

***SUNDARAM FINANCE DISTRIBUTION LIMITED***

***21st ANNUAL REPORT 2014-15***



## **BOARD OF DIRECTORS**

S Venkatesan

A N Raju

K Sankarakumar

## **BANKERS**

State Bank of Travancore

ICICI Bank

## **AUDITORS**

M/s. Brahmaya & Co., Chennai

Chartered Accountants

## **REGISTERED OFFICE**

21, Patullos Road

Chennai 600 002

CIN : U67120TN1993PLC025996

---

**SUNDARAM FINANCE DISTRIBUTION LIMITED**

A wholly-owned subsidiary of



**SUNDARAM FINANCE LIMITED**

**Contents**

Directors' Report	3
Auditors' Report	12
Balance Sheet	15
Profit and Loss Statement	16
Notes to the Accounts	17
Cash Flow Statement	31
<b>Annual Report of the Subsidiaries</b>	
- Infreight Logistics Solutions Limited	33

## Directors' Report

Your Directors present the Twenty First Annual Report and Audited Accounts for the year ended 31st March, 2015.

### FINANCIAL RESULTS

(₹ in cr.)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Income from Operations	10.43	12.73
Other Income	0.52	0.31
Total Income	10.95	13.04
Less: Total Expenditure	8.17	9.82
Profit before Tax	2.78	3.21
<b>Profit after Tax</b>	<b>1.91</b>	<b>2.17</b>
Surplus brought forward	0.42	0.22
Amount available for appropriation	2.33	2.39
<b>Appropriations have been made as under:</b>		
Transfers to General Reserve	0.19	0.22
Dividend	1.25	1.50
Dividend Tax	0.25	0.25
Surplus carried to balance sheet	0.63	0.42

### BUSINESS REVIEW

During the year, your Company earned revenue from operations of ₹10.43 cr. as against ₹12.73 cr. in the previous year. The profit after tax for the year was at ₹1.91 cr. as against ₹2.17 cr. in the previous year.

### DIVIDEND

Your directors are happy to recommend a dividend of ₹25/- per share (250% on the face value of ₹ 10/-) for the financial year 2014-15 on the paid-up capital of ₹50.00 lakhs, as against ₹ 30/- per share (300% on the face value of ₹ 10/-) during the previous

year. The dividend together with dividend tax of ₹0.25 cr. absorbs a sum of ₹ 1.50 cr.

### SUBSIDIARIES

#### Infreight Logistics Solutions Limited (Infreight)

During the year Sundaram Parekh Warehousing Services Limited, wholly owned subsidiary of Infreight merged with Infreight, under a Scheme of Amalgamation under Section 391 to 394 of the Companies Act, 1956, effective 1st April 2014.

### DIRECTORS

Sri A N Raju, Director, retires by rotation and being eligible offers himself for re-election. Necessary resolution is submitted for your approval.

### NUMBER OF MEETINGS OF THE BOARD

During the year under review, 5 meetings of the Board of Directors were held.

### DIRECTORS' RESPONSIBILITY STATEMENT

Your directors confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that 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 that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the annual accounts on a going concern basis; and

- v) the Directors devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Your Company has the following investments as on 31st March 2015.

₹ in Cr.

Investment in Equity Instruments	3.05
Investment in Bonds	0.22
Investments in Mutual Funds	8.54

There were no loans made or guarantees given by the Company.

#### **RELATED PARTY TRANSACTIONS**

During the year, the Company has entered into materially significant transaction with related parties. All transactions entered into by the Company with the related parties were in the ordinary course of business and on an arm's length basis. Form AOC-2 as required under Sec 134 (3) (h) of the Companies Act 2013, read with Rule 8(2) of the Companies (Accounts Rules) 2014, is attached as part of this report vide Annexure A.

#### **EXTRACT OF ANNUAL RETURN**

As required under Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT 9 as on 31st March 2015, is enclosed -Annexure B.

#### **INFORMATION AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES, 2014**

Your Company has no activity relating to conservation of energy or technology absorption. Your Company did not have any foreign exchange earnings or outgo during the year.

#### **PERSONNEL**

None of the employees of the Company is in receipt of remuneration in excess of the limits prescribed under Rule 5 of Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **DEPOSITS**

Your Company has not accepted any public deposit during the period under review.

#### **AUDITORS**

M/s Brahmaya & Co, Chartered Accountants, Chennai, retire and are eligible for reappointment. A certificate from the Auditors that they satisfy the conditions prescribed under the Companies Act, 2013 and the Rules made thereunder (including satisfaction of criteria under Section 141 of the Companies Act, 2013), has been received from them.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received during the year 2014-15.

#### **ACKNOWLEDGEMENT**

Your Directors thank the holding company, Sundaram Finance Ltd for its support. Your Directors also place on record their appreciation to the contribution made by the management team and the employees at all levels.

**S. Venkatesan**

**A.N. Raju**

**K Sankarakumar**

**Directors**

Chennai 600 002  
Date: 6th May 2015

**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 transactions entered into by the Company during the year with related parties were on an arm's length basis.**

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

a) Name(s) of the related party and nature of relationship

**Sundaram Finance Limited, Holding Company**

b) Nature of contracts/arrangements/transactions

**Sourcing Fees and Services Expenses incurred towards distribution and marketing of financial products.**

c) Duration of the contracts / arrangements/transactions

**One Year**

d) Salient terms of the contracts or arrangements or transactions including the value, if any:

Service Expenses shall be paid under the following terms:

Cost per unit (Transaction)	₹452/-.
Pre-determined units of Transactions per annum	1,07,000
For every additional unit	₹452/-

Subject to a minimum of ₹40,50,000/- per month.

e) Date(s) of approval by the Board, if any:

14th May 2014

e) Amount paid as advances, if any:

Nil

**S. Venkatesan**

**A.N. Raju**

**K Sankarakumar**

Directors

Chennai 600 002

Date: 6th May 2015

**FORM NO.MGT-9****Extract of Annual Return as on the financial year ended on 31st March 2015**

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1)  
of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

(i)	CIN	U67120TN1993PLC025996
(ii)	Registration Date	13-10-1993
(iii)	Name of the Company	Sundaram Finance Distribution Limited
(iv)	Category / Sub-Category of the Company	Limited by Shares, Indian Non-Government Company
(v)	Address of the Registered Office and contact details	21, Patullos Road, Chennai 600002 Sri P Viswanathan 044 28881207 pv@sundaramfinance.in
(vi)	Whether Listed Company Yes / No	No
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the company
1	Engaged in the distribution and marketing of financial, savings, loan, investment and insurance products	66 - Other Financial Activities	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Sundaram Finance Limited 21, Patullos Road, Chennai 600002	L65191TN1954PLC002429	Holding	100	2(46)
2	Infreight Logistics Solutions Limited 21, Patullos Road, Chennai 600002	U72900TN2000PLC063984	Subsidiary	100	2(87)(ii)
3	Sundaram Parekh Warehousing Services Limited* 21, Patullos Road, Chennai 600002	U63030TN2010PLC077122	Subsidiary	—	2(87)(ii)

\* Sundaram Parekh Warehousing Services Limited was merged with Infreight Logistics Solutions Limited with effect from 01.04.2014 based on the order passed by the High Court of Judicature at Madras on 18.03.2015.

SUNDARAM FINANCE DISTRIBUTION LIMITED

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**(i) Category-wise Share Holding**

	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>										
<b>(1) Indian</b>										
(a)	Individual/HUF	–	–	–	–	–	–	–	–	–
(b)	Central Govt	–	–	–	–	–	–	–	–	–
(c)	State Govt(s)	–	–	–	–	–	–	–	–	–
(c)	Bodies Corp - Sundaram Finance Limited *	–	5,00,000	5,00,000	100.00	–	5,00,000	5,00,000	100.00	0.00
(d)	Banks / FI	–	–	–	–	–	–	–	–	–
(e)	Any Other ....	–	–	–	–	–	–	–	–	–
	<b>Sub-Total (A)(1)</b>	–	<b>5,00,000</b>	<b>5,00,000</b>	<b>100.00</b>	–	<b>5,00,000</b>	<b>5,00,000</b>	<b>100.00</b>	<b>0.00</b>
<b>(2) Foreign</b>										
(a)	NRIs-Individuals	–	–	–	–	–	–	–	–	–
(b)	Other-Individuals	–	–	–	–	–	–	–	–	–
(c)	Bodies Corp.	–	–	–	–	–	–	–	–	–
(d)	Banks / FI	–	–	–	–	–	–	–	–	–
(e)	Any Other ....	–	–	–	–	–	–	–	–	–
	<b>Sub-Total (A)(2)</b>	–	–	–	–	–	–	–	–	–
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	–	<b>5,00,000</b>	<b>5,00,000</b>	<b>100.00</b>	–	<b>5,00,000</b>	<b>5,00,000</b>	<b>100.00</b>	<b>0.00</b>
<b>B. Public Shareholding</b>										
<b>(1) Institutions</b>										
(a)	Mutual Funds	–	–	–	–	–	–	–	–	–
(b)	Banks / FI	–	–	–	–	–	–	–	–	–
(c)	Central Govt	–	–	–	–	–	–	–	–	–
(d)	State Govt(s)	–	–	–	–	–	–	–	–	–
(e)	Venture Capital Funds	–	–	–	–	–	–	–	–	–
(f)	Insurance Companies	–	–	–	–	–	–	–	–	–
(g)	FII's	–	–	–	–	–	–	–	–	–
(h)	Foreign Venture Capital Investors	–	–	–	–	–	–	–	–	–
(i)	Any Other–Foreign Portfolio Investors	–	–	–	–	–	–	–	–	–
	<b>Sub-Total(B)(1)</b>	–	–	–	–	–	–	–	–	–



	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2.</b>	<b>Non- Institutions</b>									
(a)	Bodies Corporate	--	--	--	--	--	--	--	--	--
(i)	Indian	--	--	--	--	--	--	--	--	--
(ii)	Overseas	--	--	--	--	--	--	--	--	--
(b)	Individuals									
i	Individual shareholders holding nominal shares capital up to ₹1 lakh	--	--	--	--	--	--	--	--	--
ii	Individual shareholders holding nominal shares capital in excess of ₹1 lakh	--	--	--	--	--	--	--	--	--
(c)	Others (specify)	--	--	--	--	--	--	--	--	--
	<b>Sub-Total (B)(2)</b>	--	--	--	--	--	--	--	--	--
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	--	--	--	--	--	--	--	--	--
(C)	<b>Shares held by Custodian for GDRs and ADRs</b>	--	--	--	--	--	--	--	--	--
	<b>GRAND TOTAL (A)+(B)+(C)</b>	--	<b>5,00,000</b>	<b>5,00,000</b>	<b>100.00</b>	--	<b>5,00,000</b>	<b>5,00,000</b>	<b>100.00</b>	--

\* Includes 6 shares held by the nominees of Sundaram Finance Limited

### (ii) Shareholding of promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
Sundaram Finance Limited*	5,00,000	100%	--	5,00,000	100%	--	--
Total	5,00,000	100%	--	5,00,000	100%	--	--

