

Sundram Fasteners Investments Limited

ANNUAL REPORT

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

Sundram Fasteners Investments Limited

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

The Directors have pleasure in presenting the Thirty First Annual Report, together with the audited accounts for the year ended 31st March 2023.

FINANCIAL RESULTS

(₹ In Thousands)

Particulars	2022 - 2023	2021-2022
Dividend and Other Income	2,354.53	3,557.98
Gross Profit / (Loss) before interest & depreciation	2,268.08	3,472.31
Less: Interest	0.08	-
Less: Depreciation	-	-
Profit / (Loss) before tax	2,268.00	3,472.31
Less: Provision for Tax (including Deferred Tax and Tax relating to earlier years)	(384.48)	550.00
Profit / (Loss) after tax	2,652.48	2,922.31
Add: Balance brought forward	28,732.12	26,394.27
Less: Transferred to General Reserve	-	-
Special Reserve u/s 45IC of Reserve Bank of India Act, 1934	530.50	584.46
Dividend Paid	2,490.00	-
Balance carried forward	28,364.10	28,732.12

OPERATIONS

The Sales and other income during the year under review was at ₹ 2,354.53 thousands as against ₹ 3,557.98 thousands in the previous year. The operating profit for the year was at ₹ 2,268.00 thousands as against profit of ₹ 3,472.31 thousands in the previous year and the year ended with a net profit of ₹ 2,652.48 Thousands as against net profit of ₹ 2,922.31 thousands in the previous year.

DIVIDEND

The Board is pleased to recommend a final dividend of ₹ 0.80 per equity share on face value of ₹ 10/- each to the shareholders absorbing a sum of ₹ 1,992/- thousands for the financial year 2022-2023.

TRANSFER TO RESERVES

The Company has transferred Rs. 530.50 thousands to the Special Reserve under Section 45IC of the RBI Act, 1934.

BOARD MEETINGS

During the financial year 2022-2023, there were six (6) Board meetings, which were held on 8th April 2022, 2nd August 2022, 21st October 2022, 15th December 2022, 22nd December 2022 and 8th March, 2023.

All the Directors attended all six meetings 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 profit of the Company for the year ended 31st March, 2023.
- 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.

DIRECTORS

Sri R Ganesh, Director (DIN 08090366) 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 your Company.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (7) OF SECTION 149

The Company is not required to have an Independent Director on the Board of the Company by virtue of the exemption provided under Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

AUDIT COMMITTEE AND VIGIL MECHANISM

The Company is not required to have an Audit Committee as per Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

The provision of Section 177 (9) relating to the establishment of a vigil mechanism is not applicable to the Company.

RELATED PARTY TRANSACTIONS

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.

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.

Sundram Fasteners Investments Limited

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 appoint any Key Managerial Personnel. There was no appointment or resignation of any director during the year.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business during the year.

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

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

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

The Company did not have 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. The deposits outstanding as at 31st March, 2023 was Rs. Nil.

REGULATORY / COURT ORDERS

During the Financial Year 2022-2023, 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

There is no risk which in the opinion of the Board may threaten the existence 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.

PROCEEDINGS PENDING, IF ANY, UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company has *neither* filed an application during the year under review *nor* are any proceedings pending under the Insolvency and Bankruptcy Code, 2016 as at 31st March, 2023.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

No such event has occurred during the year under review.

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 15th April, 2019 M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai were appointed as Statutory Auditors of the company for a period of five years at the Twenty Seventh Annual General Meeting held on 8th August, 2019.

DETAILS OF FRAUD REPORTED BY AUDITOR

M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai, the Statutory Auditors of the Company have stated that during the course of their audit, there were no fraud by the Company or on the Company by its officers noticed or reported in Independent Auditors' Report which forms part of this Report.

BOARD'S COMMENT ON THE AUDITOR'S REPORT

There are no Qualifications, adverse remarks, and reservations made by Statutory Auditors in their report, which were required to be reported by the Board in its report.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

Section 178(1) of the Companies Act, 2013 is not applicable as the Company has not met the specified criteria. In view of the same, this requirement is not applicable to the Company.

MAINTENANCE OF COST RECORDS

Section 148(1) of the Companies Act, 2013, is not applicable to the Company as the Company has not met the specified criteria and hence, the Company is not required to maintain cost records.

