

Sundram Fasteners Investments Limited

ANNUAL REPORT

**for the year ended
31st March 2015**

Sundram Fasteners Investments Limited

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

The Directors have pleasure in presenting the Twenty Third Annual Report, together with the audited accounts for the year ended 31st March 2015.

FINANCIAL RESULTS

	2014-15	2013-2014
Sales and other income	949,067	4,258,152
Gross Profit / (Loss) before interest & depreciation	865,857	4,186,813
Less: Interest	5,321,169	3,985,564
Less: Depreciation	-	-
Profit / (Loss) before tax	(4,455,312)	201,249
Add / (Less): Provision for Tax (including Deferred Tax)	(2,916)	30,822
Profit / (Loss) after tax	(4,452,396)	170,427
Add / (Less): Balance brought forward	32,232,268	32,095,926
Less: Transferred to General Reserve	-	34,085
Balance carried forward	27,779,872	32,232,268

OPERATIONS

The Sales and other income during the year under review was at ₹ 949,067/- as against ₹ 4,258,152/- in the previous year. The operating Profit for the year was at ₹ 865,857/- as against ₹ 4,186,813/- in the previous year and ended up with a net loss of ₹ (4,452,396)/- as against net profit of ₹ 170,427/- in the previous year.

DIVIDEND

The Directors do not recommend any final dividend for the year under review.

TRANSFER TO RESERVES

The Company has not transferred any amounts to reserves during the year 2014-2015.

BOARD MEETINGS

During the financial year 2014-2015, there were six Board meetings, which were held on 23rd April, 2014, 29th May, 2014, 30th May, 2014, 25th August, 2014, 25th November, 2014, and 03rd March, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that: -

- in the preparation of annual accounts, the applicable accounting standards had been followed.
- they had selected appropriate accounting policies and applied them consistently, and made judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for 31st March 2015.
- they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- they had prepared the annual accounts on a going concern basis.
- they had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company being a Non-Banking Finance Company, Section 186 of the Companies Act, 2013 is not applicable to this Company.

DIRECTORS

Sri K Pasupathy, Director retires from the Board by rotation and being eligible, offers himself for re-appointment.

Pursuant to Section 161 of the Companies Act, 2013, Sri. B Shanmugasundaram (DIN: 06881648) was appointed as an Additional Director of the Company with effect from 29th May, 2014. The appointment of Sri B Shanmugasundaram was later confirmed at the twenty second annual general meeting held on 27th September, 2014

Sri R Dilip Kumar, Director (DIN: 00240372) resigned from the Board of the Company with effect from 29th May, 2014 due to his other commitments and inability to devote necessary time for the Company. The Board wishes to place its appreciation for the valuable services rendered by him during his tenure.

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

AUDIT COMMITTEE

As per Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board) Rules, 2014, there was no requirement for the company to have an Audit Committee.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure - I**.

RELATED PARTY TRANSACTIONS

All contracts arrangements / transactions with related parties are on arms' length basis and in the ordinary course of business. Form AOC-2 as required under Section 134 (3)(h) is enclosed as **Annexure - II** to this report.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

CONSERVATION OF ENERGY / TECHNOLOGY ABSORPTION

The Company has no activity relating to conservation of energy and technology absorption.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company did not have any foreign exchange earnings or outgo.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL APPOINTED OR HAVE RESIGNED DURING THE YEAR

Name	Designation	Date of appointment	Date of resignation
Sri R Dilip Kumar	Director	26 th June, 1997	29 th May, 2014
Sri B Shanmugasundaram	Director	29 th May, 2014	-

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Company during the financial year.

Sundram Fasteners Investments Limited

COMPANIES WHICH HAVE BECOME OR CEASED TO BE COMPANY'S SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

The company was holding 49.93% of equity share capital of TVS Infotech Limited. During the year, the Company subscribed to additional equity shares of TVS Infotech Limited (an associate company) and consequently TVS Infotech Limited has become a subsidiary of the Company. The Company has 62.27% equity stake in TVS Infotech Limited. TVS Infotech Limited holds 100% equity stake in TVS Infotech Inc., Michigan, USA. Accordingly, TVS Infotech Inc., Michigan, USA has also become a step-down subsidiary of the company. TVS Infotech Limited (an unlisted company) is engaged in information technology business providing enterprise solutions for core industries like manufacturing, automotive and distribution.

Except for the details given above, no other company has become or ceased to be Company's subsidiary, joint venture or associate company during the financial year.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies of the Company is given along with Financial Statement in Form AOC-1.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013.

