

# **Sundram International Limited**

## **ANNUAL REPORT**

**for the year ended  
March 31, 2022**



# Sundram International Limited

## TRANSLATED FINANCIAL STATEMENTS

### Balance Sheet as at March 31, 2022

Particulars	Note	As at March 31, 2022		As at March 31, 2021	
		GBP	₹	GBP	₹
<b>ASSETS</b>					
<b>Non-current assets</b>					
Financial assets					
- Investments	5	2,55,84,195	2,54,46,04,035	2,55,84,195	2,57,73,51,804
- Loans	6	7,50,000	7,45,95,000	6,00,000	6,04,44,000
		<b>2,63,34,195</b>	<b>2,61,91,99,035</b>	2,61,84,195	2,63,77,95,804
<b>Current assets</b>					
Financial assets					
- Other financial assets	7	55,291	54,99,237	37,247	37,52,263
Cash and cash equivalents	8	6,073	6,04,026	28,809	29,02,274
		<b>61,364</b>	<b>61,03,263</b>	66,056	66,54,537
<b>Total assets</b>		<b>2,63,95,559</b>	<b>2,62,53,02,298</b>	2,62,50,251	2,64,44,50,341
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity Share capital	9	3,500	348,110	3,500	3,52,590
Other equity		2,55,55,596	2,54,17,59,606	2,24,83,458	2,26,49,83,587
<b>Total equity</b>		<b>2,55,59,096</b>	<b>2,54,21,07,716</b>	2,24,86,958	2,26,53,36,177
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Financial liabilities					
- Borrowings	10	7,75,000	7,70,81,500	6,25,000	6,29,62,500
		<b>7,75,000</b>	<b>7,70,81,500</b>	6,25,000	6,29,62,500
<b>Current liabilities</b>					
Financial liabilities					
- Borrowings	10	-	-	30,45,196	30,67,73,072
- Other financial liabilities	11	58,383	58,06,745	93,097	93,78,592
Other current liabilities	12	3,080	3,06,337	-	-
		<b>61,463</b>	<b>61,13,082</b>	31,38,293	31,61,51,664
<b>Total equity and liabilities</b>		<b>2,63,95,559</b>	<b>2,62,53,02,298</b>	2,62,50,251	2,64,44,50,341

Note 1 to 18 form an integral part of these financial statements.

This is the balance sheet referred to in our report of even date.

# Sundram International Limited

## TRANSLATED FINANCIAL STATEMENTS

### Statement of Profit and Loss for the year ended March 31, 2022

Particulars	Note	Year ended March 31, 2022		Year ended March 31, 2021	
		GBP	₹	GBP	₹
Other income	13	31,56,170	32,03,82,822	32,01,308	31,19,03,436
<b>Total Income</b>		<b>31,56,170</b>	<b>32,03,82,822</b>	<b>32,01,308</b>	<b>31,19,03,436</b>
<b>Expenses</b>					
Finance costs	14	58,215	59,09,419	1,70,558	1,66,17,512
Other expenses	15	25,817	26,20,633	26,00,268	25,33,44,101
<b>Total expenses</b>		<b>84,032</b>	<b>85,30,052</b>	<b>27,70,826</b>	<b>26,99,61,613</b>
<b>Profit / (Loss) before tax</b>		<b>30,72,138</b>	<b>31,18,52,770</b>	<b>4,30,482</b>	<b>4,19,41,823</b>
<b>Tax expense</b>					
a) Current tax		-	-	-	-
b) Deferred tax		-	-	-	-
<b>Profit / (loss) for the period</b>		<b>30,72,138</b>	<b>31,18,52,770</b>	<b>4,30,482</b>	<b>4,19,41,823</b>
<b>Other comprehensive income</b>					
i) Items that will be reclassified to profit or loss					
- Exchange variation on foreign currency translation		-	(77,22,819)	-	1,23,67,329
			(77,22,819)		1,23,67,329
<b>Total comprehensive income for the period</b>		<b>30,72,138</b>	<b>30,41,29,951</b>	<b>4,30,482</b>	<b>5,43,09,152</b>
<i>(Comprising Profit and Other Comprehensive Income for the year)</i>					
<b>Earnings per equity share</b>					
Basic (in ₹)		877.75	89,100.79	122.99	11,983.38
Diluted (in ₹)		877.75	89,100.79	122.99	11,983.38
No. of Shares		3,500	3,500	3,500	3,500

Note 1 to 18 form an integral part of these financial statements.

