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132, Cathedral Road, URL : www.rane.co.in
Chennai 600 086.
India.
CIN : L65993TN2004PLC052856

Rane (Madras) Limited




FORM A


(Pursuant to Clause 31(a) of the Listing Agreement)

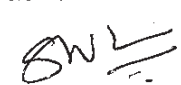

1.	Name of the Company	Rane (Madras) Limited
2.	Annual financial statements for the year ended	March 31, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable

Refer Audit Report dated May 21, 2015 on the standalone financial statements of the company.

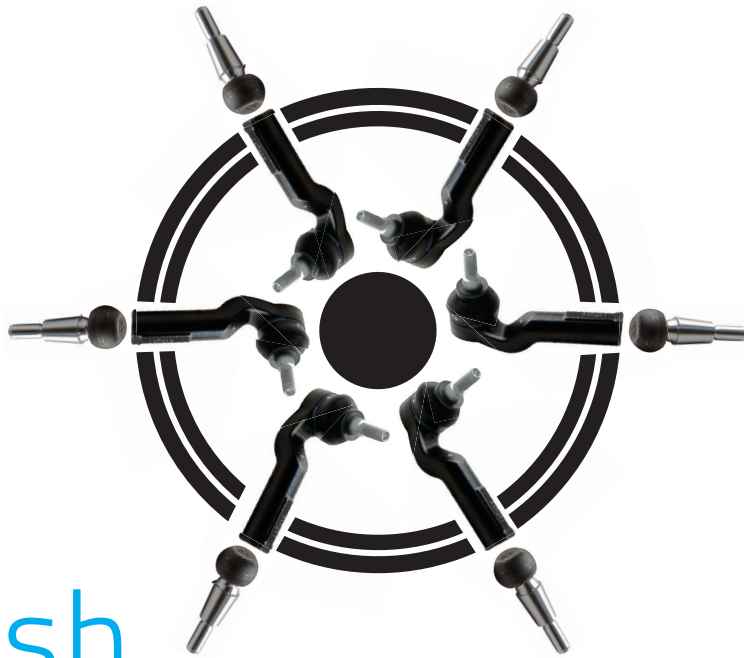
For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 008072S)


Geetha Suryanarayanan
Partner
(Membership No. 29519)
Auditor

For Rane (Madras) Limited

S Parthasarthy
Chief Executive Officer


S Narayanan
Deputy General Manager - Finance

M Lakshminarayan
Audit Committee Chairman

Date: May 21, 2015
Place: Chennai



A Fresh Perspective

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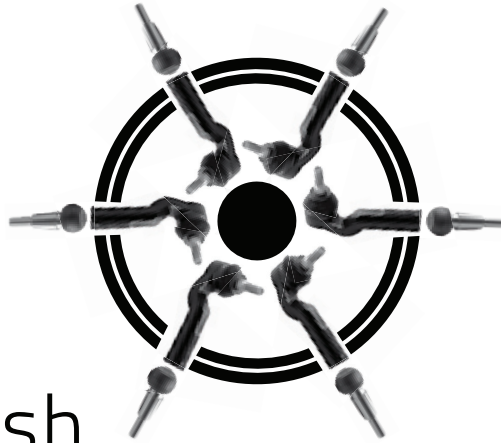
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Caution regarding forward-looking statements

In this annual report, we have disclosed some forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



A Fresh Perspective

The world is changing at a rapid pace. Aided by the rapid advancements in technology, telecommunication, information technology and most significantly the new generation consumer; a new world order is fast emerging.

In addition to the changing macro environment, Automobile, our core playground, also needs to align with a constantly moving object called today's customer who demands more. Vehicle that weighs lesser, consumes lesser energy, is easy to manoeuvre, offers added features and convenience and much more. Emerging socio-economic and demographic dimensions are shaping a new automobile world order. Various reports indicate of India's ascent as a global leader both in terms of market size as well as production volumes.

As one of the leading Indian automotive component suppliers to the global OEMs, we have further strengthened our value proposition despite the low growth phase of recent years. With Indian markets poised to transit into its next phase of steady growth, our decadal journey of profitable growth has got enriched with A FRESH PERSPECTIVE.

The World of Rane (Madras)

Company Profile

- Established in 1960, Rane (Madras) Limited (RML) is part of the Rane Group of Companies, a leading auto component group based out of Chennai.
- It has two divisions namely
 - Steering gear (SGP), Steering and Suspension linkage Products (SSLP) and
 - Die casting Products
- The steering division manufactures manual steering gears, hydrostatic steering systems and steering and suspension linkage products.
- A leading manufacturer of SGP and SSLP, RML holds 39% and 72% market share in India in both the products respectively.
- Diverse customer base consisting of wide segment of automobile industry, viz Passenger vehicles, Light commercial vehicles, Heavy commercial vehicles and Farm tractors.



Vision

Steering and Linkage Product Division

To be the leader in the domestic steering business and establish global presence

Die casting Products Division

A profitable Rs. 1,000 million company by 2015 supplying specialized castings and machined aluminium parts for global markets

Manufacturing Plants

Locations	Products
Velachery (Chennai)	SSLP, SGP
Varanavasi (Chennai)	SSLP
Mysore	SSLP, SGP & Hydrostatic Steering Systems
Puducherry	SSLP, SGP
Uttarakhand	SSLP, SGP
Hyderabad	Die casting Products

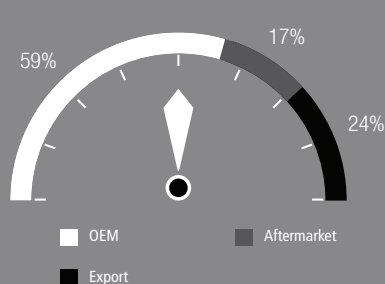
Quality Accreditation

ISO/TS 16949:2002	Quality Management; all five manufacturing locations certified
ISO 14001	Environmental management; all the five plants certified
OHSAS 18001	Occupational Health and Safety management
Deming Prize	Total Quality Management (TQM)
Deming Grand Prize	Excellence in TQM

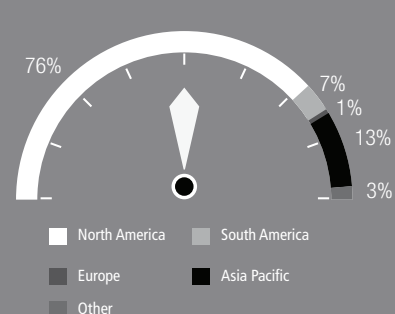
Revenue mix by product category (FY15)



Revenue mix by user segment (FY15)



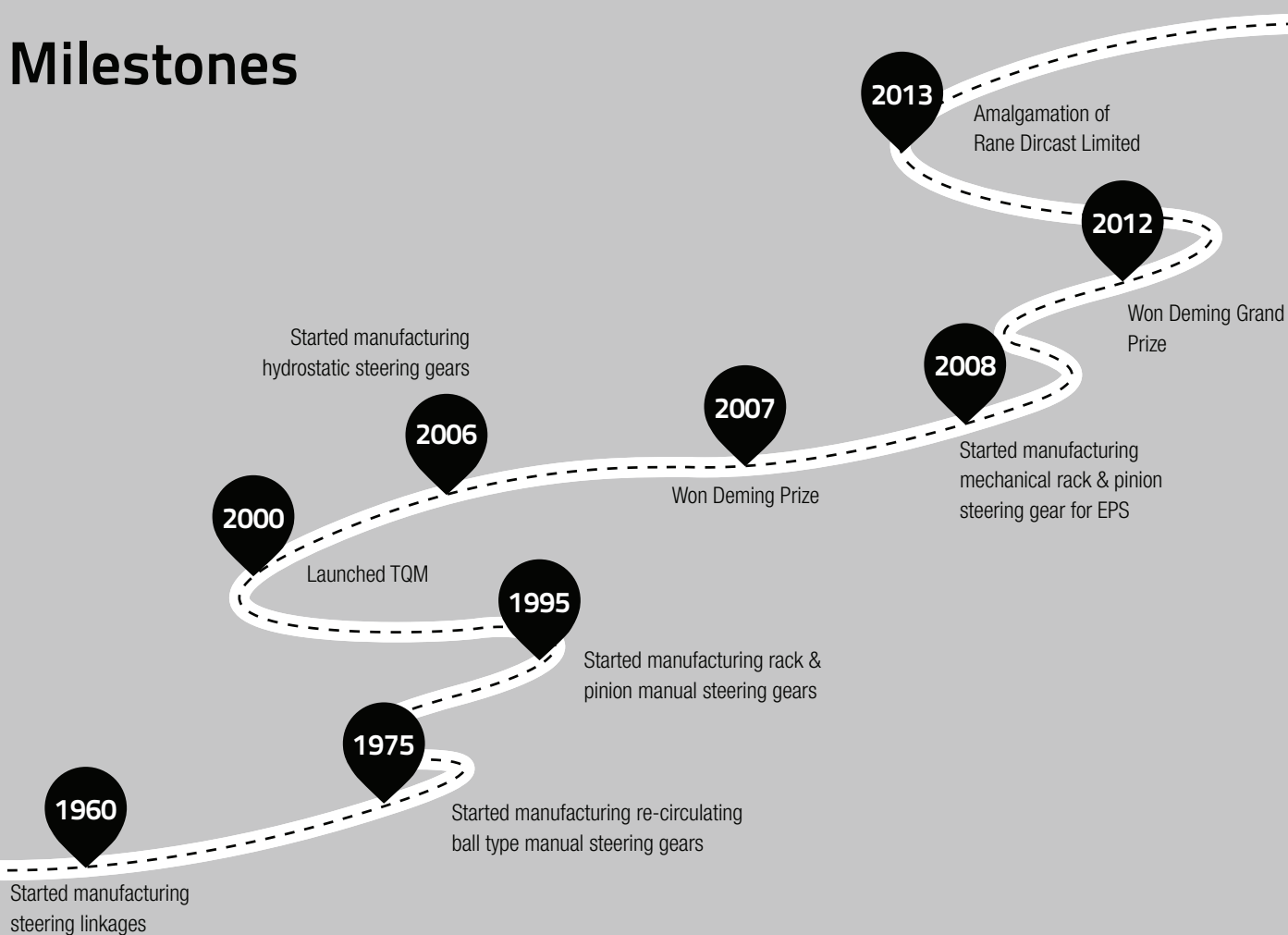
Export Revenue mix by geography (FY15)



Key Customers

 ASHOK LEYLAND	 BHARAT BENZ	 BRP	DAIMLER	 DAIHATSU
 EICHER	 ESCORTS	IMPAL	 JMA	 JOHN DEERE
 MAGNA COSMA BODY & CHASSIS SYSTEMS	 Mahindra	 MARUTI SUZUKI	 POLARIS	 Supra Ltd
 TAFE	 TATA	 TRW Automotive		

Milestones



Financial Highlights

Operational Performance

(Rs. in Cr)

Particulars	FY15	FY14	FY13	FY12	FY11
Total Income	779.97	727.51	641.36	673.11	585.46
EBITDA	65.34	58.81	56.35	60.43	44.42
PBT	16.84	19.68	30.06	37.17	30.83
PAT	12.44	16.78	23.42	27.40	24.57

Balance Sheet Summary

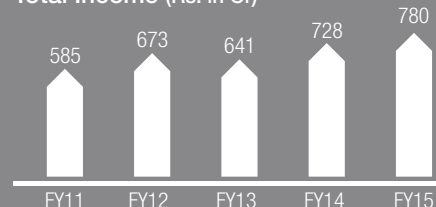
(Rs. in Cr)

Particulars	FY15	FY14	FY13	FY12	FY11
Equity Share Capital	10.51	10.51	10.16	10.16	10.16
Shareholders' Funds	145.50	140.22	130.07	115.06	98.58
Preference Share Capital	8.23	8.23	-	-	-
Non current Liabilities	62.97	49.90	40.79	50.19	47.61
Current Liabilities	317.33	256.27	190.23	175.78	131.65
Non Current Assets	300.59	245.12	179.09	165.52	124.41
Current Assets	233.44	209.51	182.00	175.51	153.43

Ratios

Particulars	FY15	FY14	FY13	FY12	FY11
Return on Capital Employed (ROCE) (%)	10.38%	12.88%	17.87%	24.72%	25.12%
Return on Equity (ROE) (%)	8.71%	12.41%	19.11%	25.65%	27.14%
Earnings per share (Rs.)	11.20	15.35	23.04	26.95	24.18
Dividend (%)	45.00%	55.00%	70.00%	95.00%	70.00%
Book value per share (Rs.)	138.43	133.41	127.97	113.20	96.99

Total Income (Rs. in Cr)



EBITDA (Rs. in Cr)



Net Profit (Rs. in Cr)



EBITDA Margin (in %)



BVPS (Rs.)



Board of Directors

Mr. L GANESH - Chairman
 Mr. L LAKSHMAN
 Mr. HARISH LAKSHMAN
 Mr. M LAKSHMINARAYAN
 Dr. TRIDIBESH MUKHERJEE
 Ms. ANITA RAMACHANDRAN

Audit Committee

Mr. M LAKSHMINARAYAN - Chairman
 Mr. L LAKSHMAN
 Dr. TRIDIBESH MUKHERJEE

Stakeholders' Relationship Committee

Mr. L LAKSHMAN - Chairman
 Mr. HARISH LAKSHMAN
 Dr. TRIDIBESH MUKHERJEE

Secretary

Ms. S SUBHA SHREE

Auditors

DELOITTE HASKINS & SELLS
 Chartered Accountants
 ASV Towers, 7th Floor, Old No.37, New No.52
 Venkatanarayana Road, T. Nagar, Chennai-600 017.

Listing of shares with

BSE Ltd., Mumbai
 National Stock Exchange of India Ltd., Mumbai

Registered Office

"MAITHRI"
 132, Cathedral Road, Chennai-600 086.
 Phone : 044-28112472 Fax : 044-28112449
 Email : investorservices@rane.co.in

Bankers

Canara Bank, Chennai-600 002.
 DBS Bank Limited, Chennai-600 002.
 HDFC Bank Limited, Chennai-600 002.
 Hongkong Shanghai Banking Corporation Limited,
 Chennai-600 002.
 IDBI Bank Limited, Chennai-600 015.
 Kotak Mahindra Bank Limited, Chennai-600 002.
 Standard Chartered Bank, Chennai-600 001.
 YES Bank Limited, Chennai-600 002.

Plants

- 1 "GANAPATHY BUILDINGS"
154, Velachery Road, Chennai - 600 042
- 2 79/84, Hootagally Industrial Area
Mysore - 570 018
- 3 77, Thirubuvanai Main Road
Thirubuvanai Village, Puducherry - 605 107
- 4 Ambakkam, Varanavasi Village
Varanavasi Post, Kancheepuram - 631 604
- 5 Plot No.27, Sector 11, Integral Industrial Estate
Pant Nagar, Uttarakhand - 263 153
- 6 143/A, SV Co-op Industrial Estate
IDA Bollaram, Medak District - 502 325
Andhra Pradesh

Registrar & Transfer Agents

Integrated Enterprises (India) Ltd.,
 II Floor, 'Kences Towers',
 No.1, Ramakrishna Street, North Usman Road,
 T.Nagar, Chennai-600 017.
 Email : corpserv@integratedindia.in

Report of the Board of Directors

Your Directors have pleasure in presenting their Eleventh Annual Report together with the accounts for the year ended March 31, 2015.

1. State of Company's affairs

1.1 Financial Performance

The financial highlights for the year under review are as follows:

(Rs. crores)

Particulars	2014-15	2013 - 14
Sales and Operating Revenues	778.88	726.60
Other Income	1.09	0.91
Profit Before Tax (PBT)	16.84	19.68
Provision for tax :		
Current	3.50	4.15
Deferred	4.40	2.90
MAT Credit availed	(3.50)	(4.15)
Profit After Tax (PAT)	12.44	16.78
Surplus brought forward	61.39	53.70
Amount available for appropriation	73.20	70.48

Key Performance indicators, operational performance and balance sheet summary are furnished in Page No 4 of this annual report.

The Company recorded a turnover of Rs. 646.86 crores from its steering and linkage products showing a marginal increase of 2 % over previous year. The company achieved a turnover of Rs. 95.48 crores from die casting business showing an increase of 31% over previous year. The company also achieved a turnover of Rs. 12.98 crores from its auto parts division, which was formed during the current financial year. The total turnover of the company was Rs. 755.32 crores, registering an overall growth of 6% over the previous year.

The Company also incurred an exceptional expenditure of Rs. 3.24 crores towards voluntary retirement scheme. The Company earned a PBT of Rs. 16.84 crores representing 2% of the turnover. Earnings per share for the year 2014-15 was Rs. 11.20 as against Rs. 15.35 in the previous year.

There was no material change or commitment, affecting the financial position of the Company between the end of the financial year of the Company and the date of the report other than those disclosed in the financial statements.

There was no change in nature of business during the year. The Company is a subsidiary company of Rane Holdings Limited (RHL / holding company). The Company does not have any subsidiary, associate or joint venture. During the year, Rane Engine Valve Limited (REVL), a fellow subsidiary of the Company, amalgamated into itself, Kar Mobiles Limited (KML) an associate company of the holding company.

1.2. Appropriation

Out of the profit available for appropriation of Rs. 73.20 crores, the directors have recommended a dividend of 45%. The total Equity and Preference dividend amount inclusive of distribution tax and surcharge thereon would be Rs. 6.37 crores. After transfer of Rs. 60.46 crores to the general reserve, Rs. 6.37 crores has been retained as surplus in the Profit and Loss Account.

1.3. Management Discussion & Analysis

Your Company is engaged in the manufacturing and marketing of auto components for transportation industry viz., steering and suspension systems, linkage products, steering gear products and aluminium alloy based high pressure die-casting products. A detailed analysis on the performance of the industry, the Company, internal control systems, risk management policy are enumerated in the Management Discussion and Analysis report forming part of this report and annexed as **Annexure 'A'**.

2. Board of Directors

2.1 Composition

The composition of the Board of Directors of the Company is furnished in the Corporate Governance Report annexed to this report.

The Company has issued a letter of appointment to all independent directors and the terms and conditions of their appointment have been disclosed on the website of the Company and available at <http://rane.co.in/pdf/investors/rml/rmltermsid.pdf>

In terms of Section 149 of the Companies Act, 2013 (Act), all the Independent Directors were appointed by the shareholders at the 10th Annual General Meeting held on July 31, 2014, for a period of three years to hold office from the conclusion of the 10th AGM till the conclusion of 13th AGM. All the independent directors have affirmed that they satisfy the criteria laid down under section 149 of the Companies Act 2013 and clause 49 of the listing agreement.

2.2 Retirement by rotation

At the ensuing Annual General Meeting (AGM), Mr. Harish Lakshman, Director retires by rotation and being eligible, offers himself for re-appointment. The notice convening the AGM includes the proposal for his re-appointment as director.

2.3 Board Meetings

A calendar of meetings is prepared and circulated in advance to the directors. During the year five (5) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening period between two consecutive meetings was less than 120 days.

2.4 Meeting of Independent Directors

During the year, a separate meeting of Independent Directors was held. All the Independent Directors were present at this meeting. In the said meeting, the Independent Directors discussed the quality, quantity and timeliness of flow of information between the management and the Board and expressed that the current flow of information and contents were adequate for the Board to effectively perform its duties.

3. Board and Management

3.1 Board evaluation

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the listing agreement, the annual evaluation of the Board, its committees and directors individually is carried out as per the criteria laid down by the Nomination and Remuneration Committee.

The evaluation of Board and its committees are founded on the structure, composition, effectiveness in terms of roles and responsibilities and processes encompassing the information flow and functioning. The guiding standards for the assessment of performance of directors (including the independent directors) are their attendance and participation at board meetings, sharing of their relevant domain expertise, networking in other forums, their strategic inputs and demonstration towards governance compliances.

For evaluation of performance of the Chairman additional aspects like institutional image building, providing guidance on strategy and performance, maintaining an effective and healthy relationship between the Board and the management are taken into consideration. The evaluation methodology is comprehensive and commensurate with the size of the Board and the Company.

3.2 Familiarisation program for independent directors

The company has framed a familiarization program for independent directors which has been put up on the website and available at <http://rane.co.in/ranemadras/rmlinvestors.html>

3.3 Key Managerial Personnel

Mr S Parthasarathy, Chief Executive Officer (CEO) within the meaning of Section 2(18) of the Companies Act, 2013 and Ms S Subha Shree, Secretary, hold the office of Key Managerial Personnel, respectively.

Mr P Krishnamoorthy, Chief Financial Officer (CFO) resigned from the services effective January 30, 2015. Based on the recommendations of Nomination and Remuneration Committee, the Board of directors at its meeting held on May 21, 2015 has approved the appointment of Ms J. Radha, as CFO.

3.4 Remuneration policy

The policy on appointment, remuneration and evaluation criteria for Directors and Senior Management is per the recommendations of the Nomination and Remuneration Committee of the Board. The Company recognizes that compensation is a strategic lever in the achievement of vision and goals. The compensation philosophy is designed to attract, motivate, and retain talented employees who drive the company's success and it aims at aligning compensation to goals of the company, performance of the individual, internal equity, market trends and industry practices, legal requirements and appropriate governance standards.

The remuneration to Directors, Key Managerial Personnel and Senior Management personnel involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The Nomination and Remuneration Committee recommends the remuneration of Directors and Senior Management as a group, which is approved by the Board of Directors, subject to the approval of shareholders, where necessary.

4. Audit

4.1 Audit Committee

In terms of the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the listing agreement, an Audit Committee of the Board is constituted to act in accordance with terms of reference prescribed therein. Detailed disclosure on compositions, terms of reference and meetings of the Audit Committee are furnished in the Corporate Governance Report.

4.2 Statutory Auditors

The Auditors, M/s Deloitte Haskins & Sells (DHS) were appointed as Statutory Auditors at the last (tenth) Annual General Meeting (AGM) held on July 31, 2014, for a period of three years i.e, until the conclusion of the thirteenth AGM. Their appointment is however, subject to ratification by members at every AGM.

The Company has received letter from DHS consenting for the re-appointment and confirmation to the effect that their appointment, would be within the limits and that they do not suffer from any disqualification specified in section 141 of the Companies Act, 2013 and the rules made thereunder. DHS has submitted the peer review certificate issued to them by The Institute of Chartered Accountants of India.

The report issued by the Auditors to the members for the year ended March 31, 2015 does not contain any qualification, reservation, adverse remark or disclaimer.

4.3 Cost Auditors

Pursuant to section 148 of the Companies Act, 2013 and subject to notification of rules thereunder, the board of directors on the recommendation of the audit committee appointed M/s. Jayaram & Associates, Cost Accountants, as the cost auditors of the Company for the financial year 2014-15. However, as per Companies (cost records and audit) Rules, 2014 notified by Ministry of Corporate Affairs, cost audit is not applicable to the Company by virtue of its turnover being less than the prescribed limits. Therefore, the Board did not proceed with the appointment of cost auditor and cost audit for the year 2014-15.

