NOTES FORMING PART OF FINANCIAL STATEMENT

CORPORATE INFORMATION,SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

1 Corporate Information

Rane Holdings Limited ("RHL" or "the Company") is the holding company whose main activity is investing in Rane group Companies that are engaged primarily in the manufacturing/marketing of components and providing technological services for the transportation industry, mainly the automotive sector. The Rane Group's investment profile includes subsidiaries, joint ventures and associate. The Company's Income stream comprises of (i) dividend from the investments made in the group companies, (ii) trade mark fee for use of "RANE" trade mark and (iii) service fee from group companies for providing service in the areas of management, information technology, business development and infrastructure.

2 Significant Accounting Policies

2.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the 2013 Act.

Upto the year ended 31 March, 2017, the Company prepared the financial statements in accordance with the requirements of the previous GAAP, which includes standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the 2013 Act.

These are the Company's first Ind AS financial statements. The date of transition to the Ind AS is 01 April, 2016. Refer Note 37 for details of the first-time adoption exceptions and exemptions availed by the Company.

2.2 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with the Companies (Accounting Standards) Rules, 2015 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). Upto the year ended 31 March, 2017, the company prepared the financial statements in accordance with the requirements of previous GAAP, which includes standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the 2013 Act. These are the Company's first Ind AS financial statements. The date of transition to the Ind AS is 01 April, 2016.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

1. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
2. Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
3. Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Property, Plant and Equipment and Intangible assets

2.3.1 Property, Plant and Equipment

Land and buildings held for use in providing services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of providing of services or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

2.3.2 Estimated useful lives of the assets are as follows:

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.

Asset	Useful lives (in years)
Buildings	30
Vehicles	5
Furniture and Fittings	5
Office Equipment	3

Assets costing less than ₹ 10,000 each are fully depreciated in the year of acquisition.

During the year 2016-17, the company has revised the useful life of buildings from 60 years to 30 years after considering the following aspects:

a. High Frequency of usage

b. increase in repair & maintenance charges and replacement

c. Modification to the aesthetic structure of the buildings for expansion and other purposes.

The Company has calculated depreciation adopting revised useful life of 30 years for both office and residential building. The incremental depreciation on account of the above revision, for the year ended 31 March, 2017 is ₹ 25.76 Lakhs.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Deemed cost on transition to Ind AS

For transition to Ind AS, the company has elected to continue with the carrying value of all of its tangible assets recognised as of 01 April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.3.3 Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the group for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred, unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

Estimated useful life of the intangible assets are as follows:

License Fee on Software - 3 Years or license period whichever is lower.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Assets costing less than ₹ 10,000 each are fully depreciated in the year of acquisition.

Deemed cost on transition to Ind AS

The Company has elected to continue with the carrying value of all of its intangible assets recognised as on 01 April, 2016 measured as per the previous GAAP and use the carrying value as its deemed cost as of transition date.

2.4 Leasing:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating Lease:

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed or the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2.5 Foreign Currencies:

2.5.1 Functional and presentation currency

Items included in the financial statements of the group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the group's functional and presentation currency.

2.5.2 Transactions and balances:

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of transaction.

Any gains or losses arising due to differences in exchange rates at the time of transaction are classified as follows:

The exchange differences pertaining to restatement of long-term monetary items (investments) are recognised through Other Comprehensive Income

The exchange differences pertaining to restatement of Trade Receivables are recognised through Statement of Profit or Loss

2.6 Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability is disclosed in the notes for (i) possible obligation which will be confirmed only by future events not wholly within the control of the company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

2.7 Operating Cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current

2.8 Revenue recognition

2.8.1 Service Fee and Trade Mark Fee

Revenues from Service Fee and Trade Mark Fee are recognised on accrual basis in accordance with terms of the relevant agreements.

2.8.2 Dividend Income

Dividend income is accounted for when the right to receive it is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.9 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

2.10 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences.

2.10.1 Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans.

The Company contributes to a government administered provident fund on behalf of its employees, which are charged to the Statement of Profit and Loss. The Company has no obligations for future provident fund/ superannuation fund benefits other than its monthly contributions.

Fixed contributions to the Superannuation Fund, which is administered by Company nominated trustees and managed by Life Insurance Corporation of India, are charged to the Statement of Profit and Loss.

2.10.2 Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the 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.

2.10.3 Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. 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 such 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.

2.10.4 Defined benefit costs are categorized as follows:

1. Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

2. Net interest expense or income; and

3. Re-measurement

   a. The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

   b. Past service cost is recognised in profit or loss in the period of a plan amendment.

   c. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

   d. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

2.10.5 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.

2.11 Earnings Per Share

The Company presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2.12 Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand.

2.12.1 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.

2.13 Impairment of Assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.14 Segment Reporting:

The Company holds strategic investments in subsidiaries and joint ventures (collectively called "the Group") that are primarily engaged in single segment viz., manufacture / marketing of components and providing technological services for Transportation industry and also provides consultancy and other services to the Group. Further the Company does not have any operations outside India. As such there are no separate reportable segments as per Ind AS 108' "Segment Reporting".

2.15

2.15.1 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2.15.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2.15.

2.1 Fair value measurements and valuation processes

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

2.15.

2.2 Employee Benefits

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 32.

2.15.2.3 Taxation:

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the Company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognised on closure of assessment or in the period in which they are agreed. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available.

2.16 Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Subsequent Measurement

1. Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b) those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

a. Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on these assets that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

b. Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/ (expense).

c. Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a these assets that is subsequently measured at fair value through profit or loss is recognised in the statement of profit and loss.

(ii) Impairment of financial assets

All financial assets classified as at amortised cost shall be tested for impairment under Ind AS 109 and measured using Expected Credit Loss (ECL) model.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iii) Derecognition of financial assets

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

2. Financial liabilities and equity instruments

Equity and Debt instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

(a) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(b) Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

(c) Financial liabilities at FVTPL

Liabilities that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognised in the statement of profit and loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.18 Standards issued but not yet effective

(a) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28 March, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 01 April, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

(b) Ind AS 115- Revenue from Contract with Customers: On 28 March, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effect on adoption of Ind AS 115 is expected to be insignificant.

3 Property, Plant and Equipment and Capital Work-in-progress

a. Property, Plant and Equipment

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Carrying amounts of:			
a. Freehold land	7,942	7,942	7,942
b. Buildings	735	777	890
c. Plant and Machinery	4	5	11
d. Furniture and Fixtures	16	42	75
e. Office Equipments	25	35	24
f. Electrical Equipments	30	32	45
g. Vehicles	34	44	21
	8,786	**8,877**	**9,008**
b. Capital Work-in-progress	**388**	**160**	**-**

Cost or Deemed Cost

₹ Lakhs

Particulars	Freehold land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Electrical Equipments	Vehicles	Total
Balance as at 01 April, 2016	**7,942**	**890**	**11**	**75**	**24**	**45**	**21**	**9,008**
Additions	-	-	-	7	27	7	31	72
Disposals	-	(71)	(5)	-	-	(1)	-	(77)
Balance as at 31 March, 2017	**7,942**	**819**	**6**	**82**	**51**	**51**	**52**	**9,003**
Additions	-	-	-	6	9	6	-	21
Disposals	-	-	-	(3)	-	-	-	(3)
Balance as at 31 March, 2018	**7,942**	**819**	**6**	**85**	**60**	**57**	**52**	**9,021**