This is the statement of profit and loss referred to in our report of even date

## TRANSLATED FINANCIAL STATEMENTS

### Statement of Changes in Equity for year ended March 31, 2022

#### A. Equity Share Capital

Particulars	Amount	
	GBP	₹
<b>Balance at 31<sup>st</sup> March, 2020</b>	<b>3,500</b>	<b>327,040</b>
Foreign Currency Restatement of Opening Balance	-	25,550
<b>Balance at 31<sup>st</sup> March, 2021</b>	<b>3,500</b>	<b>352,590</b>
Foreign Currency Restatement of Opening Balance	-	(4,480)
<b>Balance at 31<sup>st</sup> March, 2022</b>	<b>3,500</b>	<b>348,110</b>

#### B. Other Equity

Particulars	Reserves and Surplus				Accumulated other comprehensive income		Total	
	Share Premium		Retained Earnings		Foreign currency translation reserve		GBP	₹
	GBP	₹	GBP	₹	GBP	₹		
<b>Balance at 31<sup>st</sup> March, 2020</b>	2,61,88,078	2,44,70,14,008	(41,35,102)	(37,54,41,558)	-	(1,09,42,394)	2,20,52,976	2,06,06,30,056
Profit for the period	-	-	4,30,482	4,19,41,823	-	-	4,30,482	4,19,41,823
Other comprehensive income	-	19,11,72,969	-	(4,11,28,590)	-	1,23,67,329	-	16,24,11,708
<b>Balance at 31<sup>st</sup> March, 2021</b>	<b>2,61,88,078</b>	<b>2,63,81,86,977</b>	<b>(37,04,620)</b>	<b>(37,46,28,325)</b>	<b>-</b>	<b>14,24,935</b>	<b>2,24,83,458</b>	<b>2,26,49,83,587</b>
Profit for the period	-	-	3,072,138	31,18,52,770	-	-	30,72,138	31,18,52,770
Other comprehensive income	-	(3,35,20,739)	-	61,66,807	-	(77,22,819)	-	(3,50,76,751)
<b>Balance at 31<sup>st</sup> March, 2022</b>	<b>2,61,88,078</b>	<b>2,60,46,66,238</b>	<b>(6,32,482)</b>	<b>(5,66,08,748)</b>	<b>-</b>	<b>(62,97,884)</b>	<b>2,55,55,596</b>	<b>2,54,17,59,606</b>

This is the statement of changes in equity referred to in our report of even date

