

Sundram Fasteners (Zhejiang) Limited

CHINA

ANNUAL REPORT

**for the year ended
March 31, 2023**

Sundram Fasteners (Zhejiang) Limited

(Incorporated in People's Republic of China)

Balance Sheet as at March 31, 2023

	Note	As at March 31, 2023		As at March 31, 2022	
		RMB	₹	RMB	₹
ASSETS					
Non-current assets					
Property, plant and equipment	5	150,565,929	1,79,92,62,860	155,535,830	1,85,69,72,258
Capital work-in-progress	5	9,518,798	11,37,49,630	12,284,450	14,66,76,331
Investment property	6	-	-	4,423,667	5,28,18,569
Intangible assets	7 (a)	46,707	5,58,147	152,365	18,19,237
Right of Use of Assets	7 (b)	10,162,971	12,14,47,495	10,420,137	12,44,16,431
Other non-current assets	10	3,514,641	4,19,99,961	10,734,480	12,81,69,695
		173,809,046	2,07,70,18,093	193,550,929	2,31,08,72,521
Current assets					
Inventories	11	74,592,025	89,13,74,703	71,015,501	84,79,25,077
Financial assets:					
- Trade receivables	12	116,418,534	1,39,12,01,484	97,632,532	1,16,57,32,427
- Cash and cash equivalents	13	20,342,379	24,30,91,429	16,548,092	19,75,84,213
- Other financial assets	8	151,992	18,16,305	295,981	35,34,012
Assets for current tax (net)	9	4,224,154	50,478,637	3,902,921	4,66,00,873
Other current assets	10	5,228,951	6,24,85,963	867,100	1,03,53,179
		220,958,035	2,64,04,48,521	190,262,127	2,27,17,29,781
Total assets		394,767,081	4,71,74,66,614	383,813,056	4,58,26,02,302
EQUITY AND LIABILITIES					
Equity					
Equity Share capital	14	160,215,065	1,91,45,70,027	160,215,065	1,91,29,67,871
Other equity (*)		17,056,044	20,38,19,710	13,382,313	15,96,59,247
Total equity		177,271,109	2,11,83,89,737	173,597,378	2,07,26,27,118
Liabilities					
Non-current liabilities					
Financial liabilities:					
- Borrowings	15	59,948,975	71,63,90,251	69,887,882	83,44,61,306
- Trade payables	17	-	-	989,842	1,18,18,713
		59,948,975	71,63,90,251	70,877,724	84,62,80,019
Current liabilities					
Financial liabilities:					
- Borrowings	15	82,000,000	97,99,00,000	79,000,000	94,32,60,000
- Trade payables	17	64,832,446	77,47,47,726	55,073,761	65,75,80,704
- Other financial liabilities	18	3,930,841	4,69,73,559	-	-
Other current liabilities	19	2,125,135	2,53,95,367	1,038,171	1,23,95,762
Current tax liabilities (net)	16	4,658,575	5,56,69,974	4,226,022	5,04,58,699
		157,546,997	1,88,26,86,626	139,337,954	1,66,36,95,165
Total liabilities		217,495,972	2,59,90,76,877	210,215,678	2,50,99,75,184
Total equity and liabilities		394,767,081	4,71,74,66,614	383,813,056	4,58,26,02,302

(*) Refer Statement of Changes in Equity for Additions and Deductions from Last year balance sheet

Notes 1 to 32 form an integral part of these financial statements

Sundram Fasteners (Zhejiang) Limited

(Incorporated in People's Republic of China)

Statement of Profit and Loss for the Year ended March 31, 2023

	Note	Year ended March 31, 2023		Year ended March 31, 2022	
		RMB	₹	RMB	₹
Revenue from operations	20	285,471,093	3,34,28,66,499	308,997,834	3,59,05,54,834
Other income	22	1,249,284	1,46,29,124	8,417,084	9,78,23,189
Total Income		286,720,377	3,35,74,95,623	317,414,918	3,68,83,78,023
Expenses					
Cost of materials consumed	23	117,186,838	1,37,22,57,874	130,129,716	1,51,21,07,301
Changes in inventories of finished goods, stock-in-trade and work in progress	24	(3,349,100)	(3,92,17,957)	(5,537,630)	(6,43,47,259)
Employee benefit expense	25	55,790,829	65,33,10,610	62,978,353	73,18,08,465
Finance costs	26	6,119,027	7,16,53,797	6,160,249	7,15,82,092
Depreciation and amortization expense	27	18,454,074	21,60,97,214	17,851,538	20,74,34,858
Other expenses	28	88,353,453	1,03,46,18,933	94,731,824	1,10,07,83,811
Total expenses		282,555,121	3,30,87,20,471	306,314,050	3,55,93,69,268
Profit before exceptional items and tax		4,165,256	4,87,75,152	11,100,868	12,90,08,755
Exceptional item		-	-	-	-
Profit before tax		4,165,256	4,87,75,152	11,100,868	12,90,08,755
Tax expense					
Current tax	29	491,525	57,55,758	2,815,451	3,27,15,542
Profit for the year		3,673,731	4,30,19,394	8,285,417	9,62,93,213
Other comprehensive income					
i) Items that will be reclassified to profit or loss		-	75,98,393	-	(46,55,124)
Total comprehensive income for the year		3,673,731	5,06,17,787	8,285,417	9,16,38,089

(Comprising Profit and Other Comprehensive Income for the year)

Notes 1 to 32 form an integral part of these financial statements

Statements of Changes in Equity for the Year ended March 31, 2023

A. Equity Share Capital

Particulars	RMB	₹
Balance as at April 1, 2021	160,215,065	1,78,47,95,820
Changes in equity share capital during the period (Restatement of opening balance)	-	12,81,72,051
Balance as at March 31, 2022	160,215,065	1,91,29,67,871
Changes in equity share capital during the period (Restatement of opening balance)	-	16,02,156
Balance as at March 31, 2023	160,215,065	1,91,45,70,027