4.4 Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. S Krishnamurthy & Co., a firm of Company Secretaries in practice, to undertake the Secretarial Audit of the Company. The report on the Secretarial Audit carried out for the year 2014-15 is annexed herewith as **Annexure 'B'**. The Secretarial audit report does not contain any qualification reservation, adverse remark or disclaimer.

4.5 Internal Auditors

The Company continues to engage M/s Capri Assurance and Advisory Services, a firm of independent service professionals, as Internal Auditors of the Company. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as

per the directions of Audit Committee on a regular basis to improve efficiency in operations.

5. Directors' responsibility statement

In terms of Section 134 (3)(c) read with section 134(5) of the Companies Act, 2013, the directors, to the best of their knowledge and belief and according to the information and explanations obtained by them confirm that they had:

- i. followed the applicable accounting standards in the preparation of the financial statements for the financial year 2014-15 and there are no material departures;
- ii. selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- iii. taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, preventing and detecting fraud and other irregularities;
- iv. prepared the financial statements for the financial year on a 'going concern' basis;
- v. laid down internal financial controls to be followed by the Company and such internal financial controls were adequate and were operating effectively and;
- vi. devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

6. Related Party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with related parties which may have potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for transactions, which are foreseen and repetitive in nature. The transactions entered into pursuant to the omnibus approval are reviewed by the Audit committee on a quarterly basis.

The Company has put in place proper system for identification and monitoring of such transactions. The policy on related party transactions as approved by the Board is uploaded on the Company's website viz. www.rane.co.in/pdf/policies/rmlrpt.pdf. None of the Directors or Key Managerial Personnel or Senior Management Personnel has any material financial or commercial transaction where they have personal interest, that may have potential conflict with interest of the company at large.

7. Corporate Social Responsibility (CSR)

The vision on Corporate Social Responsibility (CSR) is, "To be a socially and environmentally responsive organization committed to improve quality of life within and outside". The CSR activities of Rane group focus on four specific areas of (a) Education; (b) Healthcare; (c) Community development and (d) Environment.

The CSR activities undertaken by the Company are in line with the CSR Policy and recommendations of the CSR Committee comprising of Mr L Lakshman, Committee Chairman, Mr L Ganesh, Director and Ms Anita Ramachandran, an independent director as its members. The Annual Report on CSR activities carried out during the year 2014-15 is annexed as **Annexure 'C'**.

8. Fixed Deposits

The outstanding fixed deposit amount as at the year ended March 31, 2015 was Rs.4.66 crores. All deposits that matured during the year were repaid. The Company has not defaulted in repayment of any fixed deposits or any interest thereon. Despite efforts to identify and repay unclaimed matured deposits, a sum of Rs.0.01 crores remains unclaimed as on March 31, 2015.

The Company had discontinued accepting or renewing the fixed deposits with effect from April 1, 2014 and has not accepted deposits falling within the ambit of Chapter V, Section 73 of the Companies Act, 2013.

The Board was of the view that the premature and compulsory repayment of the fixed deposits prior to the date of maturity would cause inconvenience to the depositors. Also considering the age profile of our depositors that include many senior citizens, the Board felt that compulsory premature repayment of their deposits would abruptly result in the loss of regular interest payments to these depositors. Keeping the interests of the deposit-holders in mind, in terms of Section 74 (2) the Company has filed an application before Company Law Board (CLB), to repay the deposits on their respective maturity dates in accordance with the terms of acceptance of such deposits. Approval of CLB is awaited.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure 'D'**.

10. Particulars of Directors, Key Managerial Personal and employees

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of

Directors, Key Managerial Personal (KMP) and employees of the Company are provided in the Annual Report. Having regard to the provisions of first proviso to sub-section (1) of Section 136 of the Act, the Annual Report excluding the aforesaid information is sent to the members. The said information is available for inspection by the members at the registered office during business hours on a working day of the Company up to the date of the ensuing Annual General Meeting. The full annual report including the aforesaid information is being sent electronically to all those members who have registered their e-mail address and is available on the Company website URL: www.rane.co.in/ranemadras/ranemadrasinvestors.html/

11. Corporate governance Report

Your Company has complied with the corporate governance requirements as stipulated under clause 49 of the listing agreement. Detailed report on the compliance and a certificate by the statutory auditors forms part of this report as **Annexure 'E'**.

12. Other disclosures

- Details of loan, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.
- The Internal control systems and adequacy are discussed in detail in the Management Discussion and Analysis annexed to the Directors Report.
- There was no significant material order passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.
- The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure 'F'**.
- The Company has established a formal vigil mechanism named 'Rane Whistle Blower Policy' for reporting improper or unethical practices or actions which are violative of the code of conduct of the Company. There was no instance reported during the year under review through this mechanism.
- The Company believes that women should be able to do their work in a safe and respectful environment that encourages maximum productivity. The Company has a zero tolerance towards sexual harassment. The Company has adopted a policy on prevention of sexual harassment of women at work place and put in place proper mechanism across the Company. There was no case reported during the year under review through this mechanism.

For and on behalf of the board

Chennai
May 21, 2015

HARISH LAKSHMAN
Director

L GANESH
Chairman

Annexure A to the Report of the Board of Directors Management Discussion and Analysis

Overview

The Company manufactures steering & suspension linkage products, steering gear products and high precision aluminium die casting products. The Company is a significant supplier to major manufacturers of passenger cars, utility vehicles and farm tractors across the globe. The Company operates predominantly in a single reportable segment viz., components for transportation industry.

Industry structure, developments and performance

Weak market sentiments experienced in 2013-14 continued in 2014-15 affecting many of the vehicle segments, the major drop being in the Small Commercial Vehicle 20%, Farm Tractors by 11% and LCV by 4%. However, the long expected M&HCV segment started its turn-around from the 3rd Quarter of the financial year and grew at a healthy pace into the 4th quarter. The M&HCV segment grew by a healthy 21% while PC showed a modest growth of 5%.

Farm Tractor segment began its decline from the 3rd quarter onwards, the primary reasons being poor monsoon in parts of the country and stagnant minimum support price.

Industry Growth

During the year under review, the volume growth in automotive industry is as given below:-

Industry Segment	Volume Growth in % YoY change	
	2014-15	2013-14
Vehicles		
Passenger Cars (PC)	5	-5
Utility Vehicles (MUV)	12	-1
Vans (MPV)	-12	-18
Small Commercial Vehicles (SCV)	-20	-25
Light Commercial Vehicles (LCV)	-4	-4
Medium & Heavy Commercial Vehicles (M & HCV)	21	-21
Farm Tractors (FT)	-11	27

Source: Society of Indian Automobile Manufacturers

Domestic Market

Market witnessed signs of growth and turn around in some of the segments owing to a positive political sentiment. However, this is yet to be translated into growth of market in rural areas. The Company was able to secure business in new Passenger Car platforms and M&HCV segments for the Steering products. The decline in the Farm Tractor segment had its impact from the third quarter of the financial year.

The company sustained its effort in the After Market. The Company introduced several new products in the market place which helped it register a growth of 20% over the previous year.

The Company experienced an overall growth of 4% in the domestic market across all the products.

The break-up of the domestic sales by products is given below:

(Rs. in crores)

Products	2014-15	2013-14	Growth in %
Steering Gear Products	261.56	270.70	-3
Suspension and Linkage Products	274.21	267.54	2
Hydrostatic Steering	16.01	-	-
Die Casting Products	10.98	13.35	-18
Other Automotive Parts	12.99	-	-
Total	575.75	551.59	4

The break-up of domestic sales between OEM and aftermarket is given below:

(Rs. in crores)

Market	2014-15	2013-14	Growth in %
OEM & OES	445.51	443.07	1
Aftermarket	130.24	108.52	20
Total	575.75	551.59	4

Exports

The Company has been able to grow significantly in the die casting products in the current year due to new products. Further programs have also been won which augurs well for the future export potential of die casting products.

The export of Steering related products took a dip due to demand contraction of our customer's models overseas. We work with our customers in the new programs which will help them recover their market position and our volumes. In addition, vigorous pursuit of new programs in North American market by strengthening our team has been undertaken.

Overall, the export business has grown by 14% and we have set the foundation for higher growth in the future.

The break-up of the export sales is given below:

(Rs. in crores)

Products	2014-15	2013-14	Growth in %
Suspension Linkage Products	47.02	41.46	13
Steering Gear Products	48.05	57.14	16
Die Casting Products	84.50	59.56	41
Total	179.57	158.16	14

Operational and Financial Performance

Financial Review

The Company achieved a turnover of Rs. 755.32 crores, a growth of 6% over the previous year. The Company continues to experience inflationary pressures in its input costs such as Labour, Power, interest rates etc. In addition, changes in statutory regulations such as Input VAT reversal, depreciation treatment has also impacted the cost structure. As the market conditions were difficult, the Company had planned for stringent cost controls and initiated cost reduction measures in variable cost to offset the impact of the cost increases.

The Company also incurred an exceptional expenditure of Rs. 3.24 crores towards separation benefits for its employees opting for a voluntary retirement scheme. After netting off the expenditure for the voluntary retirement scheme, the Company achieved a profit before taxation of Rs.16.84 crores (2.2%). The profit after tax was Rs. 12.44 crores as against Rs.16.78 crores in the previous year.

Operations and Manufacturing Review

In view of the stagnancy in the domestic market for the past few years resulting in limited growth for the company, the company decided to engage an international consultancy firm to help it define its long term strategy. A high level project team was constituted to develop, long term growth plans have been developed. The focused markets and products that need to be pursued as well as the internal initiatives that need to be taken to enable the company to grow profitably has been defined. This is being implemented and reviewed vigorously which will help the company significantly in the future.

In the current year, the operations has continued to focus on its journey towards becoming world class. All the plants are identifying areas of improvement in making the plant lean and building quality into its manufacturing process. Several productivity projects have been undertaken in low cost automation, re-layout of plant and eliminating waste in the operations. This has helped in containing the element of labour content in the operations and assuring a consistent quality product for our customers.

In its bid to grow the hydraulic business, a separate facility in Mysore was established to bring in high level of in-house content. This will enable both higher quality and reliability in the hydraulic products apart from helping the company being cost competitive.

As part of its efforts in enhancing the engineering capability, a new R & D center for steering has been established in Puduchery. This has state of the art test equipment to evaluate products and help develop products to meet the field requirements. This will enable the company enhance its global presence.

Having won significant high volume global programs in die casting, a need for additional capacity through a new plant became a necessity. In order to manage the operations efficiently, the second plant has been initiated in Sadashivpet in Sangareddy District, near Hyderabad. This plant's proximity to our current plant will enable rapid learning and deployment of best practices at least cost.

Cost reduction and cost control continue to remain one of the prime focussed activities during the year.

- ❖ **Capex** – In view of the slow market growth, Capex was contained to the bare necessities. Strategies to buy lean machines also helped minimise cost. Capital was also re-deployed across plants rapidly to avoid duplication of capital costs.
- ❖ **Employee Cost** – Projects on Labour Productivity has helped offset the increases in minimum wages, statutory cost increases and Long Term Settlement increases. Management headcount is being streamlined by centralising processes where duplication of work can be avoided and efficiency can be obtained.
- ❖ **Other Variable Costs** – Specific projects on tools and spares, power, sub-contract cost were identified by all the plants and these have helped overcoming the inflationary increases.

Pursuit of business excellence

Pursuit of business excellence is recognized as a continuous journey. All plants are streamlining the operations to create visibility, enhance safety and world class quality. Total Quality Management (TQM) continues to be the foundation on which the company reviews its business practices and works on improving the systems and processes to meet its business objective.

The energized TQM practices have brought in a strong customer focus across all functions of the Company. The TQM practices of the steering division are progressively deployed in the Diecasting division, particularly in the areas of equipment management and quality.

The company has won six awards this year out of which two awards were from customers. The following awards were received from customers:

- ❖ Best Supplier Award for Delivery from Tata Motors Limited
- ❖ Quality Achievement Award from Polaris

Outlook

The new government has communicated a strong message of 'Make in India' as its theme to drive growth and job opportunities. Its efforts to streamline the government functioning and make the bureaucracy more accountable is surely set to revive the Indian Economy. However, it is recognized that it will not be a dramatic recovery.

The initial signs of growth in the M&HCV augurs well for the company. The Passenger Car will continue to grow with increased disposable incomes in the hands of the middle-class. However, the Farm Tractor segment is expected to have a flat or even negative growth in the coming year due to the slowdown in rural incomes.

Given the positive industrial climate, the growth of Indian economy is expected to improve to 7.5% of GDP. This could mean recovery and growth in automobile industry as well. If the infrastructure issues like power, road and ports are addressed and some flexibility in employment is enabled through labour reforms, the company's growth will get accelerated.

The Company expects to grow reasonably through new businesses won in passenger car segment and hydraulics. After Market and Exports will continue to be a focus area to offset the uncertainty of the domestic OE business.

The following additional initiatives are being undertaken as a way forward:-

- ❖ In addition to North America, expanding the diecasting portfolio to Europe
- ❖ New products and customers in Hydraulics
- ❖ Pursuing Export opportunities with new customers for Steering Gear
- ❖ Expanding the After Market product range beyond its current product portfolio

Opportunities & Threats

The recovery albeit slow in the economy as well as the global opportunities provide a window for the company to grow faster than the past. Activities have been identified and initiated to leverage these opportunities.

However, the political impasse can impact the recovery and not allow the country to move forward steadfast in its pursuit of job creation and elimination of poverty. This can slowdown the growth plans in the short term.

The Company's main areas of strength are:-

- A strong focus on customer requirements and the willingness to look beyond the stated needs of the customers.
- Ability to independently design and validate the products.
- A well-established TQM culture across all the functions and continuous strive towards being one of the best places to work.
- A network of trusted suppliers.

The main threats to which auto component industry is exposed to are:-

- Unceasing cost reduction demand from OEMs imposing pressure on operating margins.
- Volatility of commodity prices affecting the input costs structure.
- Dumping from neighboring countries.
- Weak economic expansion in the developed countries.

Internal Control Systems

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

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

Risk Management

The Company has laid down well-structured procedures for monitoring the risk management plan and implementing the risk mitigation measures. The risks are broadly classified into strategic risks, operational risks, financial risks and statutory compliance risks. These risks are rated based on factors such as past year experience, probability of occurrence, probability of non-detection and its impact on business. The top management reviews the strategic risks, the risks with high probability and high impact every quarter and presents its report along with risk mitigation plan to the Board of Directors on half-yearly basis. The strategic risks considered

in shaping the annual budgets. Other risks are covered as part of internal audit process and presented to the Audit Committee every quarter. The risk ratings are revalidated with the top management as part of the internal audit process every quarter. The strategic risks are taken into consideration in the annual planning process and these risks together with their mitigation plan are subject to review by the management on a quarterly basis. The business processes risks and the related controls would be subjected to internal audit and reviewed on a quarterly basis. The overall re-assessment of risks at company level is carried out and presented to the Board once in two years for their review.

Human resource development and industrial relations

As the company embarks upon an exciting phase of Profitable Growth, there is increased emphasis on our talent management practices with special focus on leadership development that will drive business strategies to achieve the aspirations of all stakeholders.

This will be an intense phase as a variety of challenges will be encountered during this period. Intertwining human resource with business and people value streams would enable achieve radical growth.

LEADERSHIP DEVELOPMENT

Leadership Framework

In our pursuit of growth goals, the leadership competency framework revised to significantly improve leadership capability and capacity. Keeping a three to five year horizon in mind, the refreshed framework will aim at strengthening the leadership transition at different levels of the organization. This would mean formulating structured leadership archetypes that facilitates people transition in a continuum of individual contributor to business leader, focusing both on strategic and functional leadership.

High Potential Leadership Development (HPLD)

13 executives from the middle and senior management participated in the Development Centre as part of the High Potential Leadership Development (HPLD) program; a first of its kind in the Rane.

The objective of the HPLD initiative is to:

- help people understand their strengths, development needs and align career aspirations
- enable promising talent to realize their career aspirations
- staff the critical roles with the right talent
- build a succession pipeline for future

LEARNING

Keep Educating Yourself (KEY)

Towards continuously upgrading the knowledge and skills, the Company has introduced a policy – Keep Educating Yourself (KEY). The purpose is to encourage employees to pursue part-time education and thereby acquire additional qualification / knowledge that will enhance the individual and organizational capabilities.

HR CAPABILITY BUILDING

Workforce Planning

Having realised the scope to improve business performance through white collar productivity, the HR team participated in a workshop on Workplace Planning. The objective was to build perspectives on this theme and deploy appropriate tools and techniques for optimum resource utilization.

HR Boot camp

HR's contribution to business success as a function lies in imagining and shaping the future, responding to trends and reacting swiftly to unforeseen developments. In order to realize our future growth aspirations, it is important that we have a robust 'Design' for the people processes and strong 'Delivery' mechanisms.

Driven by this purpose, a boot camp was organised for the HR fraternity to ignite ideas in the HR team for driving the people agenda of the organization effectively. Participants were encouraged to appreciate business challenges, enabling shifts in the way of thinking, conceptualizing change and means of implementation.

The Industrial Relations were cordial in the Plants.

RECOGNITION

Rane Group received an award for 'Talent Management' in 5th Asia's Best Employer Brand Awards 2014.

Cautionary Statement

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

Annexure B to the Report of the Board of Directors

Secretarial Audit Report for the financial year ended 31 March 2015

Form No. MR-3

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

To

The Members,

Rane (Madras) Limited,

[CIN: L65993TN2004PLC052856]

"MAITHRI" No.132, Cathedral Road,

Chennai-600086

We have conducted a secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s. **Rane (Madras) Limited** (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of M/s. **Rane (Madras) Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with our letter of even date annexed to this report as Annexure – A.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. **Rane (Madras) Limited** (the Company) **for the financial year ended on 31st March 2015** according to the applicable provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of

Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
 - (d) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- (vi) The Listing Agreements entered into by the Company with:
 - (a) BSE Limited; and
 - (b) National Stock Exchange of India Limited;
2. We are informed that, for the financial year ended on 31st March 2015:
 - (i) The company was not required to maintain books, papers, minute books, forms and returns filed or other records according to the provisions of the following Regulations and Guidelines prescribed under SEBI Act:
 - (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

- (ii) There are no laws applicable specifically to the company, the books, papers, minute books, forms and returns of which were required to be examined by us for the purpose of this report.
3. We have not examined compliance with the Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India as they become applicable only from 1st July 2015.
4. During the period under review, to the best of our knowledge and belief and according to the information and explanations given to us, the Company has complied with the provisions of the Acts, Rules, Regulations and Agreements mentioned under paragraph 1 above, to the extent applicable.
5. We further report that:
- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent less than seven days before the meeting as there was no statutory requirement during the year to send them seven days in advance of the meeting.
- (iii) A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings before majority decision is carried through. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.
- (iv) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- (v) During the audit period, the Company has passed the following special resolutions:
- (a) Under section 180(1)(c) of the Act empowering the Board of Directors to borrow moneys (apart from temporary loans from Company's bankers in the ordinary course of business) provided that the amounts borrowed and outstanding at any point of time does not exceed Rs. 205 crores over and above the aggregate of the paid-up capital and free reserves of the Company.
- (b) Under section 180(1)(a) of the Act, through a postal ballot process, empowering the Board of Directors to create charge in favour of banks, financial institutions, trustees of debenture holders and other lending agencies, on any of the Company's properties, with power to takeover substantial assets in case of certain events, to secure borrowings of the Company.
- (c) Under section 14 of the Act adopting a new set of Articles of Association in place of the existing one.

For **S Krishnamurthy & Co.,**
Company Secretaries,

K. Sriram,
Partner.

Chennai
May 21, 2015

Membership No: F6312
Certificate of Practice No: 2215

Annexure – A to Secretarial Audit Report of even date

To,

The Members,

RANE (Madras) Limited,

[CIN: L65993TN2004PLC052856]

“MAITHRI” No.132, Cathedral Road,

Chennai-600086

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to make a report based on the secretarial records produced for our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our report.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.

5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test basis. Actions carried out by the Company based on independent legal/ professional opinion obtained have not been considered as non-compliance wherever there was a scope for multiple interpretations, especially since this is first full financial year in which the Companies Act, 2013 has become operational and also on account of the listing agreement undergoing major amendments from 1st October 2014.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **S Krishnamurthy & Co.,**
Company Secretaries,

K. Sriram,
Partner.

Chennai
May 21, 2015

Membership No: F6312
Certificate of Practice No: 2215

Annexure – C to the Report of the Board of Directors

Annual Report on CSR activities

(for financial year 2014-15)

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

The Company's CSR vision is 'to be a socially and environmentally responsible corporate citizen'.

Overview of projects implemented during 2014-15:

- Contributed fund towards Rane Foundation for the promotion of education
- Educational support for the poor & orphanage children
- Preventive healthcare camps and nutrition supplements for the local community and needy children

The policy on CSR recommended by the CSR Committee was approved and adopted by the Board of Directors and the same is available on the website of the Company (web link: <http://www.rane.co.in/pdf/policies/rmlcsr.pdf>)

2. The Composition of the CSR Committee

The Company has constituted a robust governance structure to oversee the implementation of the CSR projects, in compliance with the requirements of Section 135 of the Companies Act, 2013. The CSR governance structure of the Company will be headed by the Board CSR Committee. The Board CSR Committee grants auxiliary power to the Working Committee of the company to act on their behalf.

The members of the CSR committee are:

Board CSR committee	Company CSR Committee
L Lakshman Promoter & Non- Executive Director Committee Chairman	Gowri Kailasam – President – Steering & Linkages Division D Sundar – President – Rane Diecast Division
L Ganesh Promoter & Non - Executive Director	P.Krishnamoorthy (CFO) *
Anita Ramachandran Non-Executive & Independent Director	T.A.Dayalan General Manager - Human Resource

* upto January 30, 2015.

3. Average net profit of the company for last three financial years

Rs. In Cr

Particulars	2011-12	2012-13	2013-14
Net profit for the year (PAT)	27.40	23.42	16.78
Adjusted Net Profit (as per Section 198)	37.80	30.47	29.74
Average Net Profit	32.67		

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 0.65 crores.

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year : Rs.0.65 crores

(b) Amount unspent, if any : Rs.0.04 crores

(c) Manner in which the amount spent during the financial year is detailed below :

SI No	CSR Activity	Sector in which activity is covered	Projects or programs - (1) Local area or other (2) Specify that state and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount Spend - Subheads		Cumulative expenditure up to the reporting period	Amount spent directly or through an implementing agency
					Direct	Overheads		
1	Education-Institution Development	Promoting education	Local Chennai, Tamil Nadu; Mysore Karnataka; Thalaiyampet, Kanchipuram Dt; Trichy, Tamil Nadu	57,69,150	54,21,860	89,888	55,11,748	Gladden Children Home - Section 8 Company (Rs 42,560/-), Udhavum Ullangal Illam - Registered Trust (Rs 9,300/-), Rane Foundation - Registered Trust (Rs 52,89,888/-), Jana Jagruthi Rural Development Society - Registered Society (Rs 1,00,000/-), Self-Implemented (Rs 70,000/-)
2	Health Care-Nutrition Programs	Eradicating malnutrition	Local Mysore, Karnataka; Hyderabad, Telangana	5,60,000	4,21,225	-	4,21,225	Akshaya Patra Foundation - Registered Trust (Rs 2,00,000/-), Desire Society - Registered Society (Rs 2,21,225/-)
3	Health Care- Health Camps	Improving sanitation, making available safe drinking water, promoting health care	Local Pondicherry; Rudrapur, Uttarakhand	1,45,850	1,45,850	-	1,45,850	Sri Venkateshwara Medical College & Hospital - Registered Trust (Rs 75,000/-), Raghav Health Care & Medical Fitness Centre - Section 8 Company (Rs 70,850/-)
Total				64,75,000	59,88,935	89,888	60,78,823	

6. In case the company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

During the year under review the CSR expenditures budgeted were spent on projects identified as per the CSR policy. However, pending identification of appropriate projects in line with the CSR vision and policy, the company could not spend an amount of Rs.0.04 cores out of Rs.0.65 crores budgeted for the year 2014-15.