# Sundram International Limited

## TRANSLATED FINANCIAL STATEMENTS

### Statement of Cash flow for year ended March 31, 2022

	Year ended March 31, 2022		Year ended March 31, 2021	
	GBP	₹	GBP	₹
<b>A. Cash flows from operating activities</b>				
Profit / (Loss) before tax	30,72,138	31,18,52,770	4,30,482	4,19,41,823
Interest Expense	58,215	59,09,419	1,70,558	1,66,17,512
Provision for diminution in value of investments	-	-	26,00,184	25,33,35,878
Interest Income	(71,189)	(72,26,387)	(14,783)	(14,40,308)
Dividend received	(30,84,981)	(31,31,56,436)	(31,86,525)	(31,04,63,129)
<b>Operating profit before working capital changes</b>	<b>(25,817)</b>	<b>(26,20,634)</b>	<b>(84)</b>	<b>(8,224)</b>
<b>Adjustments for:</b>				
(Decrease) / Increase in other current liabilities	(31,634)	(32,11,197)	15,398	15,00,227
(Increase) / Decrease in other current assets	(18,044)	(18,31,641)	-	-
<b>Cash from / (used) in operating activities</b>	<b>(75,495)</b>	<b>(76,63,472)</b>	<b>15,314</b>	<b>14,92,003</b>
Direct taxes paid, net	-	-	-	-
<b>Net cash from / (used) in operating activities</b>	<b>(75,495)</b>	<b>(76,63,472)</b>	<b>15,314</b>	<b>14,92,003</b>
<b>B. Cash flow from investing activities</b>				
Long-term loans and advances given	(1,50,000)	(1,52,26,500)	-	-
Interest income received	71,189	72,26,387	-	-
Dividend received	30,84,981	31,31,56,436	31,86,525	31,04,63,129
<b>Net cash from / (used) in investing activities</b>	<b>30,06,170</b>	<b>30,51,56,323</b>	<b>31,86,525</b>	<b>31,04,63,129</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from debentures issued	(30,45,196)	(30,91,17,873)	(30,29,930)	(29,52,05,907)
Proceeds of long-term borrowings	1,50,000	1,52,26,500	-	-
Interest paid to banks and others	(58,215)	(59,09,419)	(1,70,558)	(1,66,17,512)
<b>Net cash generated from financing activities</b>	<b>(29,53,411)</b>	<b>(29,98,00,792)</b>	<b>(32,00,488)</b>	<b>(31,18,23,419)</b>
<b>D. Net cash flows during the year</b>	<b>(22,736)</b>	<b>(23,07,941)</b>	<b>1,351</b>	<b>1,31,713</b>
E. Foreign Translation impact on cash and cash equivalents	-	9,693	-	2,04,955
F. Cash and cash equivalents at the beginning	28,809	29,02,274	27,458	25,65,606
<b>G. Cash and cash equivalents at the end</b>	<b>6,073</b>	<b>6,04,026</b>	<b>28,809</b>	<b>29,02,274</b>
<b>Cash and cash equivalents comprise of:</b>				
Bank overdraft	-	-	-	-
Balances with banks in current accounts	6,073	6,04,026	28,809	29,02,274
<b>Cash and cash equivalents as per note 8</b>				

This is the statement of cash flows referred to in our report of even date

## TRANSLATED FINANCIAL STATEMENTS

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### Notes to Financial Statements for year ended March 31, 2022

#### 1 Corporate Information

Sundram International Limited ("SIL" or "the Company") is incorporated in UK and is a subsidiary of Sundram Fasteners Limited (SFL), Chennai.

The registered office of the Company is situated at Eversheds Central Square South, Orchard Street, Newcastle upon Tyne, NE1 3XX, United Kingdom

SIL was set up on 26 January 2016 in order to hold investments in Cramlington Precision Forge Limited and Sundram Fasteners (Zhejiang) Limited.

#### 2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and translated into Indian rupees according to the Indian Accounting Standard (Ind AS) 21 in compliance of all Indian Accounting Standards as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, provisions of the Companies Act 2013, to the extent notified, and pronouncements of the Institute of Chartered Accountants of India, as well as giving effect to change in foreign exchange rate.

#### 3 Summary of accounting policies

##### Overall considerations

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

##### 3.1 Financial instruments

###### Recognition, initial measurement and derecognition

Financial assets (other than trade receivables) and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

###### Classification and subsequent measurement of financial assets:

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

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

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

###### Classification, subsequent measurement and derecognition of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost. The Company's financial liabilities include borrowings.

###### Subsequent measurement

Financial liabilities are measured subsequently at amortized cost using the effective interest method except for derivatives and financial

### Notes to Financial Statements (Contd.)

liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### 3.2 Cash and cash equivalents

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

#### 3.3 Equity, reserves and dividend payments

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

Retained earnings includes all current and previous period retained profits.

All transactions with owners are recorded separately within equity.

#### 3.4 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are considered for the effects of all dilutive potential equity shares.

#### 3.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short-term highly liquid investments with maturities of 3 months or less, as applicable. Bank Overdraft is also considered as Cash and Cash Equivalent.

#### 3.6 Borrowing costs

Borrowing cost is not applicable since there are no qualifying assets.

#### 3.7 Accounting for effect of change in foreign exchange rates

The Assets and Liabilities as at 31st March 2022 has been translated from GBP to Indian Rupees by applying the year end interbank exchange rate of GBP 1 = Rs. 99.46 (2021: GBP 1 = 100.74). The incomes and expenses for 12 months ended 31st March 2022 has been translated from GBP to Indian Rupees by applying Average interbank exchange rate GBP 1 = Rs. 101.51 (2021: GBP 1 = 97.43).