B. Other Equity

Particulars	Reserves and Surplus						Accumulated other comprehensive income		Deemed Equity		Total	
	Retained Earnings		Surplus Reserve		Capital Reserve		Foreign currency translation reserve		RMB	₹	RMB	₹
	RMB	₹	RMB	₹	RMB	₹	RMB	₹				
Balance as at April 1, 2021	22,946,120	25,75,73,261	7,649,158	8,52,11,620	33,898	3,77,628	-	(20,61,594)	1,729,813	1,92,70,120	32,358,989	36,03,71,035
Foreign currency translation on opening balance	-	1,64,03,412	-	61,19,327	-	27,114	-	-	-	13,83,847	-	2,39,33,700
Profit for the year	8,285,417	9,62,93,213	-	-	-	-	-	-	-	-	8,285,417	9,62,93,213
Other comprehensive income	-	-	-	-	-	-	-	(46,55,124)	-	-	-	(46,55,124)
Transferred from Retained earnings to Surplus Reserve	(1,526,181)	(1,82,22,601)	1,526,181	1,82,22,601	-	-	-	-	-	-	-	-
Dividends	(28,830,668)	(33,50,12,367)	-	-	-	-	-	-	-	-	(28,830,668)	(33,50,12,367)
Transfer to Deemed equity	-	-	-	-	-	-	-	-	1,568,575	1,87,28,790	1,568,575	1,87,28,790
Balance as at March 31, 2022	874,688	1,70,34,918	9,175,339	10,95,53,548	33,898	4,04,742	-	(67,16,718)	3,298,388	3,93,82,757	13,382,313	15,96,59,247

Particulars	Reserves and Surplus						Accumulated other comprehensive income		Deemed Equity		Total	
	Retained Earnings		Surplus Reserve		Capital Reserve		Foreign currency translation reserve		RMB	₹	RMB	₹
	RMB	₹	RMB	₹	RMB	₹	RMB	₹				
Balance as at March 31, 2022	874,688	1,70,34,918	9,175,339	10,95,53,548	33,898	4,04,742	-	(67,16,718)	3,298,388	3,93,82,757	13,382,313	15,96,59,247
Foreign currency translation on opening balance	-	(65,82,396)	-	91,753	-	339	-	-	-	32,980	-	(64,57,324)
Profit for the year	3,673,731	4,30,19,394	-	-	-	-	-	-	-	-	3,673,731	4,30,19,394
Other comprehensive income	-	-	-	-	-	-	-	75,98,393	-	-	-	75,98,393
Transferred from Retained earnings to Surplus Reserve	(551,334)	(65,88,441)	551,334	65,88,441	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Deemed equity	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	3,997,085	4,68,83,475	9,726,673	11,62,33,742	33,898	4,05,081	-	8,81,675	3,298,388	3,94,15,737	17,056,044	20,38,19,710

Sundram Fasteners (Zhejiang) Limited

(Incorporated in People's Republic of China)

Cash Flow Statement for the Year ended March 31, 2023

Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
	RMB	₹	RMB	₹
A. Cash flows from operating activities				
Profit before tax	4,165,256	4,87,75,152	11,100,868	12,90,08,755
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>				
Provision for Bad Debts	1,491,049	1,74,60,184	990,278	1,15,07,034
Depreciation and amortization	18,196,908	21,30,85,796	17,594,372	20,44,46,585
Depreciation on right of use assets	257,166	30,11,418	257,166	29,88,273
Foreign exchange (gain)/loss	(880,962)	(1,03,16,066)	721,417	83,82,865
Finance guarantee expenses	544,230	63,72,932	1,035,093	1,20,27,780
Interest Expense	6,077,412	7,11,66,491	6,077,698	7,06,22,847
(Gain) / loss on sale of property and equipment	64,250	7,52,368	64,118	7,45,053
Interest received	(32,892)	(3,85,168)	(75,938)	(8,82,398)
Operating profit before working capital changes	29,882,417	34,99,23,107	37,765,072	43,88,46,794
Adjustments for:				
(Decrease) / increase in Trade payables	10,177,622	11,91,79,954	(30,417,002)	(35,34,45,552)
(Decrease) / increase in Other financial liabilities	3,930,841	4,60,30,148	-	-
(Decrease) / increase in other current liabilities	801,479	93,85,319	49,827	5,78,991
(Increase) / decrease in financial assets	(20,660,879)	(24,19,38,893)	(756,540)	(87,90,996)
Decrease in other non-current assets	8,252,339	9,66,34,890	-	-
Decrease / (Increase) in inventories	(3,576,524)	(4,18,81,096)	(2,624,408)	(3,04,95,620)
(Increase) / decrease in other current assets	(4,906,081)	(5,74,50,209)	(488,937)	(56,81,444)
Cash from / (used) in operating activities	23,901,214	27,98,83,220	3,528,012	4,10,12,173
Direct taxes paid, net	(380,205)	(44,52,201)	(4,732,663)	(5,49,93,547)
Net cash from / (used) in operating activities before extraordinary item	23,521,009	27,54,31,019	(1,204,651)	(1,39,81,374)
Net cash from / (used) in operating activities before extraordinary item	-	-	-	-
Net cash from / (used) in operating activities	23,521,009	27,54,31,019	(1,204,651)	(1,39,81,374)
B. Cash flow from investing activities				
Purchase of Property, Plant and Equipments (including capital work-in-progress and capital advances)	(7,182,276)	(8,41,04,452)	(27,859,970)	(32,37,32,849)
Proceeds from sale of Property, Plant and Equipments	153,496	17,97,438	49,664	5,77,094
Interest received	32,892	3,85,168	75,938	8,82,398
Net cash from / (used) in investing activities	(6,995,888)	(8,19,21,846)	(27,734,368)	(32,22,73,357)
C. Cash flow from financing activities				
Proceeds from Long-term borrowings	-	-	26,600,702	30,91,00,152
Repayment of Long-term borrowings	(9,938,907)	(11,63,84,601)	-	-
Proceeds from Short-term borrowings	3,000,000	3,51,30,000	48,000,000	55,77,60,000
Dividend and dividend taxes paid	-	-	(28,830,668)	(33,50,12,367)
Interest paid to banks and others	(5,791,927)	(6,78,23,465)	(6,077,698)	(7,06,22,847)
Net cash generated from financing activities	(12,730,834)	(14,90,78,066)	39,692,336	46,12,24,938
D. Net cash flows during the year	3,794,287	4,44,31,107	10,753,317	12,49,70,207
E. Foreign Currency Translation Reserve Impact on cash flows	-	10,76,109	-	80,60,217
F. Cash and cash equivalents at the beginning	16,548,092	19,75,84,213	5,794,775	6,45,53,789
G. Cash and cash equivalents at the end	20,342,379	24,30,91,429	16,548,092	19,75,84,213
Cash and cash equivalents comprise of:				
Cash on hand	28,958	3,46,048	26,246	3,13,378
Balances with banks in current accounts	20,313,421	24,27,45,381	16,521,846	19,72,70,835
Cash and cash equivalents as per note No. 13	20,342,379	24,30,91,429	16,548,092	19,75,84,213

Notes to Financial Statements for Year ended March 31, 2023**1 Corporate Information**

Sundram Fasteners (Zhejiang) Limited ("SFZL" or "the Company") was incorporated in People's Republic of China.

