insurance Corporation of India (LIC). The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

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.

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Employee benefit plans (continued)

Gratuity

The gratuity plan is governed by the Company's policy read with provisions of the Payment of Gratuity Act, 1972 and Code on Wages, 2019. Under the scheme, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

	Year ended March 31, 2026	Year ended March 31, 2025
(i) Movements in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	13.99	11.73
Current service cost	1.42	1.23
Past service cost	1.50	-
Interest cost	0.92	0.85
Actuarial (gains) / losses changes arising from changes in financial assumptions	(0.57)	0.47
Actuarial (gains) / losses changes arising from experience adjustments	(0.67)	0.03
Benefits paid	(0.77)	(0.32)
Closing defined benefit obligation	**15.81**	**13.99**
(ii) Movements in the fair value of the plan assets in the current year were as follows:		
Opening fair value of plan assets	10.00	8.45
Interest Income	0.68	0.64
Contributions	1.24	1.25
Benefits paid	(0.77)	(0.32)
Actuarial gain / (loss)	0.21	(0.02)
Closing fair value of plan assets	**11.36**	**10.00**

	As at March 31, 2026	As at March 31, 2025
(iii) The amount included in the financial position arising from the Company's obligation in respect of its defined benefit plans is as follows:		
Present value of defined benefit obligation	15.81	13.99
Fair value of plan assets	11.36	10.00
Net assets / (liabilities) from defined benefit obligation	**(4.45)**	**(3.99)**
Current	**(1.20)**	**(1.20)**
Non Current	**(3.25)**	**(2.79)**

(iv) Amounts recognised in statement of profit and loss and other comprehensive income in respect of these defined benefit plans are as follows:

	Year ended March 31, 2026	Year ended March 31, 2025
Current service cost	1.42	1.23
Past service cost*	1.50	-
Net interest expense (net of income from plan assets)	0.24	0.21
Components of defined benefit cost recognised in profit or loss	**3.16**	**1.44**
Remeasurement on the net defined benefit liability :		
Actuarial (gains) / losses changes arising from changes in financial assumptions	(0.57)	0.47
Actuarial (gains) / losses changes arising from experience adjustments	(0.67)	0.03
Actuarial (gains)/ loss on plan assets	(0.21)	0.02
Components of defined benefit cost recognised in other comprehensive income	**(1.45)**	**0.52**
Total	**1.71**	**1.96**

* During the year ended March 31, 2026, the Central Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', effective from November 21, 2025 primarily impacting the wage definition to be considered for the purpose of defined benefit obligation relating to gratuity.

As a result of this plan amendment, the Company's defined benefit obligation increased by INR 1.50 crores (March 31, 2025: Nil). A corresponding past service cost was recognised in profit or loss during the current year.

(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.

Employee benefit plans (continued)

(vi) The principal assumptions used for the purposes of the actuarial valuations were as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Discount Rate	7.02%	6.40%
Rate of salary increase/salary escalation	Staffs and FTC - 10% Operators - 8%	10.00%
Rate of attrition	Staffs and FTC - 15% Operators - 3%	10.00%

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.

	Valuation as at	
Change in assumption	**March 31, 2026**	**March 31, 2025**
A. Discount Rate + 50 BP	7.52%	6.90%
Defined Benefit Obligation	15.15	13.59
Increase/(Decrease)	(0.66)	(0.40)
B. Discount Rate - 50 BP	6.52%	5.90%
Defined Benefit Obligation	16.53	14.42
Increase/(Decrease)	0.72	0.43
C. Salary Escalation Rate +50 BP	10.50% and 8.5% p.a	10.50%
Defined Benefit Obligation	16.54	14.43
Increase/(Decrease)	0.73	0.44
D. Salary Escalation Rate -50 BP	9.50% and 7.5% p.a	9.50%
Defined Benefit Obligation	15.13	13.57
Increase/(Decrease)	(0.68)	(0.42)
E. Attrition Rate +50 BP	15.50% and 3.5% p.a	10.50%
Defined Benefit Obligation	15.75	13.90
Increase/(Decrease)	(0.06)	(0.09)
F. Attrition Rate -50 BP	14.50% and 2.5% p.a	9.50%
Defined Benefit Obligation	15.88	14.07
Increase/(Decrease)	0.07	0.08

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.

Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 9.8 years (March 31, 2025: 6.8 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Year 1	1.34	1.76
Year 2	1.50	2.29
Year 3	1.89	1.54
Year 4	1.15	1.41
Year 5	1.10	1.34
Next 5 years	5.51	5.95

The Company expects to pay INR 1.20 crores in contributions to its defined benefit plans in 2026-27.

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35 Commitments and Contingencies

	As at March 31, 2026	As at March 31, 2025
a) Capital commitments		
Estimated amount of contract remaining to be executed on capital account and not provided for	24.03	2.53

b) Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
In respect of matters relating to		
- Excise duty	0.30	0.30
- Customs	1.30	0.04
- Service tax	2.94	2.94
- Goods and Service tax	27.82	24.96
- Income tax	13.84	8.08

** The above amounts exclude interest and penalty (unless included in the orignial demand).*

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.

36 Segment Information

The Company is engaged in the activities related to manufacture and supply of steering columns 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. All the manufacturing facilities are located in India. Therefore, there is no reportable segment for the Company as per the requirement of IND AS 108 “Operating Segments”.

36.1 Product wise break up - Please refer note 23

36.2 Geographical Information

Particulars	Revenue from operations from external customers		Non - current assets*	
	Year ended March 31, 2026	Year ended March 31, 2025	As at March 31, 2026	As at March 31, 2025
India	2,000.40	1,688.91	344.32	266.29
Rest of world	9.54	13.99	-	-
Total	**2,009.94**	**1,702.90**	**344.32**	**266.29**

* 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.

36.3 Information about major customers

Revenue from major customers contributing more than 10% of sale of products amounted to INR 1,738.99 crores (March 31, 2025: INR 1,462.46 crores), arising from sales of products and rendering of services

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37 Leases

The Company has lease contracts for various items of plant and machinery and buildings used in its operations. Leases of plant and machinery generally have lease terms between 3 and 21 years, while buildings generally have lease terms between 3 and 7 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios.

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

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Opening balance	11.85	6.57
Additions	12.90	9.65
Interest cost	1.62	0.95
De-recognition	-	(0.75)
Payment of lease liabilities	(6.20)	(4.57)
Closing balance	**20.17**	**11.85**
Current	**5.26**	**3.35**
Non - Current	**14.91**	**8.50**

The maturity analysis of lease liabilities are disclosed in note 39.

The effective interest rate for lease liabilities is range from 6.50% p.a to 8.85% p.a, with maturity between 2027 to 2041.

The following are the amounts recognised in profit or loss:

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Depreciation expense of right-of-use assets	5.25	3.68
Interest expense on lease liabilities	1.62	0.95
Expense relating to short-term leases (included in other expenses)	0.44	0.66
Total amount recognised in profit or Loss	**7.31**	**5.29**

The Company had total cash outflows for leases of INR 6.20 crores for the year ended March 31, 2026 (INR 4.57 crores for the year ended March 31, 2025)

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

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(All amounts are in Crores of Indian rupees unless otherwise stated)

38 Related Party Transactions

a. Names of related parties

Holding company	Rane Holdings Limited, India (from September 19, 2024) NSK Ltd., Japan (upto September 18, 2024)
Entity having joint control over the Company	Rane Holdings Limited, India (upto September 18, 2024)
Fellow subsidiaries	Rane Holdings America Inc* Rane Holdings Europe Gmbh* Rane (Madras) Limited* NSK Chugai, Ltd.^ NSK Europe Ltd.^ NSK Bearings Polska S.A.^ Kunshan NSK Co., Ltd. ^ Changshu NSK Needle Bearing Co., Ltd.^ NSK Bearings India Pvt Ltd^ NSK Korea Co., Ltd.^ NSK International Singapore (Private) Ltd.^ NSK Asean and Oceania Pte.Ltd ^ PT NSK Bearing Manufacturing^

* Entities considered as subsidiaries of the entity having joint control over the Company upto September 18, 2024 and become Fellow subsidiaries from September 19, 2024 (Refer Note 1- Corporate Information)

^ Entities considered as Fellow subsidiaries upto September 18, 2024 (Refer Note 1- Corporate Information)

Entities in which the holding company exercise significant influence	ZF Rane Automotive India Private Limited* ZF Lifetec Rane Automotive India Private Limited (from February 01, 2026)* NSK Steering & Control Inc (formerly known as ADTech Corporation)^ NSK Steering Systems Co., Ltd, Japan^ NSK Steering Systems America, Inc.^ NSK Steering Systems Europe(Polska) SP. Z O.O.^ Siam NSK Steering Systems Co., Ltd.^ NSK Hangzhou Automotive Components Co. Ltd^ NSK Steering Systems Deutschland GmbH(NSSD)^ NSK Steering Systems Dongguan Co Ltd^ NSK Steering Systems Europe Ltd.^