Accumulated depreciation and impairment

₹ Lakhs

Particulars	Freehold land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Electrical Equipments	Vehicles	Total
Balance as at 01 April, 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation expense		42	1	40	16	19	8	126
Disposals / adjustments		-	-	-	-	-	-	-
Balance as at 31 March, 2017	**-**	**42**	**1**	**40**	**16**	**19**	**8**	**126**
Depreciation expense		42	1	29	19	8	10	109

₹ Lakhs

Particulars	Freehold land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Electrical Equipments	Vehicles	Total
Disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March, 2018	**-**	**84**	**2**	**69**	**35**	**27**	**18**	**235**
Carrying amount as at 01 April, 2016	**7,942**	**890**	**11**	**75**	**24**	**45**	**21**	**9,008**
Carrying amount as at 31 March, 2017	**7,942**	**777**	**5**	**42**	**35**	**32**	**44**	**8,877**
Carrying amount as at 31 March, 2018	**7,942**	**735**	**4**	**16**	**25**	**30**	**34**	**8,786**

Note:

1. All the land and buildings held by the company as on 31 March, 2018 and 31 March, 2017 are free of lien except land mortgaged for loan availed from Tata Capital Financial Services Limited (refer note 17 "Borrowings").
2. Moveable fixed assets are mortgaged for working capital facility with Citi Bank N.A.
3. Capital work in progress represents building under construction.

4 Intangible Assets

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Software Licence	41	43	18
	41	**43**	**18**

Cost or Deemed cost

₹ Lakhs

Particulars	Software Licence	Total
Balance as at 01 April, 2016	**18**	**18**
Additions	40	40
Disposals	-	-
Balance as at 31 March, 2017	**58**	**58**
Additions	17	17
Disposals	-	-
Balance as at 31 March, 2018	**75**	**75**

Accumulated amortisation and impairment

₹ Lakhs

Particulars	Software Licence	Total
Balance as at 01 April, 2016	**-**	**-**
Amortisation expense	15	15
Disposals	-	-
Balance as at 31 March, 2017	**15**	**15**
Amortisation expense	19	19
Disposals	-	-
Balance as at 31 March, 2018	**34**	**34**
Carrying amount as at 01 April, 2016	**18**	**18**
Carrying amount as at 31 March, 2017	**43**	**43**
Carrying amount as at 31 March, 2018	**41**	**41**

5 Investments

₹ Lakhs

Particulars	Face Value per share	As at 31 March, 2018		As at 31 March, 2017		As at 01 April, 2016	
		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
I. Quoted Investments							
a. Investments in Equity Instruments at Cost							
i. Subsidiary Companies							
Rane (Madras) Limited (refer note 5.1)	10	70,15,048	12,602	59,18,156	6,602	59,18,156	6,602
Rane Engine Valve Limited	10	34,31,054	8,332	34,31,054	8,332	34,31,054	8,332
Rane Brake Lining Limited	10	36,48,311	1,607	36,48,311	1,607	36,48,311	1,607
Total Quoted Investments			**22,541**		**16,541**		**16,541**
II. Unquoted Investments							
a. Investments in Equity Instruments at Cost							
i. Subsidiary Companies							
Rane Holdings America Inc.	$ 1	20,000	10	20,000	10	20,000	10
Rane Holdings Europe GmbH	€1	25,000	19	25,000	19	-	-
Rane t4u Private Limited (formerly know as Telematics4u Services Private Limited) (refer note 5.2)							
a. Equity Investment	10	11,57,000	126				
b. Compulsory Convertible Preferences shares	10	1,85,00,000	1,850				
ii. Joint Venture Companies							
Rane TRW Steering Systems Private Limited	10	43,69,123	2,332	43,69,123	2,332	43,69,123	2,332
Rane NSK Steering Systems Private Limited	10	87,71,000	1,012	87,71,000	1,012	87,71,000	1,012
JMA Rane Marketing Limited	10	3,60,003	36	3,60,003	36	3,60,003	36
iii. Associate Company							
SasMos HET Technologies Limited (refer note 5.3)	10	-	-	-	-	61,1,399	1,719
b. Investments in Equity (designated as FVTOCI)							
Autotech Fund I, L.P (refer note 5.4)		-	1,027		-		-
Wellingdon Corporate Foundation	10	60	-	60	-	60	-
III. Share Warrants							
Rane (Madras) Limited (refer note 5.1)		3,65,630	500	-	-	-	-
Total Unquoted Investments			**6,912**		**3,409**		**5,109**
Total Non-Current Investments			**29,453**		**19,950**		**21,650**
Aggregate book value of quoted investments			**22,541**		**16,541**		**16,541**
Aggregate market value of quoted investments			**1,09,401**		**90,013**		**47,091**
Aggregate carrying value of unquoted investments			**6,912**		**3,409**		**5,109**
Aggregate amount of impairment in value of investments			**-**		**-**		**-**

Note:

5.1 Rane (Madras) Limited, subsidiary company (RML), issued and allotted, on a preferential basis to the Company, 10,96,892 equity shares of ₹ 10/- each at a price of ₹ 547/- per share and 365,630 warrants at a price of ₹ 547/- each compulsorily convertible into 365,630 equity shares of ₹ 10/- each at a price of ₹ 547/- per share before March, 2019 upon subscription of the balance amount of ₹ 1,500 lakhs. The Company had invested ₹ 6,500 lakhs in RML by way of subscription to the preferential allotment of equity shares and warrants compulsorily convertible into equity shares ₹ 6,000 lakhs towards preferential allotment and ₹ 500 lakhs towards warrant subscription price, being 25% of issue price, for convertible warrants).

5.2 The Company has acquired 69.41% equity shares of Telematics 4U Services Private Limited (T4U) by way of subscription to a preferential allotment of 11,57,000 Equity shares of ₹ 10/- each at face value. Consequently, T4U became a subsidiary of the Company with effect from September 1, 2017. The Company has also further invested an aggregate sum of ₹ 1,850 lakhs during the year ended March 31, 2018, by way of subscription to a preferential allotment of 0.01% Compulsorily Convertible Preference Shares issued by T4U.

5.3 During the year 2016-17, the company has divested its entire holding of 6,11,399, equity shares of ₹ 10/- each fully paid up of M/s SasMos HET Technologies Limited.

5.4 The Company has invested ₹ 1,026 lakhs (USD 1,575,000) in AutoTech Fund I, LP towards its share of capital contribution as one of the Limited partners in the Fund.

5.5 The shareholders of RBL had approved an amendment in the year 2009-10, to the articles of association of the company which authorizes, the Company to appoint majority of the Board of Directors of the company. As a result RBL has become a board controlled subsidiary of the Company.