REGULATORY / COURT ORDERS

During the year 2014-2015, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

INTERNAL FINANCIAL CONTROLS / RISK MANAGEMENT

The company has internal control procedures and sufficient internal control checks considering the size and nature of its business and the Board of directors are of the view that those controls are adequate with reference to the financial statements. The Company follows risk management practices of the holding Company as may be relevant.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Section 135 is not applicable to the company as the company has not met the specified turnover or net worth or profit criteria and hence there is no requirement for the company to undertake CSR activities.

STATEMENT UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION) OF MANAGERIAL PERSONNEL) RULES, 2014

Since there was no employee in the Company during the period, statement under Rule 5(2) referred above has not been appended.

AUDITORS

Pursuant to Section 139 of the Companies Act, 2013, M/s Sundaram & Srinivasan, Chartered Accountants, Chennai, (Registration No. 004207S with the Institute of Chartered Accountants of India), were appointed as Auditors of the Company at the twenty second annual general meeting of the Company for a consecutive period of 5 years commencing from 27th September, 2014. The Company has received a certificate from the statutory auditors to the effect that if ratification of their appointment, if made, would be in compliance with the requirements of the Companies Act, 2013 and the rules made thereunder. Accordingly, the Board of Directors propose to ratify their appointment of M/s Sundaram & Srinivasan, Chartered Accountants, Chennai as Auditors of the Company for the second consecutive year (in the term of five consecutive years approved at the Twenty second Annual General Meeting held on 27th September, 2014)

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted the Anti-Sexual Harassment Policy laid down by the Holding Company (Sundram Fasteners Limited-SFL), which is in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) of SFL is entrusted to redress complaints regarding sexual harassment. No complaints were received during 2014-15.

ACKNOWLEDGMENT

Your Directors thank the holding company, Sundram Fasteners Limited for their continued support.

On behalf of the Board

Chennai
April 30, 2015

R KRISHNAN B SHANMUGASUNDARAM
Director Director

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31st March, 2015*[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

I. REGISTRATION AND OTHER DETAILS

CIN	U65991TN1992PLC022618
Registration Date	6th May, 1992
Name of the Company	Sundram Fasteners Investments Limited
Category / Sub-Category of the Company	Public Company / Limited by Shares
Address of the Registered Office and contact details	98-A, VII Floor, Dr Radhakrishnan Salai, Mylapore, Chennai – 600 004 Phone No.91-44-28478500, Fax No.91-44-28478510 Email: krishnan.r@sfl.co.in
Whether listed company	No
Name, Address and Contact details of the Registrar and Transfer Agent, if any.	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and description of main products / services	NIC Code of the Product / service	% of total turnover of the company
1	Financial Services	As per NIC 2008 64-649	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the company	CIN / GLN	Holding / Subsidiary/Associate	% of votes held	Applicable Section
1	Sundram Fasteners Limited 98-A, VII Floor, Dr Radhakrishnan Salai, Mylapore, Chennai – 600 004	L35999TN1962PLC004943	Holding Company	100	2(46)
2	TVS Infotech Limited 98A, VII Floor, Dr.Radhakrishnan Salai, Mylapore, Chennai-600 004	U72300TN1994PLC029467	Subsidiary company with effect from 18-06-2014, associate upto 17-06-2014	62.27	2(87)
3	TVS Infotech Inc 7512, East Independence Blvd, Suite 102, Charlotte, NC 28227	-	Subsidiary company with effect from 18-06-2014, associate upto 17-06-2014	100% subsidiary of TVS Infotech Ltd	2(87)

Sundram Fasteners Investments Limited

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise shareholding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
1. Indian									
a) Individuals / HUF (Nominees of Bodies Corporate)	-	6	6	0.00	-	6	6	0.00	Nil
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	2489994	2489994	100.00	-	2489994	2489994	100.00	Nil
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	-	2490000	2490000	100.00	-	2490000	2490000	100.00	Nil
Foreign	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding (A) = (A)(1) + (A)(2)	-	2490000	2490000	100.00	-	2490000	2490000	100.00	Nil
B. Public Shareholding	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total = A + B + C	-	2490000	2490000	100.00	-	2490000	2490000	100.00	Nil

(ii) Shareholding of Promoters

S. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Sundram Fasteners Ltd	2489994	100.00	0.00	2489994	100.00	0.00	Nil
2	Nominees of Sundram Fasteners Limited	6	0.00	0.00	6	0.00	0.00	
	Total	2490000	100.00	0.00	2490000	100.00	0.00	Nil

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

There have been no changes in the Promoters' shareholding during the year.

(iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Not Applicable.

