

***SUNDARAM INSURANCE BROKING SERVICES LIMITED***

***3rd Annual Report  
2012-13***

**BOARD OF DIRECTORS**

T T Srinivasaraghavan

Srinivas Acharya

S Ravindran

S Sivakumar

**BANKERS**

State Bank of Travancore

**AUDITORS**

M/s. Brahmayya & Co., Chennai

Chartered Accountants

**REGISTERED OFFICE**

21, Patullos Road

Chennai 600 002

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# **SUNDARAM INSURANCE BROKING SERVICES LIMITED**

A wholly-owned subsidiary of



## **SUNDARAM FINANCE LIMITED**

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## Directors' Report

Your Directors have pleasure in presenting the Third Annual Report and Audited Accounts of the Company for the year ended 31st March, 2013.

The summarised financial results of the Company are given hereunder:

(in ₹)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Total Revenue	4,68,327	4,58,196
Total Expenses	53,556	33,498
Profit / (Loss) before Tax	4,14,771	4,24,698
Profit / (Loss) after Tax	3,02,771	4,24,624

### REVIEW OF OPERATIONS

Your Company has not yet commenced its core operations.

### DIRECTORS

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

### DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 217(2AA) of the Companies Act, 1956, your directors confirm:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed;
- ii) that they 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) that they had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

- iv) that they had prepared the annual accounts on a going concern basis.

### SECRETARIAL COMPLIANCE CERTIFICATE

In accordance with Section 383A of the Companies Act, 1956, the Secretarial Compliance Certificate is attached with this report.

### INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956

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 Section 217(2A) of the Companies Act, 1956 are not applicable.

### DEPOSITS

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

### AUDITORS

M/s Brahmaya & Co, Chartered Accountants, Chennai, retire and are eligible for reappointment. A certificate under Section 224(1B) of the Companies Act, 1956 has been received from them.

### ACKNOWLEDGEMENT

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

**T T Srinivasaraghavan**

**Srinivas Acharya**

**S Ravindran**

**S Sivakumar**

Directors

Chennai 600 002

Date: 17th May, 2013

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## Secretarial Compliance Certificate

Name of the Company : SUNDARAM INSURANCE BROKING SERVICES LIMITED  
Registration No. : U67100TN2010PLC078063  
Authorized Capital : ₹ 1,00,00,000/-  
Paid-up Capital : ₹ 50,00,000/-

To  
The Members  
Sundaram Insurance Broking Services Limited  
21, Patillos Road,  
Chennai – 600 002.

I have examined the registers, records, books and papers of **SUNDARAM INSURANCE BROKING SERVICES LIMITED** (the Company), as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended **31st March 2013**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company is a Public limited Company and has the minimum prescribed paid up capital.
4. The Board of Directors duly met Five (5) times on 21st May 2012, 25th September 2012, 27th December 2012, 14th March 2013 and 21st March 2013 in respect of which meetings proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the financial year ended 31st March 2013.
6. The 2nd Annual General Meeting for the financial year ended 31st March, 2012 was held on 22nd June 2012, after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year ended 31st March 2013.
8. The Company has not advanced any loans or given any guarantees or provided any securities to its directors or persons or firms or companies referred to under Section 295 of the Act during the year ended 31st March 2013.
9. The Company has not entered into any contract falling within the purview of Section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year ended 31st March 2013.
13. The Company:
  - i) has not effected any allotment / transfer / transmission of securities during the year ended 31st March 2013.
  - ii) has not deposited any amount in a separate bank account as no dividend was declared during the year ended 31st March 2013.

- iii) was not required to post warrants to any member of the Company as no dividend was declared during the year ended 31st March 2013.
- iv) has not declared any dividend, issued any shares or debentures and has not accepted any deposits. Hence, the question of transfer of dividend to unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund does not arise.
- v) has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment to the Board has been duly made and registered.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year under review.
16. The Company has not appointed any sole selling agent during the year ended 31st March 2013.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director and / or such authorities prescribed under the various provisions of the Act during the financial year ended 31st March 2013.
18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year ended 31st March 2013.
20. The Company has not bought back any shares during the financial year under review and hence the question of complying with the buy back provisions does not arise.
21. The Company has no preference share capital and has not issued debentures and hence the question of redemption of preference shares/ debentures during the financial year under review does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the year ended 31st March 2013.
24. The Company has not made any borrowings during the year ended 31st March 2013.
25. The Company has made loans to bodies corporate during the year ended 31st March 2013.
26. During the year under review, the Company has not altered the provisions of its Memorandum and its Articles of Association.
27. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the year ended 31st March 2013, for offences under the Act.
28. The Company has not received any money as security from its employees during the year ended 31st March 2013.
29. According to the information and explanations given to me, during the year under review, the provisions relating to contribution to Provident Fund did not apply to the Company.