Responsibility statement of the CSR Committee.

The implementation and monitoring of our CSR Policy is in compliance with the CSR objectives and policies. The Board of the company and the CSR Committee is responsible for the integrity and the objectivity of all the information provided in the disclosure above. All the projects reported have been considered and undertaken with the best of our intentions to contribute to the greater good of the society. We have undertaken and implemented these projects with careful consideration and these projects are aligned with our vision as provided in our CSR Policy. In line with the requirements of the Companies Act, 2013, we have also instituted monitoring mechanisms to ensure the projects go on smoothly as planned.

Chennai
May 21, 2015

S Parthasarathy
Chief Executive Officer

L Lakshman
Chairman of CSR Committee

Annexure D to the Report of the Board of Directors

Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo

Pursuant to rule 8 of the Companies (Accounts) Rules, 2014

CONSERVATION OF ENERGY

Steps taken or impact on conservation

- ❖ Implementation of VFD projects for machines and compressors
- ❖ Energy saving through air leak arresting
- ❖ Auto control for cooling tower fans
- ❖ Switching off of compressors during unwanted period
- ❖ Energy saving lamps for shop floors

Utilising alternate sources of energy

- ❖ Solar street lights for peripheral area saving around 7500 Units p.a per plant.
- ❖ Solar water heaters for washing machines - 200+200 liters capacity saving of power 90000 units p.a per plant.
- ❖ DG sets. 4 nos (1010 KVAX2 nos, 500 KVAX1 no. and 125KVAX1 no. per plant.
- ❖ 30% of electricity consumption is through Windmill, which is 1171707 units and cost saving of of Rs. 0.50 / Unit.

Capital investment in energy conservation equipment

- ❖ Rs. 55 Lacs

RESEARCH AND DEVELOPMENT (R & D)

Efforts towards technology absorption

- ❖ Development of 'springless' Ball joint for commercial vehicle application
- ❖ Development of Fine Adjuster sleeve for commercial vehicle Draglink application
- ❖ Creation of Noise simulation capability in Test lab for Mechanical Rack & Pinion steering gear
- ❖ Various configurations of Intermediate shaft EPS for Material handling vehicles conceptualized and developed indigenously
- ❖ Development of Transport Lock Valve for farm tractor application
- ❖ Concept design of cab tilt cylinders

Benefits derived (product improvement, cost reduction, product development or import substitution)

- ❖ Entry into European commercial vehicle steering linkage business, viz., Daimler NGA programme, Volvo P9218
- ❖ Enables easy and fine length adjustment of Draglink in vehicle installed condition thereby offer value proposition to customer
- ❖ Enables to address and meet noise level stipulated by global passenger car OEMs- Edge over Competition
- ❖ Likely to open business opportunities for Electric Power Steering in material handling vehicles
- ❖ Development of new products and retaining / increasing business share
- ❖ Enhancing product portfolio

Imported Technology – details , year of import, whether fully absorbed, if not – reasons thereof

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

Research and Development expenditure incurred

	Particulars	2014-15	2013-14
A	Capital expenditure	6.08	2.79
B	Recurring expenditure	6.30	5.60
C	Total	12.38	8.39
D	Total R & D expenses as a percentage of total turnover	1.64%	1.20%

Specific areas in which R & D carried out by the Company:

- ❖ Electric Power Steering for material handling vehicles
- ❖ Tribology, alternate materials, light weighting, hydraulics
- ❖ Virtual simulation / Analysis capability augmentation

- ❖ Innovative hypothesis in Ball joint internals

Benefits derived as a result of R & D

- ❖ Nomination for new generation passenger car steering business – domestic & exports
- ❖ Nomination for export business in commercial vehicle steering linkages

Future plan of action

- ❖ Pursue in power /motor control /automotive electronics space
- ❖ Hydraulics control elements (actuators / valves) for off-row equipment/ material hauling equipment
- ❖ Product differentiation

Foreign Exchange Earnings and Outgo

Foreign Exchange	2014-15	2013-14
Earnings	166.45	153.18
Outgo	55.62	52.18

For and on behalf of the board

Chennai
May 21, 2015

HARISH LAKSHMAN
Director

L GANESH
Chairman

Annexure E to the Report of the Board of Directors

Corporate Governance Report

1. Philosophy on Code of Governance

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

Our belief in good corporate citizenship enshrined in the Company's Code of Conduct, its policies, compliance with law and robust internal control systems, which are subjected to regular assessment drives its effectiveness, reinforces integrity of management and fairness in dealing with all the stakeholders. This meets with all statutory and regulatory compliance including Clause 49 of the Listing Agreement.

2. Board of Directors

Composition, Attendance and Meetings

As of March 31, 2015, the Board of the Company consists of six non-executive directors. The composition of the

independent directors (50%) is in conformity with clause 49 of the Listing Agreement entered into with stock exchanges. The directorships held by the directors are within the limits prescribed under Section 165 of the Companies Act, 2013. None of the directors on the Board, is a member of more than 10 committees or chairman of more than 5 committees across all the companies in which he/she is a director. Necessary disclosures regarding committee positions as on March 31, 2015 have been made by the directors.

The Board met five (5) times during the financial year on May 22, 2014, July 31, 2014, October 27, 2014, January 22, 2015 and March 20, 2015. The names and categories of the directors on the Board, their attendance at Board meetings and Annual General Meeting held during the year and the number of directorships in other companies and committee chairmanships / memberships held by them in all public companies are given below:

Name of the Director / (DIN)	Category	No. of Board meetings attended	Whether attended last AGM	Number of Directorship in other Public limited companies #		Number of Committees @	
				Chairman	Member	Chairman	Member
Mr. L Lakshman (00012554)	Non-Executive & Promoter	5	Yes	1	5	1	4
Mr. L Ganesh (00012583)	Chairman, Non-Executive & Promoter	5	Yes	3	4	1	5
Mr. Harish Lakshman (00012602)	Non-Executive & Promoter	5	Yes	-	7	2	1
Mr. M Lakshminarayan (00064750)	Non-Executive & Independent	4	Yes	1	5	1	2
Dr. Tridibesh Mukherjee (00004777)	Non-Executive & Independent	5	Yes	-	5	-	4
Ms. Anita Ramachandran (00118188)	Non-Executive & Independent	4	Yes	-	7	-	2

NA – Not Applicable

excludes foreign companies.

@ Membership in Audit Committee and Stakeholders' Relationship Committee in public limited companies only is considered, as per clause 49 of the listing agreement.

Mr L Lakshman is related to Mr L Ganesh and Mr Harish Lakshman.

The information as required under Annexure X to clause 49 of the Listing Agreement such as annual operating plans and budgets, quarterly results for the Company, minutes of meetings of audit committee and other committees of the Board, quarterly details of foreign exchange exposures, risk management and mitigation measures, etc. are placed before the Board of Directors.

Annual calendar for the Board and its committee meetings is circulated in advance to the directors, to facilitate them in attending the meetings. The directors are provided with detailed agenda for the meetings along with necessary annexures to effectively participate in discussions. The Company has a post board meeting review mechanism to monitor and follow up the effective execution of the decisions, directions or suggestions of the Board and its Committees, by the management.

The disclosure regarding meeting of independent directors, Board and directors performance evaluation are discussed in detail in the Directors Report.

The familiarisation programme to the independent directors are disclosed in the website of the Company and is available at <http://rane.co.in/ranemadras/rmlinvestors.html>

3. Audit Committee

Composition and Attendance of Meetings

The composition of audit committee is as follows:

Mr. M Lakshminarayan	Chairman – Independent Director
Mr. L Lakshman	Member – Non-Executive Director
Dr. Tridibesh Mukherjee	Member – Independent Director

All the members of the audit committee are financially literate and possess accounting and related financial management expertise.

The Company Secretary acts as the Secretary to the Committee.

The Committee met four (4) times during the year on May 22, 2014, July 31, 2014, October 27, 2014 and January 22, 2015.

Name of the Director	No. of Meetings attended
Mr. L Lakshman	4
Mr. M Lakshminarayan	3
Dr. Tridibesh Mukherjee	4
Ms. Anita Ramachandran*	1

* For the Audit Committee Meeting held on January 22, 2015, Ms. Anita Ramachandran, Independent Director was co-opted as a member and she chaired the said meeting.

The Statutory Auditors and the Internal Auditors were present as invitees in all the meetings. The President and the Senior Vice-President-Finance of the Company attended the meetings by invitation. Based on the

requirement, other directors attended the meetings by invitation.

Overall purpose and terms of reference

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

The terms of reference of the Audit Committee are as per the provisions of the listing agreement read with Section 177 of the Companies Act, 2013. In line with these provisions the Company has framed an Audit Committee Charter, which is subject to regular review by the Audit Committee.

The roles of the Audit Committee inter-alia, includes, review of:-

- quarterly / annual financial statements with statutory auditors and management before submission to the Board.
- internal control systems, findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
- internal audit function, internal audit reports relating to internal control weaknesses and functioning of whistle blower mechanism.
- management discussion and analysis of financial condition, results of operation, financial and risk management policies of the Company.
- defaults, if any, in payments to depositors, shareholders / creditors and the status of the inter-corporate loans and investments for scrutiny in detail.
- approve related party transactions, including any subsequent modifications thereto.
- compliance with listing and other legal requirements relating to financial statements .
- changes, if any, in accounting policies and practices and reasons for the same, major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of the audit findings.
- valuation of undertakings or assets of the company, as and when required.

As per the charter and the terms of reference, the Audit Committee, also:

- recommends appointment of auditors and their remuneration and approves the appointment of CFO
- discusses the scope of audit and post-audit area of concern and qualifications, if any, with statutory auditors / Internal Auditors.

In compliance with clause 41 of the Listing Agreement, the audit committee reviews the quarterly unaudited financial results and Annual audited financial results of the Company. The quarterly unaudited financial results are subjected to limited review by the statutory auditors of the Company. The statutory auditors are eligible to issue limited review report as the audit firm has been subjected to peer review process of The Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of ICAI.

The audit committee also reviews all mandatory information under clause 49 of the Listing Agreement.

4. Nomination and Remuneration Committee (NRC)

Composition & Attendance of Meetings:

The Nomination and Remuneration Committee (NRC) constituted by the Board in terms of Section 178 of the Companies Act, 2013 and the Rules notified thereunder and clause 49 of the Listing Agreement, comprises of the following directors as its members:

Mr. M Lakshminarayan	Chairman, Independent Director
Mr. L Lakshman	Member, Non-Executive and Promoter
Mr. L Ganesh,	Member, Non-Executive and Promoter
Ms. Anita Ramachandran	Member, Independent Director

The Committee met twice during the year July 31, 2014 and October 27, 2014.

Name of the Director	No of Meetings Attended
Mr. M Lakshminarayan	2
Mr. L Lakshman	2
Mr. L Ganesh	2
Ms. Anita Ramachandran	1

Terms of Reference:

- To formulate criteria for determining qualifications, positive attributes and independence of director and evaluation of Independent Directors and the Board.
- To formulate policies for remuneration of Directors, Key Managerial Personnel, Senior Management Personnel who are Functional Heads one level below the Board.
- To devise policy on Board diversity.
- To identify persons for the position of Director, Key Managerial Personnel, Senior Management Personnel who are Functional Heads one level below the Board.
- To recommend to the Board on appointment / removal of Directors, Key Managerial Personnel, Senior Management Personnel who are Functional Heads one level below the Board.
- To evaluate the performance of Directors (other than Independent Directors) and make recommendation to the Board and Key Managerial Personnel, Senior Management Personnel who are Functional Heads one level below the Board, as a team

Remuneration Policy

The remuneration policy of the Company is discussed in the directors report.

Details of remuneration to Directors

Taking into account the increased role of directors in the light of new governance norms under Companies Act 2013 and the requirements under the listing agreement, as per the recommendations of the Nomination and Remuneration Committee, the Board approved revision in sitting fee payable to directors for attending the meetings of the Board / Committee with effect from July 2014 as under :

	Board (Rs.)	Audit Committee (Rs.)	Stakeholder's relationship committee (Rs.)	Finance Committee (Rs.)	Nomination & Remuneration Committee (Rs.)	CSR Committee (Rs.)
Upto June 2014	20,000	20,000	2,500	2,500	-	-
July 2014 onwards	30,000	25,000	5,000	2,500	10,000	5,000

The above fees excludes reimbursement of actual travel and out-of-pocket expenses incurred by them for attending the meetings.

The Board approved payment of sitting fees to Mr. L Lakshman with effect from May 21, 2014 for attending the meetings of the Board and committees thereof.

Name of the Director	Sitting Fees (Rs.)
Mr. L Ganesh	1,70,000
Mr. L Lakshman	2,70,000
Mr. Harish Lakshman	1,55,000
Mr. M Lakshminarayan	1,95,000
Dr. Tridibesh Mukherjee	2,40,000
Ms. Anita Ramachandran	1,45,000

Pursuant to the approval accorded by shareholders vide special resolution passed at 8th Annual General Meeting held on July 11, 2012, a Commission of Rs. 17,13,468/-, is payable for the year 2014-15 to Mr. L Ganesh, Chairman.

The Nomination and Remuneration Committee at its meeting held on May 21, 2015, has recommended continuation of payment of commission to Mr L Ganesh, not exceeding 2% of the net profits of the Company, for a period of three years commencing from April 1, 2015. The Board at its meeting held on May 21, 2015 considered and approved the same, subject to the approval of shareholders. This subject is being proposed to the shareholders at the ensuing Annual General Meeting to be held on July 31, 2015.

The shareholding details of directors for the year ended March 31, 2015:

Name of the Director	No. of shares	No. of Shares pledged
Mr. Harish Lakshman	750	Nil

None of the other Directors hold any share in the Company. There is no stock option scheme prevailing in the company.

5. Stakeholder's Relationship Committee

Composition & Attendance of Meetings

The Stakeholder's Relationship Committee has been constituted pursuant to Section 178 of the Companies Act, 2013 and as per the requirements under clause 49 of the Listing Agreement, to look into all types of grievances from shareholders and redress them expeditiously. The following are its members;

Mr. L Lakshman	Chairman, Non Executive & Promoter
Mr. Harish Lakshman	Member, Non Executive & Promoter
Dr. Tridibesh Mukherjee	Member, Independent Director

The Company Secretary is the compliance officer of the company.

The Committee met two (2) times during the year on October 27, 2014 and January 22, 2015.

Name of the Director	No of Meetings Attended
Mr. L Lakshman	2
Mr. Harish Lakshman	2
Dr. Tridibesh Mukherjee	2

During the year, the Company received total of 3 complaints from the investors and all of them were disposed off. These complaints pertain to non-receipt / loss of share certificates, non-receipt of dividend warrant and non-receipt of correspondences. During the year, no complaint was received from Ministry of Corporate Affairs/ SEBI, including SEBI Complaints Redress System (SCORES). There is no investor complaints pending unresolved at the end of the financial year 2014-15.

6. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) activities of the Company focus on four specific areas of (a) Education (b) Healthcare (c) Community Development (d) Environment. The CSR Policy was reviewed by the Board at its meeting dated May 22, 2014.

The CSR activities undertaken by the Company are in line with the CSR Policy and recommendations of the CSR Committee comprising of Mr L Lakshman, as Chairman, Mr L Ganesh, member and Ms Anita Ramachandran, member.

The Committee met two (2) times during the year May 22, 2014 and October 27, 2014.

Name of the Director	No. of meetings Attended
Mr. L Lakshman	2
Mr. L Ganesh	2
Ms. Anita Ramachandran	1

The terms of reference of the Committee are as follows

- Formulate and recommend CSR Policy, for approval of the Board
- Approve projects that are in line with the CSR policy
- Have monitoring mechanisms in place to track the progress of each project
- Recommend the CSR expenditure to the Board of the company for approval
- Review new proposals and existing projects' status

The report on CSR projects undertaken during the year 2014-15 as approved by the CSR committee in consultation with the Board is annexed to Director's Report.

7. Code of Conduct

The board of directors has laid down a code of conduct i.e. "Ethical Standards of Behaviour – RANE COMPASS" for all board members and employees of the Company in furtherance of its emphasis towards good Corporate Governance practices. The same has been posted on the website of the Company viz., <http://rane.co.in/pdf/policies/coc.pdf>. The board members and senior management personnel have affirmed their compliance with the code of conduct. Declaration from the Chief Executive Officer of the Company to this effect forms part of this report.

Prevention of Insider Trading

The Board of Directors have formulated "Rane Code to regulate, monitor and report trading by insiders and practices and procedures for fair disclosure of unpublished price sensitive information" in accordance with SEBI (Prohibition of insider Trading) Regulations, 2015 to prevent misuse of any unpublished price sensitive information and prohibit insider trading activity. The code of fair disclosure practices and procedures for unpublished price sensitive information is available at <http://www.rane.co.in/pdf/policies/rmlcfd.pdf>

8. General Body Meetings

Details of last three Annual General Meetings are as under:

Date of AGM	Special Resolutions Passed	Time	Venue
July 31, 2014 (10th AGM)	1. Approval of borrowing powers u/s 180 of the Companies Act, 2013	10.15 a.m	The Music Academy (Mini Hall), New No. 168, T.T.K Road, Royapettah, Chennai 600 014
July 18, 2013 (9th AGM)	No Special resolution was passed	10.15 a.m	
July 11, 2012 (8th AGM)	1. Appointment of Mr Parthasarathy as 'Manager' 2. Approval of payment of commission to Mr. L. Ganesh, Chairman	10.30 a.m.	

During the year 2014-15, the company conducted a postal ballot to secure the approval of shareholders on the following subjects, through postal ballot and e-voting:

Item No. 1 : Adoption of new set of Articles of Association of the Company

Item No. 2 : To mortgage / create charge(s) on assets of the Company under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 and rules made thereunder in connection with the borrowings of the Company.

Procedure for postal ballot

The Board of Directors at their meeting held on November 4, 2014 appointed Mr R Balasubramaniam, Practising Company Secretary as Scrutinizer for conducting the Postal Ballot / e-voting process in a fair and transparent manner.

The procedures prescribed under Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 were duly followed for conducting the postal ballot process for approving the resolutions mentioned above.

Mr L Ganesh, Chairman, announced the combined results of the Postal ballot on December 16, 2014.

All the above resolutions were approved by the shareholders as special resolutions and details of the voting pattern are furnished as under:

Details of Resolutions & Voting pattern

Particulars		Special Resolutions as set out in the Notice dated November 4, 2014	
		Item No.1	Item No.2
(a) Total votes cast through postal ballot form / E-voting		62,33,343	62,33,681
(b) Less: Invalid votes		–	–
(c) Net valid votes cast through postal ballot form / E-voting		62,33,343	62,33,681
(d) Votes cast for the resolution	No. of Votes	62,33,193	62,33,193
	in %	99.998%	99.998%
(e) Votes cast against the resolution	No. of Votes	150	168
	in %	0.002%	0.003%

The result of the postal ballot was published in Business Standard (English) and Dinamani (Tamil), hosted in the website <http://www.rane.co.in> of the Company and displayed at the Registered Office of the Company.

9. Disclosures

1. During the year, the Company had not entered into any transaction of material nature with any of the promoters, directors, management or relatives or subsidiaries etc., which were in conflict with the interests of the Company. The details of the related party transactions as per AS 18 as stated in note 26 of the financial statements have been reviewed/ approved by the Audit Committee. The policy on Related Party Transaction is available on the website of the Company. viz., <http://www.rane.co.in/pdf/policies/rmlrpt.pdf>
2. There was no instance of non compliance by the Company on any matters relating to the capital markets; nor was there any penalty / strictures imposed by the stock exchanges or SEBI or any other statutory authority on such matters during the last three years.
3. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company.
4. The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.
5. The Company has complied with all the mandatory requirements prescribed under revised clause 49 of the listing agreement.

The Company has complied with the following non-mandatory requirements:-

- i. maintaining an office for the Chairman at the registered office of the Company
 - ii. adopting best practices to ensure a regime of unqualified financial statements
 - iii. individual communication of half-yearly results to shareholders
 - iv. Separate posts for Chairman and CEO
 - v. Internal Auditor directly reporting to the Audit Committee
6. To comply with all laws governing the operations and conduct of affairs of the Company in accordance with the highest ethical and legal standards, the Company has adopted a Statutory Compliance Kit (STACK). STACK is a structured process providing comprehensive reference framework to facilitate education to dealing personnel, execution, escalation and regular reviews to strengthen compliance

management. During the year, the company electronically integrated the STACK through an online platform (e-STACK) to improve the compliance management system and its efficiency. The master lists of statutory requirements are effectively complied through practice of Daily Routine Management (DRM) and Vital Activity Monitoring (VAM) charts. Reports relating to the compliance with various laws applicable to the Company are regularly reviewed and the vital issues are presented to the Audit Committee and the Board.

7. The Company does not have any material listed/ unlisted subsidiary companies as defined in Clause 49 of the Listing Agreement
8. The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Clause 49 of the Listing Agreement.
9. The CEO and CFO of the Company have certified to the Board on the integrity of the financial statements, effectiveness of internal controls and significant changes in internal control /accounting policies during the year as required under clause 49 of the Listing Agreement and Companies Act, 2013.

10. Whistle blower mechanism:

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

The policy and the mechanism for reporting has been appropriately communicated across all locations of the Company. The Whistle Blower policy has also been posted in the Company's website viz., <http://rane.co.in/pdf/policies/rmlwbpolicy.pdf>

During the year, no instance was reported under this policy.

11. Means of communication

The quarterly / annual financial results were published in "Business Standard" (English) and "Dinamani" (Tamil). The financial results and the shareholding pattern were uploaded in the website of the stock exchanges and the Company viz., www.rane.co.in. During the year, a presentation was made to analysts/institutional investors and was published in the website of the Company. A Management Discussion and Analysis report is a part of the Annual Report.