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Name of the Director / KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the beginning, during and end of the year	R. Krishnan* Director	1	0.00	1	0.00

Note: There have been no changes in the shareholding of the Director during the year / * Nominee of Sundram Fasteners Limited.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (as on 31st March, 2015)

₹ in lakhs

S.No.	Particulars	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
1.	Indebtedness at the beginning of the financial year				
	i) Principal amount	–	979.54	–	979.54
	ii) Interest due but not paid	–	–	–	–
	iii) Interest accrued but not due	–	–	–	–
	Total of (i) + (ii) + (iii)	–	979.54	–	979.54
2.	Change in indebtedness during the financial year				
	- Addition	–	669.19	–	669.19
	- Reduction	–	419.39	–	419.39
	Net Change	–	249.80	–	249.80
3.	Indebtedness at the end of the financial year				
	i) Principal amount	–	1,229.34	–	1,229.34
	ii) Interest due but not paid	–	–	–	–
	iii) Interest accrued but not due	–	–	–	–
	Total of (i) + (ii) + (iii)	–	1,229.34	–	1,229.34

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year 2014-2015, no remuneration was paid to Directors. The company does not have any Key Managerial Personnel.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

During the year ended 31st March, 2015, no penalties were levied or punishment / compounding fee imposed by the Regional Director / Court on the company / directors / officers in default.

Sundram Fasteners Investments Limited

Form-AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part 'A' - Subsidiaries

S. No.	Particulars	Domestic Subsidiary	Foreign Subsidiary
1	Name of the Subsidiary	TVS Infotech Limited #4	TVS Infotech Inc. #4
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2014 to 31/03/2015	01/04/2014 to 31/03/2015
3	Reporting currency	INR	USD
	Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Refer Note 4 below	
4	Share capital	2,542.40	230.11
5	Reserves & surplus	(1,261.45)	(17.23)
6	Total assets	1,968.91	432.88
7	Total Liabilities	687.96	220.00
8	Investments	168.73	-
9	Turnover	2,743.82	1,244.64
10	Profit / (Loss) before taxation	67.31	69.96
11	Provision for taxation	0.51	-
12	Profit / (Loss) after taxation	66.80	69.96
13	Proposed dividend	-	-
14	% of shareholding	62.26%	62.26%

Notes: 1. Names of subsidiaries which are yet to commence operations: Nil

2. Names of subsidiaries which have been liquidated or sold during the year: Nil

3.

Currency	USD
Closing Rate	62.49

4. TVS Infotech Limited and TVS Infotech Inc. who were associates have become subsidiary from 18-06-2014.

Part 'B' - Associates and Joint Ventures

There is no Associate or Joint Venture.

Chennai
April 30, 2015

R KRISHNAN
Director

B SHANMUGASUNDARAM
Director

K PASUPATHY
Director

Form No. AOC - 2

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

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis
All contracts arrangements / transactions with related parties are on arms' length basis and in the ordinary course of business.

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

a) Name of the Related Party and nature of relationship	TVS Infotech Limited / Associate Company
b) Nature of contracts / arrangements / transactions	Subscription to the Rights Offer of TVS Infotech Limited
c) Duration of the contracts / arrangements / transactions	Not Applicable
d) Salient terms of the contracts or arrangements or transactions including the value, if any	Subscription to the Rights Offer at ₹ 10/- per share (at par) ₹ 62,360,800
e) Date of approval by the Board, if any	30th May, 2014
f) Amount paid as advances, if any	Nil

On behalf of the Board

Chennai
April 30, 2015

R KRISHNAN
Director

B SHANMUGASUNDARAM
Director

Sundram Fasteners Investments Limited

Sundaram & Srinivasan

Chartered Accountants

New No.4, (Old No.23), C P Ramaswamy Road

Alwarpet, Chennai 600 018

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNDARAM FASTENERS INVESTMENTS LIMITED, CHENNAI FOR THE YEAR ENDED MARCH 31, 2015

To
The Members of Sundram Fasteners Investments Limited,
No.98-A, Dr. Radhakrishnan Salai,
Mylapore, Chennai – 600004.

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read together with the annexure to our report give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- ii. in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.
 - iii. During the year, there was no requirement on the part of the company to transfer any amount to Investor Education and Protection Fund.