Place: Chennai  
Date: 2nd May 2013

**Malini Seshadri, A.C.S.**  
No. 5493 CP1323

## Annexure A to Secretarial Compliance Certificate

Registers as maintained by the Company during the year ended 31st March, 2013

Sl. No.	Section Number	Name of the Register
1.	–	Share Transfer Register
2.	150	Register of Members
3.	193	Minutes of the meetings of Board of directors
4.	193	Minutes of the meetings of the Members
5.	303	Register of Directors
6.	307	Register of Directors' Shareholding
7.	372A	Register of Investments/Loans /Guarantees and Securities
8.	–	Board Meeting Attendance Register
9.	–	General Meeting Attendance Register
10.	–	Common Seal Register

Place: Chennai

Malini Seshadri, A.C.S.

Date: 2nd May 2013

No. 5493 CP1323

## Annexure B to Secretarial Compliance Certificate

Returns/Documents/forms filed with the Registrar of Companies, Regional Director, Central Government or other authorities during the year ended 31st March 2013

### REGISTRAR OF COMPANIES

Sl. No	Form No.	Relevant Section	Description
1.	66	383A	Compliance Certificate issued by Ms Malini Seshadri, Practising Company Secretary, for the financial year ended 31st March 2012
2.	23AC - XBRL & 23ACA - XBRL	220	Balance Sheet and Profit & Loss Statement for the financial year ended 31st March 2012
3.	20 B	159	Annual Return made upto 22nd June 2012 (Date of AGM).
4.	32	303	For regularizing the Appointment of Sri S Sivakumar as Director of the Company.

### REGIONAL DIRECTOR

NIL

### CENTRAL GOVERNMENT & OTHER AUTHORITIES

NIL

Place: Chennai

Malini Seshadri, A.C.S.

Date: 2nd May 2013

No. 5493 CP1323

SUNDARAM INSURANCE BROKING SERVICES LIMITED

## INDEPENDENT AUDITORS' REPORT

### To the Members of Sundaram Insurance Broking Services Limited

1) Report on the Financial Statements

We have audited the accompanying financial statements of Sundaram Insurance Broking Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, 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.

2) Management's Responsibility for the Financial Statements

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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

- a) Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.
- b) 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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, 2013;
- 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 cash flows for the year ended on that date.

5) Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:



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- a. We have 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 referred to in sub-

section (3C) of section 211 of the Companies Act, 1956;

- e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **BRAHMAYYA & CO.**,  
Chartered Accountants  
Firm Regn. No.000511S  
**L. RAVI SANKAR**  
Partner  
Membership No.25929

Place: Chennai

Date : 17th May 2013

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

1. a) i) The company had granted unsecured loan to one company covered in the register maintained under section 301 of the Act during the financial year 2011-12. The maximum amount involved during the current year was Rs.50.00 lakhs. The balance outstanding at the end of the year was Rs.NIL.  
ii) The rate of interest and other terms and conditions of the loan are, prima facie, not prejudicial to the interest of the company.  
iii) There is no amount overdue on the loans.  
Apart from the above, the company has not granted loans to companies, firms or other parties covered in the register maintained under section 301 of the Act.
- b) In our opinion and according to the information and explanations given to us, the company has not availed any loan secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.  
Therefore, the provisions of clauses (iii) (e) to (g) of paragraph 4 of the order are not applicable.
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. During the course of our audit, no major weaknesses have been noticed in the internal controls and therefore the reporting of the same does not arise

3. The company has not accepted deposits.
4. The company has an internal audit system which in our opinion, is commensurate with the size and the nature of its business.
5. The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
6.
  - a) According to the records of the company and the information and explanations given to us, undisputed statutory dues were generally deposited within due date during the year with the appropriate authorities.
  - b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax which were outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.
7. The company does not have any borrowing from financial institutions, Banks, or by issue of debentures.
8. According to the information and explanations given to us, during the year, the company has not:
  - a) granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
  - b) given any guarantees for loan taken by others from banks or financial institutions.
  - c) availed any term loan.
  - d) issued any debentures.
  - e) raised monies by way of public issue.
  - f) raised any short term funds
9. Based on our examination of records and information and explanations given to us, proper records have been maintained of the transactions and contracts relating to dealing in securities and timely entries have been made therein. The securities have been held by the company in its own name.
10. To the best of our knowledge and belief and according to the information and explanations given to us, during the period no fraud by the company and no fraud on the company was 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 period have been such that clauses i, ii, v, x, xiii and xviii of paragraph 4 of the Companies (Auditors' Report) Order, 2003 are not applicable to the company for the year.