\* Includes 6 shares held by the nominees of Sundaram Finance Limited

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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Sundaram Finance Limited*</b>				
At the beginning of the year	5,00,000	100%	–	–
Increase / Decrease in Promoters Share holding during the year	–	–	–	–
At the end of the Year	–	–	5,00,000	100%

\* Includes 6 shares held by the nominees of Sundaram Finance Limited

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

Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	Not Applicable			
Increase / Decrease in Share holding during the year				
At the end of the Year (or on the date of separation, if separated during the year)				

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Sri S Venkatesan</b>				
	At the beginning of the year	–	–	–	–
	Increase / Decrease in Share holding during the year	–	–	–	–
	At the end of the Year	–	–	–	–
2	<b>Sri A N Raju *</b>				
	At the beginning of the year	1	–	–	–
	Increase / Decrease in Share holding during the year	–	–	–	–
	At the end of the Year	–	–	1	–
3	<b>Sri K Sankarakumar *</b>				
	At the beginning of the year	1	–	–	–
	Increase / Decrease in Share holding during the year	–	–	–	–
	At the end of the Year	–	–	1	–

\* Held as nominees of Sundaram Finance Limited jointly with others

## V. INDEBTEDNESS

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	Nil			
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
Addition				
Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/ Manager	Total Amount
1	Gross Salary	Not Applicable	
	(a) Salary as per provisions contained in Section 17 (1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17 (3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

**B. Remuneration to other directors:**

Name of the Directors	Particulars of Remuneration			Total Amount
	Fee for attending board / committee meetings	Commission	Others, please specify	
Independent Directors	Not Applicable			Nil
Total (1)				
Other Non-Executive Directors	Nil			
Sri S Venkatesan				
Sri A N Raju				
Sri S Sankarakumar				
Total (2)				
Total (B) = (1 + 2)				
Overall Ceiling as per the Act	Not Applicable			

**C. Remuneration to Key Managerial Personnel other than MD/ Manager / WTD**

Sl. No.	Particulars of Remuneration	Company Secretary	CFO	Total Amount
1	Gross Salary	Not Applicable		
(a)	Salary as per provisions contained in Section 17 (1) of the Income-tax Act, 1961			
(b)	Value of perquisites u/s 17 (2) Income-tax Act, 1961			
(c)	Profits in lieu of salary under section 17 (3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	- others, specify			
5	Others, please specify			
	Total (A)			

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

There were no penalties / punishment / compounding of offences against the Company, Directors and other Officers in Default during the year ended 31st March 2015.

---

# Independent Auditors' Report

## To the Members of Sundaram Finance Distribution Limited

### 1. Report on the Financial Statements

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

### 2. Management's Responsibility for the Financial Statements

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

### 3. Auditor's Responsibility

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

We have taken into account the provisions of the Act, the

accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give

the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cashflows for the year ended on that date.

**5. Report on Other Legal and Regulatory Requirements**

- i) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 of the Order.
- ii) As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified

under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the 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 effect of the pending litigations in its financial statements as mentioned in Note 22.3 of the Notes to the Accounts;
  - ii. the company did not have any long term contracts including derivative contracts;
  - iii. there was no amount to be transferred to the Investor Education and Protection Fund by the Company during the year.

For **BRAHMAYYA & CO.**,  
Chartered Accountants  
Firm Regn. No.000511S  
**P. BABU**  
Partner  
Membership No.203358

Place: Chennai  
Date : 6th May, 2015

## Annexure to the Auditors' Report referred to in Paragraph 5 of our Report of even date

1. In our opinion and according to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, clauses (iii) (a) and (b) of paragraph 3 of the Order are not applicable to the Company for the year.
2. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to services rendered. During the course of our audit, no major weaknesses were noticed in the internal controls and therefore the reporting of the same does not arise.
3. The company has not accepted deposits from public.
4. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.
5. i) According to the records of the Company and the information and explanations given to us, undisputed statutory dues, including Provident Fund, Employees State Insurance, Income tax, Service tax and other material statutory dues have been regularly deposited during the year with the appropriate authorities. According to the information and explanations given to us, there are no arrears of statutory dues which are outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.  
  
ii) According to the records of the Company and the information and explanations given to us, there are no dues of Service tax which have not been deposited on account of any dispute. Details of disputed income tax demand, not deposited on account of short credit of TDS, are as follows:
- iii) Based on our examination of the records and the information and explanations given to us, there was no amount to be transferred to Investor Education and Protection Fund by the Company during the year in accordance with the relevant provision of the Companies Act, 1956 and the rules made thereunder.
6. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the current and immediately preceding financial years.
7. Based on our audit procedures and the information and explanations given by the Management, the company does not have any borrowings from banks, financial institutions or by issue of debentures.
8. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
9. Based on our examination of the records and the information and explanations given to us, the company does not have any term loans.
10. To the best of our knowledge and belief and according to the information and explanations given to us, during the year no fraud by the Company and no fraud on the Company were noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations given to us, the nature of the Company's business/ activities during the year has been such that clause (i) and (ii) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company for the year.

Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Income tax	12,36,490	Assessment Year 2009-10	Assessing Officer

For **BRAHMAYYA & CO.**,  
Chartered Accountants  
Firm Regn. No.000511S  
**P. BABU**  
Partner  
Membership No.203358

Place: Chennai  
Date : 6th May, 2015

## Balance Sheet

as at 31st March, 2015

(In ₹)

Particulars	Note	March 31, 2015	March 31, 2014
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1) Shareholders' funds</b>			
a) Share Capital	2	50,00,000	50,00,000
b) Reserves and Surplus	3	14,25,12,893	13,84,85,203
c) Money received against share warrants		—	—
		14,75,12,893	14,34,85,203
<b>2) Share application money pending allotment</b>			
		—	—
<b>3) Non-current liabilities</b>			
a) Long Term Borrowings		—	—
b) Deferred Tax Liabilities (Net)		—	—
c) Other Long term liabilities		—	—
d) Long-term provisions	4	11,61,129	10,45,417
		11,61,129	10,45,417
<b>4) Current liabilities</b>			
a) Short Term Borrowings		—	—
b) Trade payables	5	13,98,584	17,93,098
c) Other current liabilities	6	—	17,109
d) Short-term provisions	7	1,64,63,111	1,91,98,640
		1,78,61,695	2,10,08,847
<b>TOTAL</b>		<b>16,65,35,717</b>	<b>16,55,39,467</b>
<b><u>ASSETS</u></b>			
<b>1) Non-current assets</b>			
a) Fixed Assets			
i) Tangible assets		—	—
ii) Intangible assets		—	—
iii) Capital work in progress		—	—
iv) Intangible assets under development		—	—
b) Non-current investments	8	3,04,56,862	3,04,56,862
c) Deferred tax assets (net)	9	1,56,600	1,39,628
d) Long-term loans and advances	10	3,26,45,230	2,39,38,812
e) Other non-current assets		—	—
		6,32,58,692	5,45,35,302
<b>2) Current assets</b>			
a) Current investments	11	8,54,12,459	4,85,89,396
b) Inventories		—	—
c) Trade receivables	12	1,40,59,830	3,93,10,187
d) Cash and cash equivalents	13	31,52,878	1,46,09,416
e) Short term loans and advances	14	5,71,770	80,43,041
f) Other current assets	15	80,088	4,52,125
		10,32,77,025	11,10,04,165
<b>TOTAL</b>		<b>16,65,35,717</b>	<b>16,55,39,467</b>

Significant Accounting Policies and Notes to the Accounts - 1 to 22

As per our report of even date attached

For **Brahmayya & Co.,**

Chartered Accountants

Registration Number: 000511S

**P Babu**

Partner

Membership No.203358

Chennai

6th May, 2015

**S Venkatesan**

**A N Raju**

**K Sankarakumar**

Directors

**Annual Report**  
2014-15



## Statement of Profit and Loss for the Year Ended 31st March, 2015

( In ₹ )

Particulars	Note	2014-15	2013-14
<b>REVENUE :</b>			
Revenue from Operations	16	10,42,65,260	12,72,85,463
Other income	17	51,91,310	30,76,090
<b>Total Revenue</b>	<b>(A)</b>	<b><u>10,94,56,570</u></b>	<b><u>13,03,61,553</u></b>
<b>EXPENSES:</b>			
Finance Costs	18	1,771	2,04,387
Employee benefits	19	75,64,476	84,39,743
Administrative and Other expenses	20	7,46,97,399	8,95,53,209
Provisions and Write Off	21	(5,62,500)	15,600
<b>Total expenses</b>	<b>(B)</b>	<b><u>8,17,01,146</u></b>	<b><u>9,82,12,939</u></b>
<b>Profit before Tax</b>	<b>(A-B)</b>	<b>2,77,55,424</b>	<b>3,21,48,614</b>
Tax expense:			
Current tax		87,00,000	1,02,09,511
Deferred tax		(16,972)	2,09,456
		<u>86,83,028</u>	<u>1,04,18,967</u>
<b>Profit after Tax</b>		<b><u>1,90,72,396</u></b>	<b><u>2,17,29,647</u></b>
Earnings per equity share:			
Weighted average number of shares		5,00,000	5,00,000
Basic		38.14	43.46
Diluted		38.14	43.46
Significant Accounting Policies and Notes to the Accounts 1 to 22			

As per our report of even date attached  
For **Brahmayya & Co.**,  
Chartered Accountants  
Registration Number. 000511S  
**P Babu**  
Partner  
Membership No.203358  
Chennai  
6th May, 2015

**S Venkatesan**

**A N Raju**

**K Sankarakumar**

Directors

SUNDARAM FINANCE DISTRIBUTION LIMITED

## NOTES TO THE ACCOUNTS

### Note 1

#### SIGNIFICANT ACCOUNTING POLICIES

- 1.1 The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the relevant provisions of the Companies Act, 2013.

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the year and disclosure of contingent liabilities as at that date. The estimates and assumptions used in the financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of financial statements. The assets and liabilities have been classified as non-current and current based on a twelve month operating cycle

- 1.2 Income Recognition:

Income in respect of services rendered, insurance commission and brokerage is accounted on accrual basis.

- 1.3 Valuation of Investments:

Long Term investments are stated at cost. Provision for decline in value, other than temporary, is considered wherever necessary.

Current Investments are valued at lower of Cost and Market Value / Net Asset Value.

- 1.4 Employee Benefits:

- A) Short Term Employee Benefits:

Short Term Employee Benefits for services rendered by employees are recognized during the period when the services are rendered.

- B) Post employment benefits:

Defined Contribution Plan

- i) Provident Fund

The Company contributes to a government administered Provident Fund and Pension Fund under the Employees Provident Fund Act on behalf of its employees.

---

## NOTES TO THE ACCOUNTS (Contd.)

### Defined Benefit Plan

#### i) Gratuity

The Company makes an annual contribution to a Gratuity Fund administered by trustees and managed by Life Insurance Corporation of India (LIC). The company accounts its liability based on an actuarial valuation, as at the balance sheet date, determined every year by LIC using the Projected Unit Credit method.

