

Sundram Fasteners Investments Limited

ANNUAL REPORT

**for the year ended
March 31, 2019**

Sundram Fasteners Investments Limited

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

The Directors have pleasure in presenting the Twenty Seventh Annual Report, together with the audited accounts for the year ended 31st March 2019.

FINANCIAL RESULTS

(in ₹)

| Particulars | 2018-19 | 2017-18 |
|--|------------|------------|
| Sales and other income | 52,955 | 51,945 |
| Gross Profit / (Loss) before interest & depreciation | (78,715) | (26,837) |
| Less: Interest | - | - |
| Less: Depreciation | - | - |
| Profit / (Loss) before tax | (78,715) | (26,837) |
| Add / (Less): Provision for Tax (including Deferred Tax) | - | - |
| Profit / (Loss) after tax | (78,715) | (26,837) |
| Add / (Less): Balance brought forward | 26,552,824 | 26,579,211 |
| Less: Transferred to General Reserve | - | - |
| Balance carried forward | 26,474,109 | 26,552,824 |

OPERATIONS

The Sales and other income during the year under review was at ₹ 52,955/- as against ₹ 51,945/- in the previous year. The operating Loss for the year was at ₹ 78,715/- as against Loss of ₹ 26,837/- in the previous year and the year ended with a net loss of ₹ 78,715/- as against net loss of ₹ 26,837/- in the previous year.

DIVIDEND

The Directors do not recommend any dividend for the year under review in view of the losses.

TRANSFER TO RESERVES

The Company has not transferred any amounts to reserves during the year 2018-2019 in view of no profit.

BOARD MEETINGS

During the financial year 2018-2019, there were 4 (Four) Board meetings, which were held on April 10, 2018, August 6, 2018, October 3, 2018 and January 28, 2019.

All the Directors attended all the four meeting held during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:-

- in the preparation of annual accounts, the applicable accounting standards had been followed and there were no material departures.
- 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 2019.
- 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 R Krishnan, Director (DIN 00271938) retires from the Board by rotation and being eligible, offers himself for re-appointment.

The provision of Section 149 pertaining to the appointment of Independent Directors does 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 and its power) Rules, 2014, there was no requirement for the company to have an Audit Committee.

RELATED PARTY TRANSACTIONS

All transactions with related parties were on arm's length basis and were in the ordinary course of business. There was no material related party contract during the year. Form AOC-2 as required under Section 134(3)(h) is enclosed as **Annexure - I** to this report.

EXTRACT OF ANNUAL RETURN

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

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

The Company is not required to have any Key Managerial Personnel.

The appointment of Sri R Ganesh, Director (DIN 08090366) has been regularised at the Annual General Meeting held on August 24, 2018.

CHANGE IN THE NATURE OF BUSINESS

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

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

The Company does not have any subsidiary, joint venture or associate company.

Sundram Fasteners Investments Limited

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

The Company has no subsidiaries, associates or joint venture companies.

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 Financial Year 2018-2019, 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

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.

RISK MANAGEMENT

The Company had identified certain business risks and also the measures for dealing with such risks which it faces in day to day operations of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Section 135 of the Companies Act, 2013 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

Statement under Rule 5(2) is not applicable to the Company, as the Company does not have any employee.

AUDITORS

Pursuant to the recommendation by the Board of Directors at their meeting held on 23rd April, 2014 M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai were appointed as Statutory Auditors of the company for a period of five years at the Twenty Second Annual General Meeting held on 27th September, 2014.

As per the provisions of Section 139 of the Companies Act, 2013 read with Rule 6(3) of the Companies (Audit and Auditors) Rules, 2014 M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai are eligible to be re-appointed as Statutory Auditors for a period of five years commencing from the conclusion of this Annual General meeting until the conclusion of Thirty Second Annual General Meeting to be held in the calendar year 2024.

The Company has obtained necessary certificate under Section 141 of the Companies Act, 2013 from the auditor conveying their eligibility for the above appointment. Their eligibility criteria were reviewed by the Board, as specified under Section 141 of the Companies Act, 2013 and recommended their appointment as auditors for the above mentioned period.

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 the calendar year 2018.