# Sundram International Limited

## TRANSLATED FINANCIAL STATEMENTS

### Notes to Financial Statements (Contd.)

Exchange differences arising out of the translation have been dealt with in accordance with Ind AS 21.

SIL's Functional Currency is UK Pound sterling. But these financial statements are presented in Indian Rupees in order to facilitate the preparation of consolidated financial statements by Sundram Fasteners Limited, which is the holding company of SIL.

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

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

### Notes to Financial Statements (Contd.)

#### Significant management judgment

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

#### (i) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

## 5 NON-CURRENT INVESTMENTS

### a) Investment in Subsidiaries

#### Unquoted

	As at March 31, 2022		As at March 31, 2021	
	GBP	₹	GBP	₹
a) Investment in Cramlington Precision Forge Limited, UK	66,94,184	66,58,03,541	66,94,184	67,43,72,096
Less: Provision for diminution in value of investments	(66,94,183)	(66,58,03,441)	(66,94,183)	(67,43,71,995)
	1	100	1	101
b) Investment in Sundram Fasteners (Zhejiang) Limited, China	2,55,84,194	2,54,46,03,935	2,55,84,194	2,57,73,51,703
Total	2,55,84,195	2,54,46,04,035	2,55,84,195	2,57,73,51,804

## 6 LOANS

(Unsecured considered good, unless otherwise stated)

	As at March 31, 2022		As at March 31, 2021	
	Long-term	Short-term	Long-term	Short-term
	GBP	₹	GBP	₹
Loans to related parties	7,50,000	7,45,95,000	-	-
Total	7,50,000	7,45,95,000	6,00,000	6,04,44,000

#### Disclosure of loans and advances given to related parties as per Regulation 34 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Name of the subsidiary company (purpose of loan)	Amount Outstanding		Percentage to total loans & advances		Maximum Balance Outstanding during the year ended		Investment by subsidiaries in shares of the Holding company					
	As at March 31, 2022		As at March 31, 2021		2022		2021					
	GBP	₹	GBP	₹	GBP	₹	GBP	₹				
Cramlington Precision Forge Ltd., UK (for working capital purposes)	7,50,000	7,45,95,000	6,00,000	6,04,44,000	6,00,000	6,04,44,000	7,50,000	7,45,95,000	6,00,000	6,04,44,000	-	-

## 7 OTHER FINANCIAL ASSETS

(Unsecured considered good, unless otherwise stated)

#### Other receivables

	As at March 31, 2022		As at March 31, 2021	
	Long-term	Short-term	Long-term	Short-term
	GBP	₹	GBP	₹
Interest receivable from related parties	-	-	55,291	54,99,237
	-	-	55,291	54,99,237

## 8 CASH AND CASH EQUIVALENTS

	As at March 31, 2022		As at March 31, 2021	
	Long-term	Short-term	Long-term	Short-term
	GBP	₹	GBP	₹
Balances with banks in current accounts	-	-	6,073	6,04,026
	-	-	6,073	6,04,026



## TRANSLATED FINANCIAL STATEMENTS

### Notes to Financial Statements (Contd.)

	As at March 31, 2022			As at March 31, 2021		
	Number	GBP	₹	Number	GBP	₹
<b>9 EQUITY SHARE CAPITAL</b>						
<b>a) Share capital</b>						
<b>Issued, subscribed and fully paid up</b>						
3500 Ordinary shares of GBP 1 each	3,500	3,500	3,48,110	3,500	3,500	3,52,590
	<b>3,500</b>	<b>3,500</b>	<b>3,48,110</b>	<b>3,500</b>	<b>3,500</b>	<b>3,52,590</b>

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

	Nos.	% holding	Nos.	% holding
Sundram Fasteners Limited, Chennai	3,500	100%	3,500	100%
	<b>3,500</b>	<b>100%</b>	<b>3,500</b>	<b>100%</b>

#### c) Shares held by promoters at the end of the year

Promoter name	As at March 31, 2022			As at March 31, 2021		
	No. of shares held	% of total shares	% of change during the year	No. of shares held	% of total shares	% of change during the year
Sundram Fasteners Limited, Chennai	3,500	100.0%	0%	3,500	100%	0%

