

SUNDARAM FINANCE DISTRIBUTION LIMITED

20th ANNUAL REPORT 2013-14

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

Tel. : 044 -2852 1181

CIN : U67120TN1993PLC025996

SUNDARAM FINANCE DISTRIBUTION LIMITED

A wholly-owned subsidiary of



SUNDARAM FINANCE LIMITED

Contents

Directors' Report	5
Secretarial Compliance Certificate	7
Auditors' Report	10
Balance Sheet	14
Statement of Profit and Loss	15
Notes to the Accounts	16
Cash Flow Statement	31
Annual Report of the Subsidiaries	
- Infreight Logistics Solutions Limited	33
- Sundaram Parekh Warehousing Services Limited	59

Directors' Report

Your Directors present the Twentieth Annual Report and Audited Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS

(₹ in cr.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Income from Operations	12.73	12.39
Other Income	0.31	0.85
Total Income	13.04	13.24
Less: Total Expenditure	9.82	12.16
Profit before Tax	3.21	1.08
Profit after Tax	2.17	0.73
Surplus brought forward	0.22	0.14
Amount available for appropriation	2.39	0.88
Appropriations have been made as under:		
Transfers to General Reserve	0.22	0.07
Dividend	1.50	0.50
Dividend Tax	0.25	0.09
Surplus carried to balance sheet	0.42	0.22

BUSINESS REVIEW

During the year, your Company earned revenue from operations of ₹ 12.73 cr. as against ₹ 12.39 cr. in the previous year. The profit after tax for the year was at ₹ 2.17 cr. as against ₹ 0.73 cr. in the previous year.

DIVIDEND

Your directors are happy to recommend a higher dividend of ₹ 30/- per share (300% on the face value of ₹ 10/-) for the financial year 2013-14 on the paid-up capital of ₹ 50.00 lakhs, as against ₹ 10/- per share (100% on the face value of ₹ 10/-) during the

previous year. The dividend together with dividend tax of ₹ 0.25 cr. absorbs a sum of ₹ 1.75 cr.

SUBSIDIARIES

Infreight Logistics Solutions Limited (Infreight)

The Company had no operations during the year under review following the management's decision in the previous year to exit the logistics business.

Sundaram Parekh Warehousing Services Limited (Sundaram Parekh)

The Company has not commenced its core operations.

DIRECTORS

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

DIRECTORS' RESPONSIBILITY STATEMENT

Your directors confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) they have selected such accounting policies and applied them consistently and made judgments 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) they have 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) they have 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

None of the employees of the Company is in receipt of remuneration in excess of limits prescribed under Section 217(2A) of the Companies Act, 1956.

DEPOSITS

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

AUDITORS

M/s Brahmayya & 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.

ACKNOWLEDGEMENT

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

Chennai 600 002

Date: 14 May, 2014

S. Venkatesan

A. N. Raju

K Sankarakumar

Directors

Secretarial Compliance Certificate

Name of the Company : SUNDARAM FINANCE DISTRIBUTION LIMITED
 Registration No. : U67120TN1993PLC025996
 Authorized Capital : ₹ 3,00,00,000/-
 Paid-up Capital : ₹ 50,00,000/-

To,
 The Members
 Sundaram Finance Distribution Limited
 21, Patullas Road,
 Chennai 600 002.

I have examined the registers, records, books and papers of **SUNDARAM FINANCE DISTRIBUTION LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March 2014**. In my opinion and to the best of 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 Four (4) times on 20th May 2013, 2nd September 2013, 21st October 2013, 23rd January 2014 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 2014.
6. The Nineteenth Annual General Meeting for the financial year ended 31st March, 2013 was held on 29th June 2013 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 2014.
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 2014.
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 year ended 31st March 2014.
13. The Company:
 - i) has not effected any allotment / transfer / transmission of securities during the year ended 31st March 2014.
 - ii) has deposited the amount of final dividend for the year 2012-13 in a separate bank account on 2nd July 2013 which is within five days from the date of declaration of such dividend.
 - iii) has paid dividends to the members within a period of 30 (Thirty) days from the date of declaration during the financial year ended 31st March 2014.
 - iv) has no unpaid dividend and hence the question of

-
- transfer of dividend to unpaid dividend account does not arise. The Company has not issued fresh shares or debentures and has not accepted any deposits and hence, the question of 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 financial year ended 31st March 2014.
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 2014.
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 there under.
19. The Company has not issued any shares, debentures or other securities during the financial year ended 31st March 2014.
20. The Company has not bought back any shares during the financial year 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 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 financial year ended 31st March 2014.
24. The Company has not made any borrowings during the financial year ended 31st March 2014.
25. The Company has made loans to bodies corporate during the year ended 31st March 2014 in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. During the period 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 financial year, for offences under the Act.
28. The Company has not received any money as security from its employees during the financial year ended 31st March 2014.
29. During the year under review, the Company was regular in depositing Provident fund with statutory authorities. It has no PF Trust on its own as envisaged under Section 418 of the Act.
- Place: Chennai **Malini Seshadri, A.C.S.**
Date: 31st March, 2014 No. 5493 CP1323

Annexure A to Secretarial Compliance Certificate

Registers as maintained by the Company during the financial year ended 31st March, 2014

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

Annexure B to Secretarial Compliance Certificate

Returns/Documents/forms filed with the Registrar of Companies, Regional Director,
Central Government or other authorities during the financial year ended 31st March 2014

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 2013.
2.	23AC -XBRL & 23ACA - XBRL	220	Balance Sheet and Profit & Loss Account for the financial year ended 31st March 2013.
3.	20 B	159	Annual Return made upto 29th June 2013 (Date of AGM.

REGIONAL DIRECTOR

NIL

CENTRAL GOVERNMENT & OTHER AUTHORITIES

NIL

Place: Chennai

Date: 31st March.2014

Malini Seshadri, A.C.S.

No. 5493 CP1323

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 March 31, 2014, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. 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, 2014;

- 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:
 - 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, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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
P. BABU
 Partner
 Membership No.203358

Place: Chennai

Date : 14th May, 2014

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 or taken loans to / from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of clauses iii(a) to iii(g) of Paragraph 4 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 have been 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 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, provident fund, income tax and service tax was regularly deposited 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 and service tax, which are outstanding as at 31st March, 2014 for a period of more than six months

from the date they become payable.

7. 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:

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

8. The company does not have any accumulated losses at the end of the financial year and has not incurred cash loss during the current and immediately preceding financial year.
9. The company does not have any borrowing from financial institutions, banks or by issue of debentures.
10. 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) raised any short term funds .
 - e) issued any debentures.
 - f) raised monies by public issue.

11. The company is not a chit fund / nidhi / mutual benefit fund or society.
12. 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 shares and securities and timely entries have been made therein. The shares and securities have been held by the company in its own name.
13. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.
14. In our opinion and according to the information and explanations given to us, the nature of the company's business/ activities during the year have been such that clauses i, ii, v, xiii, and xviii of paragraph 4 of the Companies (Auditors Report) Order, 2003 are not applicable to the company.

For **BRAHMAYYA & CO.,**
Chartered Accountants
Firm Regn. No.000511S

P. BABU

Partner

Place: Chennai

Date : 14th May, 2014

Membership No.203358

Balance Sheet

as at 31st March, 2014

(In ₹)

Particulars	Note	March 31, 2014	March 31, 2013
<u>EQUITY AND LIABILITIES</u>			
1) Shareholders' funds			
a) Share Capital	2	50,00,000	50,00,000
b) Reserves and Surplus	3	13,84,85,203	13,43,04,806
c) Money received against share warrants		—	—
		14,34,85,203	13,93,04,806
2) Share application money pending allotment			
		—	—
3) Non-current liabilities			
a) Long Term Borrowings		—	—
b) Deferred Tax Liabilities (Net)		—	—
c) Other Long term liabilities		—	—
d) Long-term provisions	4	10,45,417	4,74,026
		10,45,417	4,74,026
4) Current liabilities			
a) Short Term Borrowings		—	—
b) Trade payables	5	17,93,098	1,04,40,947
c) Other current liabilities	6	17,109	—
d) Short-term provisions	7	1,91,98,640	71,17,453
		2,10,08,847	17,558,400
TOTAL		16,55,39,467	15,73,37,232
<u>ASSETS</u>			
1) Non-current assets			
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	3,54,56,862
c) Deferred tax assets (net)	9	139,628	3,49,084
d) Long-term loans and advances	10	2,39,38,812	2,37,54,406
e) Other non-current assets		—	—
		5,45,35,302	59,560,352
2) Current assets			
a) Current investments	11	4,85,89,396	2,44,53,100
b) Inventories		—	—
c) Trade receivables	12	3,93,10,187	4,09,07,538
d) Cash and cash equivalents	13	1,46,09,416	12,76,404
e) Short term loans and advances	14	80,43,041	3,06,35,060
f) Other current assets	15	4,52,125	5,04,778
		11,10,04,165	9,77,76,880
TOTAL		16,55,39,467	15,73,37,232

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

14th May, 2014

S Venkatesan

A N Raju

K Sankarakumar

Directors

SUNDARAM FINANCE DISTRIBUTION LIMITED

Statement of Profit and Loss for the Year Ended 31st March, 2014

(In ₹)