#### ii) Leave Encashment

Liability on account of encashment of leave to employees is provided on the basis of an actuarial valuation. The expenses and actuarial gain / loss on account of the above benefit plans are recognized in the Statement of Profit and Loss on the basis of an actuarial valuation.

#### C) Other Long Term Employee Benefits:

The liability in respect of other long term benefits like Employee Assured Bonus Scheme, reimbursement of medical expenses and entitlement of sick leave has been provided on the basis of actuarial valuation obtained at the Balance Sheet date.

#### 1.5 Taxation:

Current tax is provided on the taxable income for the year. Deferred tax liabilities arising from timing differences have been fully provided for. Deferred tax assets are recognized on consideration of prudence.

#### 1.6 Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

#### 1.7 Provisions:

Provisions are recognized when the company has present legal or constructive obligations, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

**NOTES TO THE ACCOUNTS (Contd.)**
**BALANCE SHEET**
**Note 2**
**SHARE CAPITAL**

(In ₹)

Particulars	31.03.2015	31.03.2014
<b>Authorised</b>		
30,00,000 Equity shares of face value of ₹10/- each	<u>3,00,00,000</u>	<u>3,00,00,000</u>
<b>Issued, Subscribed and fully paid up</b>		
5,00,000 Equity Shares of face value of ₹10/- each	<u>50,00,000</u>	<u>50,00,000</u>
<b>Reconciliation of number of shares</b>	Nos.	Nos.
Shares outstanding at the beginning of the year	5,00,000	5,00,000
Add: Shares issued during the year	—	—
Less: Shares bought back during the year	—	—
<b>Shares outstanding at the end of the year</b>	<b>5,00,000</b>	<b>5,00,000</b>

**Details of number of shares held by shareholders holding more than 5% shares are set out below:**

Name of the Shareholder	Status	No. of Shares	% held as at 31.03.2015	No. of Shares	% held as at 31.03.2014
Sundaram Finance Limited*	Holding Company	5,00,000	100%	5,00,000	100%

\* include 6 equity shares held by nominees of Sundaram Finance Limited.

## NOTES TO THE ACCOUNTS (Contd.)

Note 3:

(In ₹)

### RESERVES AND SURPLUS

	31.03.2015		31.03.2014	
<b>a. General Reserve</b>				
Opening balance	13,43,06,000		13,21,33,000	
Add: Transfer from Surplus in the Statement of Profit and Loss	<u>19,07,240</u>		<u>21,73,000</u>	
		13,62,13,240		13,43,06,000
<b>b. Surplus in the Profit and Loss Statement</b>				
Opening Balance	41,79,203		21,71,806	
Add: Profit for the year from the Statement of Profit and Loss	<u>1,90,72,396</u>		<u>2,17,29,647</u>	
	<b><u>2,32,51,599</u></b>		<b><u>2,39,01,453</u></b>	
Less: Appropriations				
General Reserve	19,07,240		21,73,000	
Dividend				
Final (Proposed)	1,25,00,000		1,50,00,000	
Dividend Distribution Tax	<u>25,44,706</u>	<u>62,99,653</u>	<u>25,49,250</u>	<u>41,79,203</u>
		<b><u>14,25,12,893</u></b>		<b><u>13,84,85,203</u></b>

Note 4

### LONG TERM PROVISIONS

(In ₹)

Particulars	31.03.2015	31.03.2014
Provision for Employee Benefits	11,61,129	10,45,417

Note 5

### TRADE PAYABLES \*

(In ₹)

Particulars	31.03.2015	31.03.2014
- For Expenses	<u>8,14,931</u>	<u>11,94,554</u>
- For Others	<u>5,83,653</u>	<u>5,98,544</u>
<b>Total</b>	<b><u>13,98,584</u></b>	<b><u>17,93,098</u></b>

\* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

**NOTES TO THE ACCOUNTS (Contd.)**
**Note 6**
**OTHER CURRENT LIABILITIES**

(In ₹)

Particulars	31.03.2015	31.03.2014
Sundry creditors for finance	-	17,109
	<u>-</u>	<u>17,109</u>

**Note 7**
**SHORT-TERM PROVISIONS**

(In ₹)

Particulars	31.03.2015	31.03.2014
Provision for employee benefits	14,18,405	16,49,390
Others		
- Proposed Dividend	1,25,00,000	1,50,00,000
- Dividend Distribution Tax	25,44,706	25,49,250
	<u>1,64,63,111</u>	<u>1,91,98,640</u>

**Note 8**
**NON-CURRENT INVESTMENTS**

(In ₹)

Particulars	31.03.2015	31.03.2014
a) Investments in Equity Instruments	2,82,81,862	2,82,81,862
b) Investments in Bonds	21,75,000	21,75,000
<b>Total</b>	<u>3,04,56,862</u>	<u>3,04,56,862</u>

**NOTES TO THE ACCOUNTS (Contd.)**

(In ₹)

Particulars	Face Value (In ₹)	As at 31.03.2015		As at 31.03.2014	
		Holding (Numbers)	Cost (In ₹)	Holding (Numbers)	Cost (In ₹)
<b>a) Investments in Equity Instruments</b>					
i) Subsidiary Companies (Unquoted)					
Infreight Logistics Solutions Limited	10	56,11,200	44,81,615	56,11,200	44,81,615
ii) Other Companies (Unquoted)					
UMW Industries Limited. *	10	78,000	1,560	78,000	1,560
Sundaram BPO India Ltd	10	14,10,250	2,82,80,302	14,10,250	2,82,80,302
<b>TOTAL</b>			<b>3,27,63,477</b>		<b>327,63,477</b>
* Investments are carried at other than cost					
Less: Provision for investment - Infreight Logistics Solutions Limited	—	—	44,81,615	—	44,81,615
			<u>2,82,81,862</u>		<u>2,82,81,862</u>
<b>b) Investments in Bonds</b>					
<b>Non-Trade (Quoted)</b>					
Indian Railway Finance Corporation Limited	1,000	2,175	21,75,000	2,175	21,75,000
			<u>21,75,000</u>		<u>21,75,000</u>

(In ₹)

Particulars	Cost	Market Value
Aggregate amount of Quoted Investments	21,75,000	23,27,576
Aggregate amount of Unquoted Investments	3,27,63,477	

**Note 9**
**DEFERRED TAX ASSET**

(In ₹)

Particulars	31.03.2015	31.03.2014
On Investments	1,06,798	1,09,872
On Employee Benefits	49,802	29,756
	<u>1,56,600</u>	<u>1,39,628</u>

## NOTES TO THE ACCOUNTS (Contd.)

### Note 10

#### LONG-TERM LOANS AND ADVANCES

(In ₹)

Particulars	31.03.2015	31.03.2014
<b>Unsecured, Considered Good</b>		
- Advance Income Tax and Tax deducted at source (net of Provision)	3,17,35,988	2,32,03,478
- Others Advances	9,09,242	7,35,334
<b>Total</b>	<b>3,26,45,230</b>	<b>2,39,38,812</b>

Advance payment of Income Tax and Tax deducted at source is net of provision for Income Tax of ₹3,53,11,651/- and tax paid under dispute of ₹64,02,564/- (Previous Year provision for Income Tax ₹2,65,37,789/- and tax paid under dispute ₹64,02,564/- respectively).

### Note 11

#### CURRENT INVESTMENTS-OTHERS

Particulars	Face Value (In ₹)	As at 31.03.2015		As at 31.03.2014	
		Holding (Number)	Cost (In ₹)	Holding (Number)	Cost (In ₹)
<b>Unquoted, Valued at cost or fair value whichever is lower</b>					
<b>Investments in Mutual Funds:</b>					
Sundaram Money Fund	10	8,66,236	2,54,12,459	5,25,207	1,41,51,896
Sundaram Money Fund-FTP (Growth)	10	20,00,000	2,00,00,000	20,00,000	2,00,00,000
Sundaram PSU Oppurtunities Fund	10	—	—	5,00,000	44,37,500
Sundaram FIIP Quarterly Series-90days	10	—	—	6,07,076	1,00,00,000
ICICI Prudential Long Term Gilt Fund - Growth	10	8,37,342	4,00,00,000		
<b>Aggregate amount of Unquoted Investments</b>			<b>8,54,12,459</b>		<b>4,85,89,396</b>

(In ₹)

Particulars	Cost	
	31.03.2015	31.03.2014
Aggregate amount of Unquoted Investments	8,54,12,459	4,91,51,896
Less : Provision for diminution	—	5,62,500
	<b>8,54,12,459</b>	<b>4,85,89,396</b>



## NOTES TO THE ACCOUNTS (Contd.)

### Note 12

#### TRADE RECEIVABLES

(In ₹)

Particulars	31.03.2015	31.03.2014
<b>Unsecured Considered Good</b>		
<b>More than six months</b>	–	–
<b>Less than six months</b>	–	–
Service Income	1,39,58,216	3,90,68,322
Insurance Commission	1,01,614	1,18,415
Brokerage	–	1,23,450
	<u>1,40,59,830</u>	<u>3,93,10,187</u>

### Note 13

#### CASH AND CASH EQUIVALENTS

(In ₹)

Particulars	31.03.2015	31.03.2014
Balances with Banks in Current Accounts	31,52,878	46,08,416
Bank Deposits (upto 3 months maturity)	–	1,00,01,000
	<u>31,52,878</u>	<u>1,46,09,416</u>

### Note 14

#### SHORT-TERM LOANS AND ADVANCES

(In ₹)

Particulars	31.03.2015	31.03.2014
<b>Unsecured, Considered good</b>		
Loans and advances to related parties		
To Fellow Subsidiary	–	75,00,000
Service Tax Input Credit	3,26,080	4,58,361
Other advances	2,45,690	84,680
	<u>5,71,770</u>	<u>80,43,041</u>

### Note 15

#### OTHER CURRENT ASSETS

(In ₹)

Particulars	31.03.2015	31.03.2014
Interest Receivable	80,088	4,52,125

**NOTES TO THE ACCOUNTS (Contd.)**
**STATEMENT OF PROFIT AND LOSS**
**Note 16 : REVENUE FROM OPERATIONS:**

(In ₹)

Particulars	2014-2015	2013-2014
Service Income	10,11,23,836	12,02,82,889
Insurance Commission	8,74,295	13,12,762
Brokerage	22,67,129	56,89,812
	<b>10,42,65,260</b>	<b>12,72,85,463</b>

**Note 17 : OTHER INCOME**

(In ₹)

Particulars	2014-2015	2013-2014
Interest Income	6,63,953	19,95,712
Dividend Income	-	9,10,799
Net gain on sale of Current investments	44,59,877	1,22,912
Other non-operating income	67,480	46,667
	<b>51,91,310</b>	<b>30,76,090</b>

**Note 18 : FINANCE COSTS**

(In ₹)

Particulars	2014-2015	2013-2014
Interest	1,771	2,04,387

**Note 19 : EMPLOYEE BENEFITS**

(In ₹)