6 Loans

₹ Lakhs

Particulars	Non-current			Current		
	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a. Investments in Preference shares at Cost (refer note 37.1 (1.6)(a) Rane (Madras) limited)	-	823	823	-	-	-
b. Loan to Employees	1	5	14	6	11	15
	1	**828**	**837**	**6**	**11**	**15**

7 Other Financial Assets

₹ Lakhs

Particulars	Non-current			Current		
	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a. Security Deposits	4	6	9	-	-	-
b. Interest receivable	-	-	-	-	56	55
c. Rent Advance	-	-	-	5	7	-
d. Fixed deposits against Bank Guarantee	-	-	-	2	-	-
e. Insurance claims	-	-	-	-	2	2
f. Others	-	-	-	-	-	18
	4	**6**	**9**	**7**	**65**	**75**

8 Other Non-Current Assets

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Capital Advance	27	42	9
	27	**42**	**9**

9 Non-current tax assets (Net)

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Advance payment of Tax and Tax Deducted at Source (net of Provision)	735	732	766
	735	**732**	**766**

10 Deferred tax balances (Net)

The following is the analysis of deferred tax (Assets) / Liabilities presented in the balance sheet:

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a. Deferred tax assets	(42)	(55)	(48)
b. Deferred tax liabilities	39	56	94
	(3)	**1**	**46**

For the year ended 31 March, 2018

₹ Lakhs

Particulars	Opening balance	Recognised in P&L	Recognised in OCI	Closing balance
Deferred tax Assets				
a. Provision for leave salary	(51)	13	-	(38)
b. Provision for Bonus	(4)	-	-	(4)
	(55)	**13**	**-**	**(42)**
Deferred Tax Liabilities				
a. Property plant and equipment and Intangible assets	56	(20)	-	36
b. Re-statement of Equity Investments	-	-	3	3
	56	**(20)**	**3**	**39**
Net Deferred Tax (Asset) / Liability	**1**	**(7)**	**3**	**(3)**

For the year ended 31 March, 2017

₹ Lakhs

Particulars	Opening balance	Recognised in P&L	Recognised in OCI	Closing balance
Deferred Tax Assets				
a. Provision for leave salary	(44)	(7)	-	(51)
b. Provision for Bonus	(4)	-	-	(4)
	(48)	**(7)**	**-**	**(55)**
Deferred Tax Liabilities				
a. Property plant and equipment and Intangible assets	94	(38)	-	56
	94	**(38)**	**-**	**56**
Net Deferred Tax (Asset) / Liability	**46**	**(45)**	**-**	**1**

11 Investments

₹ Lakhs

Particulars	Current								
	As at 31 March, 2018			As at 31 March, 2017			As at 01 April, 2016		
	NAV per Unit in ₹	Quantity	Amount	NAV per Unit in ₹	Quantity	Amount	NAV per Unit in ₹	Quantity	Amount
Unquoted Investments									
Investment in Mutual Fund - (Measured at FVTPL)									
- HDFC Liquid Fund - Dividend Daily Reinvestment	1,019.82	36,909	376	1,019.82	2,79,654	2,852	1,019.82	56,441	576
- Birla Sun Life Mutual Fund - Dividend Daily Reinvestment	100.20	4,15,228	416	100.20	24,16,617	2,421	100.20	2,99,640	300
Total Unquoted Investments			**792**			**5,273**			**876**

12 Trade Receivables

₹ Lakhs

Particulars	Current		
	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a. Secured, considered good	(42)	(55)	(48)
b. Unsecured, considered good			
i. Related parties (refer note 36)	1,156	544	383
ii. Others	35	42	-
	1,191	**586**	**383**
c. Doubtful	-	-	-
Less: Allowance for doubtful debts	-	-	-
	1,191	**586**	**383**

Note:

The company's receivables are predominantly from its subsidiary companies, joint venture companies and associate. The company had not experienced doubtful debts in earlier years, therefore there is no credit risk and thus no provision for doubtful debts are made.

13.a. Cash and cash equivalents

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April , 2016
a. Balances with banks (including deposits with original maturity upto 3 months)			
Current account	48	388	153
b. Cash on hand	1	1	1
	49	**389**	**154**

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as above.

13.b. Bank balances other than above

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a. Earmarked balances			
In Unclaimed Dividend account	46	45	41
	46	**45**	**41**

14 Other Current assets

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a. Balance with Government Authorities	54	-	14
b. Prepaid Expenses	196	176	173
c. Others	4	6	4
	254	**182**	**191**

15 Equity Share Capital

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a. Authorised Share Capital:			
Equity Shares:			
1,50,00,000 Equity Shares of ₹10 each	1,500	1,500	1,500
Preference Shares:			
50,00,000 Shares 13.5% Cumulative Redeemable Preference Shares of ₹ 10 each	500	500	500
b. Issued Share Capital:			
1,42,77,809 Equity Shares of ₹10 each	1,428	1,428	1,428
c. Subscribed Share Capital:			
1,42,77,809 Equity Shares of ₹10 each fully paid-up	1,428	1,428	1,428
	1,428	**1,428**	**1,428**

15.1 Reconciliation of number of shares

₹ Lakhs

Particulars	2017-18		2016-17	
	Number of shares	Amount	Number of shares	Amount
Equity Shares of ₹ 10 each fully paid up				
At the beginning of the period	1,42,77,809	1,428	1,42,77,809	1,428
Add/Less movement during the year	-	-	-	
At the end of the period	**1,42,77,809**	**1,428**	**1,42,77,809**	**1,428**

The Company has one class of equity share having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

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

Class of Shares / Name of the Shareholder	As at 31 March, 2018		As at 31 March, 2017		As at 01 April, 2016	
	No of shares held	% of holding in shares	No of shares held	% of holding in shares	No of shares held	% of holding in shares
a. Fully paid up equity shares						
1. Raman T G G	14,84,056	10.4%	14,84,056	10.4%	14,84,056	10.4%
2. Sundaram Mutual Fund A/c Sundaram Smile Fund	-	-	7,54,113	5.3%	8,00,308	5.6%

16 Other Equity

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a. General Reserve	26,034	22,161	22,161
b. Securities Premium reserve	4,433	4,433	4,433
c. Capital redemption reserve	550	550	550
d. Retained Earnings	5,725	6,405	1,997
	36,741	**33,549**	**29,141**

a. General Reserve

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Balance at the beginning of the year	22,161	22,161	22,161
Add :Addition during the year	3,873	-	-
Balance at the end of the year	**26,034**	**22,161**	**22,161**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act, 2013 and rules made thereunder.

b. Securities Premium Account

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Securities Premium Account	4,433	4,433	4,433
	4,433	**4,433**	**4,433**

Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 (the Act) for specified purposes.

c. Capital Redemption Reserve

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Capital Redemption Reserve	550	550	550
	550	**550**	**550**

The capital redemption reserve represents amount transferred from Statement of Profit and Loss in accordance with Sec 55(2) (c) of the Companies Act, 2013 on redemption of preference shares in the prior years.

d. Retained Earnings

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Balance at the beginning of the year	6,405	1,997	1,567
Profit attributable to the owners of the company	4,879	4,980	3,565
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(12)	6	-
Payment of dividends on equity shares	(1,675)	(578)	(1,581)
Transfer to General Reserve	(3,873)	-	(1,554)
Balance at the end of the year	**5,725**	**6,405**	**1,997**

On 26 February, 2018, an interim dividend of ₹ 5.50 per share (total dividend ₹ 785.28 Lakhs) was paid to the holders of fully paid equity shares.

In respect of the year ended 31 March, 2018, the directors propose that a dividend of ₹ 9 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 1,285 Lakhs.