* Entities in which the entity having joint control over the Company exercise significant influence upto September 18, 2024 and became entities in which the holding company exercises significant influence from September 19, 2024 (Refer Note 1- Corporate Information)

^ Entities in which the holding company exercise significant influence upto September 18, 2024 (Refer Note 1- Corporate Information)

Key management personnel	V Sethuraman - Chief Financial Officer & Company Secretary (upto February 02, 2026) A Makesh - Manager Naoki Kamamoto - Managing Director (upto September 20, 2024) Harish Lakshman - Chairman Ganesh Lakshminarayan - Director S. Anand- Company Secretary (from February 03, 2026)

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(All amounts are in Crores of Indian rupees unless otherwise stated)

Related Party Transactions (continued)

b. Details of related party transactions:

Description	Year ended March 31, 2026	Year ended March 31, 2025
Holding Company		
- Professional charges	7.42	4.10
- Information systems expense	4.63	2.13
- Staff welfare expenses	0.44	0.18
- Interest and gurantee fee	2.58	1.08
- License fee	-	22.65
- Miscellaneous expenses	-	0.41
- Reimbursement of expenses paid	0.18	0.10
- Reimbursement of expenses received	0.14	0.89
- Purchase of goods	-	16.15
- Purchase of Property, plant and equipment	0.00	0.70
- Term loan availed	40.00	50.00
- Term loan repaid	60.00	-
- Issue of equity shares	50.00	-
Fellow Subsidiaries		
- Revenue from operations	41.41	16.58
- Purchase of goods	0.03	20.07
- Purchase of Property, plant and equipment	2.21	0.04
- Professional charges	0.40	0.09
- Reimbursement of Expenses paid	0.04	0.01
- Reimbursement of Expenses received	-	0.00
Entity having Joint Control over the Company		
- Purchase of Property, plant and equipment	-	0.13
- Information systems expense	-	1.39
- Professional charges	-	2.36
- Staff welfare expenses	-	0.11
Subsidiaries of entity having joint control over the Company		
- Purchase of goods	-	0.00
- Revenue from operations	-	17.69
- Legal and professional fees	-	0.13
- Reimbursement of Expenses paid	-	0.00
Entities in which the entity having joint control over the Company exercise significant influence		
- Purchase of goods	-	0.00
- Revenue from operations	-	0.04
Entities in which the holding company exercise significant influence		
- Purchase of goods	0.00	0.48
- Revenue from operations	0.13	7.08
- Legal and professional fees	-	0.05
- Royalty	-	14.07
- Reimbursement of Expenses paid	-	0.02

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(All amounts are in Crores of Indian rupees unless otherwise stated)

Related Party Transactions (continued)

c. Details of Related Party balances:

Description	**As at March 31, 2026**	**As at March 31, 2025**
Holding company		
- Term loan outstanding	30.26	50.00
- Trade Payable	1.26	0.14
- Trade Receivables	0.00	-
Fellow Subsidiary		
- Trade Payable	0.05	0.03
- Trade Receivables	10.18	7.01
Entities in which the holding company exercise significant influence		
- Trade Receivables	-	0.04

d. Remuneration to Key Management Personnel

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
Short term benefits paid	1.89	1.70
Gratuity	0.30	-
Total	**2.18**	**1.70**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

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(All amounts are in Crores of Indian rupees unless otherwise stated)

39 Financial Instruments

39.1 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

	As at March 31, 2026			As at March 31, 2025		
Particulars	**FVTPL**	**FVOCI**	**Amortised Cost**	**FVTPL**	**FVOCI**	**Amortised Cost**
Financial Assets						
Loans	-	-	0.28	-	-	0.43
Investments	-	-	0.66	-	-	0.44
Trade Receivables	-	-	271.22	-	-	215.45
Cash and Cash Equivalents	-	-	0.13	-	-	0.05
Other Financial assets	-	-	3.62	-	-	5.18
Total Financial Assets	**-**	**-**	**275.91**	**-**	**-**	**221.55**
Financial Liabilities						
Borrowings	-	-	247.30	-	-	224.05
Trade Payables	-	-	289.02	-	-	273.05
Lease Liability	-	-	20.17	-	-	11.85
Other Financial liabilities	-	-	17.03	-	-	21.58
Total Financial Liabilities	-	-	**573.52**	-	-	**530.53**

39.2 Financial risk management objectives and policies

The Company is exposed to market risk, credit risk and liquidity risk. The Company’s primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company’s senior management oversees the management of these risks. The Company’s senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and credit risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Variable rate instruments		
Financial assets	-	-
Financial liabilities	247.30	224.05

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.