Particulars	Note	2013-14	2012-13
REVENUE :			
Revenue from operations	16	12,72,85,463	12,38,66,042
Other income	17	30,76,090	85,39,342
Total Revenue	(A)	<u>13,03,61,553</u>	<u>13,24,05,384</u>
EXPENSES :			
Finance Costs	18	2,04,387	37,927
Employee benefits	19	84,39,743	76,65,986
Administrative and Other expenses	20	8,95,53,209	11,34,10,093
Provisions and Write Off	21	15,600	5,30,200
Total Expenses	(B)	<u>9,82,12,939</u>	<u>12,16,44,206</u>
Profit before Tax	(A-B)	3,21,48,614	1,07,61,178
Tax expense:			
Current tax		1,02,09,511	36,15,935
Deferred tax		2,09,456	(1,87,966)
		<u>1,04,18,967</u>	<u>34,27,969</u>
Profit after tax		<u>2,17,29,647</u>	<u>73,33,209</u>
Earnings per equity share:			
Weighted average number of shares		5,00,000	5,00,000
Basic		43.46	14.67
Diluted		43.46	14.67
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
14th May, 2014

S Venkatesan

A N Raju

K Sankarakumar

Directors

Annual Report
2013-14

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, 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 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	31.03.2014	31.03.2013
Authorised		
30,00,000 Equity shares of face value of ₹ 10/- each	3,00,00,000	3,00,00,000
Issued, Subscribed and fully paid up		
5,00,000 Equity Shares of face value of ₹ 10/- each	50,00,000	50,00,000
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	5,00,000	5,00,000

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 31.03.2014	No. of Shares	% held as at 31.03.2013
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

	31.03.2014		31.03.2013	
a. General Reserve				
Opening balance	13,21,33,000		13,14,00,000	
Add: Transfer from Surplus in the Statement of Profit and Loss	21,73,000	13,43,06,000	7,33,000	13,21,33,000
b. Surplus in the Statement of Profit and Loss				
Opening Balance	21,71,806		14,21,347	
Add: Profit for the year from the Statement of Profit and Loss	2,17,29,647		73,33,209	
	2,39,01,453		87,54,556	
Less: Appropriations				
General Reserve	21,73,000		7,33,000	
Dividend				
Final (Proposed)	1,50,00,000		50,00,000	
Dividend Distribution Tax	25,49,250	41,79,203	8,49,750	21,71,806
		13,84,85,203		13,43,04,806

Note 4
LONG TERM PROVISIONS

(In ₹)

Particulars	31.03.2014	31.03.2013
Provision for Employee Benefits	10,45,417	4,74,026

Note 5
TRADE PAYABLES *

(In ₹)

Particulars	31.03.2014	31.03.2013
- For Expenses	11,94,554	4,884,683
- For Others	5,98,544	55,56,264
Total	17,93,098	1,04,40,947

* 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	31.03.2014	31.03.2013
Sundry creditors for finance	17,109	—
	<u>17,109</u>	<u>—</u>

Note 7**SHORT-TERM PROVISIONS**

(In ₹)

Particulars	31.03.2014	31.03.2013
Provision for employee benefits	16,49,390	12,67,703
Others		
- Proposed Dividend	1,50,00,000	50,00,000
- Dividend Distribution Tax	<u>25,49,250</u>	<u>8,49,750</u>
	1,91,98,640	71,17,453

Note 8**NON-CURRENT INVESTMENTS**

(In ₹)

Particulars	31.03.2014	31.03.2013
a) Investments in Equity Instruments	2,82,81,862	2,82,81,862
b) Investments in Bonds	21,75,000	71,75,000
Total	3,04,56,862	3,54,56,862

NOTES TO THE ACCOUNTS (Contd.)

(In ₹)

Particulars	Face Value (In ₹)	As at 31.03.2014		As at 31.03.2013	
		Holding (Numbers)	Cost (In ₹)	Holding (Numbers)	Cost (In ₹)
a) Investments in Equity Instruments					
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)					
Caltec Servicez Private Limited	10	–	–	2,50,000	2,82,80,302
UMW Industries Limited. *	10	78,000	1,560	78,000	1,560
Sundaram BPO India Ltd	10	14,10,250	2,82,80,302	–	–
TOTAL			3,27,63,477		3,27,63,477
* Investments are carried at other than cost					
Less: Provision for investment - Infreight Logistics Solutions Limited	–	–	44,81,615	–	44,81,615
			2,82,81,862		2,82,81,862
b) Investments in Bonds					
Non-Trade (Quoted)					
Indian Railway Finance Corporation Limited	1,000	2,175	21,75,000	2,175	21,75,000
Non-Trade (Unquoted)					
Rural Electrification Corporation Limited	10,000	–	–	500	50,00,000
			21,75,000		71,75,000

(In ₹)

Particulars	Cost	Market Value
Aggregate amount of Quoted Investments	21,75,000	22,40,250
Aggregate amount of Unquoted Investments	3,27,63,477	

Note 9
DEFERRED TAX ASSET

(In ₹)

Particulars	31.03.2014	31.03.2013
On Investments	1,09,872	3,20,471
On Employee Benefits	29,756	28,613
	1,39,628	3,49,084

NOTES TO THE ACCOUNTS (Contd.)

Note 10

LONG-TERM LOANS AND ADVANCES

(In ₹)

Particulars	31.03.2014	31.03.2013
Unsecured, Considered Good		
Loans and advances to related parties		
To Fellow Subsidiary	–	50,00,000
- Advance Income Tax and Tax deducted at source (net of Provision)	2,32,03,478	1,84,59,335
- Others Advances	7,35,334	2,95,071
Total	2,39,38,812	2,37,54,406

Advance payment of Income Tax and Tax deducted at source is net of provision for Income Tax of ₹ 2,65,37,789/-

(Previous Year ₹ 18,95,56,741/-)

Note 11

CURRENT INVESTMENTS-OTHERS

Particulars	Face Value (In ₹)	31.03.2014		31.03.2013	
		Holding (Number)	Cost (In ₹)	Holding (Number)	Cost (In ₹)
Unquoted, Valued at cost or fair value whichever is lower					
Investments in Mutual Funds:					
Sundaram Money Fund	10	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	5,00,000	44,53,100
Sundaram FIIP Quarterly Series-90 days	10	6,07,076	1,00,00,000	–	–
Aggregate amount of Unquoted Investments			48,589,396		2,44,53,100

(In ₹)

Particulars	Cost	Market Value
	31.03.2014	31.03.2013
Aggregate amount of Unquoted Investments	4,91,51,896	2,50,00,000
Less : Provision for diminution	5,62,500	5,46,900
	4,85,89,396	2,44,53,100

NOTES TO THE ACCOUNTS (Contd.)
Note 12
TRADE RECEIVABLES

(In ₹)

Particulars	31.03.2014	31.03.2013
Unsecured Considered Good		
More than six months		
Less than six months		
Service Income	3,90,68,322	3,89,15,292
Insurance Commission	1,18,415	2,45,299
Brokerage	1,23,450	17,46,947
	<u>3,93,10,187</u>	<u>4,09,07,538</u>

Note 13
CASH AND CASH EQUIVALENTS

(In ₹)

Particulars	31.03.2014	31.03.2013
Balances with Banks in Current Accounts	46,08,416	12,76,404
Bank Deposits (upto 3 months maturity)	1,00,01,000	—
	<u>1,46,09,416</u>	<u>12,76,404</u>

Note 14
SHORT-TERM LOANS AND ADVANCES

(In ₹)

Particulars	31.03.2014	31.03.2013
Unsecured, Considered good		
Loans and advances to related parties		
To Holding Company	—	95,00,000
To Fellow Subsidiary	75,00,000	—
Others	—	1,75,00,000
Service Tax Input Credit	4,58,361	35,78,635
Other advances	84,680	56,425
	<u>8,043,041</u>	<u>3,06,35,060</u>

Note 15
OTHER CURRENT ASSETS

(In ₹)

Particulars	31.03.2014	31.03.2013
Interest Receivable	4,52,125	5,04,778

NOTES TO THE ACCOUNTS (Contd.)

STATEMENT OF PROFIT AND LOSS

Note 16 : REVENUE FROM OPERATIONS:

(In ₹)

Particulars	2013-2014	2012-2013
Service Income	12,02,82,889	10,37,60,378
Insurance Commission	13,12,762	21,61,732
Brokerage	56,89,812	1,79,43,932
	<u>12,72,85,463</u>	<u>12,38,66,042</u>

Note 17 : OTHER INCOME

(In ₹)

Particulars	2013-2014	2012-2013
Interest Income	19,95,712	82,18,089
Dividend Income	9,10,799	2,60,724
Net gain on sale of Current investments	1,22,912	21,126
Other non-operating Income	46,667	39,403
	<u>30,76,090</u>	<u>85,39,342</u>

Note 18 : FINANCE COSTS

(In ₹)

Particulars	2013-2014	2012-2013
Interest	2,04,387	37,927

Note 19 : EMPLOYEE BENEFITS

(In ₹)

Particulars	2013-2014	2012-2013
Salaries,allowances and Bonus	79,33,769	70,64,980
Company's contribution to Provident Fund and Gratuity	2,88,059	3,94,766
Staff Welfare Expenses	2,17,915	2,06,240
	<u>84,39,743</u>	<u>76,65,986</u>

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	2013-14	2012-13	2011-12	2010-11	2009-10
Contribution to Provident Fund	1,46,665	1,31,322	1,05,478	92,874	30,859
Contribution to Pension Fund	1,17,772	1,26,510	1,22,080	1,18,277	49,355
Contribution to Employees' State Insurance	—	—	59,321	87,516	—
	—	—	—	—	—