For SUNDARAM & SRINIVASAN
Chartered Accountants
(Firm Regn. No. 004207S)

M BALASUBRAMANIAM
Partner
Membership No. F 7945

Chennai
April 30, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNDARAM FASTENERS INVESTMENTS LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH 2015

- (a) (i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(ii) The fixed asset consists of land and its titles are proper. Hence, the question of verification of asset does not arise.
- (b) The Company has no stock of inventory
- (c) During the year, the company has not granted any loans, secured or unsecured to any company, firm or other party covered in the register maintained under section 189 of the Companies Act, 2013
- (d) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, no continuing failure has been noticed in the internal control system.
- (e) The company has not accepted deposits within the meaning of sections 73 to 76 of the Companies Act, 2013, during the year.
- (f) Pursuant to the rules made by the Central Government under section 148(1) of the Companies Act, 2013, the company is not required to maintain cost records.
- (g) (i) According to the records provided to us, the company is regular in depositing undisputed statutory dues viz. tax deducted at source with appropriate authority. Depositing sums under provident fund, employees' state insurance, service tax, duty of customs, duty of excise, value added tax and cess are not applicable during the year.
(ii) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Cess were in arrears, as at 31st March 2015 for a period of more than six months from the date they became payable.
(iii) During the year the company is not required to transfer any amount to Investor Education and Protection Fund in terms of relevant provisions of the Companies Act, 1956.
- (h) The Company has no accumulated losses as at the end of the financial year. The company has incurred cash losses during the financial year and has not incurred cash loss in the immediately preceding financial year.
- (i) Based on our verification and according to the information and explanations given by the management, the company has not defaulted in repayment of dues to its bank.
- (j) The Company has not furnished any guarantees for loans taken by others from banks or financial institutions.
- (k) The company has not availed any term loan during the year.
- (l) Based on the audit procedures adopted and information and explanations given to us by the management, no fraud on or by the company has been noticed or reported during the course of our audit.

For SUNDARAM & SRINIVASAN
Chartered Accountants
(Firm Regn. No. 0042075)

M BALASUBRAMANIAM
Partner
Membership No. F 7945

Chennai
April 30, 2015

BALANCE SHEET AS AT MARCH 31, 2015

	Note No.	As at 31-3-2015	As at 31-3-2014	₹
I EQUITY AND LIABILITIES				
1. Shareholders' Funds				
a) Share Capital	1	24,900,000	24,900,000	
b) Reserves & Surplus	2	37,261,068	41,713,464	66,613,464
2. Current Liabilities				
a) Short-term Borrowings	3	122,934,389	97,954,450	
b) Other Current Liabilities	4	520,835	437,884	
		123,455,224	98,392,334	
Total		185,616,292	165,005,798	
II ASSETS				
1. Non-current Assets				
a) Fixed Assets				
Tangible Assets	5	25,120,000	25,120,000	
b) Non-current Investments	6	159,512,150	97,151,350	
c) Long-term Loans and Advances	7	454,240	10,748,317	
d) Other Non-current Assets	8	20,735	20,735	133,040,402
2. Current Assets				
a) Current Investments	6	15,535	15,535	
b) Cash and Cash Equivalents	9	15,728	221,957	
c) Short-term Loans and Advances	7	477,904	31,727,904	
		509,167	31,965,396	
Total		185,616,292	165,005,798	

The notes form an integral part of the Financial Statements.

		As per our report annexed For SUNDARAM & SRINIVASAN Chartered Accountants (Firm Regn. No. 0042075)
R KRISHNAN	M BALASUBRAMANIAM	
B SHANMUGASUNDARAM	Partner	
K PASUPATHY	Membership No. F 7945	
Chennai		
April 30, 2015		

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

	Note No.	Year ended 31-3-2015	Year ended 31-3-2014	₹
I Revenue from Operations	10	949,067	4,258,152	
II Total Revenue		949,067	4,258,152	
III Expenses :				
Finance Costs	11	5,321,169	3,985,564	
Other Expenses	12	83,210	71,339	
Total Expenses		5,404,379	4,056,903	
IV Profit before exceptional and extraordinary items and tax (II-III)		(4,455,312)	201,249	
V Exceptional Items		-	-	
VI Profit before extraordinary items and tax (IV-V)		(4,455,312)	201,249	
VII Extraordinary Items		-	-	
VIII Profit before tax (VI-VII)		(4,455,312)	201,249	
IX Tax Expense :				
1) Current Tax		-	35,000	
2) Deferred Tax		-	-	
3) Earlier years		(2,916)	(4,178)	
X Profit / (Loss) for the year from continuing operations (VIII-IX)		(4,452,396)	170,427	
XI Profit / (Loss) from discontinuing operations		-	-	
XII Tax expense of discontinuing operations		-	-	
XIII Profit / (Loss) from Discontinuing operations (after tax) (XI-XII)		-	-	
XIV Profit / (Loss) for the year (X+XIII)		(4,452,396)	170,427	
XV Earnings per equity share :				
1) Basic		(1.79)	0.07	
2) Diluted		(1.79)	0.07	
No. of Equity Shares of Rs 10 each		2,490,000	2,490,000	

The notes form an integral part of the Financial Statements.