Particulars	2014-2015	2013-2014
Salaries,allowances and Bonus	67,98,842	79,33,769
Company's contribution to Provident Fund and Gratuity	5,05,245	2,88,059
Staff Welfare Expenses	2,60,389	2,17,915
	<b>75,64,476</b>	<b>84,39,743</b>

**Defined Contribution Plan:**

The Company has recognised the following amounts in the Profit and Loss statement, which are included in Employee benefits in Note No.19

(In ₹)

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Contribution to Provident Fund	1,09,379	1,46,665	1,31,322	1,05,478	92,874
Contribution to Pension Fund	1,37,859	1,17,772	1,26,510	1,22,080	1,18,277
Contribution to Employees' State Insurance	-	-	-	59,321	87,516

## NOTES TO THE ACCOUNTS (Contd.)

(In ₹)

Description of Benefit Plans	Funded Gratuity	
	2014-15	2013-14
A) Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Opening Balance: Present value of obligation	2,83,051	2,86,720
Interest cost	22,644	22,938
Current service cost	64,196	86,411
Benefits paid	(41,525)	(17,954)
Actuarial (gain)/loss on obligations	1,78,246	(95,064)
Closing Balance :Present value of obligation	5,06,612	2,83,051
B) Reconciliation of opening and closing balances of the fair value of plan assets		
Opening Balance : Fair value of plan assets	3,90,269	3,08,877
Expected return on plan assets	42,158	28,840
Contributions made	1,80,732	70,506
Benefits paid	(41,525)	(17,954)
Actuarial gain/(loss) on plan assets	-	-
Closing Balance:Fair value of plan assets	5,71,634	3,90,269
C) Reconciliation of present value of defined benefit obligation and fair value of plan assets to the assets and liabilities recognised in the Balance sheet		
Closing Balance : Present value of obligation	5,06,612	2,83,051
Closing Balance : Fair value of plan assets	5,71,634	3,90,269
Unrecognised past service cost	-	-
Net Asset/(Liability) recognised in Balance Sheet	65,022	1,07,218
D) Expenses recognised in the Statement of Profit and Loss		
Current service cost	64,196	86,411
Interest cost	22,644	22,938
Expected return on plan assets	42,158	28,840
Net actuarial (gain)/loss recognized	1,78,246	(95,064)
Total Expenses	2,22,928	(14,555)
E) Actuarial assumptions*		
Discount rate	8%	8%
Expected rate of return on plan assets	8%	8%
Rate of increase in compensation levels	7%	7%
Attrition rate	1-3%	1-3%

\* The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors like supply and demand in the employment market.

**NOTES TO THE ACCOUNTS (Contd.)**

(In ₹)

Particulars	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Defined Benefit Obligation	5,06,612	2,83,051	2,86,720	1,76,027	2,17,223
Plan Assets	5,71,634	3,90,269	3,08,877	2,12,013	2,34,583
Surplus / (deficit)	65,022	1,07,218	22,157	35,986	17,360
Experience adjustments on plan liabilities	1,78,246	(95,064)	45,477	(62,396)	45,227
Experience adjustments on plan assets	–	–	–	–	–

The present value of obligation towards compensated absences, as per actuarial certificate, as on 31.03.2015 was ₹ 1,50,643 (31.03.2014 – ₹ 91,710 ) and is provided in the books of account.

**Other Employee Benefits**

The Company's liability towards other employee benefits are given below:

(In ₹)

Particulars	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Staff Medical Scheme	54,414	98,621	81,195	59,614	27,924
Employee Assured Bonus Scheme	16,36,119	17,07,555	8,15,598	3,36,368	1,21,722

**Note 20**
**ADMINISTRATIVE AND OTHER EXPENSES**

(In ₹)

Particulars	2014-15	2013-14
Outsourcing cost	2,55,97,002	4,56,50,325
Service Expenses	4,83,04,958	4,31,45,093
Rates and taxes	4,369	8,945
Miscellaneous expenses	7,91,070	7,48,846
	<b>7,46,97,399</b>	<b>8,95,53,209</b>

**Note 21**
**PROVISIONS AND WRITE OFF (NET)**

(In ₹)

Particulars	2014-15	2013-14
Diminution in value of investments	-	5,62,500
Less: Reversal of diminution in value of investments	(5,62,500)	(5,46,900)
	<b>(5,62,500)</b>	<b>15,600</b>

---

## NOTES TO THE ACCOUNTS (Contd.)

### 22 GENERAL

22.1 The company is engaged primarily in the business of Agency and Retail Distribution. There are no separate reportable segments as per Accounting Standard AS 17 'Segment Reporting'.

22.2 Related Party disclosures: In accordance with the Accounting Standard 18 on 'Related Party disclosures', the details of related parties and the transactions with related parties are given below:

#### **Related Parties:**

##### **Holding Company:**

Sundaram Finance Limited

##### **Subsidiaries:**

Infreight Logistics Solutions Limited

Sundaram Parekh Warehousing Services Limited (merged with Infreight Logistics Solutions Ltd. with effect from 01.04.2014)

##### **Fellow Subsidiaries:**

Sundaram BNP Paribas Home Finance Limited

Sundaram Asset Management Company Limited

Sundaram Trustee Company Limited

LGF Services Limited

Sundaram Infotech Solutions Limited

Sundaram Business Services Limited

Sundaram BNP Paribas Fund Services Limited

Sundaram Insurance Broking Services Limited

Sundaram Asset Management Singapore Pte Limited

Sundaram BPO India Limited

**NOTES TO THE ACCOUNTS (Contd.)**

The nature and volume of transactions of the company during the year, with the above related parties are as follows: (In ₹)

Nature of Transactions	Holding Company	Subsidiaries	Fellow Subsidiaries	Total
<b>Expenses</b>				
Sundaram Finance Ltd.				
Sourcing Fees	16,72,958			16,72,958
	(15,49,208)			(15,49,208)
Service Expenses	4,83,04,958			4,83,04,958
	(4,31,45,093)			(4,31,45,093)
<b>Income</b>				
Sundaram Finance Limited				
Interest on Inter Corporate Deposit	—			—
	(6,77,900)			(6,77,900)
Sundaram Business Services Limited				
Interest on Inter-Corporate loan			3,77,804	3,77,804
			(4,57,665)	(4,57,665)
<b>Assets</b>				
<b>Investment in Equity Shares</b>				
Infreight Logistics Solutions Limited		44,81,615		44,81,615
		(44,81,615)		(44,81,615)
Sundaram BPO India Limited			2,82,80,302	2,82,80,302
			(2,82,80,302)	(2,82,80,302)
<b>Inter Corporate Deposit</b>				
Sundaram Finance Limited				
- Investment	—			—
	(2,00,00,000)			(2,00,00,000)
- Disinvestment	—			—
	(2,95,00,000)			(2,95,00,000)
- Outstanding at end of the year	—			—
	—			—
<b>Inter Corporate loan</b>				
Sundaram Business Services Limited				
- Disbursement			—	—
			(75,00,000)	(75,00,000)
- Repayment			75,00,000	75,00,000
			—	—
- Outstanding			—	—
			(75,00,000)	(75,00,000)
- Interest Receivable			—	—
			(2,06,815)	(2,06,815)
<b>Liabilities</b>				
Sundaram Finance Ltd.				
- Equity Share Holdings	50,00,000			50,00,000
	(50,00,000)			(50,00,000)
- Dividend Payable	1,25,00,000			1,25,00,000
	(1,50,00,000)			(1,50,00,000)
- Sourcing Fees payable	3,01,686			3,01,686
	(2,41,500)			(2,41,500)

No amount has been written off/written back during the year.

Previous year figures are given in brackets.

## NOTES TO THE ACCOUNTS (Contd.)

22.3 The pending litigations as on 31st March, 2015 have been complied by the company and reviewed by the Statutory Auditors. The effect of the current position of the litigations have been evaluated and appropriately considered and disclosed in the financial statements.

22.4 Miscellaneous expenses include Remuneration to Auditors towards: (in ₹)

Audit Fee	2014-2015	2013-2014
Statutory Audit	2,00,000	65,000
Tax Audit	40,000	25,000
Certification	20,000	20,000

22.5 Earnings Per Share (Basic and diluted) (in ₹)

		2014-2015	2013-2014
A.	Profit for the year after taxation (in ₹)	1,90,72,396	2,17,29,647
B.	Weighted average no. of equity shares	5,00,000	5,00,000
C.	Basic and diluted earnings per share (A/B) (in ₹)	38.14	43.46
D.	Dividend Proposed/Paid (₹)	1,25,00,000	1,50,00,000
E.	Dividend per share (₹)	25.00	30.00

22.6 There is no amount due to Small Scale Industries in terms of "The Micro, Small and Medium Enterprises Development Act, 2006".

22.7 Previous year's figures have been regrouped / reclassified wherever necessary to confirm to the current year's presentation.

Signatures to notes 1 to 22

As per our report of even date attached

For **Brahmayya & Co.,**

Chartered Accountants

Registration Number. 000511S

**P Babu**

Partner

Membership No.203358

Chennai

06th May, 2015

**S Venkatesan**

**A N Raju**

**K Sankarakumar**

Directors

## CASH FLOW STATEMENT

(in ₹)

	2014-15	2013-14
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit	1,90,72,396	2,17,29,647
Add: Provision for Taxation (including Deferred Tax)	<u>86,83,028</u>	<u>1,04,18,967</u>
	2,77,55,424	3,21,48,614
Finance Costs	1,771	2,04,387
Less: Interest Income	(6,02,276)	(19,95,712)
Less: Dividend Income	-	(9,10,799)
Less: Net gain on sale of investments	(44,59,877)	(1,22,912)
Add: Diminution in value of investment	<u>(5,62,500)</u>	<u>15,600</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>2,21,32,542</b>	<b>2,93,39,178</b>
(Increase)/Decrease in Long Term Loans and Advances	(1,35,06,419)	(40,93,917)
(Increase)/Decrease in Short Term Loans and Advances	74,71,271	2,25,92,018
(Increase)/Decrease in Trade Receivables	2,52,50,356	15,97,351
(Increase)/Decrease in Other Current Assets	3,72,037	52,653
Increase/(Decrease) in Long Term Provisions	1,15,712	5,71,391
Increase/(Decrease) in Short Term Provisions	(2,30,985)	3,81,686
Increase/(Decrease) in Other Current Liabilities	(17,107)	17,109
Increase (Decrease) in Trade Payables	<u>(3,94,515)</u>	<u>(86,47,850)</u>
Cash generated from Operations	1,90,60,350	1,24,70,442
Finance Costs Paid	(1,771)	(2,04,387)
Direct Taxes Paid	(39,00,000)	(63,00,000)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b><u>3,72,91,121</u></b>	<b><u>3,53,05,233</u></b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Non-Current Investments (net proceeds)	-	50,00,000
Purchase of Current Investments	(25,35,77,025)	(17,28,63,887)
Sale of Current Investments (net proceeds)	21,73,16,463	14,87,11,99
Interest Received	6,02,276	19,95,712
Dividend Received	-	9,10,799
Net gain / loss on sale of investments	44,59,877	1,22,912
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b><u>(3,11,98,409)</u></b>	<b><u>(1,61,22,473)</u></b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	(1,75,49,250)	(58,49,750)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b><u>(1,75,49,250)</u></b>	<b><u>(58,49,750)</u></b>
<b>Net Increase in Cash and Cash Equivalents (A)+(B)+(C)</b>	<b><u>(1,14,56,538)</u></b>	<b><u>1,33,33,010</u></b>
Cash and Cash Equivalents at the Beginning of the Period	1,46,09,416	12,76,406
<b>Cash and Cash Equivalents at the end of the period</b>	<b><u>31,52,878</u></b>	<b><u>1,46,09,416</u></b>
Components of Cash and Cash Equivalents at the end of the Year		
Current Account with Banks	31,52,878	46,08,416
Cash, Stamps and Stamp Papers on Hand	-	-
Short Term Deposits	-	1,00,01,000