PERFORMANCE EVALUATION

The requirement of performance evaluation is not applicable as the Company has not met the specified criteria.

HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

There are no employees in the Company and hence health, safety, security and environment training are not applicable.

DISCLOSURE UNDER THE SEXUAL HARRASSMENT 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 2022.

ACKNOWLEDGMENT

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

On behalf of the Board

Place : Chennai	R KRISHNAN Director DIN: 00271938	K PASUPATHY Director DIN: 02942471
Date : April 10, 2023		

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 sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

All contracts, arrangements / transactions with related parties are on 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

(₹ in thousands)

a)	Name of the Related Party and nature of the relationship	Sundram Fasteners Limited, Chennai (Holding Company)
b)	Nature of contracts / arrangements / transactions	Dividend Paid – Rs.2,490
c)	Duration of the contracts / arrangements / transactions	2022-23
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	At arm's length basis and in the ordinary course of business
e)	Date of approval by the Board, if any	As the transactions fall under the fourth proviso to Section 188(1), Board approval is not required.
f)	Amount paid as advances, if any	Nil

On behalf of the Board

Place : Chennai	R KRISHNAN Director DIN: 00271938	K PASUPATHY Director DIN: 02942471
Date : April 10, 2023		

Sundram Fasteners Investments Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNDRAM FASTENERS INVESTMENTS LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH 2023

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 2023, 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 give 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, 2023, and its profit, 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.

The 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, 2020 ("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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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 (Note No. I (2) - 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.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing

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or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations provided under sub-clause (a) and (b) above, contain any material misstatement.
- v. The dividend paid during the year by the Company is in compliance with section 123 of the Act.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act.

- vi. The company is required to maintain accounting software with requisite audit trail facility from the financial year commencing on or after 1st April 2023 [As per Companies (Accounts) Second Amendment Rules, 2022, vide MCA notification dated 31.03.2022]. Hence, reporting under Rule 11 (g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March 2023.

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

K. Srinivasan
Partner

Place : Chennai
Date : 10.04.2023

Membership No: 209120
UDIN: 23209120BGSIMS1884

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF SUNDRAM FASTENERS INVESTMENTS LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH 2023

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 2023.

- i. (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The company has no intangible assets.
- (b) Property, plant and equipment consist of land. Hence, the question of physical verification of asset does not arise.
- (c) Details of title deeds of immovable properties of the Company are not held in the name of the company.

Description of property	Gross Carrying Value ₹ in Thousands	Held in Name of	Whether title deed holder is a promoter, director or their relative or employee	Period held, indicate range	Reason for not being held in the name of the company
Land	25,120	UFL Properties Private Limited, Chennai	No	Since 13.02.2002	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.

- (d) The company has not revalued its property, plant and equipment during the year.
- (e) No proceedings have been initiated during the year or are pending against the company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable
- (b) The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. During the year, the company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms or other parties. Accordingly, the provisions

- of clause 3 [(iii)(a),(b),(c),(d),(e) & (f)] 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. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- 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 (TDS) 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.
- 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 2023 for a period of more than six months from the date they became payable.
- (b) According to information and explanations furnished to us, there are no disputed dues that were not deposited with the concerned authorities.
- viii. According to the information and explanations furnished to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The company has not availed term loan or other borrowings from banks or financial institutions or other parties. Accordingly, the provisions of clause 3 [ix (a)] of the Order are not applicable.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The company has not availed any term loan from banks or financial institutions during the year and there is no outstanding term loan at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements, the company has not raised any funds on a short-term

