

Sundram International Inc.

(Michigan, USA)

ANNUAL REPORT

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

Sundram International Inc.

(Incorporated in USA)

BALANCE SHEET AS AT 31ST MARCH 2015

	Note	USD As at 31-3-2015	₹ As at 31-3-2015	USD As at 31-3-2014	₹ As at 31-3-2014
I EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	1	1,82,150	81,20,513	81,20,513	
(b) Reserves and surplus	2	(1,88,035)	(84,88,256)	(77,61,392)	359,121
(2) Non-current liabilities					
(a) Long-term borrowings	3	40,000	24,99,600	40,000	23,96,400
Total		<u>34,115</u>	<u>21,31,857</u>	<u>45,995</u>	<u>27,55,521</u>
II ASSETS					
1. Current Assets					
(a) Trade receivables	4	23,000	14,37,270	21,39,945	
(b) Cash and cash equivalents	5	11,115	6,94,587	1,43,338	
(c) Other Assets	6	–	–	4,72,238	27,55,521
Total		<u>34,115</u>	<u>21,31,857</u>	<u>45,995</u>	<u>27,55,521</u>

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2015

	Note	Discontinuing Operations		Discontinuing Operations	
		USD Year ended 31-3-2015	₹ Year ended 31-3-2015	USD Year ended 31-3-2014	₹ Year ended 31-3-2014
I Revenue from Operations		–	–	–	–
II Other Income	7	860	52,702	–	–
III Total Revenue		<u>860</u>	<u>52,702</u>	<u>–</u>	<u>–</u>
IV Expenses :					
Miscellaneous Expenses	8	12,740	7,80,556	10,972	6,57,733
Total Expenses		<u>12,740</u>	<u>7,80,556</u>	<u>10,972</u>	<u>6,57,733</u>
V Profit before exceptional and extraordinary items and tax (III-IV)		<u>(11,880)</u>	<u>(7,27,854)</u>	<u>(10,972)</u>	<u>(6,57,733)</u>
VI Exceptional Items		–	–	–	–
VII Profit before extraordinary items and tax (V-VI)		<u>(11,880)</u>	<u>(7,27,854)</u>	<u>(10,972)</u>	<u>(6,57,733)</u>
VIII Extraordinary Items		–	–	–	–
IX Profit before tax (VII-VIII)		<u>(11,880)</u>	<u>(7,27,854)</u>	<u>(10,972)</u>	<u>(6,57,733)</u>
X Tax Expense :					
(1) Federal Tax		–	–	–	–
XI Profit / (Loss) for the period from Discontinuing / continuing operations (IX-X)		<u>(11,880)</u>	<u>(7,27,854)</u>	<u>(10,972)</u>	<u>(6,57,733)</u>
Exchange Loss / (Gain) arising on account of Foreign Currency Translation		–	(990)	–	(95,716)
XII Profit / (Loss) for the period		<u>(11,880)</u>	<u>(7,26,864)</u>	<u>(10,972)</u>	<u>(5,62,017)</u>
XIII Earnings per equity share :					
(1) Basic		(0.65)	(39.90)	(0.60)	(30.85)
(2) Diluted		–	–	–	–
(3) No. of Shares		18,215	18,215	18,215	18,215

Sundram International Inc.

(Incorporated in USA)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	USD	₹	USD	₹
	Year ended 31-3-2015		Year ended 31-3-2014	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax	(11,880)	(727,854)	(10,972)	(657,733)
Adjustments for :				
Exchange variation on Application of AS 11	-	990	-	95,716
Operating Profit before Extraordinary Items & Working Capital changes	(11,880)	(726,864)	(10,972)	(562,017)
Adjustments For Changes in Working Capital :				
Trade and other receivables	20,602	1,174,913	8,012	189,941
NET CASH FROM OPERATING ACTIVITIES	8,722	448,049	(2,960)	(372,076)
B. CASH FLOW FROM INVESTING ACTIVITIES	-	-	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from Borrowings (net of repayments)	-	-	2,500	153,950
Exchange variation on application of AS 11	-	103,200	-	206,575
NET CASH USED IN FINANCING ACTIVITIES	-	103,200	2,500	360,525
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	8,722	551,249	(460)	(11,551)
CASH AND CASH EQUIVALENTS - Opening Balance	2,393	143,338	2,853	154,889
CASH AND CASH EQUIVALENTS - Closing Balance	11,115	694,587	2,393	143,338
Notes:				
CASH AND CASH EQUIVALENTS include:				
A) With Scheduled Banks:				
i) Current Account	11,115	694,587	2,393	143,338
	11,115	694,587	2,393	143,338