ACKNOWLEDGMENT

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

On behalf of the Board

Chennai
April 15, 2019

R KRISHNAN
Director

K PASUPATHY
Director

Annexure - I

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 subsection (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 arm's length basis and in the ordinary course of business.

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

There was no material related party contract or arrangement or transaction during the year.

On behalf of the Board

Chennai
April 15, 2019

R KRISHNAN
Director

K PASUPATHY
Director

FORM NO.MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31st March, 2019

[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 | 6 th 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) |

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 |
| B1. Public Shareholding | | | | | | | | | |
| Sub-Total (B)(2) | - | - | - | - | - | - | - | - | - |
| Total Public Shareholding (B) = (B)(1)+(B)(2) | - | - | - | - | - | - | - | - | - |
| 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 Limited | 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) Share holding 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 Directors during the year / * Nominee of Sundram Fasteners Limited. There is no Key Managerial Personnel in the company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (as on 31st March, 2019) - NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year 2018-2019, 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 2019, no penalties levied or punishment / compounding fee imposed by the Regional Director / Court on the Company / directors / officers in default.

Sundram Fasteners Investments Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNDRAM FASTENERS INVESTMENTS LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH 2019

To the Members of
Sundram Fasteners Investments Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sundram Fasteners Investments Limited, Chennai ("the company"), which comprise the balance sheet as at 31st March 2019, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements gives the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the board's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure –A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) Requirement as per section 197(16) of the Act as to report on whether managerial remuneration paid or provided by the Company to its directors are in accordance with the provision of section 197 is not applicable as the Company has not paid or provided any managerial remuneration.
- h) With respect to the other matters to be included in the Auditor's 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 disclosed the impact of pending litigations on its financial position in its financial statements – Refer Annexure – A (II - AS29) to financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts and as such no provision as required under the applicable law or accounting standards for material foreseeable losses is to be made.
 - iii. There was no requirement on the part of the company to transfer any amount to the Investor Education and Protection fund.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

P Viswanathan
Partner

Membership No: 224941

Place : Chennai
Date : 15.04.2019

Sundram Fasteners Investments Limited

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNDARAM FASTENERS INVESTMENTS LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH 2019

Annexure A referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended 31st March 2019.

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) Fixed assets consist of land. Hence, the question of verification of asset does not arise.
- (c) The title deeds of immovable properties of the Company are not held in the name of the company. The title deeds are held in the name of the seller and the registration in the name of the company is still pending. However full consideration has been paid to the seller and possession and enjoyment is with the company.
- ii. The Company has no stock of inventory and hence reporting on physical verification does not arise.
- iii. The company has not granted any loan to a company, firm, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the order are not applicable to the company.
- iv. During the year, the company has not granted any loan or has made any investments or furnished any guarantees or provided any security. Hence reporting on whether there is compliance with provisions of section 185 of the Companies Act, 2013 does not arise. The provision of section 186 (1) has been complied and other subsections of section 186 as to loans and investments by the company are not applicable.
- v. The company has not accepted any deposit within the meaning of sections 73 to 76 of the Companies Act, 2013, during the year.
- vi. According to the information and explanations furnished to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit.
- vii. (a) According to the records provided to us, the company is regular in depositing undisputed statutory dues viz., Income Tax deducted at Source with appropriate authority. Depositing sums under Provident Fund, Employees' State Insurance, Duty of Customs, Goods and Services Tax (GST) and cess are not applicable during the year.
- (b) According to the information and explanations furnished to us, no undisputed amounts payable in respect of Income Tax deducted at Source with appropriate authority were in arrears, as at 31st March 2019 for a period of more than six months from the date they became payable.
- (c) According to information and explanations furnished to us, the following are the details of the disputed dues that were not deposited with the concerned authorities:

| Name of the statute | Income Tax Act, 1961 | | |
|---------------------|----------------------|--------------|---|
| Assessment Year | Nature of dues | Amount (Rs.) | Forum where the dispute is pending |
| 2012-13 | Income Tax | 2,80,220 | Commissioner of Income Tax (Appeals), Chennai |
| 2013-14 | Income Tax | 4,34,720 | |
| 2014-15 | Income Tax | 10,17,780 | |