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- basis. Hence, the reporting on whether funds raised on a short-term basis have been utilised for long term purposes does not arise.
- (e) The company does not have subsidiaries, joint ventures or associate companies. Hence, the provisions of clause 3 [ix (e)] of the Order are not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The company has not raised any money by the way of initial public offer or further public offers including debt instruments during the year. Hence, reporting on utilization of such money does not arise.
- (b) According to the information and explanations furnished to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3 [x(b)] of the order are not applicable to the Company.
- xi. (a) 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 year.
- (b) In view of what is stated in point no. xi (a) above, no report under sub-section 12 of section 143 of Companies Act, 2013 has been filed in Form ADT-4 during the year.
- (c) The provisions of section 177 (9) of the Companies Act, 2013 relating to establishment of a vigil mechanism are not applicable. Hence, reporting requirements under clause 3 [xi(c)] of the order are not applicable to the Company.
- xii. The company is not a Nidhi company. Hence, the provisions of clause No. 3 [xii (a), (b) and (c)] of the Order are not applicable to the company.
- xiii. 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.
- The details of transactions during the year have been disclosed in the Financial Statements as required by the applicable accounting standards. Refer Note no.16 to financial statements.
- xiv. The provisions of section 138 of the Companies Act, 2013 relating to the Internal Audit are not applicable. Hence, the provisions of clause 3[xiv(a) & b] of the Order are not applicable to the company.
- xv. 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 him as referred to in section 192 of the Companies Act, 2013.
- xvi. (a) 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.
- (b) The company is engaged in the business of Investment Activities with a valid Certificate of Registration. The company has not conducted any Housing Finance Activities during the year.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. During the year, there is no resignation of statutory auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. The provisions of section 135 of the Companies Act, 2013 relating to the Corporate Social Responsibility (CSR) are not applicable. Hence, the reporting clause 3[xx(a) & b] of the Order are not applicable.
- xxi. The company does not have subsidiaries, joint ventures or associate companies. Accordingly, the preparation of consolidated financial statements and reporting under the clause 3 (xxi) of the Order are not applicable.

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

K. Srinivasan
Partner

Place : Chennai
Date : 10.04.2023

Membership No: 209120
UDIN: 23209120BGSIMS1884

ANNEXURE “B” TO INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF SUNDARAM FASTENERS INVESTMENTS LIMITED, CHENNAI FOR THE YEAR ENDED 31ST MARCH 2023

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, 2023 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 over financial reporting 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, 2023, 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 existing capacity to prepare timely and reliable financial information.

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

K. Srinivasan
Partner

Place : Chennai
Date : 10.04.2023

Membership No: 209120
UDIN: 23209120BGSIMS1884

Sundram Fasteners Investments Limited

Balance Sheet as at March 31, 2023

₹ in Thousands

Sl. No.	Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
I. EQUITY AND LIABILITIES				
(1) Shareholders' funds				
	(a) Share Capital	1	24,900.00	24,900.00
	(b) Reserves and Surplus	2	38,960.25	63,860.25
			38,797.77	63,697.77
(2) Current liabilities				
	(a) Other Current Liabilities	3	66.43	59.88
	(b) Short Term Provisions	4	-	66.43
			262.42	322.30
	TOTAL		63,926.68	64,020.07
II. ASSETS				
(1) Non-current assets				
	(a) Property, Plant and Equipment and Intangible Assets			
	(i) Property, Plant and Equipment	5	25,120.00	25,120.00
	(ii) Intangible Assets		-	-
	(b) Non-current investments	6	34,512.15	34,512.15
	(c) Long-term loans and advances	7	1,678.66	1,523.81
	(d) Other non-current assets	8	10.00	61,320.81
			10.00	61,165.96
(2) Current assets				
	(a) Current investments	6	35.53	35.53
	(b) Cash and cash equivalents	9	2,518.45	2,783.69
	(c) Other current assets	8	51.89	2,605.87
			34.89	2,854.11
	TOTAL		63,926.68	64,020.07

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

K. SRINIVASAN
 Partner
 Membership Number 209120

Place: Chennai
 Date: 10.04.2023

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, 2023

₹ in Thousands

Sl. No.	Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
I	Revenue From Operations	10	2,346.54	2,838.60
II	Other Income	11	7.99	719.38
III	Total Revenue (I+II)		2,354.53	3,557.98
IV Expenses				
	Finance Cost - Interest Expense		0.08	-
	Other Expenses	12	86.45	85.67
	Total Expenses		86.53	85.67
V. Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)				
			2,268.00	3,472.31
VI Exceptional items				
			-	-
VII Profit / (Loss) before extraordinary items and tax (V - VI)				
			2,268.00	3,472.31
VIII Extraordinary Items				
			-	-
IX Profit / (Loss) before tax (VII- VIII)				
			2,268.00	3,472.31
X Tax expense:				
	(1) Current tax		77.00	550.00
	(2) Deferred tax		-	-
	(3) Earlier years		(461.48)	-
XI Profit / (Loss) for the year from continuing operations (IX-X)				
			2,652.48	2,922.31
XII Profit/(loss) from discontinuing operations				
			-	-
XIII Tax expense of discontinuing operations				
			-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)				
			-	-
XV Profit / (Loss) for the year (XI + XIV)				
			2,652.48	2,922.31
XVI Earnings per equity share:				
	(1) Basic - ₹		1.07	1.17
	(2) Diluted - ₹		1.07	1.17
	No. of Equity Shares of ₹ 10 each		2,490,000	2,490,000