17 Borrowings

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Non-current			
Secured			
Term Loan**	2,837	1,519	2,700
Less: Current maturities of non current borrowings	(922)	(675)	(506)
	1,915	**844**	**2,194**

**Above amount of borrowings is net of upfront fees paid ₹ 8.75 lakhs as at 31 March, 2018

₹ Lakhs

Loan	As at 31 March, 2018	As at 31 March, 2017	Security
1. Term loan-1 availed from Tata Capital Financial Services Limited [TCFSL] on 04 July, 2015	844	1,519	The loan is availed at a rate of interest of 10.85% (7.1% below the long term lending rate) till 31 January, 2017, 10.55% from 01 February, 2017 and 10.30% from 13 November, 2017. Repayment in sixteen quarterly installments of ₹ 168.75 lakhs from 31 July, 2016.
Less: Current maturities of long term debt	(675)	(675)	During the year ended 31 March, 2017 the company made a prepayment of ₹ 675 lakhs in addition to regular repayment installments amount of ₹ 506 lakhs. Charge by way of mortgage on the company's land at Chittaranjan Road, Chennai.
Total	**169**	**844**	
2. Term loan-2 availed from Tata Financial Services Limited [TCFSL] On 06 September, 2017	1,993	-	The loan is availed at a rate of interest of 9.75% (8.5% below the long term lending rate). Repayment in sixteen quarterly installments of ₹ 125 lakhs from 31 October, 2018. Charge by way of mortgage on the company's land at Chittaranjan Road, Chennai.
Less: Current maturities of long term debt	(247)	-	
Total	**1,746**	**-**	

The company is having working capital credit facility of ₹ 500 Lakhs with Citi Bank, N.A by hypothecating current assets and moveable fixed assets. There is no outstanding balance as on 31 March 2018, 31 March, 2017 and 01 April, 2016.

18 Trade payables

₹ Lakhs

Particulars	Current		
	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
-Dues of Creditors other than Micro Enterprises & Small Enterprises	314	280	332
	314	**280**	**332**

Based on, and to the extent of information received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), and relied upon by the auditors there are no dues as at 31 March, 2018, 31 March 2017 and 01 April 2016.

The company has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

19 Other Financial liabilities

₹ Lakhs

Particulars	Current		
	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a. Current maturities of long term debt	922	675	506
b. Interest accrued but not due on borrowings	46	36	48
c. Unpaid dividends	46	45	41
d. Others (refer note 19.1 below)	59	59	59
	1,073	**815**	**654**

19.1 The Company had accrued for an amount of ₹ 59 Lakhs in the earlier years towards arrears of lease rent for the land taken under lease which had been surrendered during 2008-09.

20 Provisions

₹ Lakhs

Particulars	Current		
	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a. Provision for leave encashment	130	146	127
b. Provision for Gratuity	-	14	13
	130	**160**	**140**

The provision for employee benefits includes annual leave and vested long service leave entitlements accrued.

21 Other current liabilities

₹ Lakhs

Particulars	Current		
	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
a. Statutory remittances	182	85	76
b. Advances and Deposits from Customers/Others	-	27	21
	182	**112**	**97**

22 Revenue from operations

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
a. Service Fee	3,019	2,718
b. Trade Mark Fee	3,408	2,735
c. Dividend Income	3,129	1,635
	9,556	**7,088**

23 Other Income

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
a. Mutual Fund Income	125	82
b. Interest Income from Preference Shares	26	56
c. Profit on sale of property, plant and equipment	1	-
d. Net gain on sale of Investment	-	2,631
e. Other gains and losses	1	24
	153	**2,793**

24 Employee benefit expense

₹ Lakhs

Particulars	Year ended 31 March, 2018	As at 31 March, 2017
a. Salaries and wages including bonus	1,090	1,167
b. Contribution to Provident and Other Funds	120	125
c. Staff Welfare Expenses	88	90
	1,298	**1,382**

25 Finance Costs

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
a. Interest costs:		
1. Interest on bank overdrafts and loans	233	267
2. Other interest expense	-	11
	233	**278**

26 Depreciation and Amortisation Expense

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
a. Depreciation on Property, plant and equipment pertaining to continuing operations (note 2.3.2)	109	126
b. Amortisation of Intangible assets (note 2.3.3)	19	15
	128	**141**

27 Other Expenset

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
a. Power and Fuel	33	34
b. Rent expense	104	105
c. Travelling and Conveyance	127	181
d. Repairs and Maintenance		
- Buildings	83	96
- Others	38	36
e. Insurance	34	30
f. Rates and Taxes, excluding taxes on income	12	10
g. Auditors' Remuneration (Refer note-27.1)	23	15
h. Directors' Fees	14	9
i. Information Systems expenses	603	637
j. Loss on Property, Plant and Equipment sold / scrapped / written off	-	65
k. Professional Charges (Refer note 36)	622	283
l. Advertisement and Sales Promotion	108	33
m. Administration Expenses	82	92
n. Donation	124	72
o. Chairman Emeritus & CMD Commission (Refer note 36)	162	104
p. Foreign Exchange (Gain) / loss *	0	-
q. Miscellaneous Expenses	2	3
	2,171	**1,805**

(*) Foreign Exchange loss of ₹ 48,743 for the year 2017-18 (2016-17 Nil)

27.1 Payment to auditors

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
a) For audit	17	13
b) For taxation matters	1	1
c) For other services	5	1
	23	**15**

28 Tax Reconciliation:

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Income taxes relating to continuous operations		
Income tax recognised in profit or loss		
In respect of current year	1,007	1,322
In respect of earlier year	-	18
	1,007	**1,340**
Deferred tax		
In respect of current year	(7)	(45)
Reversal of earlier year deferred tax liabilities		-
Deferred tax recognised in profit or loss	(7)	(45)
	1,000	**1,295**

The income tax expense for the year can be reconciled to the accounting profit as follows:

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Profit before tax from continuing operations	5,879	6,275
Income Tax expense calculated at 34.608% (2016-17: 34.608%)	2,035	2,172
Effect of income chargeable at special rates (Capital Gains)	-	(396)
Effect of income that is exempt from taxation:		
Dividend from subsidiaries, joint Ventures, associate, mutual funds	(1,135)	(614)
Effect of expenses that are added in determining taxable profit	100	115
Income tax relating to earlier year	-	18
Income Tax expense recognised in profit or loss	**1,000**	**1,295**

Income tax relating to other comprehensive income:

₹ Lakhs

Particulars	Year ended 31 March, 2017	Year ended 31 March, 2017
Equity instruments through other comprehensive income	(3)	-
	(3)	-
	(3)	**-**

29.1 Expenditure in Foreign Currency

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Professional and consultation fees	30	45
Travel	9	22
	39	**67**

29.2 Income in Foreign Currency

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Sale of equity shares in associate	-	4,350
Service Fee Income	71	-
	71	**4,350**

30 Remittance during the year of Dividends in Foreign Currency

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Interim Dividend		
Number of Shareholders	1	1
Number of Shares held	54,1,125	5,41,125
Amount paid as Interim Dividend (₹ Lakhs)	30	19
Year for which dividend is remitted	**2017-18**	**2016-17**
Final Dividend		
Number of Shareholders	1	-
Number of Shares held	5,41,125	-
Amount paid as Final Dividend (₹ Lakhs)	27	-
Year for which dividend is remitted	**2016-17**	**-**

31 Contingent Liabilities and Commitments

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
31.1 Contingent Liabilities to the extent not provided for			
Disputed demands under appeal (Refer below)	1,618	1,572	1,736
1. Income Tax Act	1,610	1,564	1,728
Less: Deposits made under protest	(294)	(294)	(332)
Net Amount	**1,316**	**1,270**	**1,396**
2. Service Tax **	2	2	2
3. Customs Duty	6	6	6
** ₹ 1.58 lakhs (₹ 1.58 Lakhs) paid as pre deposit			
Future cash flows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/ authorities.			
31.2 Commitments			
i. Estimated amount of contracts remaining to be executed on capital account and not provided for	206	347	71
ii. Uncalled liability on investment in Auto Tech I, L.P for USD 5 Million over 5 years	2,219	3,240	-
iii. Rane (Madras) Limited, subsidiary company (RML), issued and allotted 365,630 warrants at a price of ₹ 547/- each compulsorily convertible into 365,630 equity shares of ₹ 10/- each at a price of ₹ 547/- per share before March, 2019 upon subscription of the balance amount of ₹ 1,500 lakhs.	1,500	-	-

32 Employee Benefit Plans

A. Defined contribution plans

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

(a) Provident fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

(b) Superannuation fund

The Company has a superannuation plan for the benefit of its employees. Employees who are members of the superannuation plan are entitled to benefits depending on the years of service and salary drawn.