		As per our report annexed For SUNDARAM & SRINIVASAN Chartered Accountants (Firm Regn. No. 0042075)
R KRISHNAN	M BALASUBRAMANIAM	
B SHANMUGASUNDARAM	Partner	
K PASUPATHY	Membership No. F 7945	
Chennai		
April 30, 2015		

Sundram Fasteners Investments Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

	Year ended 31-3-2015	Year ended 31-3-2014
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before Tax	(4,455,312)	201,249
Adjustments for:		
Operating Profit before Extra ordinary items & Working Capital changes:	(4,455,312)	201,249
Adjustments for Changes in Working Capital :		
Loans and Advances	41,544,077	(7,433,338)
Other Current liabilities	82,951	113,152
Cash Generated From Operations	37,171,716	(7,118,937)
Direct Taxes Paid	2,916	-
NET CASH FROM OPERATING ACTIVITIES (a)	37,174,632	(7,118,937)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Investments	(62,360,800)	-
NET CASH USED IN INVESTING ACTIVITIES (b)	(62,360,800)	-
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds From Short term Borrowings (net of repayments)	24,979,939	7,304,450
NET CASH USED IN FINANCING ACTIVITIES (c)	24,979,939	7,304,450
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (a+b+c)	(206,229)	185,513
CASH AND CASH EQUIVALENTS -Opening Balance	221,957	36,444
CASH AND CASH EQUIVALENTS -Closing Balance	15,728	221,957
CASH AND CASH EQUIVALENTS include:		
With Scheduled Banks:		
(i) Current Account	15,728	221,957
	15,728	221,957

As per our report annexed
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
(Firm Registration No. 0042075)

Chennai
April 30, 2015

R KRISHNAN
B SHANMUGASUNDARAM
K PASUPATHY
Directors

M BALASUBRAMANIAM
Partner
Membership No. F 7945

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	As at March 31, 2015		As at March 31, 2014	
1 SHARE CAPITAL				
a. Authorised				
1,000 Redeemable Preference Shares of ₹ 10 each		10,000		10,000
24,99,000 Equity Shares of ₹ 10 each		24,990,000		24,990,000
		<u>25,000,000</u>		<u>25,000,000</u>
b. Issued				
24,90,000 Equity Shares of ₹ 10 each		24,900,000		24,900,000
c. Subscribed and Paid-up				
24,90,000 Equity Shares of ₹ 10 each fully paid-up		24,900,000		24,900,000
d. Reconciliation of number of shares				
Equity Shares	No. of Shares	Value ₹	No. of Shares	Value ₹
1. Balance at the beginning of the year	2,490,000	24,900,000	2,490,000	24,900,000
2. Add : Shares issued during the year	-	-	-	-
3. Bonus Shares issued during the year	-	-	-	-
4. Balance as at the end of the year	<u>2,490,000</u>	<u>24,900,000</u>	<u>2,490,000</u>	<u>24,900,000</u>
e. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company				
	No. of Shares	Shares as % of Total No. of Shares	No. of Shares	Shares as % of Total No. of Shares
Name of the Shareholder				
1. Sundram Fasteners Limited, Chennai, the holding company and its nominees	2,490,000	100.00	2,490,000	100.00
Sub Total	<u>2,490,000</u>	<u>100.00</u>	<u>2,490,000</u>	<u>100.00</u>
2. Total No. of Shares of the Company	<u>2,490,000</u>	<u>100.00</u>	<u>2,490,000</u>	<u>100.00</u>
f. Shares allotted as fully paid up by way of Bonus shares (during 5 years immediately preceding March 31, 2015)				
Equity Shares allotted as fully paid up bonus shares by capitalisation of reserves		Nil		Nil
g. Terms/rights attached to shares:				
The Company has two class of shares viz., Redeemable Preference shares having a face value of ₹ 10/- each and Equity shares having a face value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. As and when, the company declares dividend it will be paid in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
The terms and conditions of redeemable preference shares will be determined at the time of issue of such shares.				
h. Shares held by holding company				
1. Sundram Fasteners Limited, Chennai and its six nominees	2,490,000		2,490,000	
2 RESERVES & SURPLUS				
a. General Reserve				
1. Balance as at the beginning of the year		1,263,032		1,263,032
2. Add : Transfer from Statement of Profit and Loss		-		-
Sub Total		<u>1,263,032</u>		<u>1,263,032</u>
3. Less : Amount Utilized		-		-
4. Balance as at the end of the year		<u>1,263,032</u>		<u>1,263,032</u>
b. Special Reserve				
1. Balance as at the beginning of the year		8,218,164		8,184,079
2. Add : Transfer from Statement of Profit and Loss		-		34,085
Sub Total		<u>8,218,164</u>		<u>8,218,164</u>
3. Less : Amount utilized		-		-
4. Balance as at the end of the year		<u>8,218,164</u>		<u>8,218,164</u>
c. Surplus in Statement of Profit and Loss				
1. Balance as at the beginning of the year		32,232,268		32,095,926
2. Profit / (Loss) for the year		(4,452,396)		170,427
3. Balance available for appropriation (1 + 2)		<u>27,779,872</u>		<u>32,266,353</u>
Appropriations :				
4. Amount appropriated during the year to Special Reserve		-		34,085
5. Balance as at the end of the year (3-4)		<u>27,779,872</u>		<u>32,232,268</u>
Total Reserves and Surplus (a+b+c)		<u>37,261,068</u>		<u>41,713,464</u>