NOTES TO THE ACCOUNTS (Contd.)
Defined Benefit Plans

(In ₹)

Description of Benefit Plans	Funded Gratuity	
	2013-14	2012-13
A) Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Opening Balance: Present value of obligation	2,86,720	1,76,027
Interest cost	22,938	14,082
Current service cost	86,411	51,134
Benefits paid	(17,954)	—
Actuarial (gain)/loss on obligations	(95,064)	45,477
Closing Balance : Present value of obligation	2,83,051	2,86,720
B) Reconciliation of opening and closing balances of the fair value of plan assets		
Opening Balance : Fair value of plan assets	3,08,877	2,12,013
Expected return on plan assets	28,840	22,157
Contributions made	70,506	74,707
Benefits paid	(17,954)	—
Actuarial gain/(loss) on plan assets	—	—
Closing Balance: Fair value of plan assets	3,90,269	3,08,877
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	2,83,051	2,86,720
Closing Balance : Fair value of plan assets	3,90,269	3,08,877
Unrecognised past service cost	—	—
Net Asset/(Liability) recognised in Balance Sheet	1,07,218	22,157
D) Expenses recognised in the Statement of Profit and Loss		
Current service cost	86,411	51,134
Interest cost	22,938	14,082
Expected return on plan assets	28,840	22,157
Net actuarial (gain)/loss recognized	(95,064)	45,477
Total Expenses	(14,555)	88,536
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	2013-14	2012-13	2011-12	2010-11	2009-10
Defined Benefit Obligation	2,83,051	2,86,720	1,76,027	2,17,223	1,27,490
Plan Assets	3,90,269	3,08,877	2,12,013	2,34,583	1,71,915
Surplus / (deficit)	1,07,218	22,157	35,986	17,360	44,425
Experience adjustments on plan liabilities	(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 31.03.2014 was ₹ 91,710 (31.03.2013 – ₹ 84,181) and is provided in the books of account.

Other Employee Term Benefits

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

(In ₹)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Staff Medical Scheme	98,621	81,195	59,614	27,924	3,808
Employee Assured Bonus Scheme	17,07,555	8,15,598	3,36,368	1,21,722	–

Note 20**ADMINISTRATIVE AND OTHER EXPENSES**

(In ₹)

Particulars	2013-14	2012-13
Outsourcing cost	4,56,50,325	7,00,46,868
Service Expenses	4,31,45,093	4,28,24,368
Rates and taxes	8,945	10,187
Miscellaneous expenses	7,48,846	5,28,670
	8,95,53,209	11,34,10,093

Miscellaneous expenses include Remuneration to Auditors towards:

(In ₹)

Particulars	2013-14	2012-13
Audit Fee		
Statutory Audit	65,000	55,000
Tax Audit	25,000	20,000
Certification	20,000	35,000

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

(In ₹)

Particulars	2013-14	2012-13
Diminution in value of investments	5,62,500	5,46,900
Less: Reversal of diminution in value of investments	(5,46,900)	(16,700)
	15,600	5,30,200

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

Caltec Servicez Private Limited (Till 15th May, 2013)

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

Professional Management Consultants Limited (Till 15th May, 2013)

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
Expenses				
Sundaram Finance Ltd.	15,49,208			15,49,208
Sourcing Fees	(15,27,803)			(15,27,803)
Sundaram Finance Ltd.				
Service Expenses	4,31,45,093			4,31,45,093
	(4,28,24,368)			(4,28,24,368)
Income				
Sundaram Finance Limited				
Interest on Inter Corporate Deposit	6,77,900			6,77,900
	(67,07,561)			(67,07,561)
Sundaram Business Services Limited				
Interest on Inter-Corporate loan			4,57,665	4,57,665
			—	—
Sundaram BPO India Limited				
Interest on Inter-Corporate loan			2,07,123	2,07,123
			(6,00,000)	(6,00,000)
Assets				
Investment in Equity Shares				
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)
Inter Corporate Deposit				
Sundaram Finance Limited				
– Investment	2,00,00,000			2,00,00,000
	(3,10,00,000)			(3,10,00,000)
– Disinvestment	2,95,00,000			2,95,00,000
	(8,41,00,000)			(8,41,00,000)
– Outstanding at end of the year	—			—
	(95,00,000)			(95,00,000)
– Interest Receivable	—			—
	(4,554)			(4,554)

NOTES TO THE ACCOUNTS (Contd.)

(In ₹)

Nature of Transactions	Holding Company	Subsidiaries	Fellow Subsidiaries	Total
Inter Corporate loan				
Sundaram Business Services Limited				
– Disbursement			75,00,000	75,00,000
			–	–
– Outstanding			75,00,000	75,00,000
			–	–
– Interest Receivable			2,06,815	2,06,815
			–	–
Sundaram BPO India Limited				
– Disbursement			–	–
			–	–
– Outstanding			–	–
			(50,00,000)	(50,00,000)
– Interest Receivable			–	–
			(1,47,945)	(1,47,945)
Liabilities				
Sundaram Finance Ltd.				
– Equity Share Holdings	50,00,000			50,00,000
	(50,00,000)			(50,00,000)
– Dividend Payable	1,50,00,000			1,50,00,000
	(50,00,000)			(50,00,000)
– Interim Dividend Paid	–			–
	–			–
– Service Expenses Payable	–			–
	(28,50,685)			(28,50,685)
– Sourcing Fees payable	2,41,500			2,41,500
	(4,12,355)			(4,12,355)

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 Earnings Per Share (Basic and diluted)

Particulars	2013-14	2012-13
A. Profit for the year after taxation (in ₹)	217,29,647	73,33,209
B. Weighted average no. of equity shares	5,00,000	5,00,000
C. Basic and diluted earnings per share (A/B) (in ₹)	43.46	14.67
D. Dividend Proposed/Paid (₹)	150,00,000	50,00,000
E. Dividend per share (₹)	30.00	10.00

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

22.5 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
14th May, 2014

S Venkatesan

A N Raju

K Sankarakumar

Directors

CASH FLOW STATEMENT

	2013-14 (₹)	2012-13 (₹)
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit	2,17,29,647	73,33,209
Add: Provision for Taxation (including Deferred Tax)	<u>1,04,18,967</u>	<u>34,27,969</u>
	3,21,48,614	1,07,61,178
Finance Costs	2,04,387	37,927
Less: Interest Income	(19,95,712)	(82,18,089)
Less: Dividend Income	(9,10,799)	(2,60,724)
Less: Net gain on sale of investments	(1,22,912)	(21,126)
Add: Diminution in value of investment	<u>15,600</u>	<u>5,30,200</u>
Operating Profit Before Working Capital Changes	2,93,39,178	28,29,366
(Increase)/Decrease in Long Term Loans and Advances	(40,93,917)	(30,78,769)
(Increase)/Decrease in Short Term Loans and Advances	2,25,92,018	6,26,16,133
(Increase)/Decrease in Trade Receivables	15,97,351	(2,94,95,132)
(Increase)/Decrease in Other Current Assets	52,653	(89,805)
Increase/(Decrease) in Long Term Provisions	5,71,391	2,00,168
Increase/(Decrease) in Short Term Provisions	3,81,686	2,76,529
Increase/(Decrease) in Other Current Liabilities	17,109	-
Increase (Decrease) in Trade Payables	<u>(86,47,850)</u>	<u>74,00,385</u>
Cash generated from Operations	1,24,70,442	3,78,29,509
Finance Costs Paid	(2,04,387)	(37,927)
Direct Taxes Paid	<u>(63,00,000)</u>	<u>(86,00,000)</u>
NET CASH FROM OPERATING ACTIVITIES (A)	<u>3,53,05,233</u>	<u>3,20,20,948</u>
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of non-current Investments	-	(67,45,752)
Sale of Non-Current Investments (net proceeds)	50,00,000	-
Purchase of Current Investments	(17,28,63,887)	(12,51,33,627)
Sale of Current Investments (net proceeds)	14,87,11,991	10,63,47,173
Interest Received	19,95,712	82,18,089
Dividend Received	9,10,799	2,60,724
Net gain/loss on sale of investments	<u>1,22,912</u>	<u>21,126</u>
NET CASH FROM INVESTING ACTIVITIES (B)	<u>(1,61,22,473)</u>	<u>(1,70,32,267)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	<u>(58,49,750)</u>	<u>(1,45,27,813)</u>
NET CASH FROM FINANCING ACTIVITIES (C)	<u>(58,49,750)</u>	<u>(1,45,27,813)</u>
Net Increase In Cash And Cash Equivalents (A)+(B)+(C)	1,33,33,010	4,60,868
Cash and Cash Equivalents at the Beginning of the Period	12,76,406	8,15,538
Cash and Cash Equivalents at the end of the period	<u>1,46,09,416</u>	<u>12,76,406</u>
Components of Cash and cash equivalents at the end of The Year		
Current Account with Banks	46,08,416	12,76,406
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
14th May, 2014

S Venkatesan

A N Raju

K Sankarakumar

Directors

Annual Report
2013-14

**Statement Pursuant to Section 212 (1) (e) of The Companies Act, 1956,
relating to Subsidiary Companies for FY 2013-14**