The registered office of the Company is situated at No 1 Sundram Road, Wuyuan Town, Haiyan County, Jiaxing City, Zhejiang Province, China 314 300.

SFZL is in the business of manufacture and sale of high-tensile automobile fasteners and engine components.

2 Basis of Preparation

The financial statements of the Company have been translated in accordance with Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, provisions of the Companies Act 2013, to the extent notified, pronouncements of the Institute of Chartered Accountants of India.

The financial statements prepared in accordance with the Accounting Standards for Business Enterprises and Accounting System for Business Enterprises promulgated by the Central Government of the People's Republic of China and as audited by their auditors has been the basis of the translation and presentation.

Carrying value of Plant Property and Equipment, Investment Property under the Previous GAAP has been considered as the deemed cost for the purpose of transition to Ind AS.

3 Summary of accounting policies**3.1 Overall considerations**

The financial statements have been prepared applying the significant accounting policies and measurement bases summarized below.

3.2 Foreign operations

In the Company's financial statements, all assets, liabilities and transactions in RMB are translated into INR. The functional currency (RMB) of the Company has remained unchanged during the reporting period.

Assets and liabilities have been translated into INR at the closing rate as at the reporting date. Income and expenses have been translated into INR at the average rate over the reporting period. Exchange differences are charged or credited to Other Comprehensive Income (OCI) and recognized in the currency translation reserve under equity.

3.3 Revenue**(i) Sale of products**

Income of the Company is derived from sale of products and is net of any sales returns, rebates, discounts and trade discounts. Revenue is recognized when the Company has transferred to the buyer the significant risks and rewards of ownership, which normally takes place upon delivery of goods to customers. Revenue from sale of power is recognised at a point of time in accordance with the terms of contracts with customers all the five conditions mentioned in Ind AS -115 are satisfied.

(ii) Rental Income

The Company also earns rental income from operating leases of its investment properties. Rental income is recognised in accordance with terms of lease.

(iii) Interest income

Interest income is recognized on a time proportion basis taking into account deposit balances and effective yield. Interest income is included in other income in the statement of profit and loss.

Notes to Financial Statements for Year ended March 31, 2023 (Contd.)**3.4 Property, plant and equipment**

As there is no change in the functional currency as at the date of transition, the Company has elected to adopt the carrying value of Property, Plant and equipment under the Previous GAAP as the deemed cost for the purpose of transition to Ind AS. Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation.

Buildings and other equipment

Buildings and other equipment (comprising plant, fittings and furniture, vehicles etc.) are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be of use for company's business purposes. Buildings and other equipment are subsequently measured at cost less accumulated depreciation.

Depreciation is recognized on a straight-line basis, over the useful life of the buildings and other equipments. In respect of these assets, the useful life is detailed below:

Description	Range of Useful lives in years
Buildings	25 years
Plant and Equipment	10 years
Office equipments	5 years
Vehicles	5 years

3.5 Intangible assets

Intangible assets include Software which are amortized evenly for 10 years.

3.6 Leases**(a) Operating leases**

All leases entered into are operating leases.

(b) Assets taken on lease

Where the Company is a lessee, payments on operating lease agreements are recognized as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

3.7 Investment property

Investment properties are recognised initially at cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation.

The Company has depreciated assets based on Straight line method.

3.8 Financial instruments**Recognition, initial measurement and derecognition**

Financial assets (other than trade receivables) and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Trade receivables are recognised at their transaction value as the same do not contain significant financing component.

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased in the normal course of business. They are recognised at their transaction value as the same do not contain significant financing component.

Sundram Fasteners (Zhejiang) Limited

(Incorporated in People's Republic of China)

Notes to Financial Statements for Year ended March 31, 2023 (Contd.)

Classification and subsequent measurement of financial assets:

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

- Amortised cost
- Fair Value Through Other Comprehensive Income (FVTOCI) or
- Fair Value Through Profit or Loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

3.9 Inventories

Inventories are valued at lower of cost or net realizable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. Cost is ascertained on weighted average basis.

(a) Raw materials

The cost of raw materials includes the purchase cost and taxes such as tariff.

(b) Work in process and Finished Goods

Work-in-process and finished goods include conversion costs in addition to the landed cost of raw materials.

(c) Stores and spares

Stores, spares and tools cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

3.10 Income taxes

Tax expense is recognized in the statement of profit or loss not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. The applicable enterprise income tax rate is 25%.

3.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 3 months from the date of acquisition and that are readily convertible into known amounts of cash and which are subject to only an insignificant risk of changes in value.

3.12 Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued and fully paid up.

Retained earnings includes all current and previous period retained profits.

All transactions with owners are recorded separately within equity.

Dividend paid to equity shareholders is deducted directly from equity component.

3.13 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is appropriately classifying for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash

Notes to Financial Statements for Year ended March 31, 2023 (Contd.)

flow statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of 3 months or less, as applicable.

3.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred under finance costs. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to interest costs.

3.15 Accounting for effect of change in foreign exchange rates

The Assets and Liabilities as at 31st March 2023 has been translated from Renminbi to Indian Rupees by applying the year end interbank exchange rate of RMB 1 = Rs. 11.95 (31st March 2022: RMB 1 = Rs. 11.94). The incomes and expenses for the 12 months ended 31st March 2023 has been translated from Renminbi to Indian Rupees by applying Average interbank exchange rate RMB 1 = Rs. 11.71 (31st March 2022: RMB 1 = Rs. 11.62). Exchange differences arising out of the translation have been dealt with in accordance with Ind AS 21 SFZL's Functional Currency is Renminbi. But these financial statements are presented in Indian Rupees in order to facilitate the preparation of consolidated financial statements by Sundram Fasteners Limited, which is the ultimate holding company of SFZL.

4. Significant management judgment in applying accounting policies and estimation of uncertainty

While preparing the financial statements, management has made a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

4.1 Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

4.2 Estimation of uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

4.3 Useful lives of depreciable assets

Management has reviewed its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of assets including I.T assets.

4.4 Inventories

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes.

4.5 Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle.