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

	USD	₹	USD	₹
	As at	As at	As at	As at
	31-3-2015	31-3-2015	31-3-2014	31-3-2014
1 SHARE CAPITAL				
a. Authorised				
60,000 Common Shares of USD 10 each				
b. Issued				
18,215 Common Shares of USD 10 each	1,82,150	81,20,513	1,82,150	81,20,513
c. Subscribed and paid-up				
18,215 Common Shares of USD 10 each fully paid up	1,82,150	81,20,513	1,82,150	81,20,513
d. Reconciliation of number of shares				
	As at 31-03-2015		As at 31-03-2014	
Equity Shares	No. of Shares	₹	No. of Shares	₹
1. Balance at the beginning of the year	18,215	81,20,513	18,215	81,20,513
2. Add : Shares issued during the year	-	-	-	-
3. Bonus Shares issued during the year	-	-	-	-
4. Balance at the end of the year	18,215	81,20,513	18,215	81,20,513
e. Bonus Shares / Buy Back / Shares for consideration other than cash issued during the period of five years immediately preceding the financial year ended March 31,2015:				
(i) Aggregate number of equity shares allotted as fully paid up pursuant to contracts without payment being received in cash : Nil				
(ii) Aggregate number of equity shares allotted as fully paid up by way of Bonus Shares : Nil				
(iii) Aggregate number of equity shares bought back : Nil				

Sundram International Inc.

(Incorporated in USA)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

10. SIGNIFICANT ACCOUNTING POLICIES

1. **Disclosure of Accounting Policies – AS 1**

The operations were discontinued during the last year hence the annual accounts are maintained on accrual basis as a discontinuing operation.

2. **Valuation of Inventories – AS 2**

The Company has no inventory.

3. **Cash Flow Statement – AS 3**

Cash Flow statement has been attached to the Balance Sheet and Statement of Profit and Loss.

4. **Net Profit or Loss for the period, Prior period items and change in Accounting policies – AS 5**

All items of income and expense in the period are included in the determination of net loss for the period, unless specifically mentioned elsewhere in the financial statements or is required by an Accounting Standard.

5. **Depreciation Accounting– AS 6**

The Company has no fixed assets.

6. **Revenue Recognition – AS 9**

Revenue from the sale of goods is recognised upon delivery of goods to buyer when risks and ownership are transferred to the buyer.

The Company has no revenue to recognise.

7. **Accounting for Fixed Assets – AS 10**

The company has no fixed Assets.

8. **Accounting for the effects of changes in Foreign Exchange Rates – AS 11**

Assets and Liabilities:

Fixed Assets and Share Capital are translated at the market exchange rate prevailing on the date of transaction.

Other Assets and liabilities are translated at the market exchange rate prevailing on the date of balance sheet. (USD 1 = ₹ 62.49, previous year USD 1 = ₹ 60.73)

Income and Expenditure:

The earnings and expenditure of the company are translated in Indian Rupees at the average exchange rates for the period. (USD 1 = ₹ 61.27 Previous Year USD 1 = ₹ 59.91)

Exchange difference arising out of translation is dealt in accordance with AS 11

9. **Related Party Disclosures - AS 18**

Related Parties:

(I) **Where Control exists:**

A) **Holding Company**

Sundram Fasteners Limited, Chennai

(II) **Other Related Parties with whom transactions have been entered into during the year:**

A) **Fellow Subsidiaries**

Sundram RBI Sdn. Bhd., Pandan Indah, Malaysia

Upasana Engineering Ltd., Chennai

Sundram Fasteners (Zhejiang) Ltd., Peoples Republic of China

Cramlington Precision Forge Ltd., Northumberland, United Kingdom

Sundram Non Conventional Energy Systems Ltd., Chennai

Sundram Fasteners Investments Limited, Chennai

Peiner Umformtechnik GmbH, Peine, Germany

PUT Grundstücks GmbH, Peine, Germany

TVS Peiner Services GmbH, Peine, Germany

Sundram Bleistahl Ltd., Chennai

TVS Infotech Ltd, Chennai

TVS Infotech Inc, USA

(III) Transactions with related parties:

Particulars	For the Year ended 31st March 2015	For the Year ended 31st March 2015	For the Year ended 31st March 2014	For the Year ended 31st March 2014
	USD	₹	USD	₹
A) Finance availed:				
- Holding Company	-	-	2,500	1,53,950
B) Outstanding Balances:				
Payable by the Company:				
- Holding Company	40,000	24,99,600	40,000	23,96,400
- Fellow Subsidiaries	-	-	-	-
Receivable by the Company:				
- Holding Company	23,000	14,37,270	23,000	13,77,930
- Fellow Subsidiaries	-	-	-	-

10. **Earnings per share – AS 20**

Basic earnings per share are disclosed in the profit and loss account. There is no diluted earnings per share as there are no dilutive potential equity shares.

11. **Accounting for Taxes on Income – AS 22**

Net Deferred Tax Asset will be recognised only when there is reasonable certainty that such deferred tax asset can be realised against future taxable income.

12. **Discontinuing Operations – AS 24**

The Management has approved a plan for the discontinuance of the operation of the company. Accordingly the revenue and expenses in respect of activities of the company for the financial year have been disclosed under discontinuing operations.

13. Sundram Fasteners Limited, Chennai, the holding company, holds the entire paid-up capital of the company.

14. All transactions have been translated by adopting Indian Accounting Standard 11 to ensure consistency with accounting policy of the holding company as required by Indian Accounting Standard 21.

The resulting exchange difference has been recognised as foreign currency translation loss / gain as per AS 11.