- viii. The company has not availed any term loan from banks or financial institutions. Hence the question of reporting on default in repayment thereof does not arise.
- ix. The company has not raised any money by the way of initial public offer or further public offers including debt instruments or by way of term loan during the year. Hence, reporting under clause (ix) of the order is not applicable to the Company.
- x. Based on the audit procedures adopted and information and explanations furnished to us by the management, no fraud on or by the company has been noticed or reported during the course of our audit.
- xi. No managerial remuneration has been paid or provided during the year.
- xii. The Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the company.
- xiii. (a) The provisions of section 177 of the Companies Act, 2013 relating to constitution of Audit Committee are not applicable. In our opinion and according to the information and explanations furnished to us, all transactions with the related parties are in compliance with section 188 of Companies Act, 2013.
- (b) The details of transactions during the year have been disclosed in the Financial Statements as required by the applicable accounting standards. Refer Note no.15 to financial statements.
- xiv. During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures under section 42 of the Companies Act, 2013. Hence, reporting requirements under clause 3(xiv) of the order are not applicable to the Company.
- xv. In our opinion and according to the information and explanations furnished to us, the company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Companies Act, 2013.
- xvi. The company is required to register under section 45-IA of the Reserve Bank of India Act, 1934 and has valid Certificate of Registration issued by Reserve Bank of India.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

P Viswanathan
Partner

Place : Chennai
Date : 15.04.2019

Membership No: 224941

ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNDARAM FASTENERS INVESTMENTS LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Sundram Fasteners Investments Limited, Chennai ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (hereinafter "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that;

- I. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- II. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- III. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on;

- i. existing policies and procedures adopted by the Company for ensuring orderly and efficient conduct of business.
- ii. continuous adherence to Company's policies.
- iii. existing procedures in relation to safeguarding of Company's fixed assets, receivables, loans and advances made and bank balances.
- iv. existing system to prevent and detect fraud and errors.
- v. accuracy and completeness of Company's accounting records; and
- vi. existing capacity to prepare timely and reliable financial information.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

P Viswanathan

Partner

Membership No: 224941

Place : Chennai
Date : 15.04.2019

Sundram Fasteners Investments Limited

Balance Sheet as at March 31, 2019

₹

| Sl. No. | Particulars | Note No. | As at 31-03-2019 | As at 31-03-2018 |
|-----------------------------------|-------------|-------------|--------------------|--------------------|
| I. EQUITY AND LIABILITIES | | | | |
| (1) Shareholders' funds | | | | |
| (a) Share capital | 1 | 2,49,00,000 | 2,49,00,000 | |
| (b) Reserves and surplus | 2 | 3,59,55,305 | 6,08,55,305 | 3,60,34,020 |
| | | | | 6,09,34,020 |
| (2) Current liabilities | | | | |
| Other current liabilities | 3 | 31,001 | 31,001 | 35,351 |
| | | | | 35,351 |
| TOTAL | | | 6,08,86,306 | 6,09,69,371 |
| II. ASSETS | | | | |
| (1) Non-current assets | | | | |
| (a) Property, Plant and Equipment | | | | |
| Tangible assets | 4 | 2,51,20,000 | 2,51,20,000 | |
| (b) Non-current investments | 5 | 3,45,12,150 | 3,45,12,150 | |
| (c) Long-term loans and advances | 6 | 10,21,973 | 10,22,010 | |
| (d) Other non-current assets | 7 | 10,000 | 6,06,64,123 | - |
| | | | | 6,06,54,160 |
| (2) Current assets | | | | |
| (a) Current investments | 5 | 35,535 | 35,535 | |
| (b) Cash and cash equivalents | 8 | 1,78,988 | 2,77,493 | |
| (c) Other current assets | 7 | 7,660 | 2,22,183 | 2,183 |
| | | | | 3,15,211 |
| TOTAL | | | 6,08,86,306 | 6,09,69,371 |

The notes form an integral part of the Financial Statements

As per our report of even date attached
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
Firm Regn No. 004207S

P VISWANATHAN
Partner
Membership Number 224941

Chennai
April 15, 2019

For and on behalf of the Board of Directors of
Sundram Fasteners Investments Limited,
Chennai
[CIN:U65991TN1992PLC022618]

R KRISHNAN **K PASUPATHY**
Director Director
[DIN: 00271938] [DIN: 02942471]

R GANESH
Director
[DIN: 08090366]