For **BRAHMAYYA & CO.**,  
Chartered Accountants  
Firm Regn. No.000511S  
**L. RAVI SANKAR**  
Partner  
Membership No.25929

Place: Chennai  
Date : 17th May 2013

# Balance Sheet

as at 31st March, 2013

(In ₹)

Particulars	Note	31.03.2013	31.03.2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' funds</b>			
a) Share Capital	2	50,00,000	50,00,000
b) Reserves and Surplus	3	5,29,673	2,26,902
c) Money received against share warrants		—	—
		55,29,673	52,26,902
<b>2) Non-current liabilities</b>			
a) Long Term Borrowings		—	—
b) Deferred Tax Liabilities (Net)		—	—
c) Other Long term liabilities		—	—
d) Long-term provisions	4	1,63,000	81,000
		1,63,000	81,000
<b>3) Current liabilities</b>			
a) Short Term Borrowings		—	—
b) Trade payables		—	—
c) Other current liabilities	5	30,899	16,854
d) Short-term provisions		—	—
		30,899	16,854
<b>TOTAL</b>		<b>57,23,572</b>	<b>53,24,756</b>
<b>II ASSETS</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		—	—
c) Deferred tax assets (net)		—	—
d) Long-term loans and advances	6	2,42,248	81,187
e) Other non-current assets		—	—
		2,42,248	81,187
<b>2) Current assets</b>			
a) Current investments	7	53,83,501	2,10,791
b) Inventories		—	—
c) Trade receivables		—	—
d) Cash and cash equivalents	8	97,823	32,778
e) Short term loans and advances	9	—	50,00,000
f) Other current assets		—	—
		54,81,324	52,43,569
<b>TOTAL</b>		<b>57,23,572</b>	<b>53,24,756</b>

Significant Accounting Policies and Notes to the Accounts (1–13)

As per our report of even date attached

For **Brahmayya & Co.**,  
Chartered Accountants  
Registration Number .000511S

**L Ravi Sankar**  
Partner  
Membership No.25929  
Chennai  
17th May, 2013

**T T Srinivasaraghavan**

**Srinivas Acharya**

**S Ravindran**

**S Sivakumar**

Directors

SUNDARAM INSURANCE BROKING SERVICES LIMITED

## Profit and Loss Statement

for the Year Ended 31st March, 2013

(In ₹)

Particulars	Note	2012-13	2011-12
Revenue from operations		-	-
Other income	10	4,68,327	4,58,196
<b>Total Revenue</b>	<b>(A)</b>	<b><u>4,68,327</u></b>	<b><u>4,58,196</u></b>
Finance Costs	11	3,240	-
Administrative and Other expenses	12	50,316	33,498
<b>Total Expenses</b>	<b>(B)</b>	<b><u>53,556</u></b>	<b><u>33,498</u></b>
<b>Profit before Tax</b>	<b>(A-B)</b>	<b>4,14,771</b>	<b>4,24,698</b>
Tax expense:			
Current tax		82,000	81,000
MAT Credit (Entitlement) / Availed		30,000	(80,926)
Net Current Tax		1,12,000	74
Deferred tax		-	-
		1,12,000	74
<b>Profit after tax</b>		<b><u>3,02,771</u></b>	<b><u>4,24,624</u></b>
Earnings per equity share:			
Weighted average number of shares		5,00,000	5,00,000
Basic		0.61	0.85
Diluted		0.61	0.85
Significant Accounting Policies and Notes to the Accounts (1-13)			

As per our report of even date attached  
For **Brahmayya & Co.**,  
Chartered Accountants  
Registration Number .000511S  
**L Ravi Sankar**  
Partner  
Membership No.25929  
Chennai  
17th May, 2013

**T T Srinivasaraghavan**  
**Srinivas Acharya**  
**S Ravindran**  
**S Sivakumar**  
Directors

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# Notes to the Accounts

## **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 211 (3C) of the Companies Act, 1956.

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 and expenditure are accounted on accrual basis.