NOTES TO FINANCIAL STATEMENTS (Contd.)

₹

	Long-term / Non-current		Short-term / Current	
	As at 31-3-2015	As at 31-3-2014	As at 31-3-2015	As at 31-3-2014
3. BORROWINGS				
Unsecured				
i. Loan from Holding Company repayable on Demand	-	-	119,000,000	97,954,450
ii. Banks	-	-	3,934,389	-
Total	-	-	122,934,389	97,954,450

4. OTHER LIABILITIES

1. Statutory Dues	-	-	446,180	398,557
2. Outstanding Liabilities	-	-	74,655	39,327
Total	-	-	520,835	437,884

5. NON-CURRENT ASSETS - FIXED ASSETS

	Tangible		Total
	Land - Free Hold*		
A Cost of Assets			
As at 01.04.2014	25,120,000		25,120,000
Additions	-	-	-
Sales/Discards	-	-	-
Other Adjustments	-	-	-
- Exchange difference	-	-	-
- Borrowing Costs	-	-	-
As at 31-03-2015	25,120,000		25,120,000
B Depreciation / Amortization			
As at 01.04.2014	-	-	-
Charges for the year	-	-	-
Deduction on sale or discards	-	-	-
Impairment for the year	-	-	-
As at 31-03-2015	-	-	-
C Written Down Value			
As at 31-03-2015	25,120,000		25,120,000
As at 31-03-2014	25,120,000		25,120,000

* Land Cost of ₹ 2,51,20,000 (Last Year ₹ 2,51,20,000) is pending Registration.

6. INVESTMENTS

1. Non-Trade (Valued at Cost unless otherwise stated)				
Quoted equity instruments				
a. 250 Equity Shares of ₹ 10 each fully paid up in State Bank of Travancore, Tiruvananthapuram	-	-	15,000	15,000
b. 1 Equity Share of ₹ 5 each fully paid up in Maruti Suzuki India Limited, Delhi	-	-	535	535
c. 3,094 Equity Shares of ₹ 10 each fully paid up in India Nippon Electricals Limited, Chennai	94,345	94,345	-	-
d. 7,800 Equity Shares of ₹ 10/- each fully paid up in Sundaram Brake Linings Limited, Chennai	1,110,305	1,110,305	-	-
Sub - Total (A)	1,204,650	1,204,650	15,535	15,535
Unquoted equity instruments investment in Subsidiary Company				
e. 1,58,30,050 (Last Year 95,93,970) Equity Shares of ₹ 10 each fully paid up in TVS Infotech Limited, Chennai (last year Associate company)	158,307,500	95,946,700		
Sub - Total (B)	158,307,500	95,946,700	-	-
Total (C) (A+B)	159,512,150	97,151,350	15,535	15,535
a. Aggregate Value of Quoted Investments	1,220,185	1,220,185		
b. Aggregate Value of Unquoted Investments	158,307,500	95,946,700		
Total (a+b)	159,527,685	97,166,885		
c. Aggregate provision for diminution in value of Investments	-	-		
d. Market Value of Quoted Investments	3,845,559	2,152,374		

NOTES TO FINANCIAL STATEMENTS (Contd.)