The Company contributes up to 15% of the eligible employees' salary to LIC every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligation beyond this contribution.

The total expense recognised in profit or loss of ₹ 80 Lakhs (for the year ended 31 March 2017: ₹ 87 Lakhs) represents contributions payable to these plans by the company at rates specified in the rules of the plans. As at 31 March, 2018, contributions of ₹ 13 Lakhs (as at 31 March, 2017: ₹ 15 Lakhs) due in respect to 2017-18 (2016-17) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

B. Defined benefit plans:

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

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to Life Insurance Corporation of India (LIC). The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The defined benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(a) Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Components of employer expense		
Current service cost	25	24
Interest cost	26	28
Expected return on plan assets	(27)	(28)
Actuarial losses/(gains)	17	(5)
Total expense recognised in the Statement of Profit and Loss	**41**	**19**

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Actual contribution and benefit payments for the year		
Actual benefit payments	(76)	(2)
Actual contributions	58	17
Change in Defined Benefit Obligations (DBO) during the year		
Present value of DBO at beginning of the year	396	351
Current service cost	25	24
Interest cost	26	28
Actuarial (gains) / losses	19	(4)
Past service cost	-	-
Benefits paid	(76)	(2)
Present value of DBO at the end of the year	**390**	**396**
Change in fair value of assets during the year		
Plan assets at beginning of the year	382	338
Expected return on plan assets	27	28
Actual company contributions	58	17
Actuarial gain / (loss)	(1)	1
Benefits paid	(76)	(2)
Plan assets at the end of the year	**390**	**382**

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Net asset / (liability) recognised in the Balance Sheet			
Present value of defined benefit obligation	390	396	351
Fair value of plan assets	390	382	338
Funded status [Surplus / (Deficit)]	-	(14)	(13)
Unrecognised past service costs	-	-	-
Net liability recognised in the Balance Sheet	**-**	**(14)**	**(13)**
Actuarial assumptions			
Discount rate	7.71%	7.30%	7.80%
Expected return on plan assets	7.71%	8.00%	8.00%
Salary escalation	8.00%	7.00%	8.00%
Attrition	2.00%	2.00%	4.00%
Experience Adjustments			
Present Value of Obligation	390	396	351
Plan Assets	390	382	338
Surplus / (Deficit)	-	(14)	(13)
Experience Adjustments on Plan liabilities- (loss)/gain	(19)	4	(7)
Experience Adjustments on Plan assets- (loss)/gain	(1)	1	-
Enterprises' best estimate of contribution during the next year	-	14	14
Actual Return on Plan Assets			
Expected return on plan assets	27	28	24
Actuarial gain / (loss) on plan assets	1	(1)	-
Actual return on plan assets	29	27	24

Notes:

(i) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

(ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

(iii) The entire Plan Assets are managed by Life Insurance Corporation of India (LIC). The data on Plan Assets has not been furnished by LIC.

(iv) Experience adjustments has been disclosed based on the information available in the actuarial valuation report.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Sensitivity Analysis

₹ Lakhs

Change in assumption	31 March, 2018	31 March, 2017	01 April, 2016
A. Discount Rate + 50 BP	8.21%	7.80%	8.30%
Defined Benefit Obligation [PVO]	380	388	345
Current Service Cost	23	24	22
B. Discount Rate - 50 BP	7.21%	6.80%	7.30%
Defined Benefit Obligation [PVO]	400	406	360
Current Service Cost	25	26	24
C. Salary Escalation Rate +50 BP	8.50%	7.50%	8.50%
Defined Benefit Obligation [PVO]	400	406	360
Current Service Cost	25	26	24
D. Salary Escalation Rate -50 BP	7.50%	6.50%	7.50%
Defined Benefit Obligation [PVO]	380	388	344
Current Service Cost	23	24	22

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior year.

Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 5.3 years (2017-5.6 years, 2016-4.9 years). The expected maturity analysis of undiscounted gratuity is as follows:

₹ Lakhs

	31 March, 2018	31 March, 2017	01 April, 2016
Year 1	200	192	158
Year 2	38	63	69
Year 3	10	35	12
Year 4	5	9	32
Year 5	38	5	11
Next 5 Years	107	87	71

(b) Compensated absences

The leave obligations cover the Company's liability for earned leave.

The amount of provision of ₹ 130 Lakhs (31 March, 2017 - ₹ 146 Lakhs, 01 April, 2016 - ₹ 127 Lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

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

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017	Year ended 01 April, 2016
Actuarial assumptions for long-term compensated absences			
Discount rate	7.71%	7.30%	7.80%
Salary escalation	8.00%	7.00%	8.00%
Attrition	2.00%	2.00%	4.00%

Notes:

i. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

ii. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factor.

33 Earnings per share

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
a. Basic Earning per share (₹)	34	35
b. Diluted Earnings per share (₹)	34	35
Profit attributable to the equity holders of the Company used in calculating basic earnings per share and diluted earning per share (₹ Lakhs)	4,879	4,980
Weighted average number of equity shares for the purpose of calculating basic earning per share and diluted earning per share (No. of Shares)	1,42,77,809	1,42,77,809

34 Amount Spent on CSR Activities

i. Gross amount required to be spent by the company during the year is ₹ 75.40 Lakhs (₹ 69.70 Lakhs)

ii. Amount spent during the year on revenue expenditure is ₹ 125.40 Lakhs (₹ 69.70 Lakhs)

35 Operating Leases

Cancellable Leases :

The company has entered into lease agreements for office space and accomodation for business purposes.The lease rentals debited to the Statement of Profit and Loss is ₹ 16 Lakhs for the year ended 31 March, 2018 (PY ₹ 27 lakhs)

Non-cancellable Leases :

The company has entered into Non- cancellable leases agreements for certain office equipments and vehicles for a period ranging from one year to five year

The payments under Non - cancellable operating leases for the year ended 31 March, 2018 is ₹ 189 lakhs considered under other expenses out of which ₹ 101 lakhs is included in IS expenses and ₹ 88 lakhs is included in Rent.