Name of the Subsidiary Company	Financial year of the Subsidiary ended on	Issued, Subscribed and fully paid-up	Net aggregate amount of the profits of the subsidiary not dealt with in the Holding Company's accounts (₹ In Lakhs)		Net aggregate amount of the profits of the subsidiary dealt with in the Holding Company's accounts by way of dividends on the shares held in Subsidiary Company	
			a) For the financial year of the Subsidiary Company	b) For the Previous financial years, Since it became a Subsidiary Company	a) For the financial year of the Subsidiary Company	b) For the Previous financial years, Since it became a Subsidiary Company
		2013-14				
Infreight Logistics Solutions Limited	31.03.2014	56,11,200 Equity Shares of ₹ 10/- each (100%)	(4.81)	(1,054.89)	-	-
Sundaram Parekh Warehousing Services Limited	31.03.2014	1,00,000 Equity Shares of ₹ 10/- each (100%)	(1.50)	2.82	-	-

INFREIGHT LOGISTICS SOLUTIONS LIMITED

**14th Annual Report
2013-14**



Board of Directors

T. T. Srinivasaraghavan Chairman
Rahul Lalbhai Mehta
Srinivas Acharya
P Viswanathan

Audit Committee

T. T. Srinivasaraghavan 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, Patullos Road,
Chennai 600 002
Phone: 044-28521181
CIN : U72900TN2000PLC063984

Directors' Report

Your Directors have pleasure in presenting the Fourteenth Annual Report and Audited Accounts of the Company for the year ended 31st March, 2014.

The summarised financial results of the Company are given hereunder:

(₹ in lakhs)

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
Total Income	–	88.77
Total Expenditure	4.80	93.71
Profit before Tax	(4.80)	(4.94)
Taxation	–	–
Profit after Tax	(4.80)	(4.94)

REVIEW OF OPERATIONS

There were no operations during the year under review following the management's decision in the previous year to exit the logistics business.

DIRECTOR

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

DIRECTORS' RESPONSIBILITY STATEMENT

Your directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- they have selected such accounting policies and applied them consistently and made judgments 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;
- they have 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

- they have prepared the annual accounts on a going-concern basis.

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

None of the employees of the Company is in receipt of remuneration in excess of limits prescribed under Section 217(2A) of the Companies Act, 1956.

DEPOSITS

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

SUBSIDIARY

Sundaram Parekh Warehousing Services Limited (Sundaram Parekh)

During the year, your Company acquired the balance 49% stake in company and consequently Sundaram Parekh became a wholly-owned subsidiary of your Company. Sundaram Parekh did not commence its core operations.

ACKNOWLEDGEMENT

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

Chennai 600 002
Date: 6th May, 2014

T T Srinivasaraghavan
Chairman

Independent Auditors' Report

To the members of Infreight Logistics Solutions Limited

REPORT ON FINANCIAL STATEMENT:

We have audited the accompanying financial statements of Infreight Logistics Solutions Limited, ("the Company") which comprises the Balance Sheet as at 31st March 2014, statement of Profit and Loss Account 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 FINANCIAL STATEMENTS:

Management is responsible for the preparation of these financial statements that give true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The

procedure selected depends on auditor's judgment, including the assessment of 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.

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

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 the affairs of the Company as at 31st March, 2014;
- b. In the case of the statement of Profit and Loss, of the loss 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.

REPORT ON LEGAL AND REGULATORY REQUIREMENT:

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in

terms of sub-section (4A) of section 227 of the Companies Act, 1956 ("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:

- a) We have 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 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 the written representations received from the directors as on 31st March, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

Place : Chennai
Date : 6th May, 2014

**Annexure referred to in paragraph 1 under the heading
“Report on other legal and regulatory requirements” of our report of even date.**

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The Company has a regular program for verification of its fixed assets by which all fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification during the year.
- c) Since there is no disposal of fixed assets during the year, paragraph 4(i) (c) of the Order is not applicable to the Company.
- ii. The Company does not have any inventories.
- iii (a) The Company has not given loans, secured or unsecured, to any party covered in the register maintained under section 301 of the Act. Accordingly, clauses (iii) (b) to (iii) (d) of paragraph 4 of the said Order are not applicable to the Company for the current year.
- (b) The Company has not taken loans, secured or unsecured, from any party covered in the register maintained under section 301 of the Act. Accordingly, clauses (iii) (e) to (iii) (g) of paragraph 4 of the said Order are not applicable to the Company for the current year.
- iv. In our opinion and according to the information and the explanations given to us and having regard to the explanation there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. According to the information & explanations given to us, there are no transactions made in pursuance of contracts or arrangements that need to be entered in to the register maintained under section 301 of the Companies Act, 1956.
- vi. The Company has not accepted any deposits from the public and hence directives of the Reserve Bank of India and the provisions of section 58A and 58AA of the Act and the rules framed there under are not applicable to the Company.
- vii. The Company has an internal audit system commensurate with the size & nature of its business.
- viii. As explained to us, the maintenance of cost records has not been prescribed by the Central Government under section 209(1) (d) of the Act in respect of Company's operations.
- ix. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, service 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, service tax not been deposited on account of any dispute.
- x. (a) The Company has accumulated loss of 10,59,69,250/- at

- the end of the financial year 2013-2014 and the same is more than fifty per cent of its net worth as on 31st March, 2014.
- (b) The Company has incurred cash loss during the year and also in the immediately preceding financial year.
- xi. The Company has not availed any loan from financial institution, bank during the year, accordingly clause (xi) of the paragraph 4 of the said order is not applicable to the Company for the current year.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- xiv. The Company is not in the business of dealing or trading in shares, securities, and other investments.
- xv. The Company has not given any guarantee for loans taken by others.
- xvi. The Company has not taken any term loan during the year.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet, the funds raised on short term basis have not been applied for payment of long term assets.
- xviii. In our opinion and according to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- xix. The Company has not issued any debentures during the year.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. 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

Place : Chennai
Date : 6th May, 2014

Membership No. 040234

Balance Sheet

as at 31st March, 2014

(In ₹)

Particulars	Note	31st March, 2014	31st March, 2013
I. EQUITY AND LIABILITIES			
1) Shareholders' funds			
(a) Share capital	3	5,61,12,000.00	561,12,000.00
(b) Reserves and surplus	4	(10,59,69,250.45)	(1054,88,584.57)
(c) Money received against share warrants		—	—
		<u>(4,98,57,250.45)</u>	<u>(493,76,584.57)</u>
2) Share application money pending allotment			
		—	—
3) Non-current liabilities			
(a) Long-term borrowings		—	—
(b) Deferred tax liabilities (Net)		—	—
(c) Other Long term liabilities		—	—
(d) Long-term provisions		—	—
		—	—
4) Current liabilities			
(a) Short-term borrowings	5	5,22,00,000.00	5,28,00,000.00
(b) Trade payables	6	1,73,150.00	1,98,150.00
(c) Other current liabilities	7	91,968.00	1,02,971.38
(d) Short-term provisions		—	—
		<u>5,24,65,118.00</u>	<u>531,01,121.38</u>
		<u>26,07,867.55</u>	<u>37,24,536.81</u>
TOTAL			
		<u>26,07,867.55</u>	<u>37,24,536.81</u>
II. ASSETS			
1) Non-current assets			
(a) Fixed assets			
i) Tangible assets	8	3,60,245.00	4,89,493.00
ii) Intangible assets		—	—
iii) Capital work-in-progress		—	—
iv) Intangible assets under development		—	—
(b) Non-current investments	9	10,00,000.00	5,10,000.00
(c) Deferred tax assets (net)		—	—
(d) Long-term loans and advances		—	—
(e) Other non-current assets		—	—
		<u>13,60,245.00</u>	<u>9,99,493.00</u>
2) Current assets			
(a) Current investments		—	—
(b) Inventories		—	—
(c) Trade receivables	10	4,98,467.00	8,91,016.00
(d) Cash and cash equivalents	11	16,617.55	10,04,109.81
(e) Short-term loans and advances	12	7,32,538.00	8,29,918.00
(f) Other current assets		—	—
		<u>12,47,622.55</u>	<u>27,25,043.81</u>
		<u>26,07,867.55</u>	<u>37,24,536.81</u>
TOTAL			
		<u>26,07,867.55</u>	<u>37,24,536.81</u>
See accompanying notes forming part of financial statements			

In terms of our report of even date attached

For **Dharmendra & Co.,**

Chartered Accountants

Firm Registration No. 112827W

Dharmendra C. Shah

Proprietor

Membership No. 040234

Place : Chennai

Date : 6th May, 2014

T.T. Srinivasaraghavan

Chairman

Sidhartha Sankar Malla

Manager

P.N. Srikant

Secretary

Srinivas Acharya

P. Viswanathan

Directors

INFREIGHT LOGISTICS SOLUTIONS LIMITED

Statement of Profit and Loss

for the Year Ended 31st March, 2014

(In ₹)