12. General Shareholder Information

i. Information about director seeking re-appointment in the eleventh (11th) Annual General Meeting

Name of the Director	Mr Harish Lakshman
Director Identification Number (DIN)	00012602
Father's Name	Mr L Lakshman
Date of Birth	February 12, 1974
Educational Qualifications	B.E. - BITS Pilani, MSM - Purdue University, USA
Experience	Mr Harish Lakshman has over 13 years of experience in the automotive industry and has held various positions in the areas of Marketing, Operations and Business Development Overseas. He currently spearheads the future growth plan for the Rane group.
Date of appointment	March 31, 2004
Other directorships	<p><u>Managing Director</u> Rane TRW Steering Systems Private Ltd.</p> <p><u>Vice-Chairman</u> Rane Engine Valve Ltd.</p> <p><u>Director</u></p> <ol style="list-style-type: none"> 1. Rane Holdings Ltd. 2. Rane Brake Lining Ltd. 3. JMA Rane Marketing Ltd. 4. SasMos HET Technologies Ltd. 5. Fokker Elmo Sasmos Interconnection Systems Ltd. 6. Rane Holdings America Inc., 7. Rane NSK Steering Systems Private Ltd. 8. Savithur Enterprises Private Ltd. 9. HL Hill Station Properties Private Ltd. 10. Broadvision Perspectives India Private Ltd. 11. Broadvision Services Private Ltd. 12. Automotive Component Manufacturers Association of India 13. Young President Organisation (Chennai Chapter)
Committee memberships	<p><u>Chairman – Stakeholders' Relationship Committee</u></p> <ol style="list-style-type: none"> 1. Rane Holdings Ltd. 2. Rane Brake Lining Ltd. <p><u>Member – Stakeholders' Relationship Committee</u> Rane (Madras) Ltd.</p> <p><u>Member - Nomination and Remuneration Committee</u></p> <ol style="list-style-type: none"> 1. Rane Holdings Ltd. 2. Rane NSK Steering Systems Private Ltd.
Number of shares held (Equity)	750

ii. Annual General Meeting

July 31, 2015 at 10.15 a.m.
The Music Academy (Mini Hall)
New No.168, TTK Road,
Royapettah, Chennai 600 014.

iii. Financial Year – 1st April to 31st March

Financial Calendar:

Board meeting for approval of	Tentative Date
Annual Accounts for the year ended March 31, 2015	May 21, 2015
Un-audited results for the 1st quarter ending June 30, 2015	July 31, 2015
Un-audited results for the 2nd quarter ending September 30, 2015	October 20, 2015
Un-audited results for the 3rd quarter ending December 31, 2015	January 25, 2016
Annual Accounts for the year ending March 31, 2016	By fourth week of May 2016

iv. Book Closure & Dividend:

The book closure period is from July 24, 2015 (Friday) to July 31, 2015 (Friday) (both days inclusive).

Dividend:

The Board of directors at its meeting held on May 21, 2015, has recommended a dividend of Rs.4.50 per equity share. The dividend, if declared by the shareholders, will be paid on August 7, 2015 to all those members whose

name appear in the Register of Members as on July 31, 2015 and in respect of shares in electronic form to those beneficial owners of the shares as at the end of business hours on July 23, 2015.

v. Listing on Stock Exchanges:

Stock Exchange	Stock Code
National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5th Floor, Plot no C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	RML
BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	532661

Listing Fee: Annual Listing fees for the financial year 2015-16 have been paid to both the above stock exchanges.

vi. Unpaid / Unclaimed Dividends:

Pursuant to the relevant provisions of the Companies Act, 1956 / Companies Act, 2013, dividend for the financial year ended March 31, 2010 and thereafter, which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund (IEPF) of the central government.

During the year, the Company had transferred to IEPF unclaimed interim dividend amount of Rs.1,56,576 for the financial year ended March 31, 2008. Information in respect of such unclaimed dividends when due to transfer to the said fund is given below:

Year	Date of declaration	Dividend per share# (Rs.)	Amount outstanding in Unclaimed Dividend Account (as on 31.03.2015) (Rs.)	Last Date for claiming unpaid dividend	Due date for transfer to IEPF
31.03.2009**	-	-	-	-	-
31.03.2010 *	18.01.2010	2.50	86,560.00	23.02.2017	25.03.2017
31.03.2010	19.07.2010	2.00	81,418.00	24.08.2017	23.09.2017
31.03.2011 *	21.01.2011	4.50	1,67,089.00	26.02.2018	28.03.2018
31.03.2011	19.07.2011	2.50	1,04,715.00	24.08.2018	23.09.2018
31.03.2012 *	27.01.2012	4.50	2,33,860.00	03.03.2019	02.04.2019
31.03.2012	11.07.2012	4.00	1,72,940.00	16.08.2019	15.09.2019
31.03.2013 *	23.01.2013	2.00	1,05,614.00	29.02.2020	30.03.2020
31.03.2013	18.07.2013	5.00	2,33,220.00	23.08.2020	22.09.2020
31.03.2014	31.07.2014	5.50	2,27,018.00	05.09.2021	05.10.2021

Share of paid-up value of Rs.10/- per share

* Interim Dividend

** No dividend was declared during the year 2008-09

During the year, the Company had filed with Registrar of Companies, the details of all unpaid and unclaimed amounts as on July 31, 2014 in accordance with the Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012. The above details were also uploaded in the website of the Company viz. www.rane.co.in.

vii. Unclaimed share certificates:

Under Clause 5A (II) of the Listing Agreement entered with Stock Exchanges, the Company had sent three reminders to the Shareholders for getting their confirmation on unclaimed shares.

Based on the response received from the shareholders, the Company had transferred the unclaimed shares of 14,166 shares pertaining to 76 shareholders in physical form into one folio in the name of "Rane (Madras) Limited Unclaimed Shares Suspense Account" and dematerialised the same. One shareholder had approached the company during the year for transfer of 200 shares which were transferred from the unclaimed shares suspense account of the company. The balance 13,966 shares pertaining to 75 shareholders were lying as unclaimed as on March 31, 2015. The voting rights of these shareholders shall remain frozen till the rightful owner of such shares claims the same.

viii. Green Initiative

The Ministry of Corporate Affairs ("MCA") has taken a "Green initiative in the corporate governance" by allowing companies to make paperless compliances and service of notice / documents including annual reports to the shareholders of the Company through electronic mode. As a responsible corporate citizen, your Company welcomes and supports the Green Initiative taken by the MCA, as this will reduce paper consumption to a great extent and allow the members to contribute towards a greener environment. This will also ensure prompt receipt of communication and avoid loss in postal transit.

During last year, the shareholders of the Company whose e-mail addresses were registered with the Company / Depository Participants (DPs) were provided with a link to the annual report of the Company via e-mail and those who opted to receive the documents in physical mode were provided with a physical copy. In order to support this initiative, members are requested to register their e-mail addresses, with the DPs, in case shares are held in dematerialized form and with the Registrar and Transfer agent, in case the shares are held in physical form.

ix. Share Price Data

The share price data (based on closing price) as quoted on the National Stock Exchange of India Ltd. and BSE Ltd. during the last financial year viz. April 1, 2014 - March 31, 2015, is given below:

Month	BSE		BSE Sensex		NSE		NSE Nifty	
	Share Prices (Rs.)				Share Prices (Rs.)			
	High	Low	High	Low	High	Low	High	Low
April 2014	241.70	202.50	22,876.54	22,277.23	239.75	201.95	6,840.80	6,675.30
May 2014	261.35	204.00	24,716.88	22,323.90	259.55	201.50	7,367.10	6,652.55
June 2014	329.65	329.65	25,583.69	24,684.85	331.50	255.35	7,656.40	7,362.50
July 2014	377.55	327.70	26,271.85	25,006.98	377.40	322.60	7,830.60	7,454.15
August 2014	404.55	298.60	26,638.11	25,329.14	407.75	300.05	7,954.35	7,568.55
September 2014	416.30	378.10	27,319.85	26,468.36	416.90	379.15	8,173.90	7,911.85
October 2014	482.85	411.25	27,865.83	25,999.34	486.05	409.20	8,322.20	7,748.20
November 2014	493.10	450.60	28,693.99	27,860.38	495.15	452.70	8,588.25	8,324.15
December 2014	473.25	408.00	28,562.82	26,710.13	474.60	410.75	8,564.40	8,029.80
January 2015	430.05	375.00	29,681.77	26,908.82	429.60	372.95	8,952.35	8,102.10
February 2015	383.00	327.10	29,462.27	28,227.39	386.20	329.75	8,901.85	8,526.35
March 2015	342.40	300.00	29,593.73	27,457.58	341.75	300.20	8,996.25	8,341.40

(Source: BSE www.bseindia.com ; NSE www.nseindia.com)

x. Registrar and Transfer Agents

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

Integrated Enterprises (India) Ltd.,

II Floor, 'Kences Towers',
No.1, Ramakrishna Street,
North Usman Road,
T. Nagar, Chennai - 600 017.

Phone: 28140801 - 03,

Fax: 28142479, 28143378.

e-mail: corpserv@integratedindia.in

Name of the contact person:

Mr. Suresh Babu K

Senior Vice President.

Share transfer process is completed within 15 days from the date of receipt by the Registrar and Transfer Agents (RTA). Requests for dematerialisation are generally confirmed on a weekly basis by the RTA.

On a half-yearly basis the compliance with the share transfer formalities is audited by a Practising Company Secretary (PCS) in terms of clause 47(c) of the Listing Agreement with the stock exchanges and a certificate to this effect is filed with the stock exchanges. Also reconciliation of share capital audit in terms of regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 is taken up on a quarterly basis and the report of the PCS is filed with the stock exchanges certifying that the total listed capital of the Company is in agreement with the total number of shares in physical and dematerialized form and that there is no difference between the issued and the listed capital of the Company.

xi. Share Transfer System

The power to approve transfer of shares has been delegated by the Board to the share transfer committee.

xii. Distribution of shareholding as on March 31, 2015

Distribution of shareholding as on March 31, 2015				
No. of shares held	Shareholders		Shares held	
	Number	% to total	Number	% to total
Up to 500	4,929	81.97	5,26,014	5.00
501-1000	403	6.70	3,19,886	3.04
1,001-2,000	277	4.61	4,23,064	4.03
2,001-5,000	242	4.02	7,98,065	7.59
5,001-10,000	93	1.55	6,72,418	6.40
10,001-20,000	34	0.57	5,01,937	4.78
20,001-50,000	28	0.47	7,58,517	7.22
50,001-1,00,000	3	0.07	2,98,128	2.84
1,00,001 & above	3	0.05	62,12,620	59.11
Total	6,012	100.00	1,05,10,649	100.00

xiii. Pattern of shareholding as on March 31, 2015

The detailed shareholding pattern of the company as at March 31, 2015 and March 31, 2014 is furnished in the extract to annual return in form MGT-9 which is annexed to Directors Report as **Annexure 'F'**.

Sl. No.	Category	As on March 31, 2015			As on March 31, 2014		
		No. of Shareholders	No. of Shares	% to total capital	No. of Share-holders	No. of Shares	% to total capital
A	Promoters	18	60,73,173	57.78	18	60,73,173	57.78
B	Banks	2	100	0.00	2	150	0.00
C	Private Corporate Bodies	134	7,54,688	7.18	145	6,42,313	6.11
D	Indian Public and others	5,796	36,26,598	34.50	6,042	37,40,409	35.59
E	Non-Resident Indians	62	56,090	0.53	62	54,604	0.52
Total		6,012	1,05,10,649	100.00	6,269	1,05,10,649	100.00

xiv. Dematerialisation of shares and liquidity

The Company has entered into the necessary agreements with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialisation of the shares held by investors. The shares of the Company are compulsorily traded in dematerialised form. As of March 31, 2015, about 98.30% of the shareholdings have been dematerialised.

Comparative chart of physical and demat holdings for the current and previous financial year is given below:

Particulars	Number of shares		% total capital	
	As on March 31, 2015	As on March 31, 2014	As on March 31, 2015	As on March 31, 2014
Physical	1,79,019	2,12,373	1.70	2.02
Demat	1,03,31,630	1,02,98,276	98.30	97.98
Total	1,05,10,649	1,05,10,649	100.00	100.00

The equity shares held by the Promoter & Promoter group in the Company have been fully dematerialised.

Demat ISIN: **INE050H01012**

Corporate Identification Number (CIN): **L65993TN2004PLC052856**

xv. Plant locations - given in the Page 5 of the Annual Report

xvi. Address for communication:

Ms. S. Subha Shree
Compliance Officer
Rane (Madras) Limited
Rane Corporate Centre,
"Maithri" 132, Cathedral Road,
Chennai 600 086.
Phone: 28112472, Fax: 28112449
E-mail: investorservices@rane.co.in

OR

Mr. Suresh Babu K
Senior Vice President
Integrated Enterprises (India) Ltd.,
II Floor, 'Kences Towers'
No.1, Ramakrishna Street, North Usman Road,
T. Nagar, Chennai – 600 017
Phone: 28140801-03, Fax: 28142479
E-mail: corpserv@integratedindia.in

To

The Members
Rane (Madras) Limited

Declaration by Chief Executive Officer on Code of Conduct under clause 49 of the Listing Agreement

I, hereby declare that to the best of my knowledge and information, all the board members and senior management personnel have affirmed compliance with 'Ethical Standards of Behaviour – RANE COMPASS', the code of conduct, for the year ended March 31, 2015.

Chennai
May 21, 2015

S Parthasarathy
Chief Executive Officer

Auditors' Certificate on compliance with the conditions of Corporate Governance

To

The Members of
Rane (Madras) Limited

We have examined the compliance of conditions of Corporate Governance by Rane (Madras) Limited ("the Company") for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For Deloitte Haskins & Sells

Chartered Accountants

Firm Registration Number : 008072S

Geetha Suryanarayanan

Partner

Membership Number : 29519

Chennai

May 21, 2015

Annexure F

Extract of Annual Return

as on the financial year ended on 31 March 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- (i) CIN : L65993TN2004PLC052856
- (ii) Registration Date : 31.03.2014
- (iii) Name of the Company : Rane (Madras) Limited
- (iv) Category / Sub-Category of the Company : Public Company - limited by shares / Indian Non-Government Company
- (v) Address of the Registered office and contact details : "Maithri", 132, Cathedral Road,
Chennai 600 086
Phone: 044 28112472
E-mail : investorservices@rane.co.in
- (vi) Whether listed company : Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Mr. Suresh Babu K
Senior Vice President
Integrated Enterprises (India) Ltd.
II Floor, 'Kences Towers'
No.1, Ramakrishna Street, North Usman Road,
T. Nagar, Chennai – 600 017

Phone: 28140801-03, Fax: 28142479
E-mail: corpserv@integratedindia.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S.No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Steering and Suspension linkages	29301	43.07%
2	Steering gear products	29301	41.25%
3	Other articles of aluminium	2432	11.70%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S.No	Name and address of the company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Rane Holdings Limited	L35999TN1936PLC002202	Holding Company	56.29	2 (46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year 2014-15
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter(s)									
(1) Indian									
a) Individual/ HUF	83,841	0	83,841	0.80	83841	0	83841	0.80	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	59,16,272	0	59,16,272	56.29	5916272	0	59,16,272	56.29	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	60,00,113	0	60,00,113	57.09	60,00,113	0	60,00,113	57.09	0.00
(2) Foreign									
a) NRIs – Individuals	73,060	0	73,060	0.70	73,060	0	73,060	0.70	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	73,060	0	73,060	0.70	73,060	0	73,060	0.70	0.00
Total Promoter Shareholding (A) = (A)(1)+ (A)(2)	60,73,173	0	60,73,173	57.78	60,73,173	0	60,73,173	57.78	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	40,226	0	40,226	0.38	0.38
b) Banks / FI	100	50	150	0.00	0	100	100	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	100	50	150	0.00	40,226	100	40,326	0.38	0.38
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	4,19,169	37	4,19,206	3.99	5,02,489	37	5,02,526	4.78	0.79
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	24,01,427	1,61,542	25,62,969	24.38	23,05,195	1,45,138	24,50,333	23.31	-1.07

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year 2014-15
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	10,63,335	50,744	11,14,079	10.60	10,60,251	33,744	10,93,995	10.41	-0.19
c) Others (specify)									
Non Resident Indians	54,604	0	54,604	0.52	56,090	0	56,090	0.53	0.01
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	63,361	0	63,361	0.60	28,078	0	28,078	0.27	-0.34
Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Bodies - D R	0	0	0	0.00	0	0	0	0.00	0.00
Limited Liability Partnership	2,08,941	0	2,08,941	1.99	2,52,162	0	2,52,162	2.40	0.41
Rane (Madras) Limited - Unclaimed Shares Suspense Account	14,166	0	14,166	0.13	13,966	0	13,966	0.13	0.00
Sub-total (B)(2):-	42,25,003	2,12,323	44,37,326	42.22	42,18,231	1,78,919	43,97,150	41.84	-0.38
Total Public Shareholding (B) = (B)(1)+ (B)(2)	42,25,103	2,12,373	44,37,476	42.22	42,58,457	1,79,019	44,37,476	42.22	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	1,02,98,276	2,12,373	1,05,10,649	100.00	1,03,31,630	1,79,019	1,05,10,649	100.00	0.00

(ii) Shareholding of Promoters:

S No	Shareholder's Name	At the beginning of the year (As on April 1, 2014)			At the end of the year (As on March 31, 2015)			% change in share holding during the year 2014-15
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Rane Holdings Limited	59,16,272	56.29	0.00	59,16,272	56.29	0.00	0.00
2	Shanthi Narayan	34,775	0.33	0.00	34,775	0.33	0.00	0.00
3	Raman T G G	28,000	0.27	0.00	28,000	0.27	0.00	0.00
4	Rathika R Sundaresan	20,000	0.19	0.00	20,000	0.19	0.00	0.00
5	Chitra Sundaresan	12,604	0.12	0.00	12,604	0.12	0.00	0.00
6	Ranjini R Iyer	12,000	0.11	0.00	12,000	0.11	0.00	0.00
7	Geetha Raman Subramanyam	12,000	0.11	0.00	12,000	0.11	0.00	0.00
8	Aditya Ganesh	8,483	0.08	0.00	8,483	0.08	0.00	0.00
9	Aparna Ganesh	7,851	0.07	0.00	7,851	0.07	0.00	0.00
10	Vanaja Aghoram	5,010	0.05	0.00	5,010	0.05	0.00	0.00
11	Malavika Lakshman	4,866	0.05	0.00	4,866	0.05	0.00	0.00
12	T G Ramani	4,193	0.04	0.00	4,193	0.04	0.00	0.00
13	Suchitra Narayan	2,350	0.02	0.00	2,350	0.02	0.00	0.00
14	Sumant Narayan	1,370	0.01	0.00	1,370	0.01	0.00	0.00
15	Rekha Sundar	1,060	0.01	0.00	1,060	0.01	0.00	0.00
16	Meenakshi Ganesh	839	0.01	0.00	839	0.01	0.00	0.00
17	Vinay Lakshman	750	0.01	0.00	750	0.01	0.00	0.00
18	Harish Lakshman	750	0.01	0.00	750	0.01	0.00	0.00
	TOTAL	60,73,173	57.78	0.00	60,73,173	57.78	0.00	0.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	60,73,173	57.78	60,73,173	57.78
Date wise Increase / Decrease in Promoters				
Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NO CHANGE			
At the end of the year	60,73,173	57.78	60,73,173	57.78

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name	Shareholding		Date	Increase / (Decrease) in Shareholding	% of Total shares of the Company	Reason	Cumulative Shareholding during the Year (01-04-2014 to 31-03-2015)	
		No. of Shares at the beginning (01-04-14)	% of total shares of the Company					No. of Shares at the end of the year (31-03-15)	% of total shares of the Company
1	AADI FINANCIAL ADVISORS LLP	1,88,622	1.79	-	-	-	-	1,88,622	1.79
2	KUMARI INVESTMENT CORPORATION PRIVATE LIMITED	1,46,750	1.40	27-06-2014	(80,000)	(0.76)	Transfer	66,750	0.64
				30-06-2014	80,000	0.76	Purchase	1,46,750	1.40
				31-07-2014	(80,000)	(0.76)	Transfer	66,750	0.64
				01-08-2014	80,000	0.76	Transfer	1,46,750	1.40
3	VISHESH JAIN	1,07,726	1.02	31-03-2015	(1,07,726)	(1.02)	Transfer	-	0.00
4	ARVIND BABURAO JOSHI	75,855	0.72	-	-	-	-	75,855	0.72
5	ZAKI ABBAS NASSER	60,000	0.57	31-10-2014	(20,000)	(0.19)	Transfer	40,000	0.38
6	HARSUKHLAL MOHANLAL PUNATAR	39,000	0.37	04-04-2014	(4,000)	(0.04)	Transfer	35,000	0.33
				18-04-2014	(7,000)	(0.07)	Transfer	28,000	0.27
				25-04-2014	(3,000)	(0.03)	Transfer	25,000	0.24
				13-06-2014	(1,000)	(0.01)	Transfer	24,000	0.23
				08-08-2014	(9,000)	(0.09)	Transfer	15,000	0.14
				10-10-2014	(5,000)	(0.05)	Transfer	10,000	0.10
7	RADHESHYAM NATRAJ	36,700	0.35	23-05-2014	(2,839)	(0.03)	Transfer	33,861	0.32
				06-06-2014	(5,000)	(0.05)	Transfer	28,861	0.27
				29-08-2014	(1,000)	(0.01)	Transfer	27,861	0.27
8	RAJESWARI V	35,662	0.34	11-04-2014	(662)	(0.01)	Transfer	35,000	0.33
9	SARASWATI MANI	33,744	0.32	-	-	-	-	33,744	0.32
10	RADHESHYAM RAMNIWAS AGARWAL	33,500	0.32	25-04-2014	(5,000)	(0.05)	Transfer	28,500	0.27
				29-08-2014	(1,000)	(0.01)	Transfer	27,500	0.26

(v) Shareholding of Directors and Key Managerial Personnel:

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year		0.01	750	0.01
Mr. L Lakshman	-	-	-	-
Mr. L Ganesh	-	-	-	-
Mr. Harish Lakshman	750	0.00	750	0.00
Mr. M Lakshminarayan	-	-	-	-
Dr. Tridibesh Mukherjee	-	-	-	-
Ms. Anita Ramachandran	-	-	-	-
Mr. S Parthasarathy (CEO)	-	-	-	-
Mr. P Krishnamoorthy (CFO upto January 30, 2015)	-	-	-	-
Ms. S Subha Shree (Company Secretary)	-	-	-	-
Date wise Increase / Decrease in directors and key managerial personnel during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
At the end of the year				
Mr. L Lakshman	-	-	-	-
Mr. L Ganesh	-	-	-	-
Mr. Harish Lakshman	750	0.00	750	0.00
Mr. M Lakshminarayan	-	-	-	-
Dr. Tridibesh Mukherjee	-	-	-	-
Ms. Anita Ramachandran	-	-	-	-
Mr. S Parthasarathy (CEO)	-	-	-	-
Mr. P Krishnamoorthy (CFO upto January 30, 2015)	-	-	-	-
Ms. S Subha Shree (Company Secretary)	-	-	-	-

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	151.87	8.74	6.67	167.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.06	-	-	1.06
Total (i+ii+iii)	152.93	8.74	6.67	168.34
Change in Indebtedness during the financial year				
Addition	72.27	0	0	72.27
Reduction	-22.34	-6.60	-2.05	-30.99
Net Change	49.93	-6.60	-2.05	41.28