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)
5 PROPERTY, PLANT AND EQUIPMENT

Gross block	Tangible Assets												Total	
	Buildings		Plant and Equipment		Office Equipments		Vehicles				Total			
	RMB	₹	RMB	₹	RMB	₹	RMB	₹	RMB	₹	RMB	₹		
As at 1 April 2021	41,726,264	46,48,30,582	152,090,104	1,69,42,83,768	4,180,652	4,65,72,459	175,910	19,59,643	198,172,930	2,20,76,46,452				
Additions	-	-	32,780,233	39,13,95,985	161,947	19,33,646	-	-	32,942,180	39,33,29,631				
Disposal	-	-	(123,588)	(14,75,641)	-	-	-	-	(123,588)	(14,75,641)				
Other Adjustments	-	3,33,81,011	-	12,16,72,083	-	33,44,522	-	1,40,728	-	15,85,38,344				
As at 31 March 2022	41,726,264	49,82,11,593	184,746,749	2,20,58,76,195	4,342,599	5,18,50,627	175,910	21,00,371	230,991,522	2,75,80,38,786				
Additions	-	-	8,782,728	10,49,53,601	132,699	15,85,754	-	-	8,915,428	10,65,39,354				
Disposal	-	-	(1,992,412)	(2,38,09,327)	(185,043)	(22,11,261)	-	-	(2,177,455)	(2,60,20,588)				
Other Adjustments	-	4,17,263	-	18,47,467	-	43,426	-	1,759	-	23,09,915				
Transfer from investment property	6,609,131	7,89,79,116	-	-	-	-	-	-	6,609,131	7,89,79,116				
As at 31 March 2023	48,335,395	57,76,07,972	191,537,065	2,28,88,67,936	4,290,255	5,12,68,546	175,910	21,02,130	244,338,626	2,91,98,46,583				
Accumulated depreciation / amortisation														
As at 1 April 2021	7,146,274	7,96,09,493	49,400,648	55,04,31,373	1,671,443	1,86,19,845	133,056	14,82,238	58,351,421	65,01,42,949				
For the year	1,724,218	2,00,35,416	14,786,521	17,18,19,364	648,098	75,30,902	-	-	17,158,837	19,93,85,682				
Deduction on sale or discards	-	-	(54,566)	(6,34,068)	-	-	-	-	(54,566)	(6,34,068)				
Other Adjustments	-	-	-	-	-	-	-	-	-	-				
- Restating - Opening Balance	-	57,17,021	-	3,95,20,518	-	13,37,154	-	1,06,445	-	4,66,81,138				
- Restating to Closing rate - CY Depreciation	-	5,51,750	-	47,31,686	-	2,07,391	-	-	-	54,90,827				
As at 31 March 2022	8,870,492	10,59,13,680	64,132,603	76,58,68,873	2,319,541	2,76,95,292	133,056	15,88,683	75,455,692	90,10,66,528				
For the year	1,724,217	2,01,90,584	15,454,512	18,09,72,333	611,077	71,55,708	-	-	17,789,806	20,83,18,625				
Deduction on sale or discards	-	-	(1,793,171)	(2,14,28,418)	(166,538)	(19,90,135)	-	-	(1,959,709)	(2,34,18,553)				
Other Adjustments	-	-	-	-	-	-	-	-	-	-				
- Restating - Opening Balance	-	88,705	-	5,15,731	-	23,221	-	1,341	-	6,28,998				
- Restating to Closing rate - CY Depreciation	-	4,13,812	-	37,09,083	-	1,46,658	-	-	-	42,69,553				
Transfer from investment property	2,486,908	2,97,18,572	-	-	-	-	-	-	2,486,908	2,97,18,572				
As at March 31, 2023	13,081,617	15,63,25,354	77,793,943	92,96,37,602	2,764,080	3,30,30,744	133,056	15,90,024	93,772,697	1,12,05,83,723				
Net block														
As at 31 March 2022	32,855,772	39,22,97,913	120,614,146	1,44,00,07,322	2,023,058	2,41,55,335	42,854	5,11,688	155,535,830	1,85,69,72,258				
As at 31 March 2023	35,253,778	42,12,82,618	113,743,122	1,35,92,30,334	1,526,175	1,82,37,802	42,854	5,12,106	150,565,929	1,79,92,62,860				
b) Capital Work-in-Progress														
As at March 31, 2022	-	-	12,284,450	14,66,76,331	-	-	-	-	12,284,450	14,66,76,331				
As at March 31, 2023	-	-	9,518,798	11,37,49,630	-	-	-	-	9,518,798	11,37,49,630				

CWIP ageing for the year ended 31 March 2023

CWIP	Less than 1 year			1-2 years		2-3 years		More than 3 years		Total
	RMB	INR		RMB	INR	RMB	INR	RMB	INR	
Projects in progress										
			945,740	8,573,058	-	-	-	-	-	9,518,798
			1,13,01,590	10,24,48,040	-	-	-	-	-	11,37,49,630
Projects temporarily suspended			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-

Sundram Fasteners (Zhejiang) Limited
(Incorporated in People's Republic of China)

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)

6 Investment Property	Building		Total	
	RMB	₹	RMB	₹
Gross block				
As at April 1, 2021	6,609,131	7,36,25,720	6,609,131	7,36,25,720
Additions	-	-	-	-
Disposals	-	-	-	-
Other adjustments - Exchange differences	-	52,87,305	-	52,87,305
As at March 31, 2022	6,609,131	7,89,13,025	6,609,131	7,89,13,025
Additions	-	-	-	-
Disposals	-	-	-	-
Other adjustments - Exchange differences	-	66,091	-	66,091
Transfer to owner occupied property	(6,609,131)	(7,89,79,116)	(6,609,131)	(7,89,79,116)
As at March 31, 2023	-	-	-	-
Accumulated depreciation				
As at April 31, 2021	1,884,020	2,09,88,004	1,884,020	2,09,88,004
Depreciation for the year	301,444	35,02,774	301,444	35,02,774
- Exchange variation (Op. Bal restated)	-	15,07,216	-	15,07,216
- Restating to Closing Rate - CY Deprn	-	96,462	-	96,462
As at March 31, 2022	2,185,464	2,60,94,456	2,185,464	2,60,94,456
Depreciation for the year	301,444	35,29,915	301,444	35,29,915
- Exchange variation (Op. Bal restated)	-	21,855	-	21,855
- Restating to Closing Rate - CY Deprn	-	72,346	-	72,346
Transfer to owner occupied property	(2,486,908)	(2,97,18,572)	(2,486,908)	(2,97,18,572)
As at March 31, 2023	-	-	-	-
Net block				
As at March 31, 2022	4,423,667	5,28,18,569	4,423,667	5,28,18,569
As at March 31, 2023	-	-	-	-

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)