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

K. SRINIVASAN
 Partner
 Membership Number 209120

Place: Chennai
 Date: 10.04.2023

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, 2023 ₹ in Thousands

	Year ended March 31, 2023	Year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax	2,268.00	3,472.31
Operating Profit before Extra ordinary items & Working Capital changes:	2,268.00	3,472.31
Adjustments for Changes in Working Capital :		
Loans and Advances	(32.79)	(786.97)
Other Current Assets	(17.00)	(0.14)
Other Current liabilities	6.55	(52.72)
Cash Generated From Operations	2,224.76	2,632.48
Direct Taxes Paid	-	-
NET CASH FROM OPERATING ACTIVITIES (a)	2,224.76	2,632.48
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Investments	-	-
Sale of Investments	-	-
NET CASH FROM INVESTING ACTIVITIES (b)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend Paid	(2,490.00)	-
NET CASH FROM FINANCING ACTIVITIES (c)	(2,490.00)	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (a+b+c)	(265.24)	2,632.48
CASH AND CASH EQUIVALENTS - Opening Balance	2,783.69	151.21
CASH AND CASH EQUIVALENTS - Closing Balance	2,518.45	2,783.69
CASH AND CASH EQUIVALENTS include: (Refer Note No. 9)		
With Scheduled Banks:		
i) Current Account	118.45	2,783.69
ii) Deposit Account	2,400.00	-
	2,518.45	2,783.69

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

K. SRINIVASAN
 Partner
 Membership Number 209120

Place: Chennai
 Date: 10.04.2023

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, 2023 ₹ in Thousands

Sl. No.	Particulars	As at 31-03-2023	As at 31-03-2022
1	SHARE CAPITAL		
a	Authorised		
	1,000 Redeemable Preference Shares of ₹ 10 each	10.00	10.00
	24,99,000 Equity Shares of ₹ 10 each	24,990.00	24,990.00
		25,000.00	25,000.00
b	Issued		
	24,90,000 Equity Shares of ₹ 10 each	24,900.00	24,900.00
c	Subscribed and Paid-up		
	24,90,000 Equity Shares of ₹ 10 each fully paid-up	24,900.00	24,900.00
d	Reconciliation of number of shares		
		As at March 31, 2023	As at March 31, 2022
Sl. No.	Equity Shares	No. of Shares	Value ₹
1	No. of shares outstanding at the beginning of the year	2,490,000	24,900.00
2	Add: Shares issued during the year	-	-
3	Bonus Shares issued during the year	-	-
4	Balance as at the end of the year	2,490,000	24,900.00
e	Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company		
		As at March 31, 2023	As at March 31, 2022
Sl. No.	Name of the Share Holder	No. of Shares	Shares as % of Total No. of Shares
1	Sundram Fasteners Limited, Chennai, the holding company and its six nominees	2,490,000	100.00
f	Shares allotted as fully paid up by way of Bonus shares (during 5 years immediately preceding March 31, 2023)		
	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.
	Particulars	As at 31-03-2023	As at 31-03-2022
	Sundram Fasteners Limited, Chennai and its six nominees	2,490,000	2,490,000
i	Shares held by promoters as at 31st March 2023		
	Promoter name	No. of Equity shares held	% of total shares
	Sundram Fasteners Limited, Chennai and its six nominees	2,490,000	100.00
	Shares held by promoters as at 31st March 2022		
	Promoter name	No. of Equity shares held	% of total shares
	Sundram Fasteners Limited, Chennai and its six nominees	2,490,000	100.00