₹ Lakhs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017	Year ended 31 March, 2016
Office Equipment and cars are taken on lease for a period ranging from one year to five years and are renewable at option of the Company			
Lease Rental debited to the Statement of Profit and Loss	189	181	164
Future minimum lease payments			
- not later than one year	158	168	172
- later than one year and not later than five years	173	283	412
- later than five years	-	-	-
	520	**632**	**748**

36 Related Party Disclosures

Description of relationship	Names of related parties 2017-18	Names of related parties 2016-17
(a) List of related parties where control Exists		
Subsidiaries	Rane (Madras) Limited	Rane (Madras) Limited
	Rane Engine Valve Limited	Rane Engine Valve Limited
	Rane Brake Lining Limited	Rane Brake Lining Limited
	Rane Holdings America Inc.	Rane Holdings America Inc.
	Rane (Madras) International Holdings B.V (RMIH)	Rane (Madras) International Holdings B.V (RMIH)
	Rane Precision Diecast Inc. (RPDC)	Rane Precision Diecast Inc. (RPDC)
	Rane Holdings Europe GmbH	Rane Holdings Europe GmbH (with effect from 21 March, 2017)
	Rane t4u Pvt Ltd (with effect from 01 September, 2017)	
Joint Ventures	Rane TRW Steering Systems Private Limited	Rane TRW Steering Systems Private Limited
	Rane NSK Steering Systems Private Limited	Rane NSK Steering Systems Private Limited
	JMA Rane Marketing Limited	JMA Rane Marketing Limited
Associate		SasMos HET Technologies Limited (Ceased to be in association from 16 March, 2017)
(b) Other Related Parties where transaction has taken place		
Key Management Personnel (KMP)	Mr. L Ganesh	Mr. L Lakshman
	Mr. Harish Lakshman	Mr. L Ganesh
Relatives of KMP	Mr. L Lakshman	Mrs. Pushpa Lakshman
	Mrs. Pushpa Lakshman	Mr. Harish Lakshman
	Mr. Vinay Lakshman	Mr. Vinay Lakshman
	Mrs. Meenakshi Ganesh	Mrs. Meenakshi Ganesh
	Mr. Aditya Ganesh	Mr. Aditya Ganesh
	Mrs. Aparna Ganesh	Mrs. Aparna Ganesh
	Mrs. Shanti Narayan	Mrs. Shanti Narayan
	Mrs. Hema C Kumar	Mrs. Hema C Kumar
	Mrs. Vanaja Aghoram	Mrs. Vanaja Aghoram
Enterprise over which KMP / Relatives of KMP can exercise significant influence	Rane Foundation	Rane Foundation
	Savithur Enterprises Private Limited	Savithur Enterprises Private Limited
	HL Hill Station Properties Private Limited	HL Hill Station Properties Private Limited
	RT Automotive Systems Private Limited	RT Automotive Systems Private Limited
(c) Post employment benefit plans	Rane Holdings Limited Gratuity Fund	Rane Holdings Limited Gratuity Fund
	Rane Holdings Limited Senior Executives Superannuation Fund	Rane Holdings Limited Senior Executives Superannuation Fund

Note: Related parties has been identified by the Management and relied upon by the auditors.

Details of Related Party transactions and balances:

₹ Lakhs

Description	Subsidiaries		Joint ventures		Key Management Personnel		Relative of KMP		Enterprises over which KMP or relatives of KMP can exercise significant influence		Post employment benefit plans	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Transaction during the year												
Fee for Services rendered												
Rane (Madras) Limited	798	748										
Rane Engine Valve Limited	403	429										
Rane Brake Lining Limited	395	395										
Rane Precision Diecast Inc. (RPDC)	65	30										
Rane TRW Steering Systems Private Limited			649	581								
Rane NSK Steering Systems Private Limited			595	498								
Trademark Fee												
Rane (Madras) Limited	574	463										
Rane Engine Valve Limited	185	177										
Rane Brake Lining Limited	252	243										
Rane TRW Steering Systems Private Limited			1103	834								
Rane NSK Steering Systems Private Limited			1294	1000								
Dividend Received												
Rane (Madras) Limited	634	174										
Rane Engine Valve Limited	86	-										
Rane Brake Lining Limited	565	219										
Rane TRW Steering Systems Private Limited			1114	874								
Rane NSK Steering Systems Private Limited			789	350								
JMA Rane Marketing Limited			22	22								
Salary and Other Perquisites												
L Ganesh					137	116						
L Lakshman							-	113				
Commission												
L Ganesh					62	-						
L Lakshman							100	104				
Sitting Fees												
L Lakshman							2	-				
Harish Lakshman					2	2						
Advisory Fee												
L Lakshman							100					
Other Reimbursements												
Rane TRW Steering Systems Private Limited			23	1								
Rane Engine Valve Limited	3	1										
Donation												
Rane Foundation									110	50		
Post Employment Benefit Plan												
Rane Holdings Limited Gratuity Fund											46	19
Rane Holdings Limited Senior Executives Superannuation Fund											20	26

Breakup of related party balances as per party wise:

₹ Lakhs

Description	Subsidiaries			Joint ventures			Key Management Personnel			Relative of KMP			Enterprises over which KMP or relatives of KMP can exercise significant influence			Post employment benefit plans		
	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016
Payables																		
Rane (Madras) Limited	5	-	-															
Rane Engine Valve Limited	2	-	-															
Rane Brake Lining Limited	17	14	10															
Rane Precision Diecast Inc. (RPDC)																		
Rane TRW Steering Systems Private Limited				49	24	16												
Rane NSK Steering Systems Private Limited				18	14	1												
Commisison																		
L Ganesh							62	-	-									
L Lakshman										-	104	93						
Post Employment Benefit Plan																		
Rane Holdings Limited Gratuity Fund																1	14	13
Rane Holdings Limited Senior Executives Superannuation Fund																1	2	2
Receivables																		
Rane (Madras) Limited	181	339	226															
Rane Engine Valve Limited	179	140	105															
Rane Brake Lining Limited	87	2	-															
Rane Precision Diecast Inc. (RPDC)	24	30	-															
Rane TRW Steering Systems Private Limited				360	9	1												
Rane NSK Steering Systems Private Limited				417	49	-												

37 Notes for First Time Adoption:

These are the Company's first financial statements prepared in accordance with Ind AS. The Company has prepared opening balance sheet as per Ind AS as of 01 April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS measurement of recognised assets and liabilities. However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company. Applicable mandatory exemptions and optional exemptions are as under:

1. Mandatory exceptions:

Estimates:

The estimates as at 01 April, 2016 and as at 31 March, 2017 are consistent with those made for the same dates in accordance with Indian GAAP(after adjustments to reflect any differences in accounting policies).