#### d) Rights, preferences, restrictions

##### Equity shares

The Company has only one class of equity shares having a par value of GBP 1 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in GBP.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### e) Bonus Shares/ Buy Back/ Shares for consideration other than cash issued during the period of five years immediately preceding the financial year ended 31 March 2022:

(i) Aggregate number of equity shares allotted as fully paid up pursuant to contracts without payment being received in cash : Nil

(ii) Aggregate number of equity shares allotted as fully paid up by way of Bonus Shares : Nil

(iii) Aggregate number of equity shares bought back : Nil

#### f) Capital Management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern

- to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk

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

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

	As at 31 March 2022		As at 31 March 2021	
	GBP	₹	GBP	₹
Borrowings (including current maturities of long term borrowings)	775,000	77,081,500	3,670,196	369,735,572
Cash and cash equivalents	(6,073)	(604,026)	(28,809)	(2,902,274)
<b>Capital</b>	<b>A</b>	<b>768,927</b>	<b>3,641,387</b>	<b>366,833,298</b>
Total equity	<b>B</b>	<b>25,559,096</b>	<b>22,486,958</b>	<b>2,265,336,177</b>
<b>Overall financing</b>	<b>(A+B)</b>	<b>26,328,023</b>	<b>26,128,345</b>	<b>2,632,169,475</b>
<b>Gearing ratio</b>		<b>3%</b>	<b>3%</b>	<b>14%</b>

# Sundram International Limited

## Notes to Financial Statements (Contd.)

10 BORROWINGS	As at March 31, 2022				As at March 31, 2021			
	Long-term		Short-term		Long-term		Short-term	
	GBP	₹	GBP	₹	GBP	₹	GBP	₹
a) Current maturities of long term borrowings (Unsecured)								
Term loan from banks (refer note (i) below)	-	-	-	-	-	-	30,45,196	30,67,73,072
b) Unsecured								
Debentures to related parties (refer note (ii) below )	7,75,000	7,70,81,500	-	-	6,25,000	6,29,62,500	-	-
<b>Total</b>	<b>7,75,000</b>	<b>7,70,81,500</b>	<b>-</b>	<b>-</b>	<b>6,25,000</b>	<b>6,29,62,500</b>	<b>30,45,196</b>	<b>30,67,73,072</b>

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

- Term loan of GBP 3.05 million equivalent to INR 30,67,73,072 outstanding as on March 31, 2021 was repaid during the year. The loan was unsecured, ranking pari passu with the claims of all other unsecured and unsubordinated creditors.
- The balance due to related party represents a debenture issued to the company's parent undertaking for GBP 0.78 million equivalent to INR 7,70,81,500 (March 31, 2021 : GBP 0.63 million equivalent INR 6,29,62,500) is repayable in 2026. Interest is charged at 2.61% to 2.92% (March 31, 2021: 2.43 % per annum). The loan is unsecured, ranking pari passu with the claims of all other unsecured and unsubordinated creditors.

## 11 OTHER FINANCIAL LIABILITIES

	As at March 31, 2022				As at March 31, 2021			
	Long-term		Short-term		Long-term		Short-term	
	GBP	₹	GBP	₹	GBP	₹	GBP	₹
Interest accrued but not due	-	-	58,383	58,06,745	-	-	93,097	93,78,592
	-	-	58,383	58,06,745	-	-	93,097	93,78,592

## 12 OTHER CURRENT LIABILITIES

Statutory dues	-	-	880	87,525	-	-	-	-
Audit fee provision	-	-	2,200	2,18,812	-	-	-	-
	-	-	3,080	3,06,337	-	-	-	-

## 13 OTHER INCOME

	Year ended March 31, 2022		Year ended March 31, 2021		
	GBP	₹	GBP	₹	
Interest Income		71,189	72,26,387	14,783	14,40,308
Dividends - Subsidiary Companies		30,84,981	31,31,56,435	31,86,525	31,04,63,128
		31,56,170	32,03,82,822	32,01,308	31,19,03,436

## 14 FINANCE COSTS

Interest expenses		58,215	59,09,419	1,70,558	1,66,17,512
		58,215	59,09,419	1,70,558	1,66,17,512