	As at March 31, 2026		As at March 31, 2025	
	Impact on Profit/(Loss)	**Impact on equity**	**Impact on Profit/(Loss)**	**Impact on equity**
Variable rate instruments				
Increase by 1%	(2.47)	(1.85)	(2.24)	(1.68)
Decrease by 1%	2.47	1.85	2.24	1.68

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.

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Financial Instruments (continued)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the impact on purchase of capital goods from the companies outside India. The Company also has transaction in Japanese Yen (JPY)/ Thai Bhatt (THB)/ US Dollar (USD)/ Chinese Yen (CNY)/ GBP/ Euro (EUR) exposing the Company to foreign exchange risk through materials / capital goods imported from Japan, Thailand, USA, China and European countries.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities as reported to the management are as follows :

Particulars	Foreign Currency	As at March 31, 2026		As at March 31, 2025	
		Amount in Foreign Currency	Amount in Indian Rupees Crores	Amount in Foreign Currency	Amount in Indian Rupees Crores
Financial assets					
Trade Receivables	USD	0.01	0.93	0.01	0.85
	JPY	0.49	0.29	-	-
Cash and Cash Equivalents	JPY	0.13	0.08	-	-
Financial liabilities					
Trade Payables	USD	(0.06)	(5.29)	(0.14)	(12.38)
	JPY	(22.93)	(13.49)	(24.00)	(13.62)
	EUR	(0.00)	(0.01)	(0.00)	(0.08)
	THB	(0.46)	(1.32)	(0.19)	(0.48)
	CNY	(0.79)	(10.72)	(0.59)	(6.95)
	GBP	(0.00)	(0.04)	-	-
Other Financial liabilities	EUR	(0.04)	(3.79)	-	-
	CNY	(0.15)	(2.04)	-	-

Foreign Currency sensitivity analysis

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. 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.

Currency	As at March 31, 2026		As at March 31, 2025	
	Impact on profit or loss for the year	Impact on equity as at the end of the reporting period	Impact on profit or loss for the year	Impact on equity as at the end of the reporting period
USD				
- Increase by 5%	(0.22)	(0.16)	(0.58)	(0.43)
- decrease by 5%	0.22	0.16	0.58	0.43
JPY				
- Increase by 5%	(0.66)	(0.49)	(0.68)	(0.51)
- decrease by 5%	0.66	0.49	0.68	0.51
EUR				
- Increase by 5%	(0.19)	(0.14)	(0.00)	(0.00)
- decrease by 5%	0.19	0.14	0.00	0.00
CNY				
- Increase by 5%	(0.64)	(0.48)	(0.35)	(0.26)
- decrease by 5%	0.64	0.48	0.35	0.26
THB				
- Increase by 5%	(0.07)	(0.05)	(0.02)	(0.02)
- decrease by 5%	0.07	0.05	0.02	0.02
GBP				
- Increase by 5%	(0.00)	(0.00)	-	-
- decrease by 5%	0.00	0.00	-	-

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.

(All amounts are in Crores of Indian rupees unless otherwise stated)

Financial Instruments (continued)

(iii) 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, Cash and cash equivalents 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, 2026	As at March 31, 2025
Loans	0.28	0.43
Investments	0.66	0.44
Trade receivables	271.22	215.45
Cash and cash equivalents	0.13	0.05
Other Financial assets	3.62	5.18

The following table provides information about the exposure to credit risk and Expected credit loss (ECL) for trade receivables.