Statement of Profit and Loss for the year ended March 31, 2019

₹

| Sl. No. | Particulars | Note No. | Year Ended 31-03-2019 | Year Ended 31-03-2018 |
|--------------|---|----------|-----------------------|-----------------------|
| I | Revenue From Operations | 9 | 52,899 | 51,945 |
| | Other Income | 10 | 56 | - |
| | Total Revenue | | 52,955 | 51,945 |
| III | Expenses | | | |
| | Finance Cost | | - | - |
| | Other Expenses | 11 | 1,31,670 | 78,332 |
| | Total Expenses | | 1,31,670 | 78,332 |
| IV. | Profit before exceptional and extraordinary items and tax (II-III) | | (78,715) | (26,387) |
| V. | Exceptional items | | - | - |
| VI. | Profit before extraordinary items and tax (IV - V) | | (78,715) | (26,387) |
| VII. | Extraordinary Items | | - | - |
| VIII. | Profit before tax (VI- VII) | | (78,715) | (26,387) |
| IX | Tax expense: | | | |
| | (1) Current tax | | - | - |
| | (2) Deferred tax | | - | - |
| | (3) Earlier years | | - | - |
| X | Profit (Loss) for the year from continuing operations (VIII-IX) | | (78,715) | (26,387) |
| 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) | | (78,715) | (26,387) |
| XV | Earnings per equity share: | | | |
| | (1) Basic | | (0.03) | (0.01) |
| | (2) Diluted | | (0.03) | (0.01) |
| | No. of Equity Shares of ₹ 10 each | | 24,90,000 | 24,90,000 |

The notes form an integral part of the Financial Statements

As per our report of even date attached
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
Firm Regn No. 004207S

P VISWANATHAN
Partner
Membership Number 224941

Chennai
April 15, 2019

For and on behalf of the Board of Directors of
Sundram Fasteners Investments Limited,
Chennai
[CIN:U65991TN1992PLC022618]

R KRISHNAN **K PASUPATHY**
Director Director
[DIN: 00271938] [DIN: 02942471]

R GANESH
Director
[DIN: 08090366]

| CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2019 | | | | ₹ |
|---|--------------------------|--------------------------|-------|-------|
| | Year Ended 31-03-2019 | Year Ended 31-03-2018 | | |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit/(Loss) before Tax | (78,715) | (26,387) | | |
| Operating Profit before Extraordinary items & Working Capital changes: | (78,715) | (26,387) | | |
| Adjustments For Changes in Working Capital : | | | | |
| Loans and Advances | 37 | (1,304) | | |
| Other Current Assets | (5,477) | (1,200) | | |
| Other Non Current Assets | (10,000) | - | | |
| Other Current liabilities | (4,350) | (19,790) | 6,600 | 4,096 |
| Cash Generated From Operations | (98,505) | (22,291) | | |
| Direct Taxes Paid | - | - | | |
| NET CASH FROM OPERATING ACTIVITIES (a) | (98,505) | (22,291) | | |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | | | |
| Purchase of Investments | - | - | | |
| Sale of Investments | - | - | | |
| NET CASH USED IN INVESTING ACTIVITIES (b) | - | - | | |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | | | |
| Proceeds From Short term Borrowings (net of repayments) | - | - | | |
| NET CASH USED IN FINANCING ACTIVITIES (c) | - | - | | |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (a+b+c) | (98,505) | (22,291) | | |
| CASH AND CASH EQUIVALENTS - Opening Balance | 2,77,493 | 2,99,784 | | |
| CASH AND CASH EQUIVALENTS - Closing Balance | 1,78,988 | 2,77,493 | | |
| CASH AND CASH EQUIVALENTS include: | | | | |
| With Scheduled Banks: | | | | |
| i) Current Account | 38,988 | 72,119 | | |
| ii) Deposit Account | 140,000 | 205,374 | | |
| | 178,988 | 277,493 | | |

Note: Cashflow Statement is prepared under Indirect Method

As per our report of even date attached
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
Firm Regn No. 004207S

P VISWANATHAN
Partner
Membership Number 224941

Chennai
April 15, 2019

For and on behalf of the Board of Directors of
Sundram Fasteners Investments Limited,
Chennai
[CIN:U65991TN1992PLC022618]