- 1.3 Valuation of Investments :

Long-term investments are stated at cost, provision for diminution 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 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.

- 1.5 Provisions:

Provisions are recognised 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 of the amount of the obligation.

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

**Note 2**

**Share Capital**

(In ₹)

Particulars	31.03.2013	31.03.2012
<b>Authorised</b>		
10,00,000 Equity shares of face value of ₹ 10/- each (Previous Year - 10,00,000 Equity shares of face value of ₹ 10/- each)	<u>1,00,00,000</u>	<u>1,00,00,000</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>

Reconciliation of number of shares	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	—	—
Shares outstanding at the end of the year	<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 31.03.2013	No. of Shares	% held as at 31.03.2012
Sundaram Finance Limited*	Holding Company	5,00,000	100%	5,00,000	100%

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

**Note 3**

**Reserves and Surplus**

(In ₹)

Surplus in the Profit and Loss statement	31.03.2013		31.03.2012	
Opening Balance	2,26,902		(1,97,722)	
Add: Profit for the year from the Profit and Loss statement	3,02,771		4,24,624	
	<u>5,29,673</u>		<u>2,26,902</u>	
Less : Appropriations				
Dividend				
Interim	—		—	
Final (Proposed)	—		—	
Dividend Tax	—		—	
General Reserve	—		—	
	<u>5,29,673</u>		<u>2,26,902</u>	

## NOTES TO THE ACCOUNTS (Contd.)

### Note 4

#### Long- Term Provisions

(In ₹)

Particulars	31.03.2013	31.03.2012
Provision for Tax	1,63,000	81,000

### Note 5

#### Current Liabilities

(In ₹)

Particulars	31.03.2013	31.03.2012
Trade Payables		
– For Expenses	27,809	16,854
– For Others	3,090	–
	<u>30,899</u>	<u>16,854</u>

### Note 6

#### Long Term Loans and Advances

(In ₹)

Particulars	31.03.2013	31.03.2012
Unsecured considered good		
- Advance Income Tax and TDS	1,91,322	261
- MAT Credit Entitlement	50,926	80,926
	<u>2,42,248</u>	<u>81,187</u>

### Note 7

#### Current investments- Others

Particulars	Face Value (In ₹)	31.03.2013		31.03.2012	
		Holding	Cost (In ₹)	Holding	Cost (In ₹)
<b>Unquoted, Valued at cost</b>					
Investments in Mutual Funds:					
Kotak Floater Short Term	10	4,971	50,28,561	12,517	2,10,791
Kotak Floater Long Term	10	35,213	3,54,940	–	–
Aggregate amount of Unquoted Investments			<u>53,83,501</u>		<u>2,10,791</u>

### Note 8

#### Cash and Cash Equivalents:

(In ₹)

Particulars	31.03.2013	31.03.2012
Balances with Banks in Current Accounts	97,823	32,778

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

**Note 9**

**Short Term Loans and Advances**

(In ₹)

Particulars	31.03.2013	31.03.2012
Unsecured considered good Loans and advances to related parties		
To Holding Company	–	50,00,000

**PROFIT AND LOSS STATEMENT**

**Note 10**

**Other Income**

(In ₹)

Particulars	2012-13	2011-12
Interest Income	420,617	2,603
Gain on sale of Current investments	8,759	4,55,593
Dividend Income	38,951	–
	<u>4,68,327</u>	<u>4,58,196</u>

**Note 11**

**Finance Costs**

(In ₹)

Particulars	2012-13	2011-12
Interest on Advance Tax	3,240	–
	<u>3,240</u>	<u>–</u>

**Note 12**

**Administrative and Other expenses**

(In ₹)

Particulars	2012-13	2011-12
Miscellaneous Expenses	50,316	33,498
	<u>50,316</u>	<u>33,498</u>

Miscellaneous expenses include remuneration to auditors towards:		
<b>Audit Fee</b>		
Statutory Audit	15,000	15,000
Certification	12,500	–



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## NOTES TO THE ACCOUNTS (Contd.)