7 (a) Intangible assets

	Gross block	Intangible assets	
		Software	
		RMB	₹
As at April 1, 2021		1,003,590	1,11,79,995
Additions		88,496	10,56,637
Disposal		-	-
Other Adjustments		-	8,02,872
As at March 31, 2022		1,092,086	1,30,39,504
Additions		-	-
Disposal		-	-
Other Adjustments		-	10,921
As at March 31, 2023		1,092,086	1,30,50,425
Accumulated depreciation/ amortisation			
As at April 1, 2021		805,630	89,74,725
For the year		134,091	15,58,129
Impairment for the year		-	-
Deduction on sale or discards		-	-
Other Adjustments			
- Exchange variation (Op. Bal restated)		-	6,44,504
- Restating to Closing rate - CY Depreciation		-	42,909
As at March 31, 2022		939,721	1,12,20,267
For the year		105,658	12,37,256
Impairment for the year		-	-
Deduction on sale or discards		-	-
Other Adjustments			
- Exchange variation (Op. Bal restated)		-	9,397
- Restating to Closing rate - CY Depreciation		-	25,358
As at March 31, 2023		1,045,379	1,24,92,278
Net block			
As at March 31, 2022		152,365	18,19,237
As at March 31, 2023		46,707	5,58,147

Sundram Fasteners (Zhejiang) Limited
(Incorporated in People's Republic of China)

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)

7(b) Right of use assets

	Leasehold land		Total	
	RMB	₹	RMB	₹
Gross block				
As at April 1, 2021	11,255,927	12,53,91,030	11,255,927	12,53,91,030
Additions	-	-	-	-
Disposals	-	-	-	-
Other Adjustments	-	-	-	-
- Exchange variation (Op. Bal restated)	-	90,04,742	-	90,04,742
As at March 31, 2022	11,255,927	13,43,95,772	11,255,927	13,43,95,772
Additions	-	-	-	-
Disposals	-	-	-	-
Other Adjustments	-	-	-	-
- Exchange variation (Op. Bal restated)	-	1,12,559	-	1,12,559
As at March 31, 2023	11,255,927	13,45,08,331	11,255,927	13,45,08,331
Accumulated depreciation				
As at April 1, 2021	578,624	64,45,875	578,624	6,445,875
For the year ended	257,166	29,88,273	257,166	29,88,273
Disposals / other adjustments	-	-	-	-
Other Adjustments	-	-	-	-
- Exchange variation (Op. Bal restated)	-	4,62,900	-	4,62,900
- Restating to Closing rate - CY Depreciation	-	82,293	-	82,293
As at March 31, 2022	835,790	99,79,341	835,790	99,79,341
For the year ended	257,166	30,11,418	257,166	30,11,418
Disposals / other adjustments	-	-	-	-
Other Adjustments	-	-	-	-
- Exchange variation (Op. Bal restated)	-	8,357	-	8,357
- Restating to Closing rate - CY Depreciation	-	61,720	-	61,720
As at March 31, 2023	1,092,956	1,30,60,836	1,092,956	1,30,60,836
Net block				
As at March 31, 2022	10,420,137	12,44,16,431	10,420,137	12,44,16,431
As at March 31, 2023	10,162,971	12,14,47,495	10,162,971	12,14,47,495

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)

8 Other financial assets (Unsecured considered good unless otherwise stated)

	As at March 31, 2023				As at March 31, 2022			
	Non-Current		Current		Non-Current		Current	
	RMB	₹	RMB	₹	RMB	₹	RMB	₹
Security deposits	-	-	18,690	2,23,346	-	-	-	-
Other Receivables	-	-	133,302	15,92,959	-	-	295,981	35,34,012
	-	-	151,992	18,16,305	-	-	295,981	35,34,012

9 Assets for current tax (net) - Current

Advance Income-tax (net of provision for taxation)	4,224,154	5,04,78,637	3,902,921	4,66,00,873
	4,224,154	5,04,78,637	3,902,921	4,66,00,873

10 Other assets

(Unsecured, considered good)

	As at March 31, 2023				As at March 31, 2022			
	Non current		Current		Non current		Current	
	RMB	₹	RMB	₹	RMB	₹	RMB	₹
Prepaid expenses	2,482,141	2,96,61,586	1,001,474	1,19,67,613	2,042,584	2,43,88,456	867,100	1,03,53,179
Capital & other advances	1,032,500	1,23,38,375	-	-	8,691,896	10,37,81,239	-	-
Advance to suppliers	-	-	4,227,477	5,05,18,350	-	-	-	-
	3,514,641	4,19,99,961	5,228,951	6,24,85,963	10,734,480	12,81,69,695	867,100	1,03,53,179

11 Inventories

	As at March 31, 2023				As at March 31, 2022			
	Current				Current			
	RMB	₹	RMB	₹	RMB	₹	RMB	₹
Raw Materials and components	13,627,820	16,28,52,454	12,693,330	15,15,58,357				
Work-in-process	23,769,068	28,40,40,362	18,390,628	21,95,84,099				
Finished Goods	33,513,273	40,04,83,607	35,542,613	42,43,78,795				
Stores, Spares & Chemicals	1,746,215	2,08,67,267	2,309,806	2,75,79,080				
Loose tools	1,935,649	2,31,31,013	2,079,124	2,48,24,746				
	74,592,025	89,13,74,703	71,015,501	84,79,25,077				

Sundram Fasteners (Zhejiang) Limited
(Incorporated in People's Republic of China)

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)

12 Trade receivables	As at March 31, 2023		As at March 31, 2022	
	Current		Current	
	RMB	₹	RMB	₹
(Unsecured, considered good unless otherwise stated)				
Trade receivables	118,829,583	1,42,00,13,520	98,552,532	1,17,67,17,227
	118,829,583	1,42,00,13,520	98,552,532	1,17,67,17,227
Less : Provision for bad and doubtful debts	(2,411,049)	(2,88,12,036)	(920,000)	(1,09,84,800)
	116,418,534	1,39,12,01,484	97,632,532	1,16,57,32,427

12 a) Trade receivable Ageing schedule 2022-23

Particulars		Outstanding for following periods from due date of payment						Total as on 31.03.2023
		Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables								
(i) Considered good	RMB	61,894,778	46,621,161	6,511,058	1,524,536	255,201	11,800	116,818,534
	INR	73,96,42,607	55,71,22,869	7,78,07,143	1,82,18,208	30,49,652	1,41,010	1,39,59,81,489
(ii) Credit impaired	RMB	-	-	-	-	153,489	1,857,560	2,011,049
	INR	-	-	-	-	18,34,188	2,21,97,843	2,40,32,031
Total	RMB	61,894,778	46,621,161	6,511,058	1,524,536	408,690	1,869,360	118,829,583
Total	INR	73,96,42,607	55,71,22,869	7,78,07,143	1,82,18,208	48,83,840	2,23,38,853	1,42,00,13,520
Less: Provision for bad and doubtful debts	RMB							2,411,049
	INR							2,88,12,036
Total	RMB							116,418,534
Total	INR							1,39,12,01,484

b) Trade receivable Ageing schedule 2021-22

Particulars		Outstanding for following periods from due date of payment						Total as on 31.03.2022
		Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables								
(i) Considered good	RMB	46,319,719	47,631,109	1,270,767	579,539	340,349	-	96,141,483
	INR	55,30,57,445	56,87,15,438	1,51,72,962	69,19,692	40,63,769	-	1,14,79,29,306
(ii) Credit impaired	RMB	-	-	-	1,158,338	332,711	-	1,491,049
	INR	-	-	-	1,38,30,557	39,72,564	-	1,78,03,121
Total RMB		46,319,719	47,631,109	1,270,767	1,737,877	673,060	-	97,632,532
Total INR		55,30,57,445	56,87,15,438	1,51,72,962	2,07,50,249	80,36,333	-	1,16,57,32,427