R KRISHNAN **K PASUPATHY**
Director Director
[DIN: 00271938] [DIN: 02942471]

R GANESH
Director
[DIN: 08090366]

| Notes to the Financial Statements for the year ended March 31, 2019 | | | | | | ₹ |
|--|---|-----------------------------|---|--------------------------|---|---|
| Sl. No. | Particulars | As at 31-03-2019 | As at 31-03-2018 | | | |
| 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 | 2,49,90,000 | 2,49,90,000 | | | |
| | | 2,50,00,000 | 2,50,00,000 | | | |
| b Issued | | | | | | |
| | 24,90,000 Equity Shares of ₹ 10 each | 2,49,00,000 | 2,49,00,000 | | | |
| c Subscribed and Paid-up | | | | | | |
| | 24,90,000 Equity Shares of ₹ 10 each fully paid-up | 2,49,00,000 | 2,49,00,000 | | | |
| d Reconciliation of number of shares | | | | | | |
| | | As at 31-03-2019 | As at 31-03-2018 | | | |
| Sl. No. | Equity Shares | No. of Shares | Value ₹ | No. of Shares | Value ₹ | |
| 1 | No. of shares outstanding at the beginning of the year | 24,90,000 | 2,49,00,000 | 24,90,000 | 2,49,00,000 | |
| 2 | Add: Shares issued during the year | - | - | - | - | |
| 3 | Bonus Shares issued during the year | - | - | - | - | |
| 4 | Balance as at the end of the year | 24,90,000 | 2,49,00,000 | 24,90,000 | 2,49,00,000 | |
| e Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company | | | | | | |
| | | As at 31-03-2019 | As at 31-03-2018 | | | |
| Sl. No. | Name of the Share Holder | No. of Shares | Shares as % of Total No. of Shares | No. of Shares | Shares as % of Total No. of Shares | |
| 1 | Sundram Fasteners Limited, Chennai, the holding company and its six nominees | 24,90,000 | 100.00 | 24,90,000 | 100.00 | |
| 2 | Total No of shares of the Company | 24,90,000 | 100.00 | 24,90,000 | 100.00 | |
| f Shares allotted as fully paid up by way of Bonus shares (during 5 years immediately preceding March 31, 2019) | | | | | | |
| | Equity shares allotted as fully paid up bonus shares by capitalization of reserves | | | | | |
| | 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 | | | | Nos. | Nos. | |
| S. No. | Particulars | As at 31-03-2019 | As at 31-03-2018 | | | |
| 1 | Sundram Fasteners Limited, Chennai and its six nominees | 24,90,000 | 24,90,000 | | | |

Sundram Fasteners Investments Limited

Notes to the Financial Statements for the year ended March 31, 2019 (Contd.) ₹

2 RESERVES & SURPLUS

a General Reserve

| S. No. | Particulars | As at 31-03-2019 | As at 31-03-2018 |
|--------|---|---------------------|---------------------|
| 1 | Balance as at the beginning of the year | 12,63,032 | 12,63,032 |
| 2 | Add: Transfer from Statement of Profit and Loss | - | - |
| | Sub Total | 12,63,032 | 12,63,032 |
| 3 | Less: Amount utilized | - | - |
| 4 | Balance as at the end of the year | 12,63,032 | 12,63,032 |

b Special Reserve u/s 45IC of Reserve Bank of India Act, 1934

| S. No. | Particulars | As at 31-03-2019 | As at 31-03-2018 |
|--------|---|---------------------|---------------------|
| 1 | Balance as at the beginning of the year | 82,18,164 | 82,18,164 |
| 2 | Add: Transfer from Statement of Profit and Loss | - | - |
| | Sub Total | 82,18,164 | 82,18,164 |
| 3 | Less: Amount utilized | - | - |
| 4 | Balance as at the end of the year | 82,18,164 | 82,18,164 |

c Surplus in Statement of Profit and Loss

| S. No. | Particulars | As at 31-03-2019 | As at 31-03-2018 |
|--------|--|---------------------|---------------------|
| 1 | Balance as at the beginning of the year | 2,65,52,824 | 2,65,79,211 |
| 2 | Profit/(Loss) for the Year | (78,715) | (26,387) |
| 3 | Balance available for appropriation (1+2) | 2,64,74,109 | 2,65,52,824 |
| | Appropriations: | | |
| 4 | Amount appropriated during the year to Special Reserve | - | - |
| 5 | Balance as the end of the year (3-4) | 2,64,74,109 | 2,65,52,824 |
| | Total Reserves and Surplus (a+b+c) | 3,59,55,305 | 3,60,34,020 |