As at March 31, 2026

Particulars	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Not due	0.09%	252.45	0.22	No
1-30 days past due	1.34%	19.02	0.26	No
31-60 days past due	4.67%	0.21	0.01	No
61-90 days past due	9.21%	0.01	0.00	No
91-120 days past due	24.57%	0.01	0.00	No
121-180 days past due	49.13%	0.01	0.01	No
More than 180 days past due	100.00%	-	-	No
Total		**271.72**	**0.50**	

As at March 31, 2025

Particulars	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Not due	0.16%	209.51	0.33	No
1-30 days past due	1.74%	6.30	0.11	No
31-60 days past due	5.01%	0.01	0.00	No
61-90 days past due	10.81%	0.03	0.00	No
91-120 days past due	26.07%	0.01	0.00	No
121-180 days past due	53.94%	0.09	0.05	No
More than 180 days past due	100.00%	-	-	No
Total		**215.95**	**0.50**	

Expected credit loss for loans, security deposits and other financial assets

The estimated gross carrying amount at default is Nil (March 31, 2025: Nil) for loans, investments and other financial assets. Consequently there are no expected credit loss recognised for these financial assets.

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.

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(All amounts are in Crores of Indian rupees unless otherwise stated)

Financial Instruments (continued)

(b) 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.

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.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2026

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total contractual cash flows	Carrying amount
Borrowings	217.30	30.00	-	247.30	247.30
Trade Payables	289.02	-	-	289.02	289.02
Lease liability	4.90	15.24	1.79	21.93	20.17
Other Financial liabilities	17.03	-	-	17.03	17.03
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, 2025

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total contractual cash flows	Carrying amount
Borrowings	174.05	50.00	-	224.05	224.05
Trade Payables	273.05	-	-	273.05	273.05
Lease liability	3.35	6.22	2.29	11.85	11.85
Other Financial liabilities	21.58	-	-	21.58	21.58
Total	**1,206.65**	**260.59**	**21.32**	**1,488.55**	**1,452.04**

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(All amounts are in Crores of Indian rupees unless otherwise stated)

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value. In the event that the Company requires additional capital, monies would be infused by the shareholders to provide appropriate financial support to the Company.

The Company monitors the capital structure on the basis of debt to equity of the Company.

	As at March 31, 2026	As at March 31, 2025
Debt*	247.30	224.05
Less: Cash and Cash equivalents	(0.13)	(0.05)
Net debt	**247.17**	**224.00**
Equity**	170.01	84.21
Net debt to equity ratio	**1.45**	**2.66**

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

** Equity includes all capital and reserves of the Company.

41 Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	0.75	0.67	11.16%	No significant change
Debt- Equity Ratio	Total Debt	Shareholder's Equity	1.45	2.66	(45.33%)	Infusion of equity share capital in the current year
Debt Service Coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	3.20	5.18	(38.10%)	Exceptional income from settlement agreement in the previous year
Return on Equity ratio	Profit after tax	Average Shareholder's Equity	27%	146%	(81.30%)	Exceptional income from settlement agreement in the previous year
Inventory Turnover ratio	Cost of goods sold	Average Inventory	12.58	11.85	6.16%	No significant change
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	8.27	7.93	4.37%	No significant change
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	5.92	5.23	13.23%	No significant change
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets – Current liabilities	(14.14)	(10.24)	38.08%	Due to increase in sales during the period, leading to higher trade receivable balances
Net Profit ratio	Profit after tax	Revenue from operations	1.73%	4.18%	(58.67%)	Exceptional income from settlement agreement in the previous year
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt - Deferred Tax Asset	12.38%	52.69%	(76.50%)	Exceptional income from settlement agreement in the previous year
Return on Investment (The Company does not have any income bearing investments)						

42 Events after the reporting period

There has been no significant subsequent events after the reporting period requiring either disclosure or adjustment to the reported financial statements.

43 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 does not have any transactions with struck off companies during the year.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) 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 Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Company does not have any such transaction which is not recorded in the books of account 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).

(ix) The Company has not been declared as wilful defaulter by any bank or financial institution or Government or any Government Authority.

(x) 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.

(xi) The Company has not entered into scheme of arrangements as per sections 230 to 237 of the Companies Act, 2013.

(xii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(xiii) 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 are as mentioned in note 15.

44 The financial statements are approved for issue by the Company's Board of Directors on April 29, 2026.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Ankit Gupta
Partner
Membership No.: 301861
Place: Chennai
Date: April 29, 2026

For and on behalf of the Board of Directors of
Rane Steering Systems Private Limited
CIN: U29141TN1995PTC030621

Harish Lakshman
Chairman
DIN - 00012602

Ganesh Lakshminarayan
Director
DIN - 00012583

A Makesh
Manager, President

V Sethuraman
Chief Financial Officer

S Anand
Company Secretary
Membership No.: A60122

Place: Chennai
Date: April 29, 2026