2. Optional Exemptions:

a. Deemed cost for property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all its property, plant and equipment and intangible assets recognised as on 01 April, 2016 measured as per the previous GAAP and use that carrying value as its deemed costs as of transition date.

b. Investment in subsidiaries:

The company has elected this exemption and opted to continue with the carrying value of investment in subsidiaries as recognised in its Indian GAAP financials, as deemed cost at the date of transition.

c. Business Combinations:

Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiary companies, joint venture companies and associates which are considered business under Ind AS that occurred before 01 April, 2016. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of acquisition measurement is in accordance with respective Ind AS.

d. Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

e. Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 for determining whether an arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

37.1 First time adoption to Ind AS

1. Reconciliations:

1.1 Reconciliation of Total Equity

₹ Lakhs

Particulars	Notes	As at 31 March, 2017 (end of last period under previous GAAP)	As at 01 April, 2016 (Date of Transition)
Total equity (shareholder's fund) as per previous GAAP		34,698	30,290
Ind AS Adjustments increase / (decrease):			
Impact of fair value due to Preference Share Capital	a	223	223
Recognition of preference dividend as interest Income	b	56	56
Equity as reported under Ind AS		**34,977**	**30,569**

1.2 Reconciliation of Total Comprehensive Income

₹ Lakhs

Particulars	Notes	Year ended 31 March, 2017
Net profit as reported under previous Indian GAAP		4,986
Ind AS adjustments increase or (decrease):		
RML preference dividend considered on accrual basis for 2016-17		56
De-recognition of RML preference dividend for 2015-16		(56)
Remeasurements of defined benefit plans	c	(6)
Profit or loss under Ind AS		**4,980**
Other comprehensive income		
Remeasurements of defined benefit plans		6
Total comprehensive income under Ind AS		**4,986**

1.3 Effect of Ind AS adoption on the balance sheet

₹ Lakhs

Particulars	Notes	As at 31 March, 2017 (end of last period under previous GAAP)			As at 01 April, 2016 (Date of Transition)		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS							
Non-Current Assets							
a. Property, plant and equipment		8,877	-	8,877	9,008	0	9,008
b. Capital Work in Progress		160	-	160	-	-	-
c. Intangible Assets		43	-	43	18	-	18
d. Financial Assets							
i. Investments		19,950	-	19,950	21,650	-	21,650
ii. Loans	a	605	223	828	614	223	837
iii. Other Financial assets		6	-	6	9	-	9
e. Other non-current assets		42	-	42	9	-	9
f. Non-Current tax assets		732	-	732	766	-	766
Total non-current assets		**30,415**	**223**	**30,638**	**32,074**	**223**	**32,297**
Current Assets							
a. Financial Assets							
i. Investments		5,273	-	5,273	876	-	876
ii. Trade Receivables		586	-	586	383	-	383
iii. Cash and Cash Equivalents		389	-	389	154	-	154
iv. Bank balances other than above		45	-	45	41	-	41
v. Loans		11	-	11	15	-	15
vi. Other Financial assets	b	9	56	65	19	56	75
b. Other Current Assets		182	-	182	191	-	191
Total current assets		**6,495**	**56**	**6,551**	**1,679**	**56**	**1,735**
TOTAL ASSETS		**36,910**	**279**	**37,189**	**33,753**	**279**	**34,032**
EQUITY AND LIABILITIES							
Equity							
a. Equity Share Capital		1,428	-	1,428	1,428	-	1,428
b. Other Equity	a & b	33,270	279	33,549	28,862	279	29,141
Total equity		**34,698**	**279**	**34,977**	**30,290**	**279**	**30,569**
Liabilities							
Non-Current Liabilities							
a. Financial Liabilities							
i. Borrowings		844	-	844	2,194	-	2,194
b. Deferred Tax Liabilities (Net)		1	-	1	46	-	46
Total non-current liabilities		**845**	**-**	**845**	**2,240**	**-**	**2,240**
Current Liabilities							
a. Financial Liabilities							
i. Trade Payables		280	-	280	332	-	332
ii. Other financial Liabilities		815	-	815	654	-	654
b. Term Provisions		160	-	160	140	-	140
c. Other Current Liabilities		112	-	112	97	-	97
Total current liabilities		**1,367**	**-**	**1,367**	**1,223**	**-**	**1,223**
Total Liabilities		**2,212**	**-**	**2,212**	**3,463**	**-**	**3,463**
TOTAL EQUITY AND LIABILITIES		**36,910**	**279**	**37,189**	**33,753**	**279**	**34,032**

1.4 Effect of Ind AS on the statement of profit or loss

₹ Lakhs

Particulars	Notes	For the year ended 31 March, 2017 (end of last period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
I Revenues from Operations	b	7,144	(56)	7,088
II Other Income	b	2,737	56	2,793
III Total Income (I+II)		**9,881**	**-**	**9,881**
IV Expenses:				
Employee benefits expense	c	1,376	6	1,382
Finance costs		278	-	278
Depreciation and amortisation expense		141	-	141
Other expenses	c	1,805	-	1,805
Total Expenses (IV)		**3,600**	**6**	**3,606**
V Profit before tax (III-IV)		**6,281**	**(6)**	**6,275**
Tax Expense:				
(1) Current Tax		1,322	-	1,322
(2) Relating to earlier year		18	-	18
(3) Deferred Tax		(45)	-	(45)
VI Total tax expense		**1,295**	**-**	**1,295**
VII Profit for the period (V - VI)		**4,986**	**(6)**	**4,980**
VIII Other Comprehensive Income				
A. i) Items that will not be reclassified to profit or loss				
a) Remeasurements of the defined benefit plans		-	6	6
		-	**6**	**6**
IX Total Comprehensive Income for the period (VII+VIII)		**4,986**	**-**	**4,986**

1.5 Effect of Ind AS Adoption on the statement of cash flows

₹ Lakhs

Particulars	Notes	Year ended 31 March, 2017 (end of last period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Previous GAAP				
Net cash flows from operating activities	b	2,546	(56)	2,490
Net cash flows from investing activities	b	(272)	56	(216)
Net cash flows from financing activities		(2,039)	-	(2,039)
Net increase(decrease) in cash and cash equivalents		235	-	235
Cash and cash equivalents at the beginning of the period		154	-	154
Cash and cash equivalents at the end of the period		389	-	389

1.6 Notes to first time adoption

a. Under previous GAAP, investment in preference shares of Rane (Madras) Limited, recorded at cost of ₹ 600 Lakhs and considered under long term investment. This investment is now recognized at fair value of ₹ 823 Lakhs and reclassified as loans under financial assets as per Ind AS requirement. The differential value of ₹ 223 Lakhs is recognized as Ind AS transition reserve in other equity.

b. Under previous GAAP, dividend income of ₹ 56 Lakhs from preference shares of Rane (Madras) Limited, recorded as income on receipt basis. As per Ind AS, this dividend income has been classified as interest income and recognised on accrual basis. The effect of the same was considered as Ind AS transition reserve in other equity.

c. Under Previous GAAP, actuarial (gains) / losses arising out of remeasurement of defined benefit obligation were recognized as employee benefits expense in the statement of profit and loss. Under Ind AS, such re-measurement of (gains) / losses are recognized in OCI.

d. Previous year IGAAP figures are classfied as per Ind AS.

38. Financial Instruments

38.1 Capital management

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

The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances as detailed in notes 17, 19 and 13.a.) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

38.1.1 Gearing ratio

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

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Debt *	2,837	1,519	2,700
Cash and bank balances	(49)	(389)	(154)
Net debt	2,788	1,130	2,546
Total Equity**	38,169	34,977	30,569
Net debt to equity ratio	0.07	0.03	0.08

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

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

38.2 Categories of financial instruments

₹ Lakhs

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
(i) Current Investment	792	5,273	876
Measured at amortised cost			
(a) Trade Receivables	1,191	586	383
(b) Cash and bank balances	49	389	154
(c) Other financial assets	18	909	936
Measured at FVTOCI			
(a) Investments in equity instruments designated upon initial recognition	1,027	-	-
Financial liabilities			
Measured at amortised cost			
Borrowings	1,915	844	2,194
Trade Payables	314	280	332
Other Financial Liabilities	1,073	815	654

Note: Investment in Subsidiaries, Joint Ventures and Associate of ₹ 28,426 Lakhs (2017: ₹ 19,950 Lakhs; 2016: ₹ 21,650 Lakhs) is shown at cost in balance sheet as per the Ind AS 27 " Separate Financial Statements"

38.2.1 Fair Value of financial assets measured at FVTPL and FVTOCI (Refer 38.2)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2017	Fair Value Hierarchy (Level 1,2,3)*	Valuation Technique
a. Mutual fund Investments (quoted)	792	5,273	876	1	Fair value is determined based on Net Assets Value published by respective funds
b. Investments in equity instruments designated upon initial recognition	1,027	-	-	3	Carrying value approximates fair value

38.3 Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk, credit risk and liquidity risk.