Sundram Fasteners Investments Limited

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

2 RESERVES & SURPLUS ₹ in Thousands

a General Reserve			
S. No.	Particulars	As at 31-03-2023	As at 31-03-2022
1	Balance as at the beginning of the year	1,263.03	1,263.03
2	Add: Transfer from Statement of Profit and Loss Sub Total	1,263.03	1,263.03
3	Less: Amount utilized	-	-
4	Balance as at the end of the year	1,263.03	1,263.03

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

S. No.	Particulars	As at 31-03-2023	As at 31-03-2022
1	Balance as at the beginning of the year	8,802.62	8,218.16
2	Add: Transfer from Statement of Profit and Loss Sub Total	530.50	584.46
3	Less: Amount utilized	-	-
4	Balance as at the end of the year	9,333.12	8,802.62

c Surplus in Statement of Profit and Loss

S. No.	Particulars	As at 31-03-2023	As at 31-03-2022
1	Balance as at the beginning of the year	28,732.12	26,394.27
2	Profit/(Loss) for the Year	2,652.48	2,922.31
3	Balance available for appropriation (1+2)	31,384.60	29,316.58
Appropriations:			
4	Final Dividend Paid for the year ended 31.03.2022	2,490.00	-
5	Amount appropriated during the year to Special Reserve	530.50	584.46
6	Total appropriations (4+5)	3,020.50	584.46
7	Balance as the end of the year (3-6)	28,364.10	28,732.12
Total Reserves and Surplus (a+b+c)		38,960.25	38,797.77

3 OTHER LIABILITIES

Particulars	Non-Current		Current	
	As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022
a) Statutory Dues (Tax Deducted at Source)	-	-	5.50	2.50
b) Outstanding Liabilities	-	-	60.93	57.38
Total	-	-	66.43	59.88

4 SHORT TERM PROVISIONS

Particulars	As at 31-03-2023	As at 31-03-2022
a) Provision for Income Tax (Net of Tax Deducted at Source - ₹ 287.58 Thousands)	-	262.42
Total	-	262.42

5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Tangible Land - Free Hold *	As at	
		31-03-2023	31-03-2022
A Cost of Assets			
As at 01.04.2022	25,120.00	25,120.00	25,120.00
Additions	-	-	-
Sales/Discards	-	-	-
As at 31-03-2023	25,120.00	25,120.00	25,120.00
B Depreciation / Amortization			
As at 01.04.2022	-	-	-
Charges for the year	-	-	-
Deduction on sale or discards	-	-	-
Impairment for the year	-	-	-
As at 31-03-2023	-	-	-
C Written Down Value			
As at 31-03-2023	25,120.00	25,120.00	
As at 31-03-2022	25,120.00		25,120.00

* Details of Title deeds of Immovable Property not held in name of the Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of Promoter / director	Proper held since which date	Reason for not being held in the name of the company
Property, Plant and Equipment	Land	25,120.00	Ms. UPL Properties Private Limited, Chennai	No	13.02.2002	Reason provided in the Notes below

* 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.

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

6 INVESTMENTS ₹ in Thousands

Particulars	Non Current		Current	
	As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022
1. Non-Trade (Valued At Cost unless otherwise stated)				
Quoted equity instruments				
a. 660 (Previous Year - 660) Equity Shares of ₹ 1 each fully paid up in State Bank of India, Mumbai	-	-	35.00	35.00
b. 1 (Previous Year - 1) Equity Share of ₹ 5 each fully paid up in Maruti Suzuki India Limited, New Delhi	-	-	0.53	0.53
c. 6,188 (Previous Year - 6,188) Equity Shares of ₹ 5 each fully paid up in India Nippon Electricals Limited, Chennai	94.34	94.34	-	-
d. 7,800 (Previous Year - 7,800) Equity Shares of ₹ 10/- each fully paid up in Sundaram Brake Linings Limited, Chennai	1,110.31	1,110.31	-	-
Sub-Total (A)	1,204.65	1,204.65	35.53	35.53
Unquoted equity instruments				
e. 33,30,050 (Previous Year - 33,30,050) Equity Shares of ₹ 10 each fully paid up in TVS Next Limited, Chennai	33,307.50	33,307.50	-	-
Sub-Total (B)	33,307.50	33,307.50	-	-
Total (C) (A+B)	34,512.15	34,512.15	35.53	35.53