13 Cash and cash equivalents	As at March 31, 2023		As at March 31, 2022	
	Current		Current	
	RMB	₹	RMB	₹
Cash on hand	28,958	3,46,048	26,246	3,13,378
Balances with banks	20,313,421	24,27,45,381	16,521,846	19,72,70,835
	20,342,379	24,30,91,429	16,548,092	19,75,84,213

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)

14 SHARE CAPITAL	As at March 31, 2023		As at March 31, 2022	
	RMB	₹	RMB	₹
REGISTERED CAPITAL				
USD 25.79 Million				
Issued, subscribed and fully paid up				
Paid-up Capital USD 21.79 Million	160,215,065	1,91,45,70,027	160,215,065	1,91,29,67,871
	160,215,065	1,91,45,70,027	160,215,065	1,91,29,67,871

a) Shareholders holding more than 5% of the aggregate shares in the Company

	Paid-up Capital USD	% holding	Paid-up Capital USD	% holding
Sundram International Limited, UK	21.79 Million	100%	21.79 Million	100%
		100%		100%

b) Bonus Shares/ Buy Back/ Shares for consideration other than cash issued during the period of five years immediately preceding the financial year ended 31 March 2023:

- (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

c) Capital Management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company's capital management is to maximise the shareholder value.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

	As at March 31, 2023		As at March 31, 2022	
	RMB	₹	RMB	₹
Borrowings	141,948,975	1,69,62,90,251	148,887,882	1,77,77,21,306
Cash and cash equivalents	(20,342,379)	(24,30,91,429)	(16,548,092)	(19,75,84,213)
Capital	A	121,606,596	132,339,790	1,58,01,37,093
Total equity		177,271,109	173,597,378	2,07,26,27,118
Overall financing	B	177,271,109	173,597,378	2,07,26,27,118
Gearing ratio	(A/B)	68.60%	76.23%	76.24%

d) Shares held by promoters at the end of the year

Promoter name	As at March 31, 2023		As at March 31, 2022	
	% of total shares	% change	% of total shares	% change
Sundram International Limited, UK	100.0%	-	100.0%	-
	Year ended March 31, 2023		Year ended March 31, 2022	
	RMB	₹	RMB	₹

e) DIVIDENDS

Final dividend declared and paid (for March 31, 2022)

Dividend	-	-	28,830,668	33,50,12,367
	-	-	28,830,668	33,50,12,367

Sundram Fasteners (Zhejiang) Limited

(Incorporated in People's Republic of China)

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)

15 Borrowings	As at March 31, 2023				As at March 31, 2022			
	Non-Current		Current		Non-Current		Current	
	RMB	₹	RMB	₹	RMB	₹	RMB	₹
(a) Secured (refer note below)								
Term loan from banks	59,948,975	71,63,90,251	82,000,000	97,99,00,000	69,887,882	83,44,61,306	79,000,000	94,32,60,000
Working Capital Loans								
	59,948,975	71,63,90,251	82,000,000	97,99,00,000	69,887,882	83,44,61,306	79,000,000	94,32,60,000
Less: Current maturities of long term borrowings	-	-	-	-	-	-	-	-
	59,948,975	71,63,90,251	82,000,000	97,99,00,000	69,887,882	83,44,61,306	79,000,000	94,32,60,000
b) Unsecured	-	-	-	-	-	-	-	-
Total	59,948,975	71,63,90,251	82,000,000	97,99,00,000	69,887,882	83,44,61,306	79,000,000	94,32,60,000

c) Terms of interest, guarantee and repayment of long term loans

I. SFZL Term loan

An outstanding term loan from a bank amounting to RMB 59.95 million equivalent to ₹ 716.39 million (March 31, 2022: RMB 69.89 million equivalent to ₹ 834.46 million) is secured by land use right, factory buildings relating to the business for which the loan has been taken. The interest rate is linked to Base Rate + agreed spread per annum.

II. SFZL Working capital loan

The outstanding working capital facilities of RMB 82.00 million equivalent to ₹ 979.9 million (March 31, 2022: RMB 79.00 million equivalent to ₹ 943.26 million). The loan is secured by land use right and factory buildings relating to the business for which the loan was taken. The interest rate is linked to base rate + agreed spread per annum.

16 Liabilities for current tax (net)	As at March 31, 2023		As at March 31, 2022	
	Current		Current	
	RMB	₹	RMB	₹
Provision for taxation (net of advance income tax)	4,658,575	5,56,69,974	4,226,022	5,04,58,699
	4,658,575	5,56,69,974	4,226,022	5,04,58,699

17 Trade payables	As at Mar 31, 2023				As at March 31, 2022			
	Non-Current		Current		Non-Current		Current	
	RMB	₹	RMB	₹	RMB	₹	RMB	₹
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	64,832,446	77,47,47,726	989,842	1,18,18,713	55,073,761	65,75,80,704
	-	-	64,832,446	77,47,47,726	989,842	1,18,18,713	55,073,761	65,75,80,704

17 a) Trade payable ageing schedule 2022-23

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2023
Undisputed dues						
Others	RMB 24,151,865	39,166,007	367,684	1,115,016	31,874	64,832,446
	INR 28,86,14,775	46,80,33,789	43,93,825	1,33,24,443	3,80,894	77,47,47,726

b) Trade payable ageing schedule 2021-22

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total as on 31.03.2022
Undisputed dues						
Others	RMB 36,141,033	18,403,568	1,185,212	-	333,790	56,063,603
	INR 43,15,23,940	21,97,38,605	1,41,51,433	-	39,85,439	66,93,99,417