Particulars	Note	2013-14	2012-13
I. Revenue from operations	13	–	87,86,946.00
II. Other income	14	–	90,104.62
III. Total Revenue (I + II)		–	88,77,050.62
IV. Expenses:			
Cost of Services	15	6,250.00	65,32,703.47
Purchases of Stock-in-Trade	–	–	–
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	–	–	–
Employee benefits expenses	16	–	9,60,425.00
Finance costs	17	393.26	–
Depreciation and amortization expense	8	1,29,248.00	2,52,527.00
Other expenses	18	3,44,774.62	16,25,022.74
Total expenses		4,80,665.88	93,70,678.21
V. (Loss)/ Profit before exceptional and extraordinary items and tax (III-IV)		(4,80,665.88)	(4,93,627.59)
VI. Exceptional items		–	–
VII. (Loss)/ Profit before extraordinary items and tax (V - VI)		(4,80,665.88)	(4,93,627.59)
VIII. Extraordinary Items		–	–
IX. (Loss)/ Profit before tax (VII- VIII)		(4,80,665.88)	(4,93,627.59)
X Tax expense:			
1) Current tax (MAT)		–	–
2) Deferred tax		–	–
XI (Loss)/ Profit for the period from continuing operations (IX-X)		(4,80,665.88)	(4,93,627.59)
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)		(4,80,665.88)	(4,93,627.59)
XVI Earnings per equity share:			
(1) Basic		(0.09)	(0.09)
(2) Diluted		(0.09)	(0.09)
See accompanying notes forming part of financial statements			

In terms of our report of even date attached

For **Dharmendra & Co.,**

Chartered Accountants

Firm Registration No. 112827W

Dharmendra C. Shah

Proprietor

Membership No. 040234

Place : Chennai

Date : 6th May, 2014

T.T. Srinivasaraghavan

Chairman

Sidhartha Sankar Malla

Manager

P.N. Srikant

Secretary

Srinivas Acharya

P. Viswanathan

Directors

Notes to Financial Statements

For the Year Ended 31st March, 2014

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 to comply in all material respects with the notified Accounting Standard by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting on going concern basis. The accounting policies adopted by the Company are applied consistently and are in accordance with generally accepted accounting principles and provisions of the Companies Act, 1956.

2.2 Summary of Significant Accounting Policies

Presentation and disclosure of financial statements.

Financial statements prepared and presented as per revised schedule VI.

2.3 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.

2.4 Tangible Assets

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

NOTES TO THE ACCOUNTS (Contd.)

2.5 Depreciation on Tangible assets

Depreciation on tangible fixed assets is being charged on the written down value method in accordance with the provisions of Schedule XIV of the Companies Act, 1956 at the following rates.

Asset	Depreciation Rates %
Furniture, Fixture & fittings	18.10%
Computers	40.00%
Air Conditioners	13.91%
Office Equipment	13.91%
Assets Less than Rs.5,000/-	100.00%

2.6 Intangible Assets

The Company does not have any intangible asset.

2.7 Impairment of assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exists or has decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years.

2.8 Borrowing Cost

Borrowing cost includes interest and amortization of ancillary costs.

2.9 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.)

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost which includes interest and other direct costs. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

2.10 Revenue Recognition

Freight Income is recognised/accounted when goods are delivered by the Company to customers. Freight expenses are accounted when hired vehicles delivers goods to Company's customers.

Warehousing service Income and cost of such service is recognised/accounted on monthly basis.

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

Interest income is accounted on accrual basis.

2.11 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.

NOTES TO THE ACCOUNTS (Contd.)

2.12 Retirement Benefits

Retirement benefits to employees comprises of payments to government provident funds, leave encashment and provision for gratuity.

Contribution to defined scheme such as provident Fund, ESIC, Family pension Fund are recognised when liability to contribute to such funds arises under the respective Acts.

The Company contributes to a group gratuity policy with Life Insurance Corporation of India towards liability of its employees.

Provision for leave encashment is accounted on cash basis.

2.13 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.

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.

2.14 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.

2.15 Cash & Cash Equivalents

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

2.16 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.

NOTES TO THE ACCOUNTS (Contd.)

Note 3

SHARE CAPITAL

(In ₹)

	As at March 31, 2014	As at March 31, 2013
Authorised Capital		
1,00,00,000 Equity Shares of ₹ 10/- each	10,00,00,000.00	10,00,00,000.00
	<u>10,00,00,000.00</u>	<u>10,00,00,000.00</u>
Issued Subscribed & fully paid up Share Capital		
Equity Share Capital		
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>

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, 2014		As at 31st March, 2013	
	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	56,11,200	5,61,12,000.00	56,11,200	5,61,12,000.00

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, 2014			As at 31st March, 2013		
	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

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, 2014			As at 31st March, 2013		
	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

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

(In ₹)

	As at March 31, 2014	As at March 31, 2013
Statement of Profit & Loss		
At the beginning of the year	(10,54,88,584.57)	(10,49,94,956.98)
Add: (Loss)/ Profit for the year	(4,80,665.88)	(4,93,627.59)
At the end of the year	(10,59,69,250.45)	(10,54,88,584.57)

Note 5
SHORT - TERM BORROWINGS

(In ₹)

	As at March 31, 2014	As at March 31, 2013
Unsecured Borrowings		
From Ultimate Holding Company (Refer Related Party Statement)*	5,22,00,000.00	5,28,00,000.00
Total Short Term Borrowings	<u>5,22,00,000.00</u>	<u>5,28,00,000.00</u>
(*Repayment Term is one year from sanction date and renewable for further period.)		

Note 6
TRADE PAYABLES

(In ₹)

	As at March 31, 2013	As at March 31, 2012
Trade Payables for Services rendered *	1,73,150.00	1,98,150.00
	<u>1,73,150.00</u>	<u>1,98,150.00</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, 2014	As at March 31, 2013
Expenses Payable	90,276.00	94,054.00
Statutory Liabilities Payable	1,692.00	8,917.38
	<u>91,968.00</u>	<u>1,02,971.38</u>

NOTES TO THE ACCOUNTS (Contd.)

Note 8

TANGIBLE ASSETS	(In ₹)										
	Description	Gross Block				Depreciation				Net Block	
		As at 31.03.2013	Additions	Deductions	As at 31.03.2014	As at 31.03.2013	Additions	Deductions	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
Furnitures & Fixtures	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	
Computers	(9,66,650.00)	-	(6,50,537.00)	(3,16,113.00)	(6,02,845.00)	(65,723.00)	(4,42,587.00)	(2,25,981.00)	(90,132.00)	(3,63,805.00)	
Air Conditioners	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	
Office Equipment	(39,03,031.00)	-	(3,25,716.00)	(35,77,315.00)	(35,06,040.00)	(1,57,815.00)	(3,06,481.00)	(33,57,374.00)	(2,19,941.00)	(3,96,991.00)	
	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	
	(3,47,305.00)	-	-	(3,47,305.00)	(1,83,125.00)	(22,837.00)	-	(2,05,962.00)	(1,41,343.00)	(1,64,180.00)	
	94,271.00	-	-	94,271.00	56,194.00	5,297.00	-	61,491.00	32,780.00	38,077.00	
	(94,271.00)	-	-	(94,271.00)	(50,042.00)	(6,152.00)	-	(56,194.00)	(38,077.00)	(44,229.00)	
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	
As at 31st March, 2013	(53,11,257.00)	-	(9,76,253.00)	(43,35,004.00)	(43,42,052.00)	(2,52,527.00)	(7,49,068.00)	(38,45,511.00)	(4,89,493.00)	(9,69,205.00)	

Note:

- Figures in brackets pertains to 31st March, 2013
- During the year no asset is revalued.
- During the year neither impairment loss nor reversal of impairment of loss recognised.
- The Company does not have any intangible asset.

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

(In ₹)

			As at March 31, 2014	As at March 31, 2013
In Subsidiary Company (Equity Shares)				
Long Term - Unquoted, at cost:				
Nos, CY	Nos, PY	(Face value of ₹ 10/- each)		
1,00,000	51,000	Sundaram Parekh Warehousing Services Limited	10,00,000.00	5,10,000.00
			10,00,000.00	5,10,000.00

Note 10
TRADE RECEIVABLES

(In ₹)

		As at March 31, 2014	As at March 31, 2013
Unsecured, Considered Good			
Outstanding for more than six months from date it became due		4,98,467.00	8,10,641.00
Others		—	80,375.00
		4,98,467.00	8,91,016.00

Note 11
CASH & BANK BALANCES

(In ₹)

		As at March 31, 2014	As at March 31, 2013
Cash and Cash Equivalent			
Balances with scheduled banks in current account		16,617.55	10,00,370.81
Cash on hand		—	3,739.00
		16,617.55	10,04,109.81

Note 12
SHORT TERM LOANS & ADVANCES

(In ₹)

		As at March 31, 2013	As at March 31, 2012
(Unsecured, Considered Good)			
Security Deposits with Customer/Others		—	97,380.00
Other Loans & Advances			
Income Tax (TDS) (Net off provision for taxation)		7,32,538.00	7,32,538.00
		7,32,538.00	8,29,918.00

NOTES TO THE ACCOUNTS (Contd.)