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

Particulars	Non-Current		Current	
	As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022
a. Aggregate Value of Quoted Investments	1,240.18	1,240.18	-	-
b. Aggregate Value of Unquoted Investments	33,307.50	33,307.50	-	-
Total (a+b)	34,547.68	34,547.68	-	-
c. Aggregate provision for diminution in value of investments	-	-	-	-
d. Market Value of Quoted Investments	4,607.44	5,623.48	-	-

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

Particulars	Non-Current		Current	
	As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022
Other loans and advances				
a) Tax Deducted at source (Net of Provision for Taxation - ₹ 77.79 Thousands)	154.85	-	-	-
b) Income Tax Refund Receivables	1,523.81	1,523.81	-	-
Total	1,678.66	1,523.81	-	-
Other Assets				
a. Security Deposit	10.00	10.00	-	-
b. Interest / Dividend receivable	-	-	51.89	34.89
Total	10.00	10.00	51.89	34.89

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

9 CASH AND CASH EQUIVALENTS ₹ in Thousands

Particulars	Non Current		Current	
	As at	As at	As at	As at
	31-03-2023	31-03-2022	31-03-2023	31-03-2022
a Balances with Banks in Current Account	-	-	118.45	2,783.69
b Deposit Accounts-maturity less than 3 months	-	-	2,400.00	-
Total	-	-	2,518.45	2,783.69

Note No	Particulars	Year ended 31-03-2023	Year ended 31-03-2022
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10 Revenue from Operations

a) Interest on Term deposits with Bank	20.12	-
b) Dividend Received	2,326.42	2,838.60
Total	2,346.54	2,838.60

11 Other Income

Interest on Income Tax Refund	7.99	719.38
Total	7.99	719.38

12 Other Expenses

a) Rates & Taxes	10.88	11.42
b) Misc Expenses (Refer note no.13 below)	75.57	74.25
Total	86.45	85.67

13 Miscellaneous Expenses

a) Remuneration to Auditors (Refer Note No.14 below)	64.90	41.30
b) Professional fees	-	13.00
c) National Securities Depository Limited (NSDL) Connectivity, Joining and Annual custody fees	3.10	11.80
d) Demant Account - Maintenance Charges	1.02	1.60
e) Credit Rating Agency Fees	5.90	5.90
f) Bank Charges	0.65	0.65
Total	75.57	74.25

14 Remuneration to Auditors consist of:

a) Statutory Audit	59.00	29.50
b) Certification Fees	5.90	11.80
Total	64.90	41.30

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

₹ in Thousands

Particulars	Year Ended 31-03-2023	Year Ended 31-03-2022
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15 Information furnished in terms of Paragraph 19 of Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

Break-up of Investments

Current Investments - Other than related parties - Quoted Equity Shares		
Book Value (Net of Provisions)	35.53	35.53
Market Value / Fair Value	353.97	333.30
Long Term Investments - Other than related parties - Quoted Equity Shares		
Book Value (Net of Provisions)	1,204.65	1,204.65
Market Value / Fair Value	4,253.47	5,290.18
Long Term Investments Related Parties - Companies in the same group - Unquoted Equity Shares		
Book Value (Net of Provisions)	33,307.50	33,307.50
Break up value of Unquoted Equity Shares (unaudited)	50,842.75	44,557.87

16 RELATED PARTY TRANSACTIONS

a) Ultimate Holding Company - TVS (No Transaction)

Sundram Fasteners Private Limited, Chennai

b) Holding Company - Sundram Fasteners Limited, Chennai

Details of Transaction with Holding Company

Dividend Paid 2,490.00 -

c) Other related parties

Fellow Subsidiaries
 TVS Upasana Limited, Chennai
 Sundram Non-conventional Energy Systems Limited, Chennai
 Sunfast TVS Limited, Chennai
 TVS Engineering Limited, Chennai
 Sundram Fasteners (Zhejiang) Limited, People Republic of China
 Cramlington Precision Forge Ltd, Northumberland, U.K.