As per our report of even date attached  
For **Brahmayya & Co.**,  
Chartered Accountants  
Registration Number. 000511S  
**P Babu**  
Partner  
Membership No.203358  
Chennai  
6th May, 2015

**S Venkatesan**

**A N Raju**

**K Sankarakumar**

Directors

**Annual Report**  
2014-15



## Form AOC-I

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

(In ₹)

1	Name of the subsidiary	Infreight Logistics Solutions Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2015
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
4	Share capital	561,12,000.00
5	Reserves & surplus	(1071,71,691.07)
6	Total assets	12,49,529.93
7	Total Liabilities	523,09,221.00
8	Investments	–
9	Turnover	73,038.10
10	Profit before taxation	(13,34,002.90)
11	Provision for taxation	–
12	Profit after taxation	(13,34,002.90)
13	Proposed Dividend	–
14	% of shareholding	100%
	Names of subsidiaries which have been merged during the year	Sundaram Parekh Warehousing Services Limited

Place: Chennai

**S Venkatesan**

Date : 6th May, 2015

**A N Raju**

**K Sankarakumar**

Directors

**INFREIGHT LOGISTICS SOLUTIONS LIMITED**

*15th Annual Report  
2014–15*



---

## **Board of Directors**

Rahul Lalbhai Mehta

Srinivas Acharya

P Viswanathan

S Sivakumar

## **Audit Committee**

S Sivakumar

Chairman

Rahul Lalbhai Mehta

Srinivas Acharya

## **Manager**

Sidhartha Sankar Malla

## **Secretary**

P.N. Srikant

## **Bankers**

HDFC Bank Ltd.

Canara Bank

## **Auditors**

M/s. Dharmendra & Co., Mumbai  
Chartered Accountants

## **Registered Office**

21, Patillos Road,  
Chennai 600 002

CIN : U72900TN2000PLC063984

## Directors' Report

Your Directors have pleasure in presenting the Fifteenth Annual Report and Audited Accounts of the Company for the year ended 31st March, 2015.

The summarised financial results of the Company are given hereunder:

(₹ in lakhs)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Total Income	0.73	–
Total Expenditure	14.07	4.80
Profit before Tax	(13.34)	(4.80)
Taxation	–	–
Profit after Tax	(13.34)	(4.80)

### REVIEW OF OPERATIONS

There were no operations during the year under review.

During the year, Sundaram Parekh Warehousing Services Limited, subsidiary of your Company, merged with your company with effect from 1st April 2014, pursuant to the Order passed by the Honorable High Court of Judicature at Madras on 18th March 2015.

### DIRECTOR

Sri P Viswanathan, Director, retires by rotation and, being eligible, offers himself for re-election. Necessary resolution is submitted for your approval.

Sri S Sivakumar was co-opted as additional director of your Company on 28.03.2015. Under Section 161 of the Companies Act, 2013, he will hold office upto the date of the ensuing Annual General Meeting.

The Company has received due notice from a member under section 160 of the Companies Act 2013, proposing his appointment as Director of the Company.

During the year, Sri T T Srinivasaraghavan, Director, resigned from the Board effective 28th March 2015. Your Directors place on record the significant contribution made by him to the deliberations of the Board over a decade.

### NUMBER OF MEETINGS OF THE BOARD

During the year under review, 8 meetings of the Board of Directors were held.

### DIRECTORS' RESPONSIBILITY STATEMENT

Your directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that 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 that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis; and
- (v) the Directors devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no investments made, loans or guarantees given by the Company during the year ended 31st March 2015.

### RELATED PARTY TRANSACTIONS

During the year, the Company did not enter into any transaction with related parties, i.e., its promoters, Directors, and their relatives under Section 188 of the Companies Act, 2013. Form AOC-2 as required under Sec 134 (3) (h) of the Companies Act 2013, read with Rule 8(2) of the Companies (Accounts) Rules 2014, is attached as part of this report vide Annexure A.

---

**EXTRACT OF ANNUAL RETURN**

As required under Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT 9 as on 31st March 2015, is enclosed – Annexure B.

**INFORMATION AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013**

Your Company has no activity relating to conservation of energy or technology absorption. Your Company did not have any foreign exchange earnings or outgo during the year.

**PERSONNEL**

Your Company has no employee on its payroll. Accordingly, the provisions of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable.

**DEPOSITS**

Your Company has not accepted any public deposit during the period under review.

**AUDITORS**

M/s Dharmendra & Co, Chartered Accountants, Mumbai, retire and are eligible for reappointment. A certificate from the Auditors that they satisfy the conditions prescribed under the Companies Act, 2013 and the Rules made thereunder (including satisfaction of criteria under Section 141 of the Companies Act, 2013), has been received from them.

**ACKNOWLEDGEMENT**

Your Directors thank the holding company, Sundaram Finance Distribution Limited for its support.

Sri Srinivas Acharya

Sri P Viswanathan

Sri S Sivakumar

Sri Rahul Lalbhai Mehta

Chennai 600 002

Date: 4th Ma y, 2015

---

**ANNEXURE – A****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 arm’s length transactions under third proviso thereto**

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

**All transactions entered into by the Company during the year with related parties were on an arm’s length basis.**

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

**The transactions entered into by the Company during the year with related parties on an arm’s length basis were not material in nature.**

Sri Srinivas Acharya

Sri P Viswanathan

Sri S Sivakumar

Sri Rahul Lalbhai Mehta

Chennai 600 002

Date: 4th Ma y, 2015

INFREIGHT LOGISTICS SOLUTIONS LIMITED

---

**FORM NO.MGT-9**
**ANNEXURE – B**
**Extract of Annual Return as on the financial year ended on 31st March 2015**

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

(i)	CIN	U72900TN2000PLC063984
(ii)	Registration Date	25-04-2000
(iii)	Name of the Company	Infreight Logistics Solutions Limited
(iv)	Category / Sub-Category of the Company	Limited by Shares, Indian Non-Government Company
(v)	Address of the Registered Office and contact details	No. 21, Patullos Road, Chennai 600002 Sri P Viswanathan 044 28881207 pv@sundaramfinance.in
(vi)	Whether Listed Company Yes / No	No
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the company
1	Carrying on the business of manufacturing, importing, exporting, supplying, installing, maintaining, drawing, designing or otherwise dealing in computers, software, hardware, teaching and training aids, electronic security equipment's telecommunications equipment/systems and other equipment's required for providing systems management.	52 – Warehousing and support activities for transportation	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	Sundaram Finance Distribution Limited, 21, Patullos Road, Chennai – 600002	U67120TN1993PLC025996	Holding	100.00	2(46)
2	Sundaram Parekh Warehousing Services Limited* 21, Patullos Road, Chennai – 600002	U63030TN2010PLC077122	Subsidiary	100.00	2 (87)

\* Sundaram Parekh Warehousing Services Limited was merged with the Company with effect from 01.04.2014 based on the order passed by the High Court of Judicature at Madras on 18.03.2015.

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Share Holding

	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>									
<b>(1)</b>	<b>Indian</b>									
(a)	Individual/HUF	–	–	–	–	–	–	–	–	–
(b)	Central Govt	–	–	–	–	–	–	–	–	–
(c)	State Govt(s)	–	–	–	–	–	–	–	–	–
(c)	Bodies Corp.*	–	5,61,12000	5,61,12000	100.00	–	5,61,12000	5,61,12000	100.00	–
(d)	Banks / FI	–	–	–	–	–	–	–	–	–
(e)	Any Other ....	–	–	–	–	–	–	–	–	–
	<b>Sub-Total (A) (1)</b>	–	<b>5,61,12000</b>	<b>5,61,12000</b>	<b>100.00</b>	–	<b>5,61,12000</b>	<b>5,61,12000</b>	<b>100.00</b>	–
<b>(2)</b>	<b>Foreign</b>									
(a)	NRIs – Individuals	–	–	–	–	–	–	–	–	–
(b)	Other – Individuals	–	–	–	–	–	–	–	–	–
(c)	Bodies Corp.	–	–	–	–	–	–	–	–	–
(d)	Banks / FI	–	–	–	–	–	–	–	–	–
(e)	Any Other ....	–	–	–	–	–	–	–	–	–
	<b>Sub-Total (A)(2)</b>	–	–	–	–	–	–	–	–	–
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	–	<b>5,61,12000</b>	<b>5,61,12000</b>	<b>100.00</b>	–	<b>5,61,12000</b>	<b>5,61,12000</b>	<b>100.00</b>	–
<b>B.</b>	<b>Public Shareholding</b>									
<b>(1)</b>	<b>Institutions</b>									
(a)	Mutual Funds	–	–	–	–	–	–	–	–	–
(b)	Banks / FI	–	–	–	–	–	–	–	–	–
(c)	Central Govt	–	–	–	–	–	–	–	–	–
(d)	State Govt(s)	–	–	–	–	–	–	–	–	–
(e)	Venture Capital Funds	–	–	–	–	–	–	–	–	–
(f)	Insurance Companies	–	–	–	–	–	–	–	–	–
(g)	FIs	–	–	–	–	–	–	–	–	–
(h)	Foreign Venture Capital Investors	–	–	–	–	–	–	–	–	–
(i)	Others (Specify)	–	–	–	–	–	–	–	–	–
	<b>Sub-Total (B)(1)</b>	–	–	–	–	–	–	–	–	–
<b>2.</b>	<b>Non-Institutions</b>									
(a)	Bodies Corporate	–	–	–	–	–	–	–	–	–

	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(i)	Indian	–	–	–	–	–	–	–	–	–
(ii)	Overseas	–	–	–	–	–	–	–	–	–
(b)	Individuals	–	–	–	–	–	–	–	–	–
(i)	Individual shareholders holding nominal share capital up to Rs.1 lakh	–	–	–	–	–	–	–	–	–
(ii)	Individual shareholders holding nominal share capital in excess of Rs.1 lakh	–	–	–	–	–	–	–	–	–
(c)	Others (specify)	–	–	–	–	–	–	–	–	–
	<b>Sub-Total (B)(2)</b>	–	–	–	–	–	–	–	–	–
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	–	–	–	–	–	–	–	–	–
(C)	<b>Shares held by Custodian for GDRs and ADRs</b>	–	–	–	–	–	–	–	–	–
	<b>GRAND TOTAL (A)+(B)</b>	–	<b>5,61,12000</b>	<b>5,61,12000</b>	<b>100.00</b>	–	<b>5,61,12000</b>	<b>5,61,12000</b>	<b>100.00</b>	–