Indebtedness at the end of the financial year				
i) Principal Amount	201.61	2.14	4.62	208.37
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.25	-	-	1.25
Total (i+ii+iii)	202.86	2.14	4.62	209.62

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.No	Particulars of Remuneration	Name : S Parthasarathy (Manager under Companies Act 2013, upto March 31, 2015)	Total Amount in Rs. Crs
1	Gross salary		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.98	0.98
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0.04	0.04
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
Total (A)		1.02	1.02
Ceiling as per the Act (being 10% net profits calculated as per Section 198 of the Companies Act, 2013)		2.38	2.38

B. Remuneration to other Directors:

Rs. in Crores

S.No		Particulars of Remuneration	Name of Directors			Total Amount
Independent Directors		Mr M Lakshminarayan	Dr Tridibesh Mukherjee	Ms Anita Ramachandran		
	Fee for attending board / committee meetings	0.020	0.024	0.015	0.058	
	Commission	-	-	-	-	
	Others, please specify	-	-	-	-	
Total B (1)		0.020	0.024	0.015	0.058	
Other Non-Executive Directors		Name of Directors			Total Amount	
		Mr L Ganesh	Mr Harish Lakshman	Mr L Lakshman		
a	Fee for attending board / committee meetings	0.017	0.016	0.027	0.060	
b	Commission	0.171	-	-	0.171	
c	Others, please specify	-	-	-	-	
Total B (2)		0.188	0.016	0.027	0.231	
Total (B) = B(1)+B(2)					0.289	
Grand Total (A+B)					1.309	
Overall ceiling as per Act (being 11% net profits calculated as per Section 198 of the Companies Act, 2013)					2.62	

C. Remuneration to other Directors key managerial personnel other than MD/MANAGER/WTG:

S.No	Particulars of Remuneration	Key Managerial Personnel		
		Ms S Subha Shree CS *	Mr P Krishnamoorthy CFO (Upto January 30, 2015)	Total
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.12	0.34	0.46
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0.02	0.02
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
Total (C)		0.12	0.37	0.49

* - Paid by Rane Holdings Limited (RHL), as part of the secretarial services availed by the Company from RHL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
COMPANY			NIL		
Penalty					
Punishment					
Compounding					
DIRECTORS					
Penalty					
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Independent Auditors' Report to the Members of Rane (Madras) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Rane (Madras) Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at

31st March 2015, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 of the Order.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanation given to us :
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note no. 27 to the financial statements.
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No.: 008072S)

Chennai
May 21, 2015

Geetha Suryanarayanan
Partner
(Membership No. 29519)

Annexure to the Independent Auditors' Report

(Referred to under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Rane (Madras) Limited on the accounts for the year ended 31st March 2015)

(i) In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- b) The Company has a program of verification of fixed assets to cover all the assets in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(ii) In respect of its inventory:

- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. In case of inventories lying with third parties, certificates confirming the inventory have been received in respect of a substantial portion of the stocks held during the year and at the year-end.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:

- (a) The receipt of principal amounts has been regular/as per stipulations.
- (b) There is no overdue amount in excess of Rs. 1 lakh remaining outstanding as at the year-end.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase

of inventory and fixed assets and for the sale of goods and services and during the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. In respect of deposits amounting to Rs.462.50 Lakhs accepted in earlier years and which have not fallen due for payment and remain outstanding as at 31st March 2015 as per the terms of acceptance of these deposits, taking into account the Company's application to the Company Law Board, Chennai (CLB), seeking permission to repay the fixed deposits on the respective maturity dates in accordance with the terms of acceptance of these deposits, which is pending for their approval, as given in Note No. 4(iii), the Company has complied with the provisions of section 73 and section 74 of the Companies Act 2013.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us in respect of statutory dues:

(a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March 2015 for a period of more than six months from the date they became payable.

(c) Details of Excise Duty, Service Tax and Income Tax which have not been deposited as on 31st March 2015, on account of disputes are given below:

Name of Statute	Nature of Dues	Amount Involved (Rs. in crores)	Period to which the Amount Relates	Forum where Dispute is Pending
Central Excise Act, 1944	Excise Duty	0.13	2009-10	Customs, Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	0.67	2007-08 to 2011-12	Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Service Tax	0.44	2006-07 to 2012-13	Customs, Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Service Tax	0.45	2006-07 to 2014-15	Commissioner of Central Excise (Appeals)
Income Tax Act, 1961	Income Tax	0.07	1996-97	High Court
Income Tax Act, 1961	Income Tax	0.31	1997-98	Supreme Court
Income Tax Act, 1961	Income Tax	6.52	2008-09	Commissioner of Income Tax(Appeals)
Income Tax Act, 1961	Income Tax	1.65	2009-2010	Commissioner of Income Tax(Appeals)
Income Tax Act, 1961	Income Tax	0.26	2010-11	Commissioner of Income Tax(Appeals)
Income Tax Act, 1961	Income Tax	0.43	2011-12	Commissioner of Income Tax(Appeals)
Income Tax Act, 1961	Income Tax	2.39	2012-13	Commissioner of Income Tax(Appeals)
Central Sales Tax, 1956	Sales Tax	1.10	2005-06, 2006-07, 2008-09, 2010-11	Joint Commissioner of Commercial Taxes

(viii) There are no accumulated losses as at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues in respect of term loans. The Company has not obtained any loans from financial institutions and has not issued any debentures.

(x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xi) In our opinion and according to the information and explanations given to us, the term loans have been

applied by the Company during the year for the purposes for which they were obtained.

(xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No.: 008072S)

Chennai
May 21, 2015

Geetha Suryanarayanan
Partner
(Membership No. 29519)

Balance Sheet as at 31 March 2015

		Rs. Crores	
Particulars	Note	As at 31 March 2015	As at 31 March 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	2	18.74	18.74
(b) Reserves and surplus	3	134.99	129.71
(2) Non-current liabilities			
(a) Long-term borrowings	4	50.96	43.94
(b) Deferred tax liabilities (Net)	5	4.90	0.82
(c) Other Long term liabilities	6	0.26	0.10
(d) Long-term provisions	7	6.85	5.04
(3) Current liabilities			
(a) Short-term borrowings	8	109.10	91.68
(b) Trade payables	9	132.72	109.59
(c) Other current liabilities	10	66.84	48.31
(d) Short-term provisions	11	8.67	10.00
Total		534.03	457.93
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		234.94	209.68
(ii) Intangible assets		6.69	8.90
(iii) Capital work-in-progress		29.47	4.29
(b) Long-term loans and advances	13	29.49	21.45
(2) Current assets			
(a) Inventories	14	86.31	79.88
(b) Trade receivables	15	114.67	108.19
(c) Cash and bank balances	16	3.16	3.20
(d) Short-term loans and advances	17	23.48	18.96
(e) Other current assets	18	5.82	3.38
Total		534.03	457.93

See accompanying notes forming part of the Financial Statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

L Ganesh
Chairman

Harish Lakshman
Director

Geetha Suryanarayanan
Partner

S Parthasarathy
Chief Executive Officer

S Subha Shree
Company Secretary

Place : Chennai
Date : May 21, 2015

Statement of Profit and Loss Account for the year ended 31 March 2015

Rs. Crores

Particulars	Note	Year ended 31 March 2015	Year ended 31 March 2014
I. Revenue from operations (Gross)	19	852.66	793.45
Less: Excise Duty		73.78	66.85
Revenue from operations (Net)		778.88	726.60
II. Other Income	20	1.09	0.91
III. Total Revenue (I + II)		779.97	727.51
IV. Expenses :			
Cost of materials consumed	21	462.00	433.12
Changes in inventories of finished goods and work-in-progress	22	(5.37)	(3.11)
Employee benefit expenses	23	87.31	80.42
Finance costs	24	16.18	14.92
Depreciation and amortization expense	12	33.41	25.13
Other expenses	25	166.36	147.92
Total Expenses		759.89	698.40
V. Profit before exceptional item and tax (III - IV)		20.08	29.11
VI. Exceptional items - termination benefit under Voluntary Retirement Scheme	32	3.24	9.43
VII. Profit before tax (V - VI)		16.84	19.68
VIII. Tax Expenses :			
Current tax		3.50	4.15
Deferred tax charge	5	4.40	2.90
MAT credit availed		(3.50)	(4.15)
IX. Profit for the year (VII - VIII)		12.44	16.78
X. Earnings per share (in Rupees) Equity shares of Rs.10 each	29		
Basic		11.20	15.35
Diluted		11.20	15.35

See accompanying notes forming part of the Financial Statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

L Ganesh
Chairman

Harish Lakshman
Director

Geetha Suryanarayanan
Partner

S Parthasarathy
Chief Executive Officer

S Subha Shree
Company Secretary

Place : Chennai
Date : May 21, 2015

Cash Flow Statement for the year ended 31 March 2015

		Rs. Crores	
	PARTICULARS	Year Ended 31 March 2015	Year Ended 31 March 2014
(A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before Tax	16.84	19.68
	<i>Adjustments for:</i>		
	Depreciation / Amortisation Expense	33.41	25.13
	(Profit) / Loss on Sale of Fixed Assets	0.09	(0.14)
	Finance Costs	16.18	14.92
	Interest Income on Bank Deposit	(0.28)	(0.38)
	Provision for Doubtful Trade receivables and advances (Net of Write back)	0.62	0.18
	Unrealised Exchange (Gain) / Loss	1.51	1.99
	Operating Profit before Working Capital / Other Changes	68.37	61.38
	<i>Adjustments for (increase)/decrease in operating assets:</i>		
	Inventories	(6.43)	(4.43)
	Long Term Loans and Advances	(1.07)	(1.80)
	Trade Receivables	(8.77)	(8.89)
	Short Term Loans and Advances	(4.71)	(1.42)
	Other Current Assets	(2.57)	(0.79)
	<i>Adjustments for increase/(decrease) in operating liabilities:</i>		
	Other Long Term Liabilities	0.16	(0.23)
	Long Term Provisions	1.80	0.75
	Trade Payables	23.30	3.81
	Other Current Liabilities	1.69	6.60
	Short Term Provisions	(0.28)	(5.72)
	Cash Generated from Operations	71.49	49.26
	Direct Taxes Paid (Net of Refund Received)	(4.40)	(4.11)
	Net Cash Flow From Operations	67.09	45.15
(B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Capital Expenditure	(85.40)	(43.09)
	Proceeds from Sale of Fixed Assets	0.15	0.31
	Interest Received on Bank Deposits	0.25	0.39
	Investment in Rane Diecast Limited	-	(5.74)
	Bank balances not considered as Cash & Cash Equivalents	(0.12)	2.11
	Net Cash Flow Used in Investing Activities	(85.12)	(46.02)

Rs. Crores

(C)	PARTICULARS	Year Ended	Year Ended
		31 March 2015	31 March 2014
(C) CASH FLOW FROM FINANCING ACTIVITIES			
	Proceeds from Long-Term Borrowings	54.73	26.20
	Repayment of Long-Term Borrowings	(29.01)	(23.73)
	Proceeds from other Short-Term Borrowings	17.60	12.19
	Proceeds from Fixed Deposits	-	2.10
	Repayment of Fixed Deposits	(2.05)	(1.54)
	Finance Costs	(15.99)	(15.55)
	Dividend Paid	(6.34)	(5.08)
	Tax on Dividend	(1.07)	(0.86)
	Net Cash Flow from /(used) in Financing Activities	17.87	(6.27)
	Net Increase / (Decrease) in Cash and Cash Equivalents (A) + (B) + (C)	(0.16)	(7.14)
	Cash and Cash Equivalents at the Beginning of the Year	1.88	9.02
	Cash and Cash Equivalents at the End of the Year (Refer Note 16)	1.72	1.88
		(0.16)	(7.14)
	Note: Disclosure of Non cash transactions		
	Particulars	2014-15	2013-14
	Relating to scheme of arrangement (Merger)		
	- Cancellation of Company's investment in Rane Diecast Limited	-	5.74
	- Allotment of equity and preference shares to shareholders	-	8.58
	- Fixed assets	-	30.89
	- Other assets	-	35.66
	- Loan funds	-	38.69
	- Other liabilities	-	23.70

See accompanying notes forming part of the Financial Statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

L Ganesh
Chairman

Harish Lakshman
Director

Geetha Suryanarayanan
Partner

S Parthasarathy
Chief Executive Officer

S Subha Shree
Company Secretary

Place : Chennai
Date : May 21, 2015

Notes forming part of the Financial Statements

Corporate Information

The Company is engaged in manufacturing of Steering and suspension linkage products, Steering gear products, and high precision aluminium of die casting products. The Company is a significant supplier to major manufacturers of passenger cars, utility vehicles and farm tractors across the globe. The company has manufacturing locations at Tamilnadu, Pondicherry, Karnataka, Uttarkhand and Hyderabad.

Note 1 : Significant accounting policies

1.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable and Accounting Standard 30 on "Financial Instruments-Recognition and Measurement" as set out in Note 1.21 below. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the normal time between the acquisition of the assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non current classification of its assets and liabilities as current and non-current.

1.2 Use of Estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles in India requires the Management to make estimates and assumptions that affects the reported amounts of assets and liabilities as of the Balance Sheet date, the reported amount of revenue and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as on the date of the financial statements. Actual results could differ from these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known / materialised.

1.3 Inventories

Inventories are valued at the lower of cost on moving weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

1.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.6 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under 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.:

Assets	Useful life (in years)
Vehicles	5 Years
Furniture and Fixtures	5 Years
Office Equipments (other than computers)	3 Years
Computers	3 Years
Capital tooling	3-5 Years

Cost of Leasehold land is amortised over the period of the lease. Leasehold land development costs are amortised over a period of ten years. Assets individually costing Rs.10,000 or less are fully depreciated in the year of addition.

License fees paid for technical assistance are amortised on a straight line basis over the period of the license. Software license fees are amortised on a straight line basis over a period of three years.

Goodwill is amortised over a period of five years.

1.7 Revenue recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales are recognized on inwarding of goods at customer's end, where applicable as per terms of sale (for domestic) and on the date of bill of lading (for Exports). Sales include excise duty but exclude sales tax and value added tax.

1.8 Other Income

Interest income is accounted on accrual basis.

1.9 Fixed Assets (Tangible / Intangible)

Fixed Assets are stated at cost of acquisition/construction less accumulated depreciation/amortization, impairment loss, if any, and inclusive of borrowing cost attributable to acquisition of qualifying fixed assets, where applicable, and adjustments for exchange differences referred to in Note 1.10 below. Cost includes inward freight, non-refundable duties/taxes and incidental expenses directly related to acquisition/installation. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Advance paid towards the acquisition of fixed assets outstanding at each balance sheet date are disclosed as capital advances under long term loans and advances.

1.10 Foreign currency transactions and translations

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction are restated at the closing exchange rates. Exchange differences arising on actual payments / realisations and year-end restatements of foreign currency monetary items, excluding long term foreign currency monetary items (see below), are dealt with in the Statement of Profit and Loss.

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Exchange difference on long-term foreign currency monetary items: The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss. The unamortised exchange difference is carried under Reserves and surplus as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

Accounting for forward contracts

Premium or discount on forward exchange contracts (i.e. the difference between the forward exchange rate and the exchange rate at the date of transaction) is accounted for as income/expense over the life of the contract if such contracts relate to monetary items as at the balance sheet date. Profit or loss on cancellation of forward contracts are recognized as income/expense in the Statement of Profit and Loss for the year in which they are cancelled.

Refer notes 1.21 and 1.22 for accounting for forward exchange contracts relating to firm commitments and highly probable forecast transactions.

1.11 Export incentives

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

1.12 Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits

a. Short term benefits

Short term Employee Benefits (i.e.. benefits falling due within one year after the end of the period in which employees render the related service) are recognized as expense in the period in which employee services are rendered as per the Company's scheme based on expected obligations on undiscounted basis. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

b. Post-employment benefits

Post-employment benefits comprise of Provident Fund, Superannuation Fund and Gratuity which are accounted for as follows:

i) Provident Fund

This is a defined contribution plan and contributions are remitted to Provident Fund authorities in accordance with relevant statute and charged to Statement of Profit and Loss in the period in which the related employee services are rendered. The Company has no further obligations for future Provident Fund benefits other than its monthly contributions.

ii) Superannuation Fund

This is a defined contribution plan. The Company contributes, based on the options exercised by the eligible employees, a sum equivalent to 5%/10%/15% of eligible employees' applicable salary towards superannuation fund administered by the Trustees and managed by Life Insurance Corporation of India (LIC). The Company has no further obligations for future superannuation benefits other than its contributions and recognizes such contributions as expense in the period in which the related employee services are rendered.

iii) Gratuity

This is a defined benefit plan. The Company's scheme is administered by the LIC. The liability is determined based on year-end actuarial valuation by an independent actuary using projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

c. Other Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

d. Termination benefits

Termination benefits represent compensation towards Voluntary Retirement Scheme which is expensed as incurred. Termination benefits falling due for more than twelve months after the Balance Sheet date are accounted using appropriate discount rates.

1.13 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Discount on commercial papers (the difference between the issue price and the redemption value) is apportioned on time basis and recognised as discounting expense.

1.14 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

1.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

1.16 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

1.17 Research and development expenses

Revenue expenditure on Research and Development is charged off in the year in which it is incurred. Capital expenditure on Research and Development is included under Fixed Assets.

1.18 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

1.19 Provisions and contingencies

Provisions are recognised when the Company has a present obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions (excluding employee benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

1.20 Provision 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.

1.21 Hedge accounting

The Company uses derivative financial instruments such as foreign exchange forward contracts, option contracts, currency and interest rate swaps to hedge its exposure in movements in foreign exchange rates and interest rates relating to underlying transaction. These forward, option, currency and interest rate swap contracts are not used for trading/speculation purposes.

The Company adopted in an earlier year Accounting Standard 30, "Financial Instruments: Recognition and Measurement" issued by The Institute of Chartered Accountants of India to the extent the adoption does not contradict with existing mandatory applicable Accounting Standards and other relevant regulatory requirements.

In the case of forward and option contracts that are designated as effective cash flow hedges, the gain or loss from the effective portion of the hedge is recorded and reported directly in reserves (under the "Hedging Reserve Account", net of applicable deferred income taxes) and are reclassified into the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit or loss. However, the ineffective portion of the cash flow hedges, are recognized in the Statement of Profit and Loss as it arises.

1.22 Derivative contracts [other than forward exchange contracts covered under AS 11 (refer Note 1.10 above)]

The Company recognizes gains or losses from changes in fair values of forward, option, currency and interest rate swap contracts that are not designated in a hedge relationship through the Statement of Profit and Loss in the period in which they arise.

1.23 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

1.24 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

		Rs. Crores	
Note : 2		As at 31 March 2015	As at 31 March 2014
Share Capital			
2.1	Authorised :		
	2,50,00,000 Equity Shares of Rs.10 each with voting rights (As at 31st March 2014- 2,50,00,000 Equity Shares of Rs. 10 each with voting rights)	25.00	25.00
	1,05,00,000 - Cumulative Redeemable Preference Shares of Rs. 10 each (As at 31st March 2014 - 1,05,00,000 of Rs. 10 each)	10.50	10.50
2.2	Issued, Subscribed and Fully Paid Up:-		
	1,05,10,649 Equity Shares of Rs.10 each with voting rights (As at 31st March 2014- 1,05,10,649 Equity Shares of Rs.10 each with voting rights)	10.51	10.51
	82,32,164, 6.74% Cumulative Redeemable Preference Shares of Rs. 10 each (As at 31st March 2014 - 82,32,164, 6.74% of Rs. 10 each)	8.23	8.23
2.3	Number of Shares held by Holding Company		
	– Rane Holdings Limited		
	- Equity Shares (Nos.)	5,916,272	5,916,272
	- Cumulative Redeemable Preference Shares (Nos.)	8,232,164	8,232,164
	Number of Equity Shares outstanding as at the beginning of the period (Nos.)	10,510,649	10,164,145
	Add: Shares issued during the previous year (Nos.)	–	346,504
	Number of Equity Shares outstanding as at the end of the period (Nos.)	10,510,649	10,510,649
	Number of Cumulative Redeemable Preference Shares outstanding as at the beginning of the period (Nos.)	8,232,164	–
	Add: Cumulative Redeemable Preference Shares issued during the previous year (Nos.)	–	8,232,164
	Number of Cumulative Redeemable Preference Shares outstanding as at the end of the period (Nos.)	8,232,164	8,232,164
2.4	Shares in the Company held by each shareholder holding more than 5 per cent shares		
	– Rane Holdings Limited		
	- Equity Shares (Nos.)	5,916,272	5,916,272
		56.29%	56.29%
	- Cumulative Redeemable Preference Shares (Nos.)	8,232,164	8,232,164
		100%	100%

2.5 Rights, preferences and restrictions attached to Shares mentioned above:

The company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

The Preference shares shall have a face value of Rs. 10 and is entitle to receive a cumulative dividend at the rate of 6.74%. The preference share shall have a tenure of maximum 20 years. The Preference shares are redeemable before 20 years at the option of the share holders.