## 15 OTHER EXPENSES

Bank charges		97	9,796	84	8,223
Provision for diminution in value of investments		-	-	26,00,184	25,33,35,878
Audit fees		25,720	26,10,837	-	-
		25,817	26,20,633	26,00,268	25,33,44,101

**Notes to Financial Statements (Contd.)**

**16 Ratios as per the schedule III requirements:**

a) Current ratio = Current assets divided by Current liabilities

Particulars	March 31, 2022		March 31, 2021	
	GBP	₹	GBP	₹
Current assets	61,364	61,03,263	66,056	66,54,537
Current liabilities	61,463	61,13,082	31,38,293	31,61,51,664
<b>Ratio</b>	<b>1.00</b>	<b>1.00</b>	<b>0.02</b>	<b>0.02</b>
<b>% change from previous year</b>	<b>4643%</b>			

Reason for change more than 25% : Change in current ratio is due to repayment of term loan of GBP 3.05 million equivalent to INR 30,67,73,072 in the current year, which was outstanding as on March 31, 2021.

b) Debt-Equity Ratio = Total debt divided by total equity where total debt represents aggregate of current and non-current borrowings

Particulars	March 31, 2022		March 31, 2021	
	GBP	₹	GBP	₹
Total debt	7,75,000	7,70,81,500	36,70,196	36,97,35,572
Total equity	2,55,59,096	2,54,21,07,716	2,24,86,958	2,26,53,36,177
<b>Ratio</b>	<b>0.03</b>	<b>0.03</b>	<b>0.16</b>	<b>0.16</b>
<b>% change from previous year</b>	<b>(81%)</b>			

Reason for change more than 25% : Change in debt equity ratio is due to repayment of term loan of GBP 3.05 million equivalent to INR 30,67,73,072 in the current year, which was outstanding as on March 31, 2021.

c) Debt Service Coverage Ratio = Earnings available for debt services divided by total interest and principal repayments

Particulars	March 31, 2022		March 31, 2021	
	GBP	₹	GBP	₹
Profit after tax	30,72,138	31,18,52,770	4,30,482	4,19,41,823
<b>Add:</b>				
Depreciation and amortisation expense	-	-	-	-
Finance cost	58,215	59,09,419	1,70,558	1,66,17,512
<b>Earnings available for debt services</b>	<b>31,30,353</b>	<b>31,77,62,189</b>	<b>6,01,040</b>	<b>5,85,59,335</b>
Interest payment on borrowings	58,215	59,09,419	1,70,558	1,66,17,512
Lease payments	-	-	-	-
Principal repayments	30,45,196	30,67,73,072	29,83,304	27,87,59,509
<b>Total interest and principal repayments</b>	<b>31,03,411</b>	<b>31,26,82,491</b>	<b>31,53,862</b>	<b>29,53,77,021</b>
<b>Ratio</b>	<b>1.01</b>	<b>1.02</b>	<b>0.19</b>	<b>0.20</b>
<b>% change from previous year</b>	<b>413%</b>			

Reason for change more than 25% : Change in Debt service coverage ratio is due to provision for diminution in value of investments provided in the previous year

d) Return on Equity ratio / Return on investment ratio = Profit after tax divided by average total equity

Particulars	March 31, 2022		March 31, 2021	
	GBP	₹	GBP	₹
Profit after tax	30,72,138	31,18,52,770	4,30,482	4,19,41,823
Average total equity (refer note below)	2,40,23,027	2,40,37,21,947	2,22,71,717	2,16,31,46,636
<b>Ratio</b>	<b>13%</b>	<b>13%</b>	<b>2%</b>	<b>2%</b>
<b>% change from previous year</b>	<b>569%</b>			

**Note:** Average total equity = (Total equity as at beginning of respective year + total equity as at end of respective year) divided by 2

Reason for change more than 25% : Change in return on equity ratio is due to provision for diminution in value of investments provided in the previous year.