\* includes six equity shares held by the nominees of Sundaram Finance Distribution Limited

#### (ii) Shareholding of promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
Sundaram Finance Distribution Limited*	5,61,12000	100.00	–	5,61,12000	100.00	–	–
Total	5,61,12000	100.00	–	5,61,12000	100.00	–	–

\* includes six equity shares held by the nominees of Sundaram Finance Distribution Limited



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

Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Sundaram Finance Distribution Limited*</b>				
At the beginning of the year*	5,61,12000	100	—	—
Increase / Decrease in Promoters Share holding during the year	—	—	—	—
At the end of the Year	—	—	5,61,12000	100

\* includes six equity shares held by the nominees of Sundaram Finance Distribution Limited

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	Not Applicable			
Increase / Decrease in Promoters Share holding during the year				
At the end of the Year (or on the date of separation, if separated during the year				

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sri T T Srinivasaraghavan* Director#				
	At the beginning of the year	1	—	—	—
	Increase / Decrease in Share holding during the year	—	—	—	—
	At the end of the Year	—	—	1	—
2	Sri Srinivas Acharya* Director				
	At the beginning of the year	1	—	—	—
	Increase / Decrease in Share holding during the year	—	—	—	—
	At the end of the Year	—	—	1	—
3	Sri P Viswanathan* Director				
	At the beginning of the year	1	—	—	—
	Increase / Decrease in Share holding during the year	—	—	—	—
	At the end of the Year	—	—	1	—
4	Sri S Sivakumar* Director				
	At the beginning of the year	1	—	—	—
	Increase / Decrease in Share holding during the year	—	—	—	—
	At the end of the Year	—	—	1	—
5	Sri Rahul Lalbhai Mehta Director				
	At the beginning of the year	—	—	—	—
	Increase / Decrease in Share holding during the year	—	—	—	—
	At the end of the Year	—	—	—	—
6	Sri P N Srikant* Company Secretary				
	At the beginning of the year	1	—	—	—
	Increase / Decrease in Share holding during the year	—	—	—	—
	At the end of the Year	—	—	1	—
7	Sri Sidhartha Sankar Malla Manager				
	At the beginning of the year	—	—	—	—
	Increase / Decrease in Share holding during the year	—	—	—	—
	At the end of the Year	—	—	—	—

\*Held as nominees of Sundaram Finance Distribution Limited jointly with others

# Sri T T Srinivasaraghavan, Director resigned from his directorship on 28th March 2015

## V. INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	Nil			
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
Addition				
Reduction				
Net Change				
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

Sl. No.	Particulars of Remuneration	Name of the MD/WTD / Manager	Total Amount
		Sri Sidhartha Sankar Malla*	
1	Gross Salary	Not Applicable	
	a) Salary as per provisions contained in Section 17 (1) of the Income-tax Act, 1961		
	b) Value of perquisites u/s 17 (2) Income-tax Act, 1961		
	c) Profits in lieu of salary under section 17 (3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	– as % of profit		
	– others, specify		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

\* Sri Sidhartha Snkar Malla, Manager has been nominated by M/s Sundaram Finance limited the ultimate holding Company and no remuneration is borne by this company.

**B. Remuneration to other directors:**

Sl. No.	Name of the Directors	Fee for attending board / committee meetings	Commission	Others, please specify	Total Amount
1	Independent Directors			Nil	
	Total (1)				
2	Other Non-Executive Directors				
	Sri Srinivas Acharya				
	Sri P Viswanathan				
	Sri Rahul Lalbhai Mehta				
	Sri S Sivakumar			Nil	
	Total (2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act			Not Applicable	

**C. Remuneration to Key Managerial Personnel other than MD/ Manager / WTD**

Sl. No.	Particulars of Remuneration	Company Secretary*	Total Amount
1	Gross Salary		
	a) Salary as per provisions contained in Section 17 (1) of the Income-tax Act, 1961		
	b) Value of perquisites u/s 17 (2) Income-tax Act, 1961		
	c) Profits in lieu of salary under section 17 (3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		Nil
4	Commission		
	– as % of profit		
	– others, specify		
5	Others, please specify		
	Total (A)		

\* The Company Secretary Sri P N Srikant, has been nominated by Sundaram Finance Limited the ultimate holding Company and no remuneration is borne by this Company

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

There were no penalties / punishment / compounding of offences against the Company, Directors and other Officers in Default during the year ended 31st March 2015.

---

# Independent Auditor's Report

To the members of Infreight Logistics Solutions Limited

## **REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

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

## **MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS**

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

## **AUDITOR'S RESPONSIBILITY**

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

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

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

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

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

## **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the

accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY  
REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 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 purpose of our audit.
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement 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 written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.
- f. with respect to the other matters to be included in the 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 does not have any pending litigations which would impact its financial position;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. the Company is not required to transfer any fund to the Investor Education and Protection Fund in accordance with provisions of Companies Act, 1956.

**For Dharmendra & Co.,**  
Chartered Accountants  
Firm Registration No – 112827W  
**Dharmendra C. Shah**  
Proprietor  
Membership No. 040234

Place : Mumbai  
Date : 4th May, 2015

## The Annexure referred to in our Report of even date to the members of Infreight Logistics Solutions Limited for the year ended 31st March, 2015

As required by Companies (Auditor's Report) Order, 2015 issued by the Ministry of Corporate Affairs, on the basis of checks of the books and records as we considered appropriate and according to the information and explanations given to us during the course of audit, we state as under:—

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The Company does not have any fixed assets at the end of the year.
- ii. a) The Company does not have any inventories, accordingly clause (ii)(a) to ii(c) of the Order are not applicable to the Company for the current year.
- iii. The Company has not granted unsecured loans to parties covered in the register maintained under section 189 of the Act, accordingly clause iii(a) to iii(b) of the Order are not applicable to the Company for the current year.
- iv. The Company has not accepted any deposits from the public.
- v. As explained to us, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Act in respect of Company's operations.
- vi. a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of applicable statutory dues were in arrears for a period exceeding six months as at the end of the financial year from the date

they became payable.

- b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty, service tax and cess not been deposited on account of any dispute.
- c) The Company is not required to transfer any fund to the Investor Education and Protection Fund in accordance with provisions of Companies Act, 1956.
- vii. The Company has accumulated losses of ₹10,71,71,691.07 at the end of the financial year 2014-2015 and the same is more than fifty percent of its net worth as on 31st March, 2015.  
The Company has incurred cash loss during the year and also in the immediately preceding financial year.
- viii. The Company has not availed any loan from financial institution, bank during the year, thus clause (ix) of the Order is not applicable to the Company for the current year.
- x. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xi. The Company has not taken any term loan during the year.
- xii. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For Dharmendra & Co.,**  
Chartered Accountants  
Firm Registration No – 112827W  
**Dharmendra C. Shah**  
Proprietor  
Membership No. 040234

Place : Mumbai  
Date : 4th May, 2015

## Balance Sheet

as at 31st March, 2015

(In ₹)

Particulars	Note	31st March, 2015	31st March, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' funds</b>			
(a) Share capital	3	5,61,12,000.00	5,61,12,000.00
(b) Reserves and surplus	4	(10,71,71,691.07)	(10,59,69,250.45)
(c) Money received against share warrants		—	—
		<u>(5,10,59,691.07)</u>	<u>(4,98,57,250.45)</u>
<b>2) Share application money pending allotment</b>			
		—	—
<b>3) Non-current liabilities</b>			
(a) Long-term borrowings		—	—
(b) Deferred tax liabilities (Net)		—	—
(c) Other Long term liabilities		—	—
(d) Long-term provisions		—	—
		<u>—</u>	<u>—</u>
<b>4) Current liabilities</b>			
(a) Short-term borrowings	5	5,22,00,000.00	5,22,00,000.00
(b) Trade payables	6	—	1,73,150.00
(c) Other current liabilities	7	1,09,221.00	91,968.00
(d) Short-term provisions		—	—
		<u>5,23,09,221.00</u>	<u>5,24,65,118.00</u>
<b>TOTAL</b>		<u><b>12,49,529.93</b></u>	<u><b>26,07,867.55</b></u>
<b>II. ASSETS</b>			
<b>1) Non-current assets</b>			
(a) Fixed assets			
i) Tangible assets	8	—	3,60,245.00
ii) Intangible assets		—	—
iii) Capital work-in-progress		—	—
iv) Intangible assets under development		—	—
(b) Non-current investments	9	—	10,00,000.00
(c) Deferred tax assets (net)		—	—
(d) Long-term loans and advances		—	—
(e) Other non-current assets		—	—
		<u>—</u>	<u>13,60,245.00</u>
<b>2) Current assets</b>			
(a) Current investments		—	—
(b) Inventories		—	—
(c) Trade receivables	10	—	4,98,467.00
(d) Cash and cash equivalents	11	9,37,446.93	16,617.55
(e) Short-term loans and advances	12	3,12,083.00	7,32,538.00
(f) Other current assets		—	—
		<u>12,49,529.93</u>	<u>12,47,622.55</u>
<b>TOTAL</b>		<u><b>12,49,529.93</b></u>	<u><b>26,07,867.55</b></u>
See accompanying notes forming part of financial statements			



# Statement of Profit and Loss

for the Year Ended 31st March, 2015

(In ₹)

Particulars	Note	2014-15	2013-14
I. Revenue from operations	–	–	–
II. Other income	13	73,038.10	–
<b>III. Total Revenue (I + II)</b>		<b>73,038.10</b>	–
IV. Expenses:			
Cost of Services	14	–	6,250.00
Purchases of Stock-in-Trade	–	–	–
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	–	–	–
Employee benefits expenses	–	–	–
Finance costs	15	–	393.26
Depreciation and amortization expense	8	–	1,29,248.00
Other expenses	16	14,07,041.00	3,44,774.62
<b>Total expenses</b>		<b>14,07,041.00</b>	<b>4,80,665.88</b>
V. (Loss)/ Profit before exceptional and extraordinary items and tax (III-IV)		(13,34,002.90)	(4,80,665.88)
VI. Exceptional items		–	–
VII. (Loss)/ Profit before extraordinary items and tax (V – VI)		(13,34,002.90)	(4,80,665.88)
VIII. Extraordinary Items		–	–
IX. (Loss)/ Profit before tax (VII– VIII)		(13,34,002.90)	(4,80,665.88)
X Tax expense:			
1) Current tax (MAT)		–	–
2) Deferred tax		–	–
<b>XI (Loss)/ Profit for the period from continuing operations (IX-X)</b>		<b>(13,34,002.90)</b>	<b>(4,80,665.88)</b>
XII (Loss)/ Profit from discontinuing operations		–	–
XIII Tax expense of discontinuing operations		–	–
XIV (Loss)/ Profit from Discontinuing operations (after tax) (XII-XIII)		–	–
XV (Loss)/ Profit for the period (XI + XIV)		<b>(13,34,002.90)</b>	<b>(4,80,665.88)</b>
XVI Earnings per equity share:			
(1) Basic		(0.24)	(0.09)
(2) Diluted		(0.24)	(0.09)
See accompanying notes forming part of financial statements			

In terms of our report attached

For Dharmendra & Co.,

Chartered Accountants

Firm Registration No. – 112827W

Dharmendra C. Shah

Proprietor

Membership No. – 040234

Place : Mumbai

Date : 4th May, 2015

**Sidhartha Sankar Malla**  
Manager

**P.N. Srikant**  
Secretary

**Srinivas Acharya**  
**Rahul L. Mehta**  
**S. Sivakumar**  
**P. Viswanathan**  
Directors

INFREIGHT LOGISTICS SOLUTIONS LIMITED

## Notes to Financial Statements

### For the Year Ended 31st March, 2015

#### 1. CORPORATE INFORMATION

Infreight Logistics Solutions Limited (“the Company”) was incorporated on 25th April, 2000. The Company is engaged in the business of providing Services of Road Transport, Warehousing, Software Maintenance, and Development of Software. The principal source of revenue for the Company is from rendering of services related to transport by road and warehousing.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (“Indian GAAP”) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

##### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

##### 2.3 Tangible Assets

Fixed assets are recorded at cost of acquisition inclusive of freight, duties, taxes and incidental expenses related to acquisition.