		Rs. Crores	
Note : 3		As at 31 March 2015	As at 31 March 2014
Reserves and Surplus			
3.1 Reserves			
3.1.1 Capital Subsidy		0.50	0.50
3.1.2 Amalgamation adjustment account		(0.20)	(0.20)
3.1.3 Capital Redemption Reserve		4.50	4.50
3.1.4 Securities Premium Account		3.57	3.57
3.1.5 Hedge Reserve Account			
Balance as at the beginning of the year		0.43	0.43
Less: Deductions		0.16	-
Balance as at the end of the year		0.27	0.43
3.1.6 General Reserve			
Balance as at the beginning of the year		59.52	57.84
Add: Additions		60.46	1.68
Balance as at the end of the year		119.98	59.52
Total - A		128.62	68.32
3.2 Surplus in statement of Profit and Loss			
Balance as at the beginning of the year		61.39	53.70
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax)		0.63	-
Add:			
Profit for the year as per Statement of Profit and Loss		12.44	16.78
Less: Appropriations			
Proposed Final Dividend on Equity Shares @ 45% (previous year @ 55%)		4.73	5.78
Preference Dividend		0.56	0.56
Tax on dividends		1.08	1.07
Transfer to General Reserve		60.46	1.68
Balance as at the end of the year - B		6.37	61.39
Total Reserves and Surplus - (A + B)		134.99	129.71

		Rs. Crores	
Note : 4		As at 31 March 2015	As at 31 March 2014
Long-term Borrowings			
4.1 Secured			
4.1.a External Commercial Borrowings from Banks		12.83	24.47
Less: Current maturities of Long Term Debt referred to in Note 10		10.73	11.64
4.1.b Term Loans from a company (Refer note 3 below)		5.06	8.27
Less: Current maturities of Long Term Debt referred to in Note 10		2.25	2.81
4.1.c Term Loans from Banks		74.70	27.55
Less: Current maturities of Long Term Debt referred to in Note 10		30.41	8.40
Total - A		49.20	37.44
4.2 Unsecured			
4.2.a Term Loans from Banks		0.17	0.51
Less: Current maturities of Long Term Debt referred to in Note 10		0.17	0.17
4.2.b Term Loan from Holding company		-	4.50
Less: Current maturities of Long Term Debt referred to in Note 10		-	4.50
4.2.c Term Loans from a company(Refer note 3 below)		0.84	0.88
Less: Current maturities of Long Term Debt referred to in Note 10		0.35	0.43
4.2.d Advance received from TRW Automotive US LLC		1.05	2.75
Less: Current maturities of Long Term Debt referred to in Note 10		1.05	1.80
4.2.e Fixed Deposits :			
From Related Parties		0.37	0.32
From others		4.25	6.35
Less: Current maturities of Long Term Debt referred to in Note 10		3.35	1.91
Total - B		1.76	6.50
Total - (A + B)		50.96	43.94

The details of the interest rate, tenor, repayment terms, nature of security etc. of the long term borrowings are as under:

4.3 Secured

Nature of Security	Terms of Repayment
1. ECB Loans from Standard Chartered Bank (SCB) and DBS Bank Limited (DBS) and an INR term loan from HDFC is secured on a pari passu basis by a first charge created on the Company's immovable properties both present and future and are also secured by hypothecation of the Company's movable properties both present and future, subject to prior charge on the book debts and inventories in favour of the bankers for working capital facilities.	a) SCB - ECB loan amounting to Rs.14.45 crores is repayable in 16 equal quarterly installments commencing from February 2012 along with interest at the rate of 8.85 % per annum. The balance outstanding as at 31 March 2015 is Rs. 2.71 crores (As at 31 March 2014 - Rs. 6.33 crores).
	b) SCB - ECB loan amounting to Rs.16.80 crores is repayable in 16 equal quarterly installments commencing from December 2012 along with interest at the rate of 7.95% per annum. The balance outstanding as at 31 March 2015 is Rs. 6.30 crores (As at 31 March 2014 - Rs.10.49 Crores).
	c) DBS - ECB loan amounting to Rs. 15.29 crores is repayable in 8 equal half yearly installments commencing from September 2012 along with interest at the rate of 8.98 % per annum. The balance outstanding as at 31 March 2015 is Rs. 3.82 crores (as at 31 March 2014 - Rs. 7.65 crores).

<p>2. The INR Term Loans from ING Vysya and Yes Bank is secured on a pari passu basis by a first charge created on the Company's Diecast Business's immovable properties both present and future and are also secured by hypothecation of the Company's Diecast Business's movable properties both present and future, subject to prior charge on the book debts and inventories in favour of the bankers for working capital facilities.</p>	<p>a) HDFC Bank - INR Long Term Loan amounting Rs. 20 Crores is repayable in 8 quarterly Instalments commencing from December 2014 with 1 Year of Moratorium along with an Interest at the rate of 11.25% per annum (Base Rate+ 125 BPS). The Balance Outstanding as at 31 March 2015 is Rs. 15 Crores (As at 31 March 2014 - Rs. 20 Crores).</p> <p>b) ING Vysya Bank - INR Long Term Loan amounting to Rs. 3.20 Crores is repayable in 13 Quarterly Instalments commencing from September 2014 with 6 months of Moratorium period along with a interest rate of 11.15% per annum. The Balance Outstanding as on 31 March 2015 is Rs. 2.70 Crores (As at 31 March 2014 - Rs. 2.70 Crores).</p> <p>c) Yes Bank Ltd - INR Long Term Loan amounting to Rs. 16 Crores is repayable in 12 equal quarterly instalments commencing from September 2011 with 2 years Moratorium period along with a interest of 12% per annum. The balance outstanding as on 31 March 2015 is Nil (As at 31 March 2014 - Rs. 1.33 Crores).</p> <p>d) Yes Bank Ltd - INR Long Term Loan amounting to Rs. 3.5 Crores is repayable in 17 equal quarterly instalments commencing from August 2013 with 9 months Moratorium period along with a interest of 12% per annum. The Balance outstanding as on 31 March 2015 is Rs. 2.26 Crores (As at 31 March 2014 -Rs. 3.08 Crores).</p> <p>e) Yes Bank Ltd- INR Long Term Loan of Rs. 3.00 Crores is repayable in 14 equal quarterly instalments commencing from May 2011 with 6 months Moratorium Period along with a interest of 12% per annum. The balance outstanding as on 31 March 2015 is Nil (As at 31 March 2014 - Rs. 0.44 Crores).</p> <p>f) Kotak Mahindra Bank Ltd - INR Long Term Loan amounting Rs. 45 Crores is repayable in 16 equal quarterly Instalments commencing from September 2015 with 1 Year of Moratorium period along with an Interest at the rate of 10.25% per annum (Base Rate+ 25 BPS). The Balance Outstanding as at 31st March 2015 is Rs. 35.69 Crores.</p> <p>g) Canara Bank Ltd - INR Long Term Loan amounting Rs. 45 Crores is repayable in 20 equal quarterly Instalments commencing from March 2016 with 1.5 Years of Moratorium period along with an Interest at the rate of 10.45% per annum (Base Rate+ 25 BPS). The Balance Outstanding as at 31st March 2015 is Rs. 7.76 Crores.</p>
<p>3. Rupee Loan from Rane TRW Steering Systems Limited (RTSSL) is secured on the repective machinery of Diecast business .</p>	<p>i) RTSSL Loan - INR Loan from Rane TRW Steering Systems Limited amounting to Rs.10 Crores which is repayable in 16 equal instalments commencing from September 2013 with an interest of 9% per annum. The balance outstanding as on 31 March 2015 is Rs. 5.90 Crores (As on 31 March 2014 - Rs. 9.15 Crores) which is secured on the respective machinery of Diecasting Business.</p>

Unsecured

Nature of Security	Terms of Repayment
1. Term Loan from IDBI Bank Limited amounting to Rs. 1.70 crores	It is repayable in 20 equal quarterly installment commencing from October 2010 along with interest at the rate of 14.25 % per annum. The Balance Outstanding as at 31 March 2015 is Rs. 0.17 crores (As at 31 March 2014 Rs. 0.51 crores).
2. Advance from TRW Automotive US LLC amounting to Rs. 2.92 Crores (USD 5,50,000 equivalent)	It is repayable in 22 Equal instalments commencing from November 2013 with an interest of 1.74% per annum based on the supply forecast. The Balance Outstanding as at 31st March 2015 is Rs. 1.05 Crores (As at 31 March 2014 - Rs. 2.75 Crores).
3. Long Term Loan from Related Party - RHL amounting to Rs. 7.50 Crores at the rate of 12 % per annum. The Balance outstanding as at 31st March 2015 is Nil (As at 31 March 2014 - Rs. 4.50 Crores).	NIL
4. Fixed Deposits	In respect of the Fixed Deposits which has not fallen due for repayment as at 31 March 2015 as per the original terms of acceptance of such deposits, aggregating Rs. 4.62 crores, the company has in pursuance of MCA Circular dated 28 January 2015 filed an application before the Company Law Board, Chennai (CLB), on 27 March, 2015, seeking permission to repay the deposits on the respective maturity dates in accordance with the terms of acceptance of these deposits, as stipulated under Section 74 of the Companies Act 2013. The approval of the CLB is still awaited.

(iii) Fixed Deposits

Fixed Deposits are accepted for 2 or 3 years on cumulative/ non cumulative basis

Rs. Crores		
	As at 31 March 2015	As at 31 March 2014
Amounts maturing from Balance Sheet date		
Within one year	3.35	1.91
After one year and upto two years	1.27	3.34
After two years and upto three years	-	1.42
Total	4.62	6.67
Rate of Interest	Interest Payable Quarterly	
Cumulative/ Non-Cumulative deposit scheme	As at 31 March 2015	As at 31 March 2014
For 2012 Scheme		
for 2 Years	9.50% p.a.	9.50% p.a.
for 3 Years	9.50% p.a.	9.50% p.a.
For 2013 Scheme		
for 2 Years	9.50% p.a.	9.50% p.a.
for 3 Years	9.50% p.a.	9.50% p.a.
Additional interest of 0.5% p.a. is paid to employees / retired employees of Rane Group.		

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 5		
Deferred Tax Liabilities (Net)		
(i) Liability:		
Difference between book and tax written down value of Depreciable Assets		
- In respect of which the difference between book and tax written down value will reverse after the expiry of the tax holiday period	1.93	2.46
- Others	16.75	13.67
(ii) Assets:		
Provision for expenses allowable on payment basis	(4.52)	(2.56)
Termination benefit under Voluntary Retirement Scheme	(3.54)	(3.60)
Brought forward business losses and unabsorbed Depreciation	(3.56)	(6.07)
Others	(2.16)	(3.08)
Net Deferred Tax Liability as at the year end	4.90	0.82

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 6		
Other Long term liabilities		
Termination benefit under Voluntary Retirement Scheme	0.26	0.10
Total	0.26	0.10

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 7		
Long term provisions		
Provision for compensated absences	4.05	3.35
Provision for Product warranty (Refer Note : 11)	2.80	1.69
Total	6.85	5.04

Rs. Crores

	As at 31 March 2015	As at 31 March 2014
Note : 8		
Short-term borrowings		
Secured Loans from Banks*		
Loans repayable on demand	7.84	10.12
Commercial paper (Maximum amount outstanding at any time during the year - Rs. 40 Crores / Previous year - Rs. 30 Crores)	40.00	30.00
Other loans	61.18	51.46
Unsecured Loan		
Sales Tax Deferral	0.08	0.10
Total	109.10	91.68

* Secured loans include cash credit, packing credit, commercial paper and working capital demand loan from banks and are secured on a *pari passu* basis by a first charge by way of hypothecation of inventories and book debts and are also secured by a second charge on all immovable properties and movable fixed assets of the Company both present and future.

Rs. Crores

	As at 31 March 2015	As at 31 March 2014
Note : 9		
Trade payables		
Acceptances	18.78	20.98
Other than Acceptances :		
Due to Micro and Small Enterprises (Refer (i) below)	13.92	12.26
Others	100.02	76.35
	132.72	109.59

Micro and Small Enterprises :

i. The Company has amounts due to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure required under Section 22 of the Act is given below:

The Principal amount and interest due there on remaining unpaid to suppliers under MSMED Act:

- Principal	13.92	12.00
- Interest	0.12	0.26

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	0.25	-

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
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	29.08	25.55
– Interest	0.11	0.13
The amount of interest accrued and remaining unpaid at the end of the year [(Previous year Rs. 0.13 Crores) being interest outstanding as at the beginning of the accounting year]	-	0.13
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.	0.12	0.13

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 10		
Other current liabilities		
Current maturities of Long term debt (Refer Note 4)	48.31	31.66
Interest accrued but not due on borrowings	1.25	1.06
Unpaid dividend *	0.16	0.16
Unpaid matured deposits and interest accrued thereon *	0.04	0.04
Others :		
Advance from customers	0.48	1.13
Commission payable to Chairman	0.17	0.20
Statutory dues (incl. Provident Fund, Excise Duty and TDS)	8.62	6.97
Payables on purchase of fixed assets	3.57	0.55
Security deposit received	0.33	0.29
Tooling advance received from customers	-	3.30
Gratuity	3.91	2.95
Total	66.84	48.31

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 11		
Short-term provisions		
Provision for compensated absences	0.57	0.41
Provision for Fuel Surcharge Adjustment charges	-	0.17
Provision for Product warranty *	1.73	2.01
Proposed dividend on Equity Shares	4.73	5.78
Proposed dividend on Preference Shares	0.56	0.56
Tax on proposed dividend	1.08	1.07
Total	8.67	10.00
* Movement in Provision for Product Warranty (Also refer Note 7)		
Balance at the beginning of the year	3.70	3.47
Provision made during the year	2.10	2.99
Provision used against claims settled during the year	1.27	2.76
Balance at the end of the year	4.53	3.70

Note : 12 Fixed Assets – Current Year												Rs. Crores	
	Description	Gross Block				Depreciation / Amortisation					Net Block		
		Cost as at 31 March 2014	Additions	Adjustment during the year	Deletions	Cost as at 31 March 2015	Upto 31 March 2014	For the year	On Deletions	Transition adjustment recorded against surplus balance and Statement of Profit and Loss (Refer Note No. 43)	As at 31 March 2015	As at 31 March 2014	
				Effect of foreign currency exchange differences									
(i)	Tangible Assets												
	Land - Freehold	17.49	7.25	-	-	24.74	-	-	-	-	-	24.74	17.49
	Land - Leasehold	0.72	-	-	-	0.72	0.06	-	-	-	0.06	0.66	0.66
	Leasehold Land Development Costs	0.77	-	-	-	0.77	0.47	0.06	-	-	0.53	0.24	0.30
	Buildings	45.05	10.59	-	-	55.64	7.19	2.30	-	-	9.49	46.15	37.86
	Plant and Machinery	277.40	34.57	1.08	3.40	309.65	127.17	27.01	3.20	0.95	151.93	157.72	150.23
	Furniture and Fixtures	4.30	0.79	-	0.13	4.96	3.45	0.30	0.10	-	3.65	1.31	0.85
	Vehicles	1.08	0.11	-	-	1.19	0.71	0.10	-	-	0.81	0.38	0.37
	Office Equipments	10.92	3.01	-	0.01	13.92	9.00	1.18	-	-	10.18	3.74	1.92
	Total	357.73	56.32	1.08	3.54	411.59	148.05	30.95	3.30	0.95	176.65	234.94	209.68
(ii)	Intangible Assets												
	Licence	3.96	0.25	-	-	4.21	3.19	0.43	-	-	3.62	0.59	0.77
	Goodwill	10.16	-	-	-	10.16	2.03	2.03	-	-	4.06	6.10	8.13
	Total	14.12	0.25	-	-	14.37	5.22	2.46	-	-	7.68	6.69	8.90
	Total Tangible and Intangible assets	371.85	56.57	1.08	3.54	425.96	153.27	33.41	3.30	0.95	184.33	241.63	218.58
(iii)	Capital work-in-progress											29.47	4.29
	Total											271.10	222.87

Note : 12										Rs. Crores	
Fixed Assets – Previous Year											
Description	Cost as at 31 March 2013	Additions	Gross Block		Cost as at 31 March 2014	Upto 31 March 2013	Depreciation / Amortisation			Net Block	
			Adjustments during the year Pursuant to Merger	Deletions			For the year	On Deletions	As at 31 March 2014	As at 31 March 2014	As at 31 March 2013
(i) Tangible Assets											
Land - Freehold	14.59	-	2.90	-	17.49	-	-	-	-	17.49	14.59
Land - Leasehold	0.72	-	-	-	0.72	0.05	0.01	-	0.06	0.66	0.67
Leasehold Land Development Costs	0.77	-	-	-	0.77	0.39	0.08	-	0.47	0.30	0.38
Buildings	38.04	3.25	3.76	-	45.05	5.90	1.29	-	7.19	37.86	32.14
Plant and Machinery	219.54	39.35	22.61	4.10	277.40	111.21	19.91	3.95	127.17	150.23	108.33
Furniture and Fixtures	3.95	0.38	0.06	0.09	4.30	3.18	0.34	0.07	3.45	0.85	0.77
Vehicles	0.99	0.11	-	0.02	1.08	0.61	0.12	0.02	0.71	0.37	0.38
Office Equipments	9.44	1.34	0.14	-	10.92	8.02	0.98	-	9.00	1.92	1.42
Total	288.04	44.43	29.47	4.21	357.73	129.36	22.73	4.04	148.05	209.68	158.68
(ii) Intangible Assets											
Licence	3.19	0.64	0.13	-	3.96	2.82	0.37	-	3.19	0.77	0.37
Goodwill	-	-	10.16	-	10.16	-	2.03	-	2.03	8.13	-
Total	3.19	0.64	10.29	-	14.12	2.82	2.40	-	5.22	8.90	0.37
Total Tangible and Intangible assets	291.23	45.07	39.76	4.21	371.85	132.18	25.13	4.04	153.27	218.58	159.05
(iii) Capital work-in-progress										4.29	5.79
Total										222.87	164.84

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 13		
Long Term Loans and Advances (Unsecured considered good)		
Capital Advances	8.85	6.28
Deposits with Government authorities:		
i) Security deposits	3.25	2.00
ii) Amount paid to statutory authorities	1.44	1.37
Interest free loan to Related party (Rane Foundation)	0.50	0.75
Advance Income Tax [Net of Provision for tax Rs. 40.56 crores (previous year Rs.37.07 crores)]	7.12	6.22
MAT credit entitlement	8.33	4.83
Total	29.49	21.45

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 14		
Inventories (Valued at Lower of Cost and Net Realisable value)		
Raw Materials and Components *	17.31	17.79
Work-in-Progress *	8.01	10.86
Finished Goods *	47.41	37.40
Goods in transit *	3.81	5.60
Stores and Spares	9.77	8.23
Total	86.31	79.88

* Refer Note: 30

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 15		
Trade Receivables (Unsecured)		
Outstanding for a period exceeding six months from due date for payment :		
Considered doubtful	0.99	0.65
Less: Provision for doubtful receivables	0.99	0.65
Other debts :		
Considered good	114.67	108.19
Considered doubtful	0.74	0.64
Less: Provision for doubtful receivables	0.74	0.64
Total	114.67	108.19

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 16		
Cash and Bank balances		
Cash and Cash equivalents		
Cash on hand	0.08	0.02
Bank balance in current accounts	1.46	1.81
EEFC account	0.18	0.05
Other bank balances		
Capital Gain scheme account	–	0.01
Deposit accounts [Includes Rs. 0.14 Crores (Previous year Rs. 0.14 Crores) lodged with government authorities]	0.93	0.38
Margin money Deposits	0.35	0.76
Earmarked Accounts		
Unpaid Dividend accounts	0.16	0.16
Interest warrant accounts	–	0.01
Total	3.16	3.20

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 17		
Short term loans and advances (Unsecured)		
Considered good		
Prepaid expenses	1.45	1.38
Advance to suppliers	4.20	4.84
Loans to employees	0.26	0.09
Balance with Customs and Excise Authorities	14.23	9.19
Export Entitlements	2.87	3.09
Claims receivable	0.44	0.33
Advance Fringe Benefits Tax	0.03	0.03
Other Deposits	–	0.01
Considered doubtful		
Advance to Suppliers	0.84	0.66
Less: provision for doubtful loans and advances	0.84	0.66
Total	23.48	18.96

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 18		
Other current assets		
Interest accrued on bank deposits	0.34	0.31
Derivative assets	0.27	0.43
Unamortised finance costs	0.21	1.34
Insurance claims receivable	0.56	1.30
Tooling cost recoverable	4.44	-
Total	5.82	3.38

	Rs. Crores	
	Year ended 31 March 2015	Year ended 31 March 2014
Note : 19		
Revenue from Operations		
Sale of Products *	827.37	775.37
Less : Excise Duty	72.05	65.62
Net Sale of Products	755.32	709.75
Other operating revenues :		
Sale of Scrap	14.84	11.88
Less : Excise Duty	1.46	1.16
Sale of raw materials	2.70	1.25
Less : Excise Duty	0.27	0.07
Export entitlements	4.35	4.30
Sale of Tools	3.40	0.65
Net other operating revenues	23.56	16.85
Total	778.88	726.60
* Refer Note: 33		

	Rs. Crores	
	Year ended 31 March 2015	Year ended 31 March 2014
Note : 20		
Other Income		
Interest Income - on deposits	0.28	0.38
- on Supplier payments	0.07	0.07
Profit on sale of fixed assets (Net)	-	0.14
Other Non-operating income	0.72	0.18
Amenities income	0.02	0.14
Total	1.09	0.91

	Rs. Crores	
	Year ended 31 March 2015	Year ended 31 March 2014
Note : 21		
Cost of Materials consumed		
Opening stock	17.79	15.80
Add: Purchases	432.04	405.51
Less: Closing stock	17.31	17.79
Raw materials and Components consumed * @	432.52	403.52
Freight inward	8.34	8.31
Job work expenses	21.14	21.29
Total	462.00	433.12
* includes cost of raw materials and components sold	1.98	0.83
@ Refer Note: 34		

	Rs. Crores	
	Year ended 31 March 2015	Year ended 31 March 2014
Note : 22		
Changes in inventories of finished goods and work-in-progress		
Opening Stock :		
Work-in-progress	10.86	11.26
Finished Goods	43.00	31.79
Total - A	53.86	43.05
Add:		
Addition Pursuant to Merger		
Work-in-progress	-	0.89
Finished Goods	-	6.81
Total - B	-	7.70
Less :		
Closing Stock		
Work-in-progress	8.01	10.86
Finished Goods	51.22	43.00
Total - C	59.23	53.86
(Increase) / Decrease in stocks (A + B - C)	(5.37)	(3.11)

	Rs. Crores	
	Year ended 31 March 2015	Year ended 31 March 2014
Note : 23		
Employee benefit expenses		
Salaries and Wages	71.34	66.74
Contributions to:		
Provident Fund	3.89	3.53
Superannuation Fund	0.73	0.65
National Pension Scheme contribution	0.04	0.04
Gratuity Fund	2.36	0.73
Staff Welfare Expenses	8.95	8.73
Total	87.31	80.42

Employee Benefits

A. Gratuity : In keeping with the Company's Gratuity Scheme (defined benefit plan) eligible employees are entitled to gratuity benefit (at one half month's eligible salary for each completed year of service) on retirement/death/incapacitation/ termination etc. Also refer Note 1. 12(b) (iii) for accounting policy relating to gratuity.

Following are the further particulars relating to gratuity

	Rs. Crores	
	2014-15	2013-14
I Reconciliation of opening and closing balances of the present value of the Defined benefit obligation		
Present value of obligation as at the beginning of the year	9.76	11.47
Present value of obligation on account of merger	–	0.26
Interest cost	0.86	0.80
Current service cost	0.78	0.85
(Benefits paid)	(0.61)	(3.30)
Actuarial (gain) / loss	1.34	(0.32)
Present value of obligation as at the end of the year	12.13	9.76
II Reconciliation of opening and closing balances of the Fair value of the plan assets		
Fair value of plan assets at the beginning of the year	6.81	8.52
Fair value of plan assets on account of merger	–	0.23
Expected return on plan assets	0.69	0.70
Contributions	1.41	0.76
(Benefits paid)	(0.62)	(3.30)
Actuarial loss	(0.07)	(0.10)
Fair value of plan assets at the end of the year	8.22	6.81

			Rs. Crores	
			2014-15	2013-14
III Reconciliation of present value of Defined Benefit Obligation in 'I' above and fair value of plan assets in 'II' above				
Present value of the obligation at the end of the year			12.13	9.76
Fair value of plan assets at the end of the year			8.22	6.81
Liability recognised in the balance sheet			3.91	2.95
IV Expense Charged to Statement of Profit and Loss				
Current service cost			0.78	0.85
Interest cost			0.86	0.80
Expected return on plan assets			(0.69)	(0.70)
Actuarial loss			1.41	(0.22)
Expense recognised in the statement of profit and loss*			2.36	0.73
* Included in contribution to gratuity fund' under Employee Costs of respective years.				
V Percentage of each category of Plan assets to total Fair Value of Plan Assets			Funds managed by LIC	
VI Actual return on Plan Assets			0.62	0.60
VII Principal Actuarial Assumptions at Balance Sheet date				
Discount rate			7.80%	9.10%
Expected rate of salary increase				
- Executives and Staff			8.00%	8.00%
- Operators			6.00%	6.00%
Expected rate of return on plan assets			9.00%	9.40%
Attrition rate				
- Executives and Staff			8.00%	8.00%
- Operators			3.00%	3.00%
VIII Experience Adjustments *	2014-15	2013-14	2012-13	2011-12
Present Value of obligation	12.13	9.76	11.47	9.26
Plan Assets	8.22	6.81	8.52	7.68
Surplus / (Deficit)	(3.91)	(2.95)	(2.95)	(1.58)
Experience adjustments on plan liabilities - (loss) / gain	(0.30)	(0.49)	(0.90)	(0.58)
Experience adjustments on plan assets - (loss) / gain	(0.07)	(0.11)	(0.04)	(0.07)
IX Enterprises' best estimate of contribution during the next year	3.91	2.95	2.95	1.58

* Experience adjustment has been disclosed upto FY 2011-12 based on the information available in the actuarial valuation report.