3 OTHER LIABILITIES

| Particulars | Non-Current | | Current | |
|---|---------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2019 | As at 31-03-2018 | As at 31-03-2019 | As at 31-03-2018 |
| 1 Statutory Dues (Tax Deducted at Source) | - | - | 4,000 | 4,500 |
| 2 Outstanding Liabilities | - | - | 27,001 | 30,851 |
| Total | - | - | 31,001 | 35,351 |

4 PROPERTY, PLANT AND EQUIPMENT

| Particulars | Tangible Land - Free Hold * | | As at 31-03-2019 | As at 31-03-2018 |
|-------------------------|-----------------------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2019 | As at 31-03-2018 | As at 31-03-2019 | As at 31-03-2018 |
| A Cost of Assets | | | | |
| As at 01.04.2018 | 2,51,20,000 | 2,51,20,000 | 2,51,20,000 | 2,51,20,000 |
| Additions | - | - | - | - |
| Sales/Discards | - | - | - | - |
| As at 31-03-2019 | 2,51,20,000 | 2,51,20,000 | 2,51,20,000 | 2,51,20,000 |

B Depreciation/ Amortization

| | | | |
|-------------------------------|----------|----------|----------|
| As at 01.04.2018 | - | - | - |
| Charges for the year | - | - | - |
| Deduction on sale or discards | - | - | - |
| Impairment for the year | - | - | - |
| As at 31-03-2019 | - | - | - |

C Written Down Value

| | | |
|------------------|-------------|-------------|
| As at 31-03-2019 | 2,51,20,000 | 2,51,20,000 |
| As at 31-03-2018 | 2,51,20,000 | 2,51,20,000 |

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

Notes to the Financial Statements for the year ended March 31, 2019 (Contd.) ₹

5 INVESTMENTS

| Particulars | Non Current | | Current | |
|--|---------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2019 | As at 31-03-2018 | As at 31-03-2019 | As at 31-03-2018 |
| 1. Non-Trade (Valued At Cost unless otherwise stated) | | | | |
| Quoted equity instruments | | | | |
| a. 660 Equity Shares of ₹ 1/- each fully paid up in State Bank of India, Mumbai | - | - | 35,000 | 35,000 |
| b. 1 Equity Share of ₹ 5 each fully paid up in Maruti Suzuki India Limited, Delhi | - | - | 535 | 535 |
| c. 6,188 Equity Shares of ₹ 5 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 | 11,10,305 | 11,10,305 | - | - |
| Sub-Total (A) | 12,04,650 | 12,04,650 | 35,535 | 35,535 |

Unquoted equity instruments

| | | | | |
|--|--------------------|--------------------|---------------|---------------|
| e. 33,30,050 Equity Shares of ₹ 10 each fully paid up in TVS Infotech Limited, Chennai | 3,33,07,500 | 3,33,07,500 | - | - |
| Sub-Total (B) | 3,33,07,500 | 3,33,07,500 | - | - |
| Total (C) (A+B) | 3,45,12,150 | 3,45,12,150 | 35,535 | 35,535 |

| Particulars | As at 31-03-2019 | | As at 31-03-2018 | |
|---|---------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2019 | As at 31-03-2018 | As at 31-03-2019 | As at 31-03-2018 |
| a. Aggregate Value of Quoted Investments | 12,40,185 | 12,40,185 | | |
| b. Aggregate Value of Unquoted Investments | 3,33,07,500 | 3,33,07,500 | | |
| Total (a+b) | 3,45,47,685 | 3,45,47,685 | | |
| c. Aggregate provision for diminution in value of investments | - | - | | |
| d. Market Value of Quoted Investments | 53,54,366 | 69,81,268 | | |