(No Transaction)

Sundram International Inc., Michigan, USA

Sundram International Limited, United Kingdom

TVS Next Inc, Michigan USA

Transactions with Fellow Subsidiary: TVS Next Limited, Chennai

Dividend Received 2,264.43 2,797.24

17 Directors have waived their sitting fees.

18 Accounting Standards Disclosure and Notes on accounts Annexure A

Sundram Fasteners Investments Limited

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

19 Statutory Disclosures:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- (iii) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) other than those disclosed above with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

20	Year Ended / As at 31-03-2023	Year Ended / As at 31-03-2022	Variance
A. Disclosure of Ratios			
Current Ratio - Current assets / current liabilities	39.23	8.86	342.78%*
Debt-Equity Ratio - Total debt / shareholder's equity	Not Applicable	Not Applicable	
Debt Service Coverage Ratio Earnings Available for Debt Service / (Interest Payments + Principal Repayments)	Not Applicable	Not Applicable	
Return on Equity Ratio - Net Profit after Tax / Average shareholder's equity	4.16%	4.70%	(0.54%)
Inventory turnover ratio - Sales / Average inventory	Not Applicable	Not Applicable	
Trade Receivables turnover ratio - Net credit sales / Average Trade Receivables	Not Applicable	Not Applicable	
Trade payables turnover ratio - Net credit purchase / Average Trade Payables	Not Applicable	Not Applicable	
Net capital turnover ratio - Revenue from operations / working capital	0.92	1.12	(17.86%)
Net profit ratio - Net Profit after Tax / Revenue from Operations	113.04%	102.95%	10.09%
Return on Capital employed - Earnings Before Interest and Tax / Capital employed	3.55%	5.45%	(1.90%)
Return on investment - Net Return / Average cost of Investment	6.73%	8.22%	(1.49%)

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 ratio is due to payment and reversal of income tax provisions.

As per our report of even date attached

For SUNDARAM & SRINIVASAN

Chartered Accountants

Firm Regn No. 004207S

K. SRINIVASAN

Partner

Membership Number 209120

Place: Chennai

Date: 10.04.2023

For and on behalf of the Board of Directors of

Sundram Fasteners Investments Limited, Chennai

[CIN:U65991TN1992PLC022618]

R KRISHNAN

Director

[DIN: 00271938]

K PASUPATHY

Director

[DIN: 02942471]

R GANESH

Director

[DIN: 08090366]

Annexure - A to Notes on Accounts for the year ended 31st March 2023

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

1. Significant Accounting Policies

- a) 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 thousands of Indian rupees.
- b) 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.

2. Accounting Standards

AS 1 Disclosure of accounting policies

The accounts are maintained on accrual basis as a going concern. Please refer note no.1 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 adjusting or significant non-adjusting events that have occurred after the Balance Sheet Date except non-adjusting events of proposal of final dividend of Rs.0.80/- per share subject to the approval of shareholders at the ensuing Annual General Meeting.

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.

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 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 if required.

The diminution in the value of unquoted non-current investments compared to the cost of acquisition will be accounted if the decline is other than temporary in the value of 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 investing and accordingly there are no separate reportable segments.

AS18 Related party disclosures

Please refer to Note No.16 Notes to Financial statements.

Sundram Fasteners Investments Limited

Annexure to Notes on Accounts for the year ended 31st March 2023 (Contd.)

AS19 Accounting for Leases

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

AS20 Earnings per share (EPS)

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

Sl. No.	Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
a)	Profit / (Loss) attributable to equity shareholders (₹ in Thousands)	2,652.48	2,922.31
b)	Basic/Diluted EPS before considering Extraordinary items (in ₹)	1.07	1.17
c)	Basic/Diluted EPS after considering Extraordinary items (in ₹)	1.07	1.17
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 opted for reduced rate under section 115BAA of the Income Tax Act, 1961. The company has deferred tax Asset on carried forward business loss. 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 - ₹ 534.11 Thousands (Last Year - ₹ 534.11 Thousands)

AS30 Financial Instruments: Recognition and Measurement

This standard was withdrawn effective from September 2016.

II. General Notes:

1. Applicability of Indian Accounting Standards (Ind-AS)

As the Company is a Non-Banking Financial Company with net worth of less than ₹ 500 crores / ₹ 250 crores, the implementation of Ind-AS is not applicable for the current year.