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 expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

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. The expected rate of return on plan assets is based on the composition of plan assets held (through LIC), historical results of the return on plan assets, the company's policy for plan asset management and other relevant factors.

B. Compensated Absences

The key assumptions used for the calculation of provision for long term compensated absences are as under:

Principal Actuarial Assumptions at Balance Sheet date	2014-15	2013-14
Discount rate	7.80%	9.10%
Expected rate of salary increase		
- Executives and Staff	8.00%	8.00%
- Operators	6.00%	6.00%
Attrition rate		
- Executives and Staff	8.00%	8.00%
- Operators	3.00%	3.00%

	Rs. Crores	
	Year ended 31 March 2015	Year ended 31 March 2014
Note : 24		
Finance costs		
Interest expense on		
- Borrowings from Banks @	10.98	10.64
- Fixed Deposits (*)	0.62	0.67
- Borrowing from related party	0.84	0.81
- Others	0.56	0.26
Other borrowing costs		
- Discount on Commercial paper	2.94	2.35
- Other borrowing costs	0.24	0.19
Total	16.18	14.92
* include interest paid/payable to Directors	0.01	0.01
@ Net of borrowing cost capitalized (Refer note 44)		

Rs. Crores

	Year ended 31 March 2015	Year ended 31 March 2014
Note : 25		
Other expenses		
Stores, Spares and Tools consumed	31.17	29.55
Packing materials consumed	16.41	16.66
Increase / (decrease) of excise duty on inventory	2.48	1.35
Power and Fuel	19.91	18.20
Repairs and Maintenance :		
- Buildings	2.89	3.01
- Plant and Machinery	6.53	6.05
- Others	6.27	5.85
Rent	1.11	0.44
Insurance	2.44	2.37
Rates and Taxes	0.99	1.26
Travelling and Conveyance	7.36	5.69
Professional Charges	11.66	8.84
Royalty and Technical Fees	0.71	0.75
Information Systems	3.04	2.81
Commission to Chairman	0.17	0.20
Freight Outward and Storage charges	23.86	14.80
Advertisement and Sales Promotion	5.65	4.31
Discount and Incentive	8.86	7.80
Product Warranty	1.70	2.99
Trade Mark	3.96	3.41
Provision for Doubtful Trade receivables and advances (Net of Write back)	0.62	0.18
Directors' Sitting Fees	0.12	0.09
Payment to auditors as auditors		
- Statutory Audit Fee	0.20	0.17
- Tax Audit Fee	0.03	0.03
- Limited Review Fee	0.05	0.06
- Certification Fee	0.04	0.04
- Reimbursement of expenses	*	*
Payment to cost auditor	0.03	0.07
Net loss on foreign currency transactions	1.22	4.92
Loss on sale of assets	0.09	-
Donation	0.52	0.50
Miscellaneous Expenses	6.27	5.53
Total	166.36	147.93

*Amount is below the rounding off norm adopted by the Company.

The company has incurred an amount of Rs.0.60 Crores towards Corporate Social Responsibility activities during the current year ended 31 March 2015.

Note : 26**Related Party Disclosures**

	2014-15	2013-14
(a) List of related parties where control exists		
Holding Company	Rane Holdings Limited (RHL)	Rane Holdings Limited (RHL)
(b) Key Management Personnel	S Parthasarathy - Manager under the Companies Act, 2013 L Ganesh, Chairman	S Parthasarathy - Manager under the Companies Act, 2013 L Ganesh, Chairman
(c) Relative of KMP	L Lakshman Meenakshi Ganesh Aditya Ganesh Aparna Ganesh Shanthi Narayan Vanaja Aghoram L Ganesh HUF	L Lakshman Meenakshi Ganesh Aditya Ganesh Aparna Ganesh Shanthi Narayan Hema C Kumar Vanaja Aghoram L Ganesh HUF
(d) Enterprises over which KMP or relatives of KMP can exercise significant influence	Rane Foundation L Lakshman HUF L Ganesh HUF	Rane Foundation Kar Mobiles Limited L Lakshman HUF
(e) Other Related parties where transactions has taken place (Fellow Subsidiaries)	Rane Engine Valve Limited (REVL) Rane Holdings America Inc. (RHAi) Rane Brake Lining Limited (RBL)	Rane Engine Valve Limited (REVL) Rane Brake Lining Limited (RBL) Rane Holdings America Inc. (RHAi)
(f) The above information regarding related parties have been determined to the extent such parties have been identified on the basis of information available with the Company		

Rs. Crores

Description	Holding Company		Key Management Personnel (KMP)		Relatives of KMP		Enterprises as defined in point (d) above		Related parties where transactions has taken place (Fellow Subsidiaries)		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Transaction during the year												
Professional Charges	3.13	2.89	-	-	-	-	-	-	-	-	3.13	2.89
Professional charges - REVL	-	-	-	-	-	-	-	-	0.15	0.08	0.15	0.08
Software Expenses	2.61	2.78	-	-	-	-	-	-	-	-	2.61	2.78
Training Expenses	0.67	0.67	-	-	-	-	-	-	-	-	0.67	0.67
Miscellaneous Expenses	0.65	0.78	-	-	-	-	-	-	-	-	0.65	0.78
Capex for fixed assets - REVL	-	-	-	-	-	-	-	-	-	0.04	-	0.04
Trademark Fee	3.72	3.74	-	-	-	-	-	-	-	-	3.72	3.74
Miscellaneous Income - REVL	-	-	-	-	-	-	-	-	0.02	0.01	0.02	0.01
Sales Promotion Expenses - RBL	-	-	-	-	-	-	-	-	*	*	*	*
Sales Promotion Expenses - RHAi	-	-	-	-	-	-	-	-	1.56	0.76	1.56	0.76
Purchases - Kar Mobiles - REVL	-	-	-	-	-	-	-	-	12.19	-	12.19	-
Donation-Rane Foundation	-	-	-	-	-	-	0.52	0.50	-	-	0.52	0.50
Interest free Loan-Rane Foundation	-	-	-	-	-	-	(0.25)	-	-	-	(0.25)	-
Commission to Chairman	-	-	0.17	0.20	-	-	-	-	-	-	0.17	0.20
Loans Availed and (Repaid) during the year - RHL	(4.50)	3.50	-	-	-	-	-	-	-	-	(4.50)	3.50
Interest paid on Loans Availed and (Repaid) during the year - RHL	0.19	0.81	-	-	-	-	-	-	-	-	0.19	0.81
Salaries - Mr. S Parthasarathy	-	-	1.02	0.91	-	-	-	-	-	-	1.02	0.91
Interest paid on Fixed Deposits	-	-	0.01	0.01	0.03	0.04	*	*	-	-	0.04	0.05
Sitting Fees	-	-	0.02	0.01	0.03	-	-	-	-	-	0.05	0.01
Fixed Deposits accepted / (repaid)	-	-	-	-	-	0.20/(0.25)	-	-	-	-	-	0.20/(0.25)
Balance as at year end												
Fixed Deposits outstanding	-	-	0.05	0.05	0.25	0.25	0.02	0.02	-	-	0.32	0.32
Related Party Borrowing - RHL	-	4.50	-	-	-	-	-	-	-	-	-	4.50
Payables	1.17	0.01	0.17	0.20	-	-	-	-	1.32	-	2.66	0.21
Receivables	-	-	-	-	-	-	*	-	*	0.08	*	0.08
Interest free Loan-Rane Foundation	-	-	-	-	-	-	0.50	0.75	-	-	0.50	0.75

Details of Related Party transactions :

Rs. Crores

Description	Holding Company		Key Management Personnel (KMP)		Relatives of KMP		Enterprises as defined in point (d) above		Related parties where transactions have taken place (Fellow Subsidiaries)		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Interest paid on Fixed Deposits												
Mr L Ganesh	-	-	0.01	0.01	-	-	-	-	-	-	0.01	0.01
Mr L Lakshman	-	-	-	-	-	0.01	-	-	-	-	-	0.01
Mrs Vanaja Aghoram	-	-	-	-	0.01	0.01	-	-	-	-	0.01	0.01
Mrs Shanthi Narayan	-	-	-	-	0.02	0.02	-	-	-	-	0.02	0.02
Mr Lakshman L HUF	-	-	-	-	*	-	*	*	-	-	*	*
Fixed Deposits accepted / (repaid)												
Mr L Lakshman	-	-	-	-	-	0.00/ (0.10)	-	-	-	-	-	0.00/ (0.10)
Mrs Shanthi Narayan	-	-	-	-	-	0.20/ (0.15)	-	-	-	-	-	0.20/ (0.15)
Fixed Deposits outstanding												
Mr L Ganesh	-	-	0.05	0.05	-	-	-	-	-	-	0.05	0.05
Mrs Vanaja Aghoram	-	-	-	-	0.05	0.05	-	-	-	-	0.05	0.05
Mrs Shanthi Narayan	-	-	-	-	0.20	0.20	-	-	-	-	0.20	0.20
Mr L Lakshman - HUF	-	-	-	-	-	-	0.02	0.02	-	-	0.02	0.02
Borrowing												
RHL	-	4.50	-	-	-	-	-	-	-	-	-	4.50
Payables												
RHL	1.17	0.01	-	-	-	-	-	-	-	-	1.17	0.01
Mr L Ganesh	-	-	0.17	0.20	-	-	-	-	-	-	0.17	0.20
REVL & Kar Mobiles	-	-	-	-	-	-	-	-	0.94	-	0.94	-
RHAI	-	-	-	-	-	-	-	-	0.38	-	0.38	-
Receivables												
RBL	-	-	-	-	-	-	-	-	*	*	*	*
RHAI	-	-	-	-	-	-	-	-	-	0.04	-	0.04
REVL - Kar Mobiles	-	-	-	-	-	-	-	-	-	0.04	-	0.04

*Amount is below the rounding off norm adopted by the Company

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 27		
Contingent Liabilities, Guarantees and Commitment		
Contingent Liabilities		
Claims against the company not acknowledged as debts:		
(i) Income Tax matters under appeal by the Company	13.43	12.98
(ii) Central Excise and Service Tax matters under appeal by the company	3.46	1.68
(iii) Labour related matters under appeal by the Company	1.67	1.18
(iv) Corporate License fee under appeal by the Company	0.11	0.11
Others		
(i) Income Tax matters under appeal by the Department	0.31	0.31
Future cash flows in respect of the above matters are determinable only on receipts of judgments/decisions pending at various authorities		
Guarantees and Letter of Credit		
Outstanding bank guarantees	0.79	2.34
Letter of credit	2.87	4.40
Bill Discounting		
Outstanding	21.28	6.20
Commitment		
Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advance Rs.8.77 crores (previous year Rs.6.48 crores)]		
Tangible asset	8.06	11.00
Total	51.98	40.20

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 28		
The final dividend proposed for the year is as follows:		
On Equity Shares of Rs.10 each		
Amount of dividend proposed	4.73	5.78
Dividend per equity share	Rs. 4.50 per share	Rs. 5.50 per share

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 29		
Earnings Per Share		
Profit after Tax (Rs. Crores) (A)	12.44	16.78
Number of equity shares of Rs.10 each at the beginning of the year	10,510,649	10,164,145
Add:Equity shares issued during the year	-	346,504
Number of equity shares of Rs. 10 each at the end of the year	10,510,649	10,510,649
Weighted average number of equity shares of Rs.10 each outstanding during the year (B)	10,510,649	10,510,649
Earnings per share (Basic and Diluted) - in Rupees (A/B)	11.20	15.35

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 30		
Particulars of Closing Inventories of Raw Materials, Work-in-Progress and Finished Goods		
Raw Materials and components		
Steel Forgings	2.64	2.39
Castings	0.93	0.93
Steel Tubes	0.05	2.26
Aluminium	0.45	1.02
Aluminium Pumps & Tubes	1.16	0.85
Others (individually less than 10% of the total raw materials and components inventory)	12.08	10.34
Total	17.31	17.79
Work-in-progress		
Steering and Suspension Linkage Products	3.51	5.19
Steering Gear Products	3.16	4.94
Cylinder	0.38	-
Diecasting products	0.96	0.73
Total	8.01	10.86
Finished goods		
Steering and Suspension Linkage Products	25.57	19.79
Steering Gear Products	14.25	13.28
Cylinder	0.69	-
Diecasting products	9.53	9.93
Other Auto components	1.18	-
Total	51.22	43.00

Rs. Crores		
	Year ended 31 March 2015	Year ended 31 March 2014
Note : 31		
Segment Reporting		
1. Revenue by Geographical Market		
India	575.81	551.59
Rest of the world	179.51	158.16
Total	755.32	709.75
2. Carrying Amount of Segment Assets		
India	485.96	415.81
Rest of the world	48.07	42.12
Total	534.03	457.93
3. Additions to Fixed Assets and Intangible Assets		
India	57.65	45.07
Rest of the world	-	-
Total	57.65	45.07

The Company's operations comprise of only one business segment viz., components for transportation industry. The geographical segments considered for disclosure are – India and Rest of the World. All the manufacturing facilities are located in India.

Note : 32**Exceptional item**

Exceptional items represents amount paid to employees who opted for voluntary retirement scheme extended to employees during the year.

Rs. Crores		
	Year ended 31 March 2015	Year ended 31 March 2014
Note : 33		
Details of sale of Products:		
Steering and Suspension Linkage Products	356.35	344.31
Steering Gear Products	341.27	356.42
Cylinder	18.20	-
Diecasting products	96.79	74.64
Other Auto components	14.76	-
Total	827.37	775.37

			Rs. Crores	
	Year ended 31 March 2015		Year ended 31 March 2014	
Note : 34				
Details for Raw Materials and components consumed				
Steel Forgings	113.33		129.57	
Castings	40.09		46.64	
Steel Tubes	58.21		45.98	
Aluminium	30.12		25.04	
Aluminium pumps and tubes	6.89		5.21	
Other Auto parts	10.98		-	
Others (individually less than 10% of the total consumption)	170.92		150.25	
Total	430.54		402.69	
Imported	10.56%	45.47	8.91%	35.86
Indigenous	89.44%	385.07	91.09%	366.83
Total	100.00%	430.54	100.00%	402.69

	Rs. Crores			
	As at		As at	
	31 March 2015		31 March 2014	
Note : 35				
Stores, Spares and Tools consumed*				
Imported	1.92%	0.60	3.66%	1.15
Indigenous	98.08%	30.57	96.34%	30.30
Total	100.00%	31.17	100.00%	31.45
* Previous year includes Rs. 1.90 Crores classified under Repairs and Maintenance in Note 25. Current year Nil				

		Rs. Crores	
		As at	As at
		31 March 2015	31 March 2014
Note : 36			
Value of Imports calculated on CIF basis			
Raw materials		29.15	23.18
Components		6.25	13.41
Stores, Spares & Tools		2.55	2.02
Capital goods		11.20	6.15
Total		49.15	44.76

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 37		
Research and Development Cost		
Capital expenditure	6.08	2.79
Revenue expenditure:		
i) Materials	0.22	0.44
ii) Employee benefits	4.22	3.36
iii) Professional fees	0.16	0.33
iv) Consumables	0.32	0.26
v) Travel expenses	0.65	0.76
vi) Others	0.73	0.85
Total	12.38	8.39

Note: The above expenditure has been incurred by all the units of the company . However deduction under Section 35(2AB) of the income tax act , 1961. is being claimed only for Puducherry and Velachery unit. In respect of Puducherry unit the company has made an application to obtain approval from the Department of Scientific and industrial research in respect of its R&D unit. The approval is awaited

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 38		
Expenditure in foreign currency		
Travelling expenses	0.60	0.43
Freight Outward and Storage charges	2.21	1.97
Sales promotion expenses	1.38	2.55
Interest	0.72	1.11
Royalty and Technical Fees	1.56	1.36
Total	6.47	7.42

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 39		
Earnings in foreign exchange		
FOB Value of Exports	166.45	153.18

	Rs. Crores	
	As at 31 March 2015	As at 31 March 2014
Note : 40		
Leases		
The Company has taken vehicles under operating lease for a period of 48 months. The details of the maturity profile of future operating lease payments are furnished below:		
a. Future minimum lease payments under non-cancellable operating lease for each of the following periods:		
- Not later than one year	0.46	0.20
- Later than one year and not later than five years	0.87	0.24
- Later than five years	-	-
b. Lease payments recognised in the Statement of Profit and Loss for the period	0.34	0.29

Note : 41**Disclosure as per clause 32 of the Listing Agreements with the Stock Exchanges**

Loans and advances in the nature of loan

Rs. Crores

Name of the Party	Investment	Amount outstanding as at 31 March 2015	Maximum balance outstanding during the year
Rane Foundation	Loan	0.50 (0.75)	0.75 (0.75)

Note: Figures in bracket relate to the previous year.

Note : 42**Details on derivative instruments and unhedged foreign currency exposures**

I. The following derivative positions are open as at 31 March 2015.

(a) Forward exchange contracts and options (being derivative instruments), which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

(i) Outstanding forward exchange contracts entered into by the Company as on 31 March 2015

Rupees

Currency	Buy/Sell	Amount	Cross Currency
USD	Sell	100,000	Rupees
USD	Sell	(1,000,000)	Rupees
JPY	Buy	210,844,690	Rupees
JPY	Buy	(80,477,500)	Rupees

Note: Figures in brackets relate to the previous year

(ii) Outstanding option contracts entered into by the Company as on 31 March 2015

Rupees

Currency	Buy/Sell	Amount	Cross Currency
USD	Sell	3,700,000	Rupees
USD	Sell	(3,115,000)	Rupees

Note: Figures in brackets relate to the previous year

Note : 42 (Contd...)

II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Rs. Crores

Nature of transactions	As at 31 March 2015		As at 31 March 2014	
	Receivable / (Payable) INR	Receivable/ (Payable) Foreign Currency	Receivable/ (Payable) INR	Receivable/ (Payable) Foreign Currency
Loan - USD	(45.26)	-\$0.73	(43.31)	-\$0.72
Receivables - USD	22.51	\$0.36	26.29	\$0.42
Receivables - EUR	1.94	€ 0.03	1.76	€ 0.02
Loan - EUR	(0.26)	€0.00	(0.13)	€ 0.00
Payables - USD	5.12	\$0.08	(5.66)	-\$0.09
Payables - EUR	(0.37)	-€ 0.01	(0.59)	-€ 0.01
Payables - YEN	-	¥ 0.00	(0.07)	-¥0.08
Advances - USD	(0.87)	-\$0.01	5.55	\$0.09
Advances-EUR	-	-	0.13	€ 0.00
Advances - GBP	-	-	0.09	*
Advances-YEN	(0.18)	-¥0.34	*	¥0.02

*Amount is below the rounding off norm adopted by the Company

Note 43:

During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company has changed its estimated useful life of certain categories of assets to align the useful life with those prescribed in Schedule II. The details of previously applied and currently adopted depreciation method, rates / useful life are as follows:

Asset	Basis	Previous depreciation rate / useful life	Useful life as per Schedule II	Useful Life Adopted
Factory Buildings	Schedule - II	30 years	30 years	30 years
Computers and Data Processing Equipment	Technical Assessment	4 years	3 years / 6 years	3 years
General Plant and Machinery	Schedule - II	13 years	13 years	15 years-Single shift 10 years-Double shift
Furniture and Fixtures	Technical Assessment	5 years	10 years	5 years
Electrical Equipment	Schedule - II	20 years	10 years	10 years
Office Equipment	Technical Assessment	20 years	5 years	3 years
Vehicles	Technical Assessment	5 years	8 years	5 years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of Rs. 63 lakhs (net of deferred tax of Rs. 32 lakhs) against the opening Surplus balance in the Statement of Profit and Loss.

The depreciation expense in the Statement of Profit and Loss for the year is higher by Rs.306 lakhs consequent to the change in the useful life of the assets.

	Rs. Crores	
	Year ended 31 March 2015	Year ended 31 March 2014
Note : 44		
Details of borrowing costs capitalised		
Borrowing costs capitalised during the year		
-Capital work in progress	0.73	
Forex capitalization during the year		
-Plant and Machinery	1.08	(0.04)
-Capital work in progress	0.65	
Total	2.46	(0.04)

Note : 45

The position of Chief Financial Officer fell vacant on 30th January 2015 and a new appointment is yet to be made

Note : 46**Previous Year Figures**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signature to Note 1 to 46

For and on behalf of the Board of Directors

L Ganesh
Chairman

Harish Lakshman
Director

S Parthasarathy
Chief Executive Officer

S Subha Shree
Company Secretary

Place : Chennai
Date : May 21, 2015

Particulars of Directors, Key Managerial Personnel and Employees

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

1. Remuneration paid to Directors and Key Managerial Personnel

Name	Designation	Remuneration FY 2014-15 (In Rs. Cr.)	% increase/ (decrease) of remuneration FY 2014-15	% increase/ (decrease) in PBT for FY 2014-15	Ratio of remuneration to median remuneration of employees
Mr L Ganesh	Non-Executive Chairman	0.19	(9%)	(14%)	5.45
Key Managerial Personnel					
Mr S Parthasarthy	Chief Executive Officer (CEO)	1.02	11%	(14%)	N.A
Mr P Krishnamoorthy	Chief Financial Officer (CFO)	0.37	(ii)	(14%)	N.A
Ms S Subha Shree	Secretary (iii)	0.12	8%	(14%)	N.A

Note: N.A- Not Applicable

- None of the other directors receive any remuneration from the Company except sitting fees for attending meeting of the Board / Committee(s) thereof.
 - Mr P Krishnamoorthy, CFO resigned effective January 30, 2015.
 - Remuneration of Secretary is part of the secretarial services availed by the company from Rane Holdings Limited.
- Median remuneration of the employees of the Company for FY 2014-15 is Rs. 3.43 lakhs. Increase in median remuneration during the year: 15%.
 - Number of permanent employees on the rolls of the Company as on March 31, 2015 was 1018 as against 1022 as on March 31, 2014.