Note 13

Revenue From Operations

(In ₹)

	FY 2013-2014		FY 2012-2013	
Services				
Transportation Charges	–	–	66,63,450.00	–
Warehouse Management Fees	–	–	21,23,496.00	87,86,946.00
	–	–		87,86,946.00

Note 14

Other Income

(In ₹)

	FY 2013-2014		FY 2012-2013	
Interest on Income Tax Refund	–	–	49,900.00	–
Interest Recd. on Security Deposit	–	–	20,157.00	–
Deposit/Advances/Creditors W/Back	–	–	20,047.62	90,104.62
		–		90,104.62

Note 15

Cost of Services

(In ₹)

	FY 2013-2014		FY 2012-2013	
Transportation Charges	–	–	58,00,900.00	–
Service Charges (Warehousing)	–	–	3,58,656.00	–
Rate Difference/Discount/Damages	6,250.00	6,250.00	3,73,147.47	65,32,703.47
		6,250.00		65,32,703.47

NOTES TO THE ACCOUNTS (Contd.)
Note 16
Employee Benefits Expenses

(In ₹)

	FY 2013-2014		FY 2012-2013	
Salary and Allowances	–		6,70,827.00	
Bonus	–		28,644.00	
Contribution to PF	–		2,23,044.00	
Contribution to ESIC	–		25,380.00	
Labour Welfare Fund	–		21.00	
Medical Reimbursement	–		3,126.00	
Leave Travel Allowance	–		1,251.00	
Staff Welfare	–	–	8,132.00	9,60,425.00
		<u>–</u>		<u>9,60,425.00</u>

Note 17
Finance Costs

(In ₹)

	FY 2013-2014		FY 2012-2013	
Bank Charges		393.26		–
		<u>393.26</u>		<u>–</u>

NOTES TO THE ACCOUNTS (Contd.)**Note 18****Other Expenses**

(In ₹)

	FY 2013-2014		FY 2012-2013	
Electricity Expenses		–		1,30,980.00
Telephone Expenses		10,606.00		1,02,485.00
Printing & Stationery		10,080.00		21,331.00
Local Travelling		26,380.00		63,783.00
Professional Fees & Legal Charges		21,405.00		97,396.00
Outsourcing Cost		–		3,01,436.00
Office Expenses		–		3,045.00
Auditors' Remuneration (Refer Note (a) below)		44,944.00		73,034.00
Repairs & Maintenance				
Others	490.00	490.00	1,581.00	1,581.00
Conveyance		896.00		31,481.00
Miscellaneous Expenses		3,966.00		64,898.74
Post and Courier Expenses		–		3,303.00
Bad Debts		2,26,007.62		5,20,084.00
Loss on Sale of Assets		–		2,10,185.00
		3,44,774.62		16,25,022.74
a) Details of payments made to auditor :				
<u>As Auditor (Including Service Tax)</u>				
Audit Fees		16,854.00		16,854.00
Tax Audit Fees		-		-
<u>In other capacity (Including Service Tax)</u>				
For Taxation Matter		-		28,090.00
For Other Services		28,090.00		28,090.00
		44,944.00		73,034.00

NOTES TO THE ACCOUNTS (Contd.)

Note 19

EARNINGS PER SHARE

	FY 2013-2014	FY 2012-2013
Net (Loss)/ Profit as per Profit and Loss Account ₹	(4,80,665.88)	(4,93,627.59)
Shares outstanding at the beginning of the year - Nos.	56,11,200	56,11,200
Shares issued during the year(Right Shares)	–	–
Weighted average number of shares outstanding during the year - Nos.	56,11,200	56,11,200
Basic and diluted earnings per share ₹	(0.09)	(0.09)

Note 20

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

Note 21

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

Note 22

Previous year figures

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

Note 23

Estimated amount of contracts remaining to be executed on capital account as well as other commitments, not provided for (net of advances) is ₹ Nil (2013 : Nil). Contingent liabilities is ₹ Nil (2013 : Nil).

Note 24

	FY 2013-2014	FY 2012-2013
CIF Value of Imports / Consumption of Materials	Nil	Nil

Note 25

	FY 2013-2014	FY 2012-2013
Earnings in Foreign Currency/ Expenditure in Foreign Currency	Nil	Nil

Note 26

A statement on Segment Reporting is given hereunder as defined by AS 17 (Segmental Reporting) issued in terms of the Companies Act, 1956.

(In ₹)

Business Segment	Goods Transport By Road		Warehouse Management		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
REVENUE						
Segment Revenue	–	66,63,450.00	–	21,23,496.00	–	87,86,946.00
Inter segment Sales	–	–	–	-	–	–
Total revenue	–	66,63,450.00	-	21,23,496.00	–	87,86,946.00
RESULT						
Segment Result	(2,52,257.62)	(1,04,047.00)	–	7,73,959.53	(2,52,257.62)	6,69,912.53
Unallocated Income (Net of Expenses)	–	–	–	–	(2,28,408.26)	(11,63,540.12)
Interest Expenses						
Profit/(Loss) before Tax	–	–	–	–	(4,80,665.88)	(4,93,627.59)
Less: Income Tax / FBT						
Profit/(Loss) After Tax	–	–	–	–	(4,80,665.88)	(4,93,627.59)
OTHER INFORMATION						
Segment Assets	4,98,467.00	8,03,016.00	–	88,000.00	4,98,467.00	8,91,016.00
Unallocated Assets	-	-	–	-	21,09,400.55	28,33,520.81
Total Assets	4,98,467.00	8,03,016.00	–	88,000.00	26,07,867.55	37,24,536.81
Segment Liabilities	1,73,150.00	1,98,150.00	–	–	1,73,150.00	1,98,150.00
Unallocated Liabilities	-	-	–	–	5,22,91,968.00	5,29,02,971.38
Total Liabilities	1,73,150.00	1,98,150.00	–	–	5,24,65,118.00	5,31,01,121.38
Capital Expenditure	–	–	–	–	–	–
Depreciation	–	–	–	–	1,29,248.00	2,52,527.00
Non Cash expenses other than Depreciation	–	–	–	–	–	–

NOTES TO THE ACCOUNTS (Contd.)**Note 27**

A statement on Transactions with Related Parties is given hereunder as defined by AS 18 (Related Party Disclosures) issued in terms of the Companies Act, 1956.

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
	IGF Services Limited
	Sundaram Infotech Solutions Limited
	Sundaram BNP Paribas Fund Services Limited
	Professional Management Consultants Limited (upto 15.05.2013)
	Sundaram Insurance Broking Services Limited
	Caltec Servicez Private Limited (upto 15.05.2013)
	Sundaram Asset Management Singapore Pte Limited
	Sundaram BPO India Limited
Key Management Personnel	Mr. Sidhartha Sankar Malla, Manager

NOTES TO THE ACCOUNTS (Contd.)

Details of transactions with above related parties for the year ended 31.03.2014

(In ₹)

Particulars	Holding Cos.	Subsidiary Co.	Fellow Subsidiary Cos.	Key Management Personnel	Relative of Key Management Personnel	Total Related Parties (FY 2013-14)	Total Related Parties (FY 2012-13)
Transactions during the year							
LIABILITIES :							
Inter-corporate Loan Repaid to:							
Sundaram Finance Ltd.	6,00,000.00					6,00,000.00	67,00,000.00
Outstanding Balances at the year end							
Investment in Equity Shares							
Sundaram Parekh Warehousing Services Ltd.		10,00,000.00				10,00,000.00	5,10,000.00
Inter-corporate Loan							
Sundaram Finance Ltd.	5,22,00,000.00					5,22,00,000.00	5,28,00,000.00
EXPENSES & OTHER CHARGES :							
Pay Roll Processing Fee (Including Service Tax)							
Sundaram Business Services Ltd.			-			-	50,562.00

NOTES TO THE ACCOUNTS (Contd.)

Note 28

A Statement u/s.212 (1) (e) of Companies Act,1956, for investment in Subsidiary Company is as under:

1. Name of the Subsidiary Company	Sundaram Parekh Warehousing Services Limited
2. Financial year of the Subsidiary ended on	31st March, 2014
3. Holding Company's interest in the Subsidiary	1,00,000 Equity Shares of ₹ 10/- each (100%)
4. Net aggregate amount of the profits of the subsidiary not dealt with in the the Holding Company's Accounts	
a) For the financial year of the Subsidiary Company	₹ (1,50,079.00)
b) For the previous financial Years since it became a Subsidiary Company	₹ (10,912.47)
5. Net aggregate amount of the profits of the subsidiary dealt with in the Holding Company's Accounts by way of dividends on the shares held in Subsidiary Company	
a) For the financial year of the Subsidiary Company	Nil
b) For the previous financial years since it became a Subsidiary Company	Nil

In terms of our report of even date attached

For **Dharmendra & Co.,**

Chartered Accountants

Firm Registration No. 112827W

Dharmendra C. Shah

Proprietor

Membership No. 040234

Place : Chennai

Date : 6th May, 2014

T.T. Srinivasaraghavan

Chairman

Srinivas Acharya

Sidhartha Sankar Malla

Manager

P. Viswanathan

Directors

P.N. Srikant

Secretary

Cash Flow Statement for the Year Ended 31st March, 2014

(In ₹)

	2013-2014	2012-2013
Cash flow from Operating Activities		
Net Profit after Tax	(4,80,665.88)	(4,93,627.59)
Adjustments for:		
Depreciation / Amortization	1,29,248.00	2,52,527.00
Loss on Sale of Fixed Assets	-	2,10,185.00
	<u>(3,51,417.88)</u>	<u>(30,915.59)</u>
Changes in Assets & Liabilities:		
(Increase) / Decrease in Trade Receivables	3,92,549.00	71,96,247.00
(Increase) / Decrease in Short term Loans and Advances	97,380	12,412.00
Increase / (Decrease) in Trade Payables	(25,000.00)	(4,12,985.00)
Increase / (Decrease) in other Current liabilities	(11,003.38)	(6,49,420.50)
NET CASH FROM OPERATING ACTIVITIES	<u>1,02,507.74</u>	<u>61,15,337.91</u>
Income Tax paid	-	-
	<u>1,02,507.74</u>	<u>61,15,337.91</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets (net)	-	17,000.00
Purchase of Non-Current Investments	4,90,000.00	-
NET CASH FROM INVESTING ACTIVITIES	<u>(4,90,000.00)</u>	<u>17,000.00</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Short - term Borrowings	(6,00,000.00)	(67,00,000.00)
NET CASH FROM FINANCING ACTIVITIES	<u>(6,00,000.00)</u>	<u>(67,00,000.00)</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(9,87,492.26)</u>	<u>(5,67,662.09)</u>
Cash and cash equivalents at the beginning of the year	10,04,109.81	15,71,771.90
Cash and cash equivalents at the end of the year	16,617.55	10,04,109.81
Components of Cash and Cash Equivalents at the year end		
Balances with Banks - in Current Accounts	16,617.55	10,00,370.81
Cash on Hand	-	3,739.00
	<u>16,617.55</u>	<u>10,04,109.81</u>

Notes:

- 1) The cash flow statement has been prepared in accordance with the requirements of Accounting Standard - 3
- 2) The figures in brackets indicate outflows of cash and cash equivalents.
- 3) Previous year's figures have been regrouped, rearranged wherever necessary.