₹

	Long-term / Non-current		Short-term / Current	
	As at 31-3-2015	As at 31-3-2014	As at 31-3-2015	As at 31-3-2014
7. LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD UNLESS STATED OTHERWISE)				
A. Loans and Advances to Related Parties (refer note 16 on related party)				
(A)	-	10,000,000	-	31,250,000
	-	10,000,000	-	31,250,000
B. Other Loans and Advances				
Advance Income-tax (net of provision for taxation)	51,063	345,140	-	-
Balance with Government Authorities	403,177	403,177	477,904	477,904
(B)	454,240	748,317	477,904	477,904
Total (A+B)	454,240	10,748,317	477,904	31,727,904

8. OTHER ASSETS (UNSECURED, CONSIDERED GOOD UNLESS STATED OTHERWISE)

a. Interest receivable	20,735	20,735	-	-
	20,735	20,735	-	-

9. CASH AND CASH EQUIVALENTS

a. Balances with Banks in Current Account	-	-	15,728	221,957
	-	-	15,728	221,957
			Year ended	Year ended
			31-3-2015	31-3-2014

10. A. REVENUE FROM OPERATIONS

a. Interest on Loans and Advances made		919,037	4,225,298
b. Dividend		30,030	32,854
Sub Total		949,067	4,258,152

B. OTHER OPERATING REVENUES

Total		949,067	4,258,152
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11. FINANCE COST

Interest expense		5,321,169	3,985,564
Total		5,321,169	3,985,564

12. OTHER EXPENSES

a) Rates & Taxes		9,665	9,105
b) Misc. Expenses (refer note no. 13)		73,545	62,234
Total		83,210	71,339

13. MISCELLANEOUS EXPENSES

a) Remuneration to Auditors (refer Note No.14)		58,989	39,326
b) Professional fees		12,900	4,500
c) Miscellaneous Expenses - Others		1,656	18,408
Total		73,545	62,234

14. Remuneration to Auditors consist of:

a) As Auditors		28,090	28,090
b) For Taxation Matters		-	-
c) For Other Services		16,854	-
d) Reimbursement of expenses		14,045	11,236
Total		58,989	39,326

Sundram Fasteners Investments Limited

NOTES TO FINANCIAL STATEMENTS (Contd.)

	₹	₹
	Year ended 31-3-2015	Year ended 31-3-2014
15. Information furnished in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve bank) Directions, 1998		
Break-up of Loans availed		
Unsecured from Holding Company (Interest bearing)	62,984,504	41,250,000
Unsecured from Holding Company (Interest free)	56,015,496	56,704,450
Break-up of Loans and advances made		
Unsecured to Associate Company		- 41,250,000
Break-up of Investments		
Current Investments- other than related parties Quoted Equity Shares	15,535	15,535
Long Term other than related parties Quoted Equity Shares	1,204,650	1,204,650
Long Term - Subsidiary Company - Unquoted Equity Shares*	158,307,500	95,946,700
Break up value of Unquoted Equity Shares (unaudited)	<u>100,417,905</u>	<u>28,534,474</u>
* Last year Associate		
16. Related Party Transactions		
a) Holding Company - Sundram Fasteners Limited, Chennai		
Unsecured Loan availed	62,984,504	15,804,450
Interest paid/payable	5,321,114	3,985,562
Unsecured Loan availed outstanding	119,000,000	97,954,450
Interest payable outstanding	29,710	-
b) Subsidiary Company - TVS Infotech Limited, Chennai (Last year Associate Company)		
Unsecured Loan granted	-	15,500,000
Interest received/receivable	903,545	4,194,312
Unsecured Loan outstanding	-	41,250,000
Investment in Equity Shares	62,360,800	-

NOTES TO FINANCIAL STATEMENTS (Contd.)

	₹
	Year ended 31-3-2015
c) Other related parties	
Fellow Subsidiaries (No Transactions)	
Upasana Engineering Limited, Chennai	
Sundram Non-conventional Energy Systems Limited, Chennai	
Sundram Bleistahl Limited, Chennai	
Sundram Fasteners (Zhejiang) Limited, People Republic of China	
Cramlington Precision Forge Ltd, Northumberland, U.K.	
Sundram International Inc., Michigan, USA	
Sundram RBJ sdn Bhd , Malaysia	
Peiner Umformtechnik GmbH, peine, Federal Republic of Germany	
PUT GrundstUcks, GmbH, Federal Republic of Germany	
TVS Peiner Services, GmbH, Federal Republic of Germany	
Subsidiary Company	
TVS Intotech Inc, Michigan USA	
17. The Directors have waived their sitting fees.	
18. Accounting Standards	Annexure
	As per our report annexed For SUNDARAM & SRINIVASAN Chartered Accountants (Firm Regn. No. 0042075)
	R KRISHNAN B SHANMUGASUNDARAM K PASUPATHY M BALASUBRAMANIAM Partner Membership No. F 7945
Chennai	
April 30, 2015	

ANNEXURE TO NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Notes on Accounting Standards prescribed by The Institute of Chartered Accountants of India

- AS 1 Disclosure of accounting policies**
The accounts are maintained on accrual basis as a going concern.
- AS 2 Valuation of Inventories**
The Company has no Inventory. Hence this standard is not applicable.
- AS 3 Cash flow statements**
The Cash Flow Statement is attached to the Balance Sheet and Statement of Profit and Loss.
- AS 4 Contingencies and Events occurring after the balance sheet date**
There are no events occurring after the Balance Sheet Date that require adjustment or disclosure.
- AS 5 Net Profit or loss for the period, prior period items and changes in accounting policies**
All items of income and expense in the period are included in the determination of net profit/ (loss) for the period, unless specifically mentioned elsewhere in the financial statements or is required by an Accounting Standard.