18 Other financial liabilities	As at March 31, 2023				As at March 31, 2022			
	Non-Current		Current		Non-Current		Current	
	RMB	₹	RMB	₹	RMB	₹	RMB	₹
Payable to employees	-	-	3,645,356	4,35,62,010	-	-	-	-
Interest Payable	-	-	285,485	34,11,549	-	-	-	-
	-	-	3,930,841	4,69,73,559	-	-	-	-

19 Other current liabilities	As at March 31, 2023		As at March 31, 2022	
	Non-Current		Current	
	RMB	₹	RMB	₹
Customer advances	48,187	5,75,835	153,698	18,35,151
Statutory dues	2,076,948	2,48,19,532	884,473	1,05,60,611
	2,125,135	2,53,95,367	1,038,171	1,23,95,762

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)

	Year ended March 31, 2023		Year ended March 31, 2022	
	RMB	₹	RMB	₹
20 REVENUE FROM OPERATIONS				
Sale of goods	277,686,130	3,25,17,04,587	304,373,167	3,53,68,16,202
Other operating revenue	7,784,963	9,11,61,912	4,624,667	5,37,38,632
Revenue from operations (Gross)	285,471,093	3,34,28,66,499	308,997,834	3,59,05,54,834
21 OTHER OPERATING REVENUE				
Scrap Sales	3,101,995	3,63,24,361	4,573,943	5,31,49,221
Lease Income	-	-	50,724	5,89,411
Others (Recovery of Tool costs)	4,682,968	5,48,37,551	-	-
	7,784,963	9,11,61,912	4,624,667	5,37,38,632
22 OTHER INCOME				
Interest Income	32,892	3,85,168	75,938	8,82,398
Net foreign exchange gain	880,962	1,03,16,066	-	-
Miscellaneous Income	335,430	39,27,890	8,341,146	9,69,40,791
	1,249,284	1,46,29,124	8,417,084	9,78,23,189
23 COST OF RAW MATERIALS AND COMPONENTS				
Opening stock of raw materials and components	12,693,330	15,15,58,356	15,609,545	17,38,90,327
Add: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	-	(29,19,466)	-	74,92,581
Add : Purchases during the year	118,121,328	1,38,32,00,761	127,213,501	1,47,82,20,885
Less: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	-	(32,70,677)	-	(40,61,864)
Less: Closing stock of raw materials and components	13,627,820	16,28,52,454	12,693,330	15,15,58,356
	117,186,838	1,37,22,57,874	130,129,716	1,51,21,07,301
24 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS				
A. Opening Stock				
Work-in-process	18,390,628	21,95,84,099	17,315,386	19,28,93,397
Finished goods	35,542,613	42,43,78,796	31,080,225	34,62,33,709
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	-	(1,24,04,645)	-	2,32,29,893
	53,933,241	63,15,58,250	48,395,611	56,23,56,999
B. Closing Stock				
Work-in-process	23,769,068	28,40,40,362	18,390,628	21,95,84,099
Finished goods	33,513,273	40,04,83,607	35,542,613	42,43,78,796
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	-	(1,37,47,762)	-	(1,72,58,637)
	57,282,341	67,07,76,207	53,933,241	62,67,04,258
Net decrease in inventories	(3,349,100)	(3,92,17,957)	(5,537,630)	(6,43,47,259)

Sundram Fasteners (Zhejiang) Limited

(Incorporated in People's Republic of China)

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)

	Year ended March 31, 2023		Year ended March 31, 2022	
	RMB	₹	RMB	₹
25 EMPLOYEE BENEFITS EXPENSE				
Salaries and wages	44,330,014	51,91,04,469	51,919,569	60,33,05,393
Contribution to provident and other funds	6,167,611	7,22,22,722	5,606,604	6,51,48,741
Staff welfare expenses	5,293,204	6,19,83,419	5,452,180	6,33,54,331
	55,790,829	65,33,10,610	62,978,353	73,18,08,465
26 FINANCE COSTS				
Interest expenses	6,077,412	7,11,66,491	6,077,698	7,06,22,847
Other borrowing costs	41,615	4,87,306	82,551	9,59,245
	6,119,027	7,16,53,797	6,160,249	7,15,82,092
27 DEPRECIATION AND AMORTIZATION EXPENSE				
Depreciation of tangible assets	18,091,250	21,18,48,540	17,460,281	20,28,88,456
Amortization of intangible assets	105,658	12,37,256	134,091	15,58,129
Depreciation on right-of-use assets	257,166	30,11,418	257,166	29,88,273
	18,454,074	21,60,97,214	17,851,538	20,74,34,858
28 OTHER EXPENSES				
Stores and tools consumed	22,445,054	26,28,31,581	29,000,894	33,69,90,384
Power & fuel	13,141,315	15,38,84,803	13,103,701	15,22,65,000
Rent	-	-	-	-
Rates & taxes [excluding taxes on Income]	2,374,244	2,78,02,394	2,421,230	2,81,34,696
Insurance	466,608	54,63,984	437,951	50,88,996
Repairs and maintenance				
- Building	259,911	30,43,558	395,805	45,99,257
- Plant & Equipment	1,321,272	1,54,72,092	1,653,261	1,92,10,898
- Other assets	313,866	36,75,376	505,745	58,76,760
Sub-contract expenses	29,148,598	34,13,30,082	29,710,637	34,52,37,600
Freight & Cartage Inward	611,787	71,64,021	472,693	54,92,692
Audit fee	100,000	11,71,000	95,823	11,13,469
Loss on sale of assets	64,250	7,52,368	64,118	7,45,053
Net Foreign exchange loss (net off gain)	-	-	721,417	83,82,865
Freight & Cartage Outward	3,535,785	4,14,04,037	4,389,698	5,10,08,294
Travel Expenses	1,784,053	2,08,91,261	1,082,897	1,25,83,260
Postage & Telecom Expenses	559,621	65,53,168	513,106	59,62,292
Printing and stationery	1,439	16,846	31,288	3,63,563
Consultancy	1,016,910	1,19,08,014	862,920	1,00,27,136
Bad debts	1,491,049	1,74,60,184	990,278	1,15,07,034
Financial Guarantee Expense	544,230	63,72,932	1,035,093	1,20,27,780
Research and Development Expenditure	7,086,550	8,29,83,504	3,112,874	3,61,71,595
Miscellaneous expenses (Under this head there is no expenditure which is in excess of 1% of revenue from operations or ₹ 10 lakh whichever is higher)	2,086,911	2,44,37,728	4,130,395	4,79,95,187
	88,353,453	1,03,46,18,933	94,731,824	1,10,07,83,811

Notes to Financial Statements for the year ended March 31, 2022 (Contd.)