6 Loans and advances (Unsecured, Considered good unless stated otherwise)

| Particulars | Non-Current | | Current | |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2019 | As at 31-03-2018 | As at 31-03-2019 | As at 31-03-2018 |
| Other loans and advances | | | | |
| Tax deduction at source (TDS) | 1,267 | 1,304 | - | - |
| Income Tax Refund | 10,20,706 | 10,20,706 | - | - |
| Receivables | - | - | - | - |
| Total | 10,21,973 | 10,22,010 | - | - |

7 OTHER ASSETS (Unsecured, considered good unless stated otherwise)

| Particulars | Non Current | | Current | |
|-----------------------|---------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2019 | As at 31-03-2018 | As at 31-03-2019 | As at 31-03-2018 |
| a Security Deposit | 10,000 | - | - | - |
| b Prepaid expenses | - | - | 5,900 | - |
| c Interest receivable | - | - | 1,760 | 2,183 |
| Total | 10,000 | - | 7,660 | 2,183 |

Notes to the Financial Statements for the year ended March 31, 2018 (Contd.) ₹

8 CASH AND CASH EQUIVALENTS

| Particulars | Non Current | | Current | |
|---|-------------|------------|-----------------|-----------------|
| | As at | As at | As at | As at |
| | 31-03-2019 | 31-03-2018 | 31-03-2019 | 31-03-2018 |
| a) Balances with Banks in Current Account | - | - | 38,988 | 72,119 |
| b) Deposit Accounts-maturity less than 6 months | - | - | - | 2,05,374 |
| c) Deposit Accounts-maturity less than 6 months | - | - | 1,40,000 | - |
| Total | - | - | 1,78,988 | 2,77,493 |

| Particulars | Year ended 31-03-2019 | Year ended 31-03-2018 |
|--|--------------------------|--------------------------|
| 9 Revenue from Operations | | |
| a) Interest on Term deposits with Bank | 12,597 | 13,026 |
| b) Dividend Received | 40,302 | 38,919 |
| Total | 52,899 | 51,945 |

| | | |
|-------------------------------|-----------|----------|
| 10 Other Income | | |
| Interest on Income Tax Refund | 56 | - |
| Total | 56 | - |

| | | |
|---|-----------------|---------------|
| 11 Other Expenses | | |
| a) Rates & Taxes | 8,300 | 7,384 |
| b) Misc Expenses (Refer note no.12 below) | 1,23,370 | 70,948 |
| Total | 1,31,670 | 78,332 |

| | | |
|--|-----------------|---------------|
| 12 Miscellaneous Expenses | | |
| a) Remuneration to Auditors (Refer Note No.13 below) | 47,200 | 52,500 |
| b) Professional fees | 28,000 | 16,000 |
| c) Demat Fee | 1,015 | 1,540 |
| d) National Securities Depository Limited (NSDL) Connectivity, Joining and Annual fees | 25,075 | - |
| e) Credit Rating Agency Fees | 13,275 | - |
| f) Bank Charges | 805 | 908 |
| g) Land Maintenance | 8,000 | - |
| Total | 1,23,370 | 70,948 |

| | | |
|--|---------------|---------------|
| 13 Remuneration to Auditors consist of: | | |
| a) Statutory Auditors | 29,500 | 29,500 |
| b) Taxation Matters | 17,700 | - |
| c) Reimbursement of expenses | - | 23,000 |
| Total | 47,200 | 52,500 |

Notes to the Financial Statements for the year ended March 31, 2018 (Contd.) ₹

| Particulars | Year Ended 31-03-2019 | Year Ended 31-03-2018 |
|--|--------------------------|--------------------------|
| 14 Information furnished in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve bank) Directions,1998 | | |
| Break-up of Investments | | |
| Current Investments - other than related parties Quoted Equity Shares | 35,535 | 35,535 |
| Long Term other than related parties Quoted Equity Shares | 12,04,650 | 12,04,650 |
| Long Term - Unquoted Equity Shares | 3,33,07,500 | 3,33,07,500 |
| Break up value of Unquoted Equity Shares (unaudited) | 2,41,17,725 | 1,93,29,189 |