4. Relationship between average increase/decrease in remuneration and company performance:

- The average remuneration increased by 15%.
- During FY 2014-15, the sales grew by 7.2% and profit before tax (PBT) declined by 14%. The decline in PBT is on account of change in depreciation due to revision in estimated useful life of assets as per Companies Act, 2013 and exceptional expenditure incurred towards separation benefits under the Voluntary Retirement Scheme (VRS).

5. Comparison of remuneration of the Key Managerial Personnel(s) (KMP) against the performance of the Company:

The total remuneration of Key Managerial Personnel increased by 11% in 2014-15. The details of performance of the Company is discussed in 4 (ii) above.

6. Average percentile increase made in salary of employees other than the managerial personnel in last financial year as against percentile increase in managerial remuneration

Average percentile increase made in salary of employees other than the managerial personnel in last financial year : 7%,
The percentile increase in managerial remuneration: 11%. The increase in managerial remuneration is in line with the present industry standards.

7. Ratio of remuneration of the highest paid director to that of employees who are not directors but receive remuneration in excess of highest paid director during the year:

Not applicable. No remuneration is paid to directors except sitting fees for attending meetings of the Board/ committee(s) thereof and commission to Chairman (non-executive). Hence, not comparable with the remuneration paid to the employees.

8. Key parameters for any variable component of remuneration availed by the directors

There are no key variable components in the remuneration paid to the non-executive directors except in the case of Chairman (Non-Executive) who is entitled to receive commission on the profits as per the approval of shareholders and decided by the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee.

9. (i) Variation in market capitalisation and price earnings ratio:

	March 31, 2015	March 31, 2014	% change
Market capitalisation of the Company (based on closing prices quoted on BSE)	341.81	213.26	60.28
Price earnings ratio (based on closing prices quoted on BSE)	29.04	13.22	119.66

(ii) **Percent increase over/decrease in the market quotations of shares of the company as compared to the rate at which company came out with last public offer:** Not applicable since the Company has not made any public offer and the last issued equity share capital represents shares allotted to the shareholders of demerged company on account of Scheme of arrangement under Section 391-394 of the Companies Act, 1956, as sanctioned by the Hon'ble High Court of Judicature at Madras vide its order dated April 25, 2005.

10. It is hereby affirmed that the remuneration paid is in accordance with the remuneration policy.

B. Details as per Rule 5 (2) & 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Employed throughout the financial year with remuneration not less than Rs.60 lakhs per annum.

Name	Designation	Remu- neration (In Rs. cr)	Qualifi- cations	Age (year)	Exper- ience (in years)	Date of Joining	Nature of employ- ment (Perman- ent/ contrac- tual)	Previous employ- ment & design- ation	No. of shares held in Company	Relation- ship with any director / manager
Mr S Parthasarathy	Chief Executive Officer (Manager under Companies Act 2013)	1.02	B.E, MBA (OUBS)	56	33	05.04.2000	Perma- nent	General Manger- Marketing (Rane TRW Steering Systems Private Ltd.)	NIL	NIL
Ms Gowri Kailsam	President	0.70	B. Tech, MS., MBA	48	25	18.08.2003	Perma- nent	Engineer- ing & Busin-ess Planning Manager Ford Motor Company (UK)	NIL	NIL

ii. Employed for part the financial year with remuneration not less than Rs.5 lakhs per month: NIL

Notes

Our Parent Company

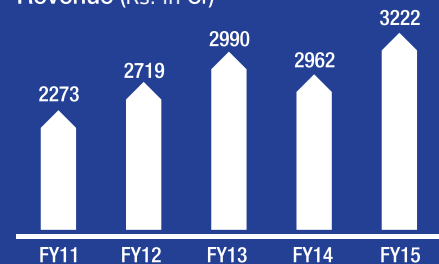
Rane Holdings Limited

Engaged primarily in manufacturing auto components for well over five decades, Rane Group is a preferred supplier to major OEMs in India and abroad.

Besides, Rane also commands a significant business in the replacement segment. It caters to a wider section of automobile industry including Passenger Car, Light Commercial Vehicle, Medium & Heavy Commercial Vehicle, two-wheeler, three-wheeler, Multi Utility Vehicle and Farm Tractor. It operates 27 strategically located plants in India.

Rane Holdings also have a minor non-automotive portfolio in aerospace and defence through an associate company. Operational excellence through total quality management (TQM) remains Rane's hallmark, aptly reflected in the three Deming Grand Prize and four Deming Prize bestowed upon its group companies.

Revenue (Rs. in Cr)



Rane Holdings Limited

Subsidiaries	Joint Ventures	Associates
Rane (Madras) Ltd.	Rane TRW Steering Systems Pvt. Ltd.	SasMos HET Technologies Ltd.
Rane Engine Valve Ltd.	Rane NSK Steering Systems Pvt. Ltd.	
Rane Brake Lining Ltd.	JMA Rane Marketing Ltd.	
Rane Holdings America Inc.		





Rane (Madras) Limited

CIN: L65993TN2004PLC052856

"Maithri", 132, Cathedral Road

Chennai - 600086, India

Phone: +91 44 28112472 / 73

Fax: +91 44 28112449

www.rane.co.in

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **Eleventh (11th) Annual General Meeting (AGM)** of **Rane (Madras) Ltd.** will be held at **10.15 a.m. on Friday, July 31, 2015, at The Music Academy (Mini Hall),** New No. 168, T.T.K Road, Royapettah, Chennai, 600 014, to transact the following businesses:-

ORDINARY BUSINESS :

1. To consider and adopt the Audited Financial Statement of the Company for the year ended March 31, 2015, report of the Board of Directors and the Auditors' thereon.

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

"Resolved that the Audited Financial Statement of the Company for the year ended March 31, 2015 including Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash flow statement for the year ended March 31, 2015 together with the reports of the Board of Directors and the Auditors' of the Company thereon, as circulated to the members and presented to the meeting be and are hereby adopted."

2. To declare dividend on equity shares

To consider passing the following resolution as an ordinary resolution:

"Resolved that dividend of Rs.4.50 per equity share of Rs.10/- each on 1,05,10,649 equity shares be and is hereby declared out of the profits of the Company for the year ended March 31, 2015, absorbing an amount of Rs.5,69,26,832/- (including dividend distribution tax and cess thereon) and that the dividend be paid to those shareholders, whose names appear in the Company's register of members as on July 31, 2015 and in respect of shares in electronic form to those beneficial owners of the shares as at the end of business hours on July 23, 2015 as per the details furnished by the depositories for this purpose."

3. To appoint a director in the place of Mr Harish Lakshman, who retires by rotation under article 117 and 119 of the Articles of Association of the Company and being eligible, offers himself for re-election.

To consider passing the following resolution as an ordinary resolution:

"Resolved that Mr Harish Lakshman (DIN 00012602), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

4. To ratify appointment of statutory auditors of the Company. The appointment of statutory auditors, M/s. Deloitte Haskins and Sells (DHS), Chartered Accountants, who hold office from the conclusion of the Tenth Annual General Meeting (AGM) until the conclusion of the Thirteenth AGM, is subject to the ratification by shareholders at every AGM in accordance with Section 139 & 142 of the Companies Act, 2013. The declaration to the effect that their appointment, if ratified, would be within the limits and that they are free from any disqualification specified in section 141 of the Companies Act, 2013 and the rules made thereunder, has been received from them.

To consider passing the following resolution as an ordinary resolution:

"Resolved that the appointment of M/s. Deloitte Haskins and Sells (DHS), Chartered Accountants (Firm Registration No. 008072S with The Institute of Chartered Accountants of India), as auditors of the Company as per approval of the members, at the Tenth Annual General Meeting to hold office until the conclusion of the Thirteenth Annual General Meeting, be and is hereby ratified on such terms and conditions including remuneration as may be determined by the Board of Directors of the Company, in addition to reimbursement of travelling and other out-of-pocket expenses actually incurred by them in connection with the audit."

SPECIAL BUSINESS:

5. To approve payment of commission to Mr L Ganesh, Chairman and Non-Executive Director

To consider passing the following resolution as a ordinary resolution:

"Resolved that pursuant to the provisions of Section 197, 198 and other applicable provisions of the Companies Act 2013 (the Act), the rules made thereunder and such other approvals, permissions and sanctions, as may be required, approval of the shareholders be and is hereby accorded for payment of remuneration by way of commission to Mr L Ganesh, Chairman, not exceeding two percent (2 %) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, for a period of three financial years from April 1, 2015 to March 31, 2018."

“Resolved further that subject to the limits as aforesaid, the payment and distribution of commission to Mr L Ganesh, Chairman be determined by the Board of Directors from time to time in such proportion and in such manner as the Board may determine.”

(By Order of the Board)
For **Rane (Madras) Ltd.**

May 21, 2015
Chennai

S Subha Shree
Secretary

NOTES:

1. **Any member entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the company. The proxies should however be deposited at the registered office of the company not less than 48 hours before the time fixed for the commencement of the meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. The Statement of material facts pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business as given in the notice is annexed hereto
4. The register of members of the Company will remain closed from Friday, July 24, 2015 to Friday, July 31, 2015 (both days inclusive) for annual closing and determining the entitlement of shareholders to the dividend on the equity shares for the financial year 2014-15, if declared.
5. Pursuant to the relevant provisions of the Companies Act, 1956 / Companies Act, 2013, dividend for the financial year ended March 31, 2010 and thereafter, which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund (IEPF) of the central government. The Company has sent reminders to all those members whose dividend payments during the last seven years on or after 2009-10 is remaining unpaid as per the

Company's records. Members are requested to contact the Company's Registrars and Transfer Agents (RTA), for payment in respect of such unclaimed dividend.

6. The notice of the eleventh AGM along with the attendance slip and proxy form, is being sent by electronic mode to all members whose e-mail addresses are registered with the Company / Depository Participant(s) (DP) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.

We encourage your participation and expect your support in this regard. To receive communications from the Company in electronic form, please register your e-mail address with your DP/ RTA or write to us at investorservices@rane.co.in
7. Members may also note that the notice of the 11th AGM and the eleventh Annual report 2015 will be available on the Company's website www.rane.co.in.
8. Members holding shares in physical form are requested to notify any change in their addresses, bank details or e-mail addresses to RTA immediately at the following address:

M/s. Integrated Enterprises (India) Ltd.
II Floor, “Kences Towers”, No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai 600 017.

Members holding shares in dematerialized form may inform any change in addresses, bank details or e-mail addresses with their respective DPs.
9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the RTA, for consolidation into a single folio. The share certificate(s) will be returned to members after necessary endorsements.
10. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.rane.co.in.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the RTA.

13. Relevant documents referred to in the accompanying notice and the statement of material facts pursuant to section 102 (1) of the Companies Act, 2013 will be available for inspection at the registered office of the Company during the business hours on all working days up to the date of AGM.
 14. Information pursuant to clause 49 of the Listing Agreement with the stock exchanges in respect of the Directors seeking appointment / re-appointment at the AGM are furnished in the Corporate Governance section of the Annual Report and forms part of this Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
 15. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services.
- Members may note the following process and manner for 'remote e-voting':**
- i. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') will be provided by National Securities Depository Limited (NSDL).
 - ii. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by "remote e-voting" shall be able to exercise their right at the meeting through poll.
 - iii. The members who have cast their vote by 'remote e-voting' prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again
 - iv. The 'remote e-voting' period commences on Tuesday, July 28, 2015 (9:00 am) and ends on Thursday, July 30, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, July 24, 2015, may cast their vote by 'remote e-voting'. The 'remote e-voting' module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - v. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date Friday, July 24, 2015.
 - vi. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, July 24, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company / RTA.
 - vii. However, if you are already registered with NSDL for 'remote e-voting' then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 - viii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and 'remote e-voting' user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 - ix. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - x. A member may participate in the AGM even after exercising his right to vote through 'remote e-voting' but shall not be allowed to vote again at the AGM.
 - xi. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of 'remote e-voting' as well as voting at the AGM through poll.
 - xii. Mr C Ramasubramaniam, Practicing Company Secretary (Membership no. FCS 6125), Partner, M/s CR & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the 'remote e-voting' process and voting at the AGM, in a fair and transparent manner.
 - xiii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance

of Scrutinizer, by use of “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the ‘remote e-voting’ facility.

- xiv. The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through ‘remote e-voting’ in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xv. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.rane.co.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges where the Company’s shares are listed.

INSTRUCTIONS FOR ‘REMOTE E-VOTING’

a. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company / Depositories):

- (i) Open email and open PDF file viz; “RML-remote-evoting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for ‘remote e-voting’. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login
- (iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and

take utmost care to keep your password confidential.

- (vi) Home page of ‘remote e-voting’ opens. Click on ‘remote e-voting’: Active Voting Cycles.
- (vii) Select “EVEN” of “Rane (Madras) Limited”.
- (viii) Now you are ready for ‘remote e-voting’ as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to raneevoting2015@gmail.com with a copy marked to evoting@nsdl.co.in.

b. In case of members’ receiving physical copy of the notice of AGM and desires to cast e-vote [for members whose email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy]:

- (i) Initial password is provided as below / at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD / PIN

- (ii) Please follow all steps mentioned from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

(By Order of the Board)
For **Rane (Madras) Ltd.**

May 21, 2015
Chennai

S Subha Shree
Secretary

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

Resolution No.5

At the 8th Annual General Meeting of the Company held on July 11, 2012, the shareholders had approved payment of commission to Mr L Ganesh, Chairman, not exceeding 1% of the net profits of the Company for a period of 3 years with effect from April 1, 2012 to March 31, 2015.

Mr L Ganesh is a Chartered Accountant and also holds an MBA from the Pennsylvania State University, USA. He has over 36 years of industrial experience in overall management of the companies. He has held several positions of high responsibilities with various industry forums and had been the President of Automotive Component Manufacturers Association of India and Chairman of Confederation of Indian Industry, Southern Region. Presently he is honorary consul for New Zealand in South India. Currently he is also the Chairman and Managing Director of Rane Engine Valve Limited and Vice-Chairman of Rane Holdings Limited.

Mr L Ganesh is the Chairman of the Company since June 2007 and devotes substantial time and attention towards formulating new strategies to improve the performance and develop the business of the Company. The cost reduction and profit improvement measures formulated by him have benefited the Company. He has played a key role in establishing strong footprint in global markets and winning the coveted Deming award.

Considering the expanded scope of his roles and responsibilities and value addition made through his efforts it is proposed to revise the payment of commission to Mr L Ganesh, from existing levels to not exceeding two percent (2%) of the net profits per annum, for a period of three years with effect from April 1, 2015 to March 31, 2018, as may be determined by the Board from time to time. Mr L Ganesh does not draw any other remuneration from the Company except by way of sitting fees.

Mr L Ganesh is concerned or interested in the resolution. Mr L Lakshman being relative of Mr L Ganesh, is deemed to be interested in the resolution.

None of the other Directors and KMP of the Company and their relatives is concerned or interested, financial or otherwise, in the above resolutions except to the extent of their shareholding, if any.

Your directors commend the resolution for adoption.

(By Order of the Board)
For **Rane (Madras) Ltd.**

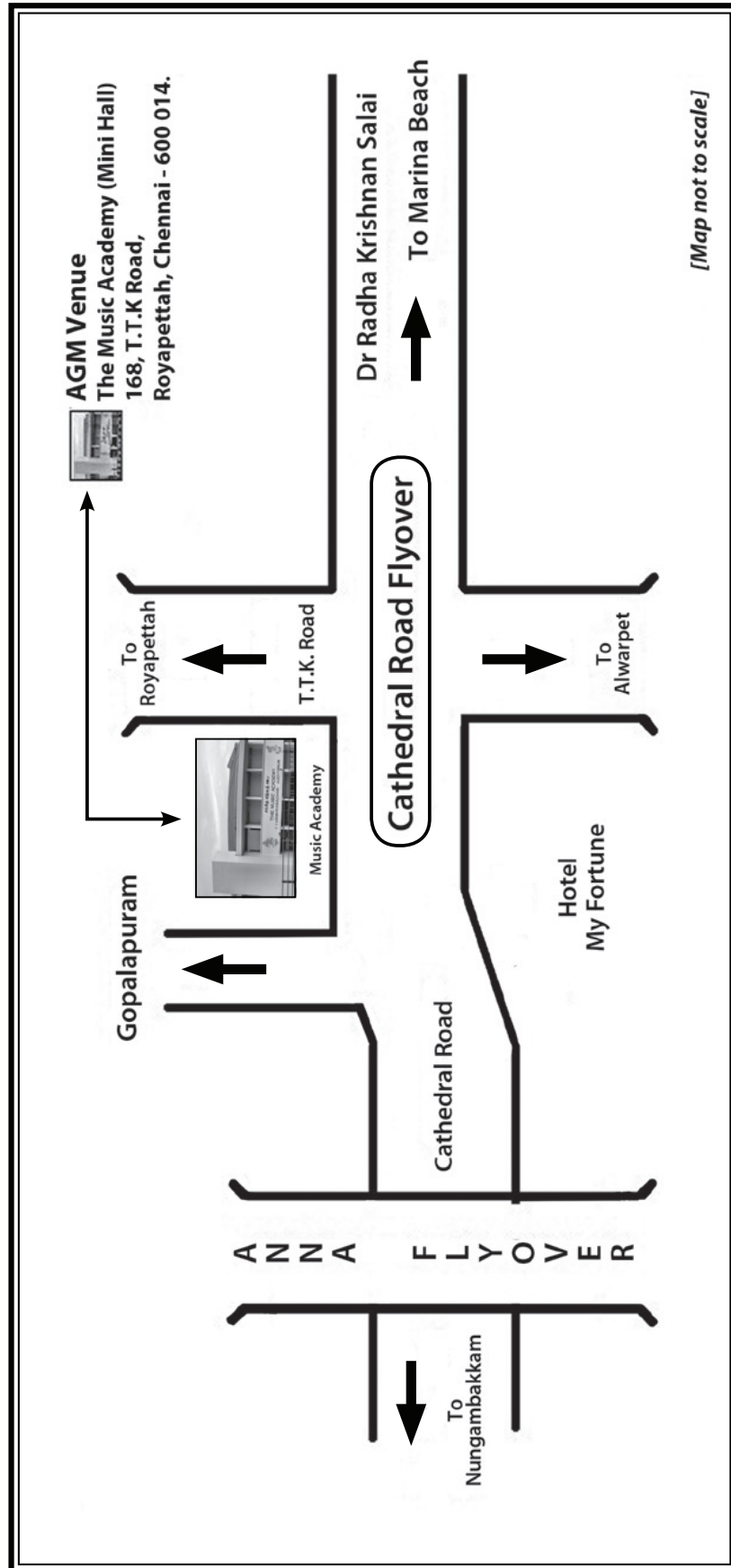
May 21, 2015
Chennai

S Subha Shree
Secretary

Information about director seeking re-appointment in eleventh (11th) Annual General Meeting in respect of item Nos.3 (in accordance with clause 49 of the listing agreement).

Name of the Director	Mr Harish Lakshman
Director Identification Number (DIN)	00012602
Father's Name	Mr L Lakshman
Date of Birth	February 12, 1974
Educational Qualifications	B.E. - BITS Pilani, MSM - Purdue University, USA
Experience	Mr Harish Lakshman has over 13 years of experience in the automotive industry and has held various positions in the areas of Marketing, Operations and Business Development Overseas. He currently spearheads the future growth plan for the Rane group.
Date of appointment	March 31, 2004
Other directorships	<p><u>Managing Director</u> Rane TRW Steering Systems Private Ltd.</p> <p><u>Vice-Chairman</u> Rane Engine Valve Ltd.</p> <p><u>Director</u> 1. Rane Holdings Ltd. 2. Rane Brake Lining Ltd. 3. JMA Rane Marketing Ltd. 4. SasMos HET Technologies Ltd. 5. Fokker Elmo Sasmos Interconnection Systems Ltd. 6. Rane Holdings America Inc., 7. Rane NSK Steering Systems Private Ltd. 8. Savithur Enterprises Private Ltd. 9. HL Hill Station Properties Private Ltd. 10. Broadvision Perspectives India Private Ltd. 11. Broadvision Services Private Ltd. 12. Automotive Component Manufacturers Association of India 13. Young President Organisation (Chennai Chapter)</p>
Committee memberships	<p><u>Chairman – Stakeholders' Relationship Committee</u> 1. Rane Holdings Ltd. 2. Rane Brake Lining Ltd.</p> <p><u>Member – Stakeholders' Relationship Committee</u> Rane (Madras) Ltd.</p> <p><u>Member - Nomination and Remuneration Committee</u> 1. Rane Holdings Ltd. 2. Rane NSK Steering Systems Private Ltd.</p>
Number of shares held (Equity)	750

ROUTE MAP TO AGM VENUE



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RANE (MADRAS) LIMITED

CIN: L65993TN2004PLC052856

Regd. Office : "Maithri", 132 Cathedral Road, Chennai 600 086

www.rane.co.in



ELEVENTH ANNUAL GENERAL MEETING – JULY 31, 2015 ATTENDANCE SLIP

To be handed over at the entrance of the meeting hall

I hereby record my presence at the 11th Annual General Meeting (AGM) of the Company held on Friday, July 31, 2015 at 10:15 a.m. at The Music Academy (Mini Hall), New No.168, TTK Road, Royapettah, Chennai 600 014.

.....
Signature of Shareholder/Proxy

.....
Name (in block letters)

Note:

1. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
2. Electronic copy of the 11th Annual Report 2015 and the Notice of the 11th AGM alongwith Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can carry a print of this Attendance Slip.
3. Physical copy of the 11th Annual Report 2015 and Notice of the 11th AGM along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

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ELEVENTH ANNUAL GENERAL MEETING – JULY 31, 2015 E-VOTING PARTICULARS

ELECTRONIC VOTING PARTICULARS

EVEN (E-VOTING EVENT NUMBER)	USER ID	PASSWORD / PIN

Note:

Please read instructions given in the Notice of the 11th AGM carefully before voting electronically.

RANE (MADRAS) LIMITED

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ELEVENTH ANNUAL GENERAL MEETING – JULY 31, 2015 PROXY FORM

I/We, being the member(s) of Rane (Madras) Limited holding _____ shares, hereby appoint

- 1) _____ of _____ having e-mail Id _____ or failing him
2) _____ of _____ having e-mail Id _____ or failing him
3) _____ of _____ having e-mail Id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11th Annual General Meeting of the company, to be held on **Friday, July 31, 2015 at 10:15 a.m. at The Music Academy (Mini Hall)**, New No.168, TTK Road, Royapettah, **Chennai 600 014** and at any adjournment thereof in respect of such resolutions as are indicated below:

* I wish my above Proxy to vote in the manner as indicated in the box below:

S.No.	RESOLUTIONS	FOR	AGAINST
1.	To consider and adopt the Audited Financial Statements of the company for the year ended March 31, 2015, the report of the Board of Directors' and Auditors' thereon.		
2.	To declare dividend on equity shares		
3.	To re-appoint Mr. Harish Lakshman, who retires by rotation, as a director		
4.	To ratify appointment of M/s Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditors		
5.	To approve payment of commission to Mr. L Ganesh		

Signed this day of 2015

Signature of Shareholder _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

*This is only optional. Please put an 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (5) In the case of joint holders, the signature of any one holder will be sufficient.