	Year ended March 31, 2023		Year ended March 31, 2022	
	RMB	₹	RMB	₹
29 INCOME TAX				
The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of Sundram Fasteners (Zhejiang) Limited at 25% and the reported tax expense in profit or loss are as follows:				
Accounting profit before tax	4,165,256	4,87,75,152	11,100,868	12,90,08,755
Accounting profit before income tax				
Applicable Enterprise income tax rate 25% (31 st March 2022: 25%)	1,041,314	1,21,93,788	2,775,217	3,22,52,189
Other adjustments	(549,789)	(64,38,030)	40,234	4,63,353
	491,525	57,55,758	2,815,451	3,27,15,542
Tax expense comprises of:				
Current income tax:				
Current income tax charge	491,525	57,55,758	2,815,451	3,27,15,542
Income tax expense	491,525	57,55,758	2,815,451	3,27,15,542

30 COMPUTATION OF RATIOS

A.	Ratios	Formula	As at / Year ended March 31, 2023	As at / Year ended March 31, 2022	Variance
(i)	Current Ratio	Current assets / current liabilities	1.40	1.37	2.19%
(ii)	Debt-Equity Ratio	Total debt / shareholder's equity	0.80	0.86	(6.98%)
(iii)	Debt Service Coverage Ratio	Earnings Available for Debt Service / (Interest Payments + Principal Repayments)	1.75	3.32	(47.29%)*
(iv)	Return on Equity Ratio	Net Profit after Tax / Average shareholder's equity	2.05%	4.57%	(2.52%)
(v)	Inventory turnover ratio	Sales / Average inventory	3.84	4.46	(13.83%)
(vi)	Trade Receivables turnover ratio	Revenue from Operations / Average Trade Receivables	2.61	3.17	(17.67%)
(vii)	Trade payables turnover ratio	Net credit purchase / Average Trade Payables	2.75	2.65	3.77%
(viii)	Net capital turnover ratio	Revenue from Operations / working capital	4.41	5.91	(25.38%)*
(ix)	Net profit ratio	Net Profit after Tax / Revenue from Operations	1.29%	2.68%	(1.39%)
(x)	Return on Capital employed	Earnings Before Interest and Tax / Capital employed (Equity Share Capital, Other Equity, Borrowings and Deferred tax Liability)	3.16%	5.21%	(2.05%)
(xi)	Return on Investment	Net Return / Cost of Investment	Not applicable	Not applicable	

B. Explanation for any change in the ratio by more than 25% as compared to the ratio of preceding year:

* The reason for changes in the above ratios are due to repayment of long term borrowings and decrease in revenue from operations..

Sundram Fasteners (Zhejiang) Limited

(Incorporated in People's Republic of China)

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)

31 DISCLOSURE ON FINANCIAL INSTRUMENT

	As at 31 March 2023						As at 31 March 2022					
	FVTPL		FVOCI		Amortised Cost		FVTPL		FVOCI		Amortised Cost	
	RMB	₹	RMB	₹	RMB	₹	RMB	₹	RMB	₹	RMB	₹
<u>Financial assets:</u>												
- Trade receivables	-	-	-	-	116,418,534	1,39,12,01,484	-	-	-	-	97,632,532	1,16,57,32,427
- Cash and cash equivalents	-	-	-	-	20,342,379	24,30,91,429	-	-	-	-	16,548,092	19,75,84,213
- Others	-	-	-	-	151,992	18,16,305	-	-	-	-	295,981	35,34,012
Total Financial Assets	-	-	-	-	136,912,905	1,63,61,09,218	-	-	-	-	114,476,605	1,36,68,50,652
Non-Current liabilities												
<u>Financial liabilities:</u>												
- Borrowings	-	-	-	-	59,948,975	71,63,90,251	-	-	-	-	69,887,882	83,44,61,306
- Trade payables	-	-	-	-	-	-	-	-	-	-	989,842	1,18,18,713
	-	-	-	-	59,948,975	71,63,90,251	-	-	-	-	70,877,724	84,62,80,019
Current liabilities												
<u>Financial liabilities:</u>												
- Borrowings	-	-	-	-	82,000,000	97,99,00,000	-	-	-	-	79,000,000	94,32,60,000
- Trade payables	-	-	-	-	64,832,446	77,47,47,726	-	-	-	-	55,073,761	65,75,80,704
- Payable to employees	-	-	-	-	3,645,356	4,35,62,010	-	-	-	-	-	-
- Other financial liabilities	-	-	-	-	285,485	34,11,549	-	-	-	-	-	-
	-	-	-	-	150,763,287	1,80,16,21,285	-	-	-	-	134,073,761	1,60,08,40,704
Total Financial Liabilities	-	-	-	-	210,712,262	2,51,80,11,536	-	-	-	-	204,951,485	2,44,71,20,723

Fair value measurement hierarchy

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Notes to Financial Statements for the year ended March 31, 2023 (Contd.)

32 RELATED PARTY DISCLOSURES

Related Parties :

(I) Where Control exists:

(A) Ultimate Holding Company

1. TVS Sundram Fasteners Private Limited, Chennai, India (from February 4, 2022)
2. Sundram Fasteners Limited, Chennai, India

(B) Holding Company

Sundram International Limited, UK

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

(A) Fellow Subsidiaries

1. Sundram Fasteners Investments Ltd., Chennai,
2. TVS Upasana Ltd., Chennai,
3. Sundram Non-Conventional Energy Systems Ltd., Chennai,
4. Sunfast TVS Limited, Chennai,
5. TVS Engineering Limited, Chennai
6. TVS Next Limited, Chennai,
7. Cramlington Precision Forge Ltd., Northumberland, United Kingdom,
8. Sundram International Inc, Michigan, USA,
9. TVS Next Inc., Michigan, USA

(III) Transactions with related parties referred in (I) and (II) above, in ordinary course of business:

Nature of transaction	Ultimate Holding Company Sundram Fasteners Limited		Holding Company		Fellow Subsidiary Companies	
	RMB	₹	RMB	₹	RMB	₹
Purchases						
Goods and Materials	-	-	-	-	-	-
	-	-	-	-	-	-
Sales						
Goods and Materials	1,151,752	1,34,87,012	-	-	-	-
	(116,473)	(13,53,413)	-	-	-	-
Dividend Paid	-	-	-	-	-	-
	-	-	(28,830,668)	(33,50,12,367)	-	-
Interest Received	-	-	-	-	-	-
	-	-	(13,340)	(1,55,011)	-	-
Due to the Company	348,983	41,70,344	-	-	-	-
	(113,335)	(13,53,228)	-	-	-	-
Due by the Company	-	-	-	-	-	-
	-	-	-	-	-	-

(Previous year figures are in brackets)