There are no prior period items.

There are no changes in the accounting policies of the Company from the previous year.
- AS 6 Depreciation Accounting**
The Company has no depreciable assets.

ANNEXURE TO NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

- AS 7 Accounting for Construction Contracts**
The above standard is not applicable to the Company, as it is not engaged in the business of construction.
- AS 8 Accounting for Research and Development**
This standard has been withdrawn with effect from 1-4-2003.
- AS 9 Revenue Recognition**
The Revenue and expenditure are accounted on a going concern basis.

Interest income/expenditure is recognized using the time proportion method based on the rates implicit in the transaction.

Dividend income is recognized when the right to receive dividend is established.
- AS 10 Accounting for Fixed Assets**
Land is valued at cost plus stamp duty, registration and related expenses.
- AS 11 Accounting for effects of changes in foreign exchange rates**
There are no foreign exchange transactions during the year.
- AS 12 Accounting for Government Grants**
The Company has not received any grant from the Government
- AS 13 Accounting of Investments**
Investments are accounted at the cost of acquisition which includes stamp fees, etc. The diminution in the market value of quoted non current investments compared to cost of acquisition will be accounted only at the time sale of such investments. As regards diminution in value of unquoted shares viz. Investments in Equity instruments in

TVS Infotech Limited, Chennai, compared to the cost of acquisition, no provision is made as the investments are held on long term basis and will be accounted at the time of sale of such investments. Investments which are proposed to be sold are classified as Current Investments. The diminution in the market value of current investments will be provided for, if required. The investments have been held by the company in its own name..

AS 14 Accounting for Amalgamation

There was no Amalgamation during the year under review.

AS 15 Accounting for Employee Benefits

The Company has no employee.

AS 16 Borrowing Cost

The standard is not applicable since there are no qualifying assets.

AS 17 Segment Reporting

The Company is engaged in the business of financing and accordingly there are no separate reportable segments.

AS 18 Related party disclosures

Please refer to Note No.16 Notes to Financial statements

AS 19 Accounting for Leases

The Company has not entered into any lease contracts during the year.

AS 20 Earnings per share (EPS)

Basic earnings per share are disclosed in the Statement of Profit and Loss. There is no diluted earnings per share as there are no dilutive potential equity shares.

Sl .No.	Particulars	2014-15	2013-14
a)	Basic/Diluted EPS before considering Extraordinary items (Rs)	(1.79)	0.07
b)	Basic/Diluted EPS after considering Extraordinary items (Rs)	(1.79)	0.07
c)	Weighted average number of shares	24,90,000	24,90,000
d)	Face Value per share (fully paid up)	₹ 10/-	₹ 10/-

AS 21 Consolidated financial statements

This Standard is not applicable to the Company.

AS 22 Accounting for taxes on Income

The company has provided for the income tax liability under the provisions of Income Tax Act, 1961. The company has deferred tax Asset. But as a measure of prudence no deferred tax asset has been recognized during the year.

AS 23 Accounting for Investments in associates in Consolidated Financial Statements

This Standard is not applicable to the Company.

AS 24 Discontinuing Operations

The company has not discontinued any operations during the year.

AS 25 Interim financial Reporting

This Standard is not applicable to the Company

AS 26 Accounting for Intangible Assets

The Company has no intangible assets.

AS 27 Financial Reporting of Interests in Joint Ventures

The Company has no Joint Ventures.

AS 28 Impairment of Assets

The Company has no impaired asset.

AS 29 Provisions, Contingent Liabilities and Contingent Assets

Disputed Income tax Liabilities ₹ Nil Last Year ₹ 41,276

AS 30 Financial Instruments: Recognition and Measurement

a) AS 30 was issued by the Institute of Chartered Accountants of India (ICAI) in 2007 but has not yet been notified by the Government.

b) ICAI has clarified that to the extent of accounting treatments covered by any of the existing notified accounting standards (for eg. AS 11, AS 13 etc.,) the existing accounting standards would continue to prevail over AS 30.

c) The operation of AS 30 is not applicable to the Company.