15 RELATED PARTY TRANSACTIONS

| | | |
|---|--------------------------|-------|
| a) Holding Company - Sundram Fasteners Limited, Chennai | | |
| Reimbursements made | 4,500 | 2,850 |
| b) Other related parties | | |
| Fellow Subsidiaries | | |
| TVS Upasana Limited, Chennai (formerly Upasana Engineering Limited, Chennai) | | |
| Sundram Non-conventional Energy Systems Limited, Chennai | | |
| Sundram Precision Components Limited, Chennai (formerly Sundram Bleistahl Limited) | | |
| Sundram Fasteners (Zhejiang) Limited, People Republic of China | | |
| Cramlington Precision Forge Ltd, Northumberland, U.K. | | |
| Sundram International Inc., Michigan, USA | | |
| Sundram International Limited, United Kingdom | | |
| TVS Infotech Limited, Chennai | | |
| TVS Infotech Inc, Michigan USA | | |
| TVS Next Private Limited, Chennai (formerly Blisslogix Technology Solutions Private Limited, Chennai) | | |
| | (No Transactions) | |

16 Directors have waived their sitting fees.

| | | |
|---|---|--------------------|
| 17 Accounting Standards | Annexure A | |
| As per our report of even date attached | For and on behalf of the Board of Directors of | |
| For SUNDARAM & SRINIVASAN | Sundram Fasteners Investments Limited, Chennai | |
| Chartered Accountants | [CIN:U65991TN1992PLC022618] | |
| Firm Regn No. 004207S | | |
| P VISWANATHAN | R KRISHNAN | K PASUPATHY |
| Partner | Director | Director |
| Membership Number 224941 | [DIN: 00271938] | [DIN: 02942471] |
| | R GANESH | |
| Chennai | Director | |
| April 15, 2019 | [DIN: 08090366] | |

Sundram Fasteners Investments Limited

Annexure to Notes on Accounts for the year ended 31st March 2019

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

I. Significant Accounting Policies

1. The financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees.
2. Taxes on Income:
Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates.

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.

AS10 Property, Plant and Equipment

Land is valued at cost. The Company has no depreciable assets.

AS11 Accounting for effects of changes in foreign exchange rates

There are no foreign exchange transactions during the year.

AS12 Accounting for Government Grants

The Company has not received any grant from the Government

AS13 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.

AS14 Accounting for Amalgamation

There was no Amalgamation during the year under review.

AS15 Accounting for Employee Benefits

The Company has no employee.

AS16 Borrowing Cost

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

AS17 Segment Reporting

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

AS18 Related party disclosures

Please refer to Note No.15 Notes to Financial statements.

AS19 Accounting for Leases

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

II. Accounting Standards

AS 1 Disclosure of accounting policies

The accounts are maintained on accrual basis as a going concern. Note No.I above for Significant Accounting Policies.

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 prepared under indirect method and 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

This standard has been omitted with effect from 30th March 2016.

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.

AS20 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 | Year Ended 31.03.2019 | Year Ended 31.03.2018 |
|---------|--|-----------------------|-----------------------|
| a) | Profit / (Loss) attributable to equity shareholders | (78,715) | (26,387) |
| b) | Basic/Diluted EPS before considering Extraordinary items (₹) | (0.03) | (0.01) |
| c) | Basic/Diluted EPS after considering Extraordinary items (₹) | (0.03) | (0.01) |
| d) | Weighted average number of shares | 24,90,000 | 24,90,000 |
| e) | Face Value per share (fully paid up) | ₹ 10/- | ₹ 10/- |

AS21 Consolidated financial statements

This Standard is not applicable to the Company.

AS22 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.

AS23 Accounting for Investments in associates in Consolidated Financial Statements

This Standard is not applicable to the Company.

AS24 Discontinuing Operations

The company has not discontinued any operations during the year.

AS25 Interim financial Reporting

This Standard is not applicable to the Company

AS26 Accounting for Intangible Assets

The Company has no intangible assets.

AS27 Financial Reporting of Interests in Joint Ventures

The Company has no Joint Ventures.

AS28 Impairment of Assets

The Company has no impaired asset.

AS29 Provisions, Contingent Liabilities and Contingent Assets

Disputed Income tax Liabilities not provided for Rs.18,32,110 Last Year Rs.18,32,110.

AS30 Financial Instruments: Recognition and Measurement

This standard was withdrawn effective from September 2016.

IND AS Applicability

As the Company is a Non-Banking Financial Company, the implementation of IND AS are not applicable for the current year.