In terms of our report of even date attached
For **Dharmendra & Co.**,
Chartered Accountants
Firm Registration No. 112827W

Dharmendra C. Shah
Proprietor
Membership No. 040234
Place : Chennai
Date : 6th May, 2014

T.T. Srinivasaraghavan
Chairman

Sidhartha Sankar Malla
Manager

P.N. Srikant
Secretary

Srinivas Acharya

P. Viswanathan

Directors

SUNDARAM PAREKH WAREHOUSING SERVICES LIMITED

***4th Annual Report
2013-14***

SUNDARAM PAREKH WAREHOUSING SERVICES LIMITED

*4th Annual Report
2013-14*

BOARD OF DIRECTORS

S Venkatesan

S. Sivakumar

S Sridhar

Rahul Lalbhai Mehta

BANKERS

HDFC Bank, ITC Centre

AUDITORS

M/s. Brahmayya & Co., Chennai

Chartered Accountants

REGISTERED OFFICE

21, Patullos Road

Chennai 600 002

Phone: 044-28521181

CIN : U63030TN2010PLC077122

Directors' Report

Your Directors have pleasure in presenting the Fourth Annual Report and Audited Accounts for the year ended 31st March, 2014.

The summarised financial results of the Company are given hereunder:

(In ₹)

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
Total Income	32,130	22,941
Total Expenditure	1,82,209	44,338
(Loss)/Profit before Tax	(1,50,079)	(21,397)
Taxation	-	-
(Loss)/Profit after Tax	(1,50,079)	(21,397)
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	(1,50,079)	(21,397)

REVIEW OF OPERATIONS OF THE COMPANY

Your company has not yet commenced its core operations.

SHARE CAPITAL

In November 2013, the Holding Company, Infreight Logistics Solutions Limited (Infreight) acquired the 49% stake in your Company held by M/s Parekh Integrated Services Private Limited (Parekh) and consequently your Company became a subsidiary of Infreight and therefore of Sundaram Finance Distribution Limited (SFDL).

DIRECTORS

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

Sri S Sridhar was co-opted as an Additional Director with effect from 26.11.2013. Under Section 161 of the Companies Act, 2013, he shall hold office up to the date of the ensuing Annual General Meeting. The Company has received due notices from members under section 160 of the Companies Act 2013, proposing his appointment as a Director of the Company.

Sri V H Parekh and Sri Mukesh M Maniar, Directors relinquished the office of Directorship with effect from 26th November 2013. Your Directors wish to place on record the contribution of Mr V H Parekh & Mr Mukesh M Maniar to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your directors confirm:

- that in the preparation of the annual accounts, the applicable accounting standards had been followed;

- 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 loss of the Company for that period;
- 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
- 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 Brahmayya & 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.

ACKNOWLEDGEMENT

Your Directors thank Infreight and SFDL, its holding company for its support.

S. Venkatesan
S. Sivakumar
S Sridhar
Directors

Chennai 600 002
Date: 6th May, 2014

Secretarial Compliance Certificate

Name of the Company : SUNDARAM PAREKH WAREHOUSING SERVICES LIMITED

Registration No. : U63030TN2010PLC077122

Authorized Capital : ₹ 10,00,000/-

Paid-up Capital : ₹ 10,00,000/-

To.
The Members
Sundaram Parekh Warehousing Services Limited
21, Patullos Road,
Chennai – 600 002.

I have examined the registers, records, books and papers of **SUNDARAM PAREKH WAREHOUSING SERVICES LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2014. In my opinion and to the best of 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 Four (4) times on 8th May 2013, 9th September 2013, 26th November 2013 and 28th March, 2014 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 year ended 31st March, 2014.
6. The Third Annual General Meeting for the financial year ended 31st March 2013 was held on 29th June 2013 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, 2014.
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.
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 year ended 31st March, 2014.
13. The Company:
 - i) has delivered the share certificates on lodgment thereof for transfer, in accordance with the provisions of the Act.
 - ii) has not deposited any amount in a separate bank account as no dividend was declared during the year ended 31st March, 2014.
 - iii) was not required to post warrants to any member of the Company as no dividend was declared during the year ended 31st March, 2014.

SUNDARAM PAREKH WAREHOUSING SERVICES LIMITED

- 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 year under review.
16. The Company has not appointed any sole selling agent during the year ended 31st March, 2014.
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, 2014.
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, 2014.
20. The Company has not bought back any shares during the 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 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, 2014.
24. The Company has not made any borrowings during the financial year ended 31st March, 2014.
25. The Company has not made any loans to bodies corporate during the year ended 31st March, 2014.
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 financial year, for offences under the Act.
28. The Company has not received any money as security from its employees during the financial year ended 31st March, 2014.
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: 31st March, 2014

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, 2014

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

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, 2014

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 2013.
2.	23AC – XBRL & 23ACA – XBRL	220	Balance Sheet and Profit & Loss Statement for the financial year ended 31st March 2013.
3.	20B	159	Annual Return made upto 29th June 2013 (Date of AGM).
4.	32	303	Appointment of Mr S Sridhar as Additional Director and Resignation of Mr V H Parekh and Mr Mukesh M Maniar
5.	22B	187C	Filing of Form I and Form II received from the nominees and beneficiaries.

REGIONAL DIRECTOR

NIL

CENTRAL GOVERNMENT & OTHER AUTHORITIES

NIL

Place: Chennai

Date: 31st March, 2014

Malini Seshadri A.C.S.,

No. 5493 CP1323

SUNDARAM PAREKH WAREHOUSING SERVICES LIMITED

Independent Auditors' Report

To the members of Sundaram Parekh Warehousing Services Limited

1) Report on the Financial Statements

We have audited the accompanying financial statements of Sundaram Parekh Warehousing Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Profit and Loss Statement 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. 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, 2014;
- b) in the case of the Statement Profit and Loss, of the loss 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:
 - 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, Profit and Loss Statement, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, Profit and Loss Statement, 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, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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 : Date : 6th May, 2014

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 or taken loans to / from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of clauses iii(a) to iii(g) of Paragraph 4 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 service rendered. 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 does not require to have an internal audit system.
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, 2014 for a period of more than 6 months from the date they become payable.

7. The company does not have any borrowing from financial institutions, Banks, or by issue of debentures. no fraud by the company and no fraud on the company was noticed or reported during the course of our audit.
8. According to the information and explanations given to us, during the year, the company has not:
- granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
 - given any guarantees for loan taken by others from banks or financial institutions.
 - availed any term loan.
 - issued any debentures.
 - raised monies by way of public issue.
 - raised any short term funds.
9. To the best of our knowledge and belief and according to the information and explanations given to us, during the year
10. 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, xiv 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 : 6th May, 2014

Balance Sheet

as at 31st March, 2014

(In ₹)

Particulars	Note	March 31, 2014		March 31, 2013	
I. EQUITY AND LIABILITIES					
1) Shareholders' funds					
a) Share capital	2	10,00,000		10,00,000	
b) Reserves and surplus	3	1,31,562		2,81,641	
c) Money received against share warrants		-	11,31,562	-	12,81,641
2) Share application money pending allotment			-		-
3) Non-current liabilities					
a) Long-term borrowings		-		-	
b) Deferred tax liabilities		-		-	
c) Other Long term liabilities		-		-	
d) Long-term provisions		-	-	-	-
4) Current liabilities					
a) Short-term borrowings		-		-	
b) Trade payables	4	21,861		21,854	
c) Other current liabilities		-		-	
d) Short-term provisions		-	21,861	-	21,854
TOTAL			<u>11,53,423</u>		<u>13,03,495</u>
II. ASSETS					
1) Non-current assets					
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		-		-	
d) Long-term loans and advances	5	5,507		4,588	
e) Other non-current assets		-	5,507	-	4,588
2) Current assets					
a) Current investments		-		-	
b) Inventories		-		-	
c) Trade receivables	6	-		23,000	
d) Cash and cash equivalents	7	11,47,916		12,75,907	
e) Short-term loans and advances		-		-	
f) Other current assets		-	11,47,916	-	12,98,907
TOTAL			<u>11,53,423</u>		<u>13,03,495</u>