### 13. GENERAL

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

**Related Parties :**

**Holding Company :**

Sundaram Finance Limited

**Fellow Subsidiaries :**

Sundaram BNP Paribas Home Finance Limited

Sundaram Asset Management Company Limited

Sundaram Trustee Company Limited

Sundaram Finance Distribution Limited

Sundaram Infotech Solutions Limited

Sundaram Business Services Limited

Infreight Logistics Solutions Limited

Professional Management Consultants Limited

Sundaram BNP Paribas Fund Services Limited

LGF Services Limited

Sundaram Parekh Warehousing Services Limited

Caltec Servicez Private Limited

Sundaram Asset Management Singapore Pte Limited (From 06th June 2012)

Sundaram BPO India Limited (From 07th Aug 2012)

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

**Related Party Transaction :**

The nature and volume of transactions of the company during the period, with the related parties are as follows:

(In ₹)

Nature of Transactions	Holding Company	Fellow Subsidiaries	Associate	Total
<b>INCOME</b>				
Sundaram Finance Ltd.				
- Interest on Inter Corporate Deposit	4,20,617			4,20,617
	(2,603)			(2,603)
<b>ASSETS</b>				
Sundaram Finance Limited				
Inter Corporate Deposit				
-Investment	-			-
	(50,00,000)			(50,00,000)
-Repayment	50,00,000			50,00,000
	-			-
- Outstanding	-			-
	(50,00,000)			(50,00,000)
<b>LIABILITIES</b>				
Sundaram Finance Limited				
- Equity Share Capital	50,00,000			50,00,000
	(50,00,000)			(50,00,000)

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

Previous year figures are given in brackets.

**13.2 Earnings per share :**

(In `)

	2012-13	2011-12
A. Profit for the year (₹)	3,02,771	4,24,624
B. Weighted average number of equity shares of ₹ 10/- (in numbers)	5,00,000	5,00,000
C. Basic and Diluted Earnings Per Share (₹) (A/B)	0.61	0.85

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## NOTES TO THE ACCOUNTS (Contd.)

- 13.3 There are no amounts due to Small Scale Industries in terms of "The Micro, Small and Medium Enterprises Development Act, 2006".
- 13.4 The company does not have any employees on its rolls.
- 13.5 Previous year's figures have been regrouped / reclassified wherever necessary to confirm to the current year's presentation.
- 

### Signatures to Notes 1 to 13

As per our report of even date attached  
For **Brahmayya & Co.,**  
Chartered Accountants  
Registration Number .000511S  
**L Ravi Sankar**  
Partner  
Membership No.25929  
Chennai  
17th May, 2013

**T T Srinivasaraghavan**

**Srinivas Acharya**

**S Ravindran**

**S Sivakumar**

Directors

## Cash Flow Statement for the year ended 31.03.2013

(In ₹)

	2012-2013		2011-2012	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit	3,02,771		4,24,624	
Add: Provision for Taxation	1,12,000		—	
Operating Profit Before Working Capital Changes		4,14,771		4,24,624
(Increase)/Decrease in receivables	—		—	
(Increase)/Decrease in Long term loans and advances	(2,05,061)		(80,926)	
(Increase)/Decrease in Short term loans and advances	50,00,000		(50,00,000)	
Increase /(Decrease) in Long Term Provisions	82,000		80,739	
Increase /(Decrease) in Current Liabilities	14,045		3,618	
Cash generated from Operations		48,90,984		(49,96,569)
Direct Taxes Paid		(68,000)		—
<b>Net Cash from Operating Activities (A)</b>		<b>52,37,755</b>		<b>(45,71,945)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Current Investments		(53,83,501)		(51,50,000)
Sale of Current Investments		2,10,791		—
Sale of Non-Current Investments (net proceeds)		—		97,39,209
<b>Net Cash from Investing Activities (B)</b>		<b>(51,72,710)</b>		<b>45,89,209</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of Equity shares		—		—
<b>Net Cash from Financing Activities (C)</b>		<b>—</b>		<b>—</b>
<b>Net Increase in Cash and Cash Equivalents (A)+(B)+(C)</b>		<b>65,045</b>		<b>17,264</b>
Cash and Cash Equivalents at the Beginning of the Year		32,778		15,514
Cash and Cash Equivalents at the End of the Year		97,823		32,778
Components of cash and Cash Equivalents at the end of the Year				
Current Account with Bank		97,823		32,778

As per our report of even date attached

For **Brahmayya & Co.**,  
Chartered Accountants  
Registration Number .000511S

**L Ravi Sankar**  
Partner  
Membership No.25929  
Chennai  
17th May, 2013

T T Srinivasaraghavan

Srinivas Acharya

S Ravindran

S Sivakumar

Directors