##### 2.4 Intangible Assets

The Company does not have any intangible assets.

##### 2.5 Borrowing Cost

Borrowing cost includes interest and amortization of ancillary costs.

##### 2.6 Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. The Company does not have any current investments.

---

## NOTES TO THE ACCOUNTS (Contd.)

### 2.7 Revenue Recognition

Revenue income is accounted on accrual basis.

All other expenses are accounted on accrual basis and provision is made for all known losses and liabilities.

### 2.8 Taxation

Income tax expense comprises current tax expense, deferred tax and MAT expense or credit.

**Current Taxes:** Provision for current income–tax is recognised in accordance with the provisions of the Income–tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowance and exemptions.

**Deferred Taxes:** The deferred tax charge or credit and the corresponding deferred tax liabilities or assets is recognised for the future tax consequence attributable to the timing differences between the profits/ losses offered for income taxes and profits/ losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

**Minimum Alternate Tax:** Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises the MAT credit available as an asset only to the extent that there is a convincing evidence that the company will pay normal income tax during the specified period i.e. period for which MAT credit is allowed to be carried forward. In the year in which company recognises MAT credit as an asset in accordance with the guidance note on Accounting for credit available in respect to Minimum Alternate Tax under the Income Tax Act, 1961. The said asset is created by way of credit to the statement of profit and loss and shown as “MAT credit entitlement” at each reporting date and writes down the asset to the extent the Company does have convincing evidence that it will pay normal tax during the specified period.

### 2.9 Provisions and Contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## NOTES TO THE ACCOUNTS (Contd.)

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### 2.10 Earnings per Share

Basic earnings per Share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period.

### 2.11 Cash & Cash Equivalents

Cash & Cash Equivalents for the purpose of Cash Flow Statement comprises cash at bank and in hand.

### 2.12 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. A statement attached herewith.

## Note 3

### SHARE CAPITAL

(In ₹)

	As at March 31, 2015	As at March 31, 2014
<b>Authorised Capital</b>		
1,10,00,000 (1,00,00,000) Equity Shares of ₹10/- each	<u>10,10,00,000.00</u>	<u>10,00,00,000.00</u>
	<u>10,10,00,000.00</u>	<u>10,00,00,000.00</u>
<b>Issued Subscribed &amp; fully paid up Share Capital</b>		
<b>Equity Share Capital</b>		
56,11,200 (56,11,200) Equity Shares of ₹ 10/- each	5,61,12,000.00	5,61,12,000.00
	<u>5,61,12,000.00</u>	<u>5,61,12,000.00</u>

As per the Scheme of Amalgamation of Sundaram Parekh Warehousing Services Limited with the Company, the Authorised Share Capital of Sundaram Parekh Warehousing Services Limited of 1,00,000 Equity Shares of ₹ 10/- each amounting to ₹ 10,00,000/- has been added to the Authorised Share Capital of the Company as 1,00,000 Equity Shares of ₹ 10/- each amounting to ₹ 10,00,000/- financial year ended 31st March 2015 – Refer Note No. 18.

The company has single class of shares – equity shares of face value of ₹ 10 each.

## NOTES TO THE ACCOUNTS (Contd.)

### a) Reconciliation of the shares outstanding at the beginning and end of the reporting period

Equity Shares of ₹ 10/- each fully paid up

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	₹	No. of Shares	₹
At the beginning of period	56,11,200	5,61,12,000.00	56,11,200	5,61,12,000.00
Issued during the period	—	—	—	—
Outstanding at the end of period	<b>56,11,200</b>	<b>5,61,12,000.00</b>	<b>56,11,200</b>	<b>5,61,12,000.00</b>

### b. Terms/rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

In an event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to number of equity shares held by the Company.

### c. Shares held by Holding Company

Out of the equity shares issued by the company, shares held by its holding company is as under:

Equity Shares of ₹10/- each fully paid up

Name	As at 31st March, 2015			As at 31st March, 2014		
	No. of Shares *	%	₹	No. of Shares	%	₹
Sundaram Finance Distribution Limited	56,11,200	100%	5,61,12,000.00	56,11,200	100%	5,61,12,000.00

\* Including Equity Shares held by nominees.

### d) Details of shareholders holding more than 5% shares in the Company

Equity Shares of ₹10/- each fully paid up

Name	As at 31st March, 2015			As at 31st March, 2014		
	No. of Shares *	%	₹	No. of Shares	%	₹
Sundaram Finance Distribution Limited	56,11,200	100%	5,61,12,000.00	56,11,200	100%	5,61,12,000.00

\* Including Equity Shares held by nominees.

**NOTES TO THE ACCOUNTS (Contd.)**
**Note 4**
**RESERVES & SURPLUS**

(In ₹)

	As at March 31, 2015	As at March 31, 2014
<b>Statement of Profit &amp; Loss</b>		
At the beginning of the year	(10,59,69,250.45)	(10,54,88,584.57)
Less: Credit balance in profit & loss statement of transferor company	1,31,562.28	—
Less: Capital account of transferor company	10,00,000.00	
Add: Investment in equity shares in transferor company	(10,00,000.00)	
Add: (Loss)/ Profit for the year	(13,34,002.90)	(4,80,665.88)
<b>At the end of the year</b>	<b>(10,71,71,691.07)</b>	<b>(10,59,69,250.45)</b>

**Note 5**
**SHORT – TERM BORROWINGS**

(In ₹)

	As at March 31, 2015	As at March 31, 2014
<b>Unsecured Borrowings</b>		
From Ultimate Holding Company (Refer Related Party Statement)*	5,22,00,000.00	5,22,00,000.00
Total Short Term Borrowings	<u>5,22,00,000.00</u>	<u>5,22,00,000.00</u>
<b>(*Repayment Term is one year from sanction date and renewable for further period and borrowing is interest free.)</b>		

**Note 6**
**TRADE PAYABLES**

(In ₹)

	As at March 31, 2015	As at March 31, 2014
Trade Payables for Services rendered *	—	1,73,150.00
	<u>—</u>	<u>1,73,150.00</u>

\* Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October, 2006, certain disclosures are required to be made relating to dues to Micro, Small and Medium enterprises. Based at the information available with the Company, there are no parties who have been identified as micro, small and medium enterprises based on details called for and responses received by the management from the vendors.

**Note 7**
**OTHER CURRENT LIABILITIES**

(In ₹)

	As at March 31, 2015	As at March 31, 2014
Expenses Payable	1,07,497.00	90,276.00
Statutory Liabilities Payable	1,724.00	1,692.00
	<u>1,09,221.00</u>	<u>91,968.00</u>

**NOTES TO THE ACCOUNTS (Contd.)**

Note 8

TANGIBLE ASSETS												(In ₹)	
Description	Gross Block				Depreciaton				Net Block				
	As at 31.03.2014	Additions	Deductions	As at 31.03.2015	As at 31.03.2014	Additions	Deductions	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014			
Furnitures & Fixtures	3,16,113.00	-	3,16,113.00	-	2,42,295.00	-	2,42,295.00	-	-	73,818.00			
Computers	(3,16,113.00)	-	-	(3,16,113.00)	(2,25,981.00)	(16,314.00)	-	(2,42,295.00)	(73,818.00)	(90,132.00)			
Air Conditioners	35,77,315.00	-	35,77,315.00	-	34,45,350.00	-	34,45,350.00	-	-	1,31,965.00			
Office Equipment	(35,77,315.00)	-	-	(35,77,315.00)	(33,57,374.00)	(87,976.00)	-	(34,45,350.00)	(1,31,965.00)	(2,19,941.00)			
	3,47,305.00	-	3,47,305.00	-	2,25,623.00	-	2,25,623.00	-	-	1,21,682.00			
	(3,47,305.00)	-	-	(3,47,305.00)	(2,05,962.00)	(19,661.00)	-	(2,25,623.00)	(1,21,682.00)	(1,41,343.00)			
	94,271.00	-	94,271.00	-	61,491.00	-	61,491.00	-	-	32,780.00			
	(94,271.00)	-	-	(94,271.00)	(56,194.00)	(5,297.00)	-	(61,491.00)	(32,780.00)	(38,077.00)			
As at 31st March, 2015	<b>43,35,004.00</b>	-	<b>43,35,004.00</b>	-	<b>39,74,759.00</b>	-	<b>39,74,759.00</b>	-	-	<b>3,60,245.00</b>			
As at 31st March, 2014	(43,35,004.00)	-	-	(43,35,004.00)	(38,45,511.00)	(1,29,248.00)	-	(39,74,759.00)	(3,60,245.00)	(4,89,493.00)			

Note:

- Figures in brackets pertains to 31st March, 2014
- During the year no asset is revalued.
- As on 1st April,2014 all the assets were written off therefore depreciation charged for the year is ₹ Nil.
- The Company does not have any intangible asset.