Significant accounting policies and notes to the accounts 1 to 12

As per our report of even date attached

For **Brahmayya & Co.**,
Chartered Accountants
Firm Registration No. - 000511S
L. Ravi Sankar
Partner
Membership No. 25929
Chennai
6th May, 2014

S. Venkatesan
Chairman

S. Sivakumar

S. Sridhar

Directors

SUNDARAM PAREKH WAREHOUSING SERVICES LIMITED

Statement of Profit and Loss

for the Year Ended 31st March, 2014

(In ₹)

Particulars	Note	2013-14	2012-13
REVENUE:			
Revenue from operations		-	-
Other income	8	32,130	22,941
Total Revenue	(A)	32,130	22,941
EXPENSES:			
Cost of Services	9	-	6,214
Finance costs	10	-	1,964
Administrative and other expenses	11	1,82,209	36,160
Total expenses	(B)	1,82,209	44,338
Profit/(Loss) before tax	(A-B)	(1,50,079)	(21,397)
Tax expense:			
1) Current tax		-	-
2) Deferred tax		-	-
Profit/(Loss) after tax from continuing operations		(1,50,079)	(21,397)
Earnings per equity share:			
Weighted Average number of Shares		1,00,000	1,00,000
1) Basic		(1.50)	(0.21)
2) Diluted		(1.50)	(0.21)
Significant accounting policies and notes to the accounts 1 to 12			

As per our report of even date attached
For **Brahmayya & Co.**,
Chartered Accountants
Firm Registration No. - 000511S
L. Ravi Sankar
Partner
Membership No. 25929
Chennai
6th May, 2014

S. Venkatesan
Chairman

S. Sivakumar

S. Sridhar
Directors

NOTES TO THE ACCOUNTS

Note 1

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 Section 211 (3)(C) 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 amount 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 these financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements. The assets and liabilities have been classified as non-current and current based on a twelve months of operating cycle.

1.2 Income and expenditure are accounted on accrual basis.

Note 2

SHARE CAPITAL

(In ₹)

	As at March 31, 2014	As at March 31, 2013
Authorised: (1,00,000 Equity Shares of ₹ 10/- each) (Previous Year 1,00,000 Shares of ₹ 10/- each)	10,00,000	10,00,000
Issued,Subscribed and Fully Paid Up: 1,00,000 Equity Shares of ₹ 10/- each (Previous Year 1,00,000 Shares of ₹ 10/- each)	10,00,000	10,00,000
	10,00,000	10,00,000

Reconciliation of the shares outstanding at the beginning and end of the reporting period

Particulars	Current Year	Previous Year
	Nos of Shares	Nos of Shares
At the beginning of period	1,00,000	1,00,000
Issued during the period	—	—
Outstanding at the end of period	1,00,000	1,00,000

NOTES TO THE ACCOUNTS (Contd.)

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

Particulars	Current Year		Previous Year	
	Nos of Shares	(%)	Nos of Shares	(%)
Infreight Logistics Solutions Limited (Holding Company)	1,00,000	100	51,000	51
Parekh Integrated Services Pvt. Limited	–	–	49,000	49
	1,00,000	100	1,00,000	100

Note 3**RESERVES AND SURPLUS:**

(In ₹)

Nature of Reserve:	As at March 31, 2014	As at March 31, 2013
Surplus		
Opening Balance	2,81,641	3,03,038
Add: Additions during the year	(1,50,079)	(21,397)
Less: Deduction / Appropriation during the year	–	–
Closing Balance	<u>1,31,562</u>	<u>2,81,641</u>

Note 4**TRADE PAYABLES**

(In ₹)

	As at March 31, 2014	As at March 31, 2013
For Expenses	21,854	21,854
Statutory Liabilities - Payables	7	-
	<u>21,861</u>	<u>21,854</u>

Note 5**LONG TERM LOANS AND ADVANCES:**

(In ₹)

	As at March 31, 2014	As at March 31, 2013
TDS Receivables (Net of provision for taxation - ₹ 1,70,000/-)	5,507	4,588
	<u>5,507</u>	<u>4,588</u>

NOTES TO THE ACCOUNTS (Contd.)**Note 6****TRADE RECEIVABLES:**

(In ₹)

(UNSECURED, CONSIDERED GOOD)

	As at March 31, 2014	As at March 31, 2013
More than Six Months from Due date	—	23,000
Others	—	—
	<u>—</u>	<u>23,000</u>

Note 7**CASH AND CASH EQUIVALENTS**

(In ₹)

	As at March 31, 2014	As at March 31, 2013
Cash on Hand	—	—
With Scheduled Banks	11,47,916	57,554
Bank Deposits (up to 3 months maturity)	—	12,18,353
	<u>11,47,916</u>	<u>12,75,907</u>

NOTES TO THE ACCOUNTS (Contd.)**Note 8****OTHER INCOME**

(In ₹)

	2013-2014	2012-2013
Interest on Bank Deposits	32,130	22,941
	<u>32,130</u>	<u>22,941</u>

Note 9**COST OF SERVICES**

(In ₹)

	2013-2014	2012-2013
Other Charges	–	6,214
	<u>–</u>	<u>6,214</u>

Note 10**FINANCE EXPENSES**

(In ₹)

	2013-2014	2012-2013
Bank Charges	–	225
Interest on Income-Tax	–	1,739
	<u>–</u>	<u>1,964</u>

Note 11**ADMINISTRATIVE AND OTHER EXPENSES**

(In ₹)

	2013-2014		2012-2013	
Printing and Stationery		6,983		6,983
Rates and Taxes		2,500		900
Professional Fees		7,810		11,405
Auditors' Remuneration				
- Statutory Audit Fee	15,000		15,000	
- Certification Fee	10,000		–	
- Service Tax	3,090	28,090	1,854	16,854
Miscellaneous Expenses		1,36,826		18
		<u>1,82,209</u>		<u>36,160</u>

Note 12
GENERAL

- 12.1 The Company provide service to transport sector. There are no separate reportable segments as per Accounting Standard AS-17 Segment Reporting.
- 12.2 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 Party Disclosures as per AS - 18

Name of related parties and description of relationship

Holding Companies:

Sundaram Finance Limited
Sundaram Finance Distribution Limited
Infreight Logistics Solutions Limited

Fellow Subsidiaries:

Sundaram BNP Paribas Home Finance Limited
Sundaram Asset management Company Limited
Sundaram Trustee Company Limited
Sundaram Infotech Solutions Limited
Sundaram Business Services Limited
Professional Management Consultants Limited (up to 15.05.2013)
Sundaram BNP Paribas Fund Services Limited
Sundaram Insurance Broking Services Limited
LGF Services Limited
Caltec Servicez Private Limited (upto 15.05.2013)
Sundaram Asset management Singapore Pte Limited
Sundaram BPO India Limited

Nature of Transactions	Holding Companies	Fellow Subsidiaries	Associate	Total (2013-2014) ₹	Total (2012-2013) ₹
Transaction during the year				—	—
Outstanding Balances at the year end				—	—

12.3 EARNINGS PER SHARE

	31st March, 2014	31st March, 2013
A. Profit for the year /period (₹)	(1,50,079)	(21,397)
B. Weighted Average number of equity shares of ₹ 10/- each	1,00,000	1,00,000
C. Basic and Diluted Earnings Per Share – (₹)	(1.50)	(0.21)

12.4 The company does not owe any amount to Small Scale Industrial undertaking.

12.5 Previous period figures have been regrouped /reclassified wherever necessary to conform to the current year's presentation.

 Signatures to Notes 1 to 12

As per our report of even date attached
 For **Brahmayya & Co.**,
 Chartered Accountants
 Firm Registration No. - 000511S
L. Ravi Sankar
 Partner
 Membership No. 25929
 Chennai
 6th May, 2014

S. Venkatesan
 Chairman

S. Sivakumar
S. Sridhar
 Directors

Cash Flow Statement for Year Ended 31st March, 2014

(In ₹)

	2013-2014		2012-2013	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit		(1,50,079)		(21,397)
Add: Finance Expenses	-	-	1,964	1,964
Operating Profit Before Working Capital Changes		(1,50,079)		(19,433)
Increase / (Decrease) in Trade Receivables	23,000		1,44,184	
Increase / (Decrease) in Long term Loans and Advances	(919)		(4,588)	
Increase / (Decrease) in Current Liabilities	7		(1,85,211)	
Other Current Assets	-	22,088	-	(45,615)
NET CASH FROM OPERATING ACTIVITIES (A)		(1,27,991)		(65,048)
B) CASH FLOW FROM INVESTING ACTIVITIES (B)		-		-
C) CASH FROM FINANCING ACTIVITIES				
Financial Expenses Paid		-		(1,964)
NET CASH FROM FINANCING ACTIVITIES (C)		-		(1,964)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)		(1,27,991)		(67,012)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		12,75,907		13,42,919
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		11,47,916		12,75,907
COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR				
Current Account with Bank & Bank Deposits (up to 3 months maturity)		11,47,916		12,75,907
Cash on Hand		-		-
		11,47,916		12,75,907

As per our report of even date attached
 For **Brahmayya & Co.,**
 Chartered Accountants
 Firm Registration No. - 000511S
L. Ravi Sankar
 Partner
 Membership No. 25929
 Chennai
 6th May, 2014

S. Venkatesan
 Chairman

S. Sivakumar

S. Sridhar
 Directors

SUNDARAM PAREKH WAREHOUSING SERVICES LIMITED