# Sundram International Limited

## Notes to Financial Statements (Contd.)

e) Return on Capital employed = Earnings before interest and taxes (EBIT) divided by capital employed

Particulars	March 31, 2022		March 31, 2021	
	GBP	₹	GBP	₹
Earnings before interest and taxes (refer note 1 below)	31,30,353	31,77,62,189	6,01,040	5,85,59,335
Capital employed (refer note 2 below)	2,63,34,096	2,61,91,89,216	2,61,57,154	2,63,50,71,749
<b>Ratio</b>	12%	12%	2%	2%
<b>% change from previous year</b>		446%		

Note:

1. EBIT = Profit before taxes + finance cost

2. Capital employed = Total equity + total debt + deferred tax liabilities

Reason for change more than 25% : Change in Return on capital employed is due to provision for diminution in value of investments provided in previous year.

f) Inventory turnover ratio - Not Applicable

g) Trade receivables turnover ratio - Not Applicable

h) Trade payables turnover ratio - Not Applicable

i) Net capital turnover ratio - Not Applicable

j) Net profit ratio - Not Applicable

## 17 Related party disclosures

### Related Parties :

#### (I) Where Control exists:

##### (A) Ultimate Holding Company

(1) TVS Sundram Fasteners Private Limited, Chennai (From 4th February, 2022)

(2) TV Sundram Iyengar & Sons Private Limited, Madurai (Till 3rd February, 2022)

##### (B) Holding Company

Sundram Fasteners Limited, Chennai

##### (C) Subsidiary Companies:

1. Cramlington Precision Forge Limited, Northumberland, United Kingdom

2. Sundram Fasteners (Zhejiang) Limited, People's Republic of China

#### (II) Subsidiaries / Joint Ventures / Associates of Holding Company

1. Sundram Fasteners Investments Ltd., Chennai,

2. TVS Upasana Ltd., Chennai,

3. Sundram Non-Conventional Energy Systems Ltd., Chennai,

4. Sunfast TVS Ltd, Chennai.

5. TVS Next Ltd., Chennai.

6. TVS Engineering Ltd., Chennai.

7. Sundram International Inc, Michigan, USA.

8. TVS Next Inc., Michigan, USA (Subsidiary of TVS Next Limited).

## TRANSLATED FINANCIAL STATEMENTS

### Notes to Financial Statements (Contd.)

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

Nature of transaction	Ultimate Holding Company		Holding Company		Subsidiary Companies	
	GBP	₹	GBP	₹	GBP	₹
<b>Finance</b>						
Interest receivable on Inter Corporate Deposit Paid	-	-	-	-	18,044	1,831,638
	-	-	-	-	(14,783)	(1,440,308)
Interest payable on Debenture issued	-	-	18,430	1,870,857	-	-
	-	-	(15,398)	(1,500,227)	-	-
Interest expense	-	-	-	-	4,400	446,644
	-	-	-	-	-	-
Dividend Received	-	-	-	-	3,084,981	313,156,435
	-	-	-	-	(3,186,525)	(310,463,128)
<b>Outstanding balances</b>						
Due to the Company	-	-	-	-	805,291	80,094,238
	-	-	-	-	(637,247)	(64,196,263)
Due by the Company	-	-	833,383	82,888,245	-	-
	-	-	(664,952)	(66,987,264)	-	-

(Previous year figures are in brackets)

# Sundram International Limited

## TRANSLATED FINANCIAL STATEMENTS

### TRANSLATED FINANCIAL STATEMENTS

#### Notes to Financial Statements (Contd.)

#### 18 Disclosure on Financial Instruments

Particulars	31-Mar-22						31-Mar-21															
	FVTPL		FVOCI		Amortised Cost		Holdings in subsidiary*		Total		FVTPL		FVOCI		Amortised Cost		Holdings in subsidiary*		Total			
	₹	GBP	₹	GBP	₹	GBP	₹	GBP	₹	GBP	₹	GBP	₹	GBP	₹	GBP	₹	GBP	₹	GBP		
<b>Financial Assets</b>																						
Investments																						
- Equity instruments																						
Loans																						
Sub-Total																						
Other Financial assets																						
Cash and Cash equivalents																						
Total Financial Assets																						
<b>Financial Liabilities</b>																						
Non-current liabilities																						
Borrowings																						
Current liabilities																						
Borrowings																						
Other financial liabilities																						
Total Financial Liabilities																						

Note: Investment in subsidiary included in above balances, for which IIND AS 109 does not apply.