**NOTES TO THE ACCOUNTS (Contd.)**
**Note 9**
**NON – CURRENT INVESTMENTS**

(In ₹)

			As at March 31, 2015	As at March 31, 2014
In Subsidiary Company (Equity Shares)				
Long Term – Unquoted, at cost:				
Nos, CY	Nos, PY	(Face value of ₹ 10/- each)		
Nil	1,00,000	Sundaram Parekh Warehousing Services Limited	–	10,00,000.00
			–	<b>10,00,000.00</b>

**Note 10**
**TRADE RECEIVABLES**

(In ₹)

		As at March 31, 2015	As at March 31, 2014
<b>Unsecured, Considered Good</b>			
Outstanding for more than six months from date it became due		–	4,98,467.00
Others		–	–
		–	<b>4,98,467.00</b>

**Note 11**
**CASH & BANK BALANCES**

(In ₹)

		As at March 31, 2015	As at March 31, 2014
<b>Cash and Cash Equivalent</b>			
Balances with scheduled banks in current account		9,37,446.93	16,617.55
Cash on hand		–	–
		<b>9,37,446.93</b>	<b>16,617.55</b>

**Note 12**
**SHORT TERM LOANS & ADVANCES**

(In ₹)

		As at March 31, 2015	As at March 31, 2014
<b>Short Term Loans &amp; Advances (Unsecured, Considered Good)</b>			
Other Loans & Advances			
Income Tax (TDS) (Net off provision for taxation)		3,12,083.00	7,32,538.00
		<b>3,12,083.00</b>	<b>7,32,538.00</b>



**NOTES TO THE ACCOUNTS (Contd.)****Note 13****Other Income**

(In ₹)

	FY 2014–2015		FY 2013–2014	
Interest on Income Tax Refund	7,412.10		–	
Deposit/Advances/Creditors W/Back	65,626.00	73,038.10	–	–
		<u>73,038.10</u>		<u>–</u>

**Note 14****Cost of Services**

(In ₹)

	FY 2014–2015		FY 2013–2014	
Rate Difference/Discount/Damages	–	–	6,250.00	6,250.00
		<u>–</u>		<u>6,250.00</u>

**Note 15****Finance Costs**

(In ₹)

	FY 2014–2015		FY 2013–2014	
Bank Charges		–		393.26
		<u>–</u>		<u>393.26</u>

**NOTES TO THE ACCOUNTS (Contd.)**
**Note 16**
**Other Expenses**

(In ₹)

	2014–2015	2013–2014
Telephone Expenses	–	10,606.00
Printing & Stationery	6,983.00	10,080.00
Local Travelling	–	26,380.00
Professional Fees & Legal Charges	3,66,090.00	21,405.00
Advertisement	8,250.00	–
Auditors' Remuneration (Refer Note (a) below)	48,808.00	44,944.00
<b>Repairs &amp; Maintenance</b>		
Others	–	490.00
Conveyance	–	896.00
Miscellaneous Expenses	90,638.00	3,966.00
Income Tax for Previous Period (For FY 2011–12)	27,560.00	
Bad Debts	4,98,467.00	2,26,007.62
Loss on Assets written off	3,60,245.00	–
	<b>14,07,041.00</b>	<b>3,44,774.62</b>
<b>a) Details of payments made to auditor :</b>		
<u>As Auditor (Including Service Tax)</u>		
Statutory Audit Fees	34,200.00	16,854.00
Tax Audit Fees	–	–
<u>In other capacity (Including Service Tax)</u>		
For Taxation Matter	–	–
For Other Services	14,608.00	28,090.00
	<b>48,808.00</b>	<b>44,944.00</b>

**Note 17**
**Earnings Per Share**

	2014–2015	2013–2014
Net (Loss)/ Profit as per Profit and Loss Account (₹)	(13,34,002.90)	(4,80,665.88)
Shares outstanding at the beginning of the year – Nos.	56,11,200	56,11,200
Shares issued during the year	–	–
Weighted average number of shares outstanding during the year – Nos.	56,11,200	56,11,200
<b>Basic and diluted earnings per share (₹)</b>	<b>(0.24)</b>	<b>(0.09)</b>

---

## NOTES TO THE ACCOUNTS (Contd.)

### Note 18

#### General

#### **Scheme of Amalgamation between Sundaram Parekh Warehousing Services Limited with the Company under sections 391 and 394 of the Companies Act, 1956**

On 13th November 2014, the Board of Directors approved a Scheme of Amalgamation ('Scheme') of Sundaram Parekh Warehousing Limited ('Transferor Company') with the Company ('Transferee Company') under Sections 391 and 394 of the Companies Act, 1956. In January 2015, the Company filed a petition for approvals of the scheme with the Hon'ble High Court of Madras ('the Court'). The Court approved the Scheme vide its order dated 18th March 2015 with the appointed date (effective date) as 1st April 2014. The certified true copy of the scheme was filed under Form INC-28, with the Registrar of Companies on 1st April 2015 and same was approved on 10th April 2015. The salient features of the Scheme are as follows:

The Transferee Company shall, upon the scheme coming into effect, record the assets and liabilities of the Transferor Company vested in it pursuant to this Scheme at the respective book values thereof at the close of business of the day immediately preceding the appointed date (effective date). The balance in the profit and loss account appearing in the financial statements of the Transferor Company shall be aggregated with the balance in the profit and loss account appearing in the financial statements of the Transferee Company.

All inter-company transactions between Transferor and Transferee Companies from the appointed date (effective date) shall be regarded as intra-company transactions.

From the appointed date (effective date), the authorised share capital of the transferor Company shall stand combined with the authorised share capital of the transferee Company. Upon the Scheme becoming fully effective, the authorised share capital of the Company would be ₹10,10,00,000/- divided into 1,01,00,000 equity shares of ₹10 each.

In accordance with the Scheme approved by the Court, the accounting for this amalgamation has been done in this financial year (2014-15) in accordance with the "Pooling of Interest Method" referred to in Accounting Standard 14 – "Accounting for Amalgamation" of the Companies (Accounting Standards) Rules, 2006.

### Note 19

Balances appearing to the debit or credit of various parties are subject to confirmation.

### Note 20

In the opinion of board, the current assets, loans and advances are approximate of the value stated if realised in the ordinary course of business.

### Note 21

#### Previous year figures

Previous year figures are regrouped /rearranged wherever possible and necessary so as to confirm to the current year's classification.

---

**NOTES TO THE ACCOUNTS (Contd.)****Note 22**

Estimated amount of contracts remaining to be executed on capital account as well as other commitments, not provided for (net of advances) is ₹ Nil (2014 : ₹ Nil). Contingent liabilities is ₹ Nil (2014 : ₹ Nil).

**Note 23**

CIF Value of Imports / Consumption of Materials	2014–2015 (₹)	2013–2014 (₹)
	Nil	Nil

**Note 24**

Earnings in Foreign Currency/ Expenditure in Foreign Currency	2014–2015 (₹)	2013–2014 (₹)
	Nil	Nil

**Note 25**

There are no separate reportable segments as per Accounting Standard AS–17 Segment Reporting.

---

## NOTES TO THE ACCOUNTS (Contd.)

### Note 26

A statement on Transactions with Related Parties is given hereunder as per Accounting Standard 18 'Related Party Disclosures' issued in terms of the Companies Act, 2013.

Holding Companies	Sundaram Finance Limited
	Sundaram Finance Distribution Limited
Subsidiary	Sundaram Parekh Warehousing Services Limited *
Fellow Subsidiaries	Sundaram Asset management Company Limited
	Sundaram Trustee Company Limited
	Sundaram BNP Paribas Home Finance Limited
	Sundaram Business Services Limited
	LGF Services Limited
	Sundaram Infotech Solutions Limited
	Sundaram BNP Paribas Fund Services Limited
	Sundaram Insurance Broking Services Limited
	Sundaram Asset Management Singapore Pte Limited
	Sundaram BPO India Limited
Key Management Personnel	Mr. P. N. Srikant, Secretary
	Mr. Sidhartha Sankar Malla, Manager

\* Amalgamated with the Company w.e.f 01.04.2014

**NOTES TO THE ACCOUNTS (CONTD.)**

DETAILS OF TRANSACTIONS WITH ABOVE RELATED PARTIES FOR THE YEAR ENDED 31.03.2015

(In ₹)

Particulars	Holding Cos.	Subsidiary Co.	Fellow Subsidiary Cos.	Key Management Personnel	Relative of Key Management Personnel	Total Related Parties	Total Related Parties
						(2014-15)	(2013-14)
Transactions during the year							
<b>LIABILITIES :</b>							
<b>Inter-corporate Loan Repaid to:</b>							
Sundaram Finance Ltd.						–	6,00,000.00
<b>Outstanding Balances at the year end</b>							
<b>Investment in Equity Shares</b>							
Sundaram Parekh Warehousing Services Ltd.						–	10,00,000.00
<b>Inter-corporate Loan</b>							
Sundaram Finance Ltd.	5,22,00,000.00					5,22,00,000.00	5,22,00,000.00

In terms of our report attached

 For Dharmendra & Co.,  
 Chartered Accountants  
 Firm Registration No. – 112827W  
 Dharmendra C. Shah  
 Proprietor

 Membership No. – 040234  
 Place : Mumbai  
 Date : 4th May, 2015

**Sidhartha Sankar Malla**  
 Manager

**P.N. Srikant**  
 Secretary

**Srinivas Acharya**  
**Rahul L. Mehta**  
**S. Sivakumar**  
**P. Viswanathan**  
 Directors

# Cash Flow Statement for the Year Ended 31st March, 2015

(In ₹)

	2014-15	2013-14
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit after Tax	(13,34,002.90)	(4,80,665.88)
<b>Adjustments for:</b>		
Depreciation / Amortization	–	1,29,248.00
Loss on Sale of Fixed Assets/Written off	3,60,245.00	–
	(9,73,757.90)	(3,51,417.88)
<b>Changes in Assets &amp; Liabilities:</b>		
(Increase) / Decrease in Trade Receivables	4,98,467.00	3,92,549.00
(Increase) / Decrease in Short term Loans and Advances	4,20,455.00	97,380.00
Increase / (Decrease) in Trade Payables	(1,73,150.00)	(25,000.00)
Increase / (Decrease) in other Current liabilities	17,253.00	(11,003.38)
Ajustment on account of Amalgamation in respect of Reseve & Surplus	1,31,562.28	
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(79,170.62)</b>	<b>1,02,507.74</b>
Income Tax paid	–	–
	(79,170.62)	1,02,507.74
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Non-Current Investments	(10,00,000.00)	4,90,000.00
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>10,00,000.00</b>	<b>(4,90,000.00)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Short – term Borrowings	–	(6,00,000.00)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>–</b>	<b>(6,00,000.00)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>9,20,829.38</b>	<b>(9,87,492.26)</b>
Cash and cash equivalents at the beginning of the year	16,617.55	10,04,109.81
Cash and cash equivalents at the end of the year	9,37,446.93	16,617.55
<b>Components of Cash and Cash Equivalents at the year end</b>		
Balances with Banks – in Current Accounts	9,37,446.93	16,617.55
Cash on Hand	–	–
	9,37,446.93	16,617.55

In terms of our report attached

For Dharmendra & Co.,  
Chartered Accountants  
Firm Registration No. – 112827W  
Dharmendra C. Shah  
Proprietor

**Sidhartha Sankar Malla**  
Manager

**P.N. Srikant**  
Secretary

**Srinivas Acharya**  
**Rahul L. Mehta**  
**S. Sivakumar**  
**P. Viswanathan**  
Directors

Membership No. – 040234

Place : Mumbai

Date : 4th May, 2015

INFREIGHT LOGISTICS SOLUTIONS LIMITED