38.4 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

The company is exposed to Equity Price risks arising from its Equity investments. However all the Equity investments in Group companies are strategic in nature and held for long term period rather than for trading purposes.

38.5 Foreign Currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company currently does not hedge or use derivative financial instruments to mitigate foreign exchange related risk exposures.

The carrying amounts of the company's foreign currency denominated monetary assets at the end of the reporting period are as follows:

USD in Lakhs

Currency	Assets as at		
	31 March, 2018	31 March, 2017	01 April, 2016
USD	16	-	-
Total	16	-	-

38.5.1 Foreign Currency sensitivity analysis

The following table details the company's sensitivity to a 5% increase and decrease against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the rupee depreciates 5% against the relevant currency. For a 5% appreciation of the rupee against the relevant currency, there would be a comparable impact on the profit or equity.

₹ Lakhs

Particulars	Currency USD impact	
	2017 - 2018	2016 - 2017
Impact on profit or loss for the year	53	2
Impact on total equity as at the end of the reporting period	34	1

This is mainly attributable to the exposure outstanding on Foreign Currency receivables and investment in the Company at the end of the reporting period.

The Company's sensitivity to foreign currency has increased during the current year mainly due to new investment.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

38.6 Interest rate risk management

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

38.6.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for borrowings at the end of the reporting period. The analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 50 basis points higher/lower and all other variables were held constant, the company's:

- profit for the year ended 31 March, 2018 would decrease/increase by ₹ 9.56 Lakhs (for the year ended 31 March, 2017: decrease/ increase by ₹ 7.60 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings; and

The Company's sensitivity to interest rates has increased during the current year mainly due to the increase in variable rate borrowings.

38.7 Other price risks

The company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The company doesn't actively trade these investments.

38.7.1 Equity Price Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If the fair value had been 5% higher/lower:

- profit for the year ended 31 March, 2018 would increase/decrease by ₹ 51.32 Lakhs as a result of the changes in fair value of equity investments which have been irrevocably designated at FVTOCI

38.8 Credit risk management

Trade receivables consist of receivables from group companies. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

38.9 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-term, medium-term and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

38.9.1 Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March, 2018.

₹ Lakhs

Particulars	As at 31 March, 2018		1-3 year	3-5 years	5 or more years	Total contractual cash flows
	Carrying amount	Less than 1 year				
Borrowings	1,915	-	117	1,798	-	1,915
Interest on borrowings	46	46	-	-	-	46
Current Maturities of long term debt	922	922	-	-	-	922
Trade Payables	314	314	-	-	-	314
Other Financial Liabilities	105	105	-	-	-	105
Total	**3,302**	**1,387**	**117**	**1,798**	**-**	**3,302**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments thereon:

₹ Lakhs

Particulars	As at 31 March, 2017		1-3 year	3-5 years	5 or more years	Total contractual cash flows
	Carrying amount	Less than 1 year				
Borrowings	844	-	844	-	-	844
Interest on borrowings	35	35	-	-	-	35
Current Maturities of long term debt	675	675	-	-	-	675
Trade Payables	280	280	-	-	-	280
Other Financial Liabilities	104	104	-	-	-	104
Total	**1,938**	**1,094**	**844**	**-**	**-**	**1,938**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments thereon:

₹ Lakhs

Particulars	As at 01 April, 2016		1-3 year	3-5 years	5 or more years	Total contractual cash flows
	Carrying amount	Less than 1 year				
Borrowings	2,194	-	2,194	-	-	2,194
Interest on borrowings	48	48	-	-	-	48
Current Maturities of long term debt	506	506	-	-	-	506
Trade Payables	332	332	-	-	-	332
Other Financial Liabilities	100	100	-	-	-	100
Total	**3,180**	**986**	**2,194**	**-**	**-**	**3,180**

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

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

₹ Lakhs

Particulars	As at 31 March, 2018		As at 31 March, 2017		As at 01 April, 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Financial assets at amortised cost:						
- Interest accrued but not due on deposits, loans and etc.	-	-	56	56	55	55
- loans to related parties	-	-	823	823	823	823
- Trade receivables	1,191	1,191	586	586	383	383
- others	11	11	71	71	84	84
Total	**1,202**	**1,202**	**1,536**	**1,536**	**1,346**	**1,346**
Financial liabilities						
Financial liabilities held at amortised cost:						
Bank loans	1,915	1,915	844	844	2,194	2,194
Trade payables	314	314	280	280	332	332
Current maturities of long-term debt	922	922	675	675	506	506
Interest accrued but not due on borrowings	46	46	36	36	48	48
Unclaimed dividends	46	46	45	45	41	41
Others	59	59	59	59	59	59
Dividend payable	-	-	-	-	-	-
Total	**3,302**	**3,302**	**1,939**	**1,939**	**3,180**	**3,180**

Fair value hierarchy

₹ Lakhs

Particulars	As at 31 March, 2018		As at 31 March, 2017		As at 01 April, 2016	
	Level 3	Total	Level 3	Total	Level 3	Total
Financial assets						
Financial assets at amortised cost:						
- Loans to related parties	-	-	823	823	823	823
- Trade receivables	1,191	1,191	586	586	383	383
- Interest accrued but not due on deposits, loans and etc.	-	-	56	56	55	55
- others	11	11	71	71	84	84
Total	**1,202**	**1,202**	**1,536**	**1,536**	**1,346**	**1,346**
Financial liabilities						
Financial liabilities held at amortised cost:						
Bank loans	1,915	1,915	844	844	2,194	2,194
Trade payables	314	314	280	280	332	332
Current maturities of long-term debt	922	922	675	675	506	506
Interest accrued but not due on borrowings	46	46	36	36	48	48
Unclaimed dividends	46	46	45	45	41	41
Others	59	59	59	59	59	59
Dividend payable	-	-		-		-
Total	**3,302**	**3,302**	**1,939**	**1,939**	**3,180**	**3,180**

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

39. Segment Reporting

The Company holds strategic investments in subsidiaries and joint ventures (collectively called "the Group") that are primarily engaged in single segment viz., manufacturing/marketing of components and providing technological services for Transportation industry and also provides consultancy and other services to the Group. Further the Company does not have any operations outside India. As such there are no separate reportable segments as per Ind AS 108' "Segment Reporting.

40. Approval of financial statements

The financial statements were approved for issue by the Board of Directors on 07 May, 2018.

41. Previous year's figure

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

For and on behalf of the Board

Harish Lakshman
Vice Chairman
DIN: 00012602

L Ganesh
Chairman and Managing Director
DIN: 00012583

Chennai
07 May, 2018

J Ananth
Chief Financial Officer

Siva Chandrasekaran
Secretary