



Sundaram-Clayton Limited

[formerly Sundaram-Clayton DCD Limited]

Registered Office:
"Chaitanya",
No. 12, Khader Nawaz Khan Road,
Nungambakkam,
Chennai – 600006
PH: 044 28332115

3rd October 2024

To,
BSE Limited
Corporate Relations Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001
Maharashtra, India
Scrip Code: 544066

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Maharashtra, India
Symbol: SUNCLAY

Dear Sir / Madam,

Subject : Disclosure of information under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find attached the Proforma Condensed Combined Financial Information of the Company for the financial years ended 31st March, 2024, 31st March, 2023 and 31st March, 2022 and Interim Condensed Consolidated Financial Statements as at 30th June, 2024 prepared in accordance with the Indian Accounting Standards 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act along with report on review of Proforma Condensed Combined Financial Information and Interim Condensed Consolidated Financial Statements issued by the Statutory Auditors of the Company, M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants. A copy of the same is attached herewith as **Annexure**.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For **Sundaram-Clayton Limited**

P D Dev Kishan
Company Secretary
Encl.: a/a

Sundaram-Clayton Limited
(Formerly known as Sundaram- Clayton DCD
Limited)

The Proforma Condensed Combined Financial Information for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.

Independent Auditor's Assurance Report on the Compilation of Proforma Condensed Combined Financial Information for the purpose of inclusion in the Preliminary Placement Document and the Placement Document in connection with proposed Qualified Institutional Placement of Equity Shares of Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited)

The Board of Directors,
Sundaram-Clayton Limited (Formerly Sundaram-Clayton DCD Limited),
"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam,
Chennai – 600 006, Tamil Nadu, India.

1. This report is issued in accordance with the terms of our agreement dated September 1, 2024.

We have completed our assurance engagement to report on the compilation of Proforma Condensed Combined Financial Information of Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as "Group") and its share of net loss or profit of associate prepared by the Company's Management. The Proforma Condensed Combined Financial Information consists of the Proforma Condensed Combined Balance Sheet as at 31st March, 2024, 31st March, 2023, 31st March, 2022 and the Condensed Proforma Combined Statement of Profit and Loss (including Other Comprehensive Income), the Proforma Condensed Combined Statement of Changes in Equity and the Proforma Condensed Combined Statement of Cash Flows for the years then ended and selected explanatory notes (Collectively 'Proforma Condensed Combined Financial Information') for the purpose of inclusion in the Preliminary Placement Document and the Placement Document (collectively, the "**Placement Documents**") in connection with proposed Qualified Institutional Placement of Equity Shares ("**Proposed QIP**"). The applicable criteria on the basis of which the Company's Management has compiled the Proforma Condensed Combined Financial Information, as required by the Management, are specified in Clause (11)(1)(B)(iii) of Part A of Schedule VI Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the 'ICDR Regulations') issued by Securities and Exchange Board of India (the 'SEBI') and described in the Note 1 to the Proforma Condensed Combined Financial Information.

2. The Proforma Condensed Combined Financial Information has been compiled by the Company's Management to illustrate the impact of the composite scheme of arrangement (the "Scheme") as set out in Note 1 to the Proforma Condensed Combined Financial Information on the Group's financial performance for the year ended March 31, 2024 as if the Scheme had taken place at April 1, 2021.

3. As part of this process, information about the Group's financial performance has been extracted by the Company's Management from:

- a. the Consolidated Financial Statement of the Group for the period ended March 31, 2024 on which we have expressed an unmodified opinion vide our audit report dated May 10, 2024;
- b. the audited standalone financial statement of M/s Sundaram-Clayton DCD Limited for the FY 2022-23 and FY 2021-22 on which we have expressed an unmodified opinion vide our reports dated May 3, 2023 & May 7, 2022 respectively;
- c. the restated consolidated financial information of the Group for the period April 1, 2023 to August 10, 2023 on which we have expressed an unmodified opinion vide our examination report dated September 30, 2024; and



- d. the restated consolidated financial statement of the Group prepared for the FY 2022-23 and FY 2021-22 for the purpose of inclusion in information memorandum for listing of equity shares of the company, on which we have expressed an unmodified opinion vide our audit report dated September 27, 2023.

This assurance report needs to be read in conjunction with the aforementioned reports.

Management's Responsibility for the Proforma Condensed Combined Financial Information

4. The Company's Management is responsible for compiling the Proforma Condensed Combined Financial Information, as specified in the "Basis of Preparation" paragraph as described in Note 1 to the Proforma Condensed Combined Financial Information, which has been approved by the Management of the Company in their meeting dated September 30, 2024. This responsibility includes the responsibility for designing, implementing and maintaining internal controls relevant for compiling the Proforma Condensed Combined Financial Information on the basis stated in the aforementioned note that is free from material misstatement, whether due to fraud or error. The Company's Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Proforma Condensed Combined Financial Information.

Auditor's Responsibilities

5. Our responsibility is to express an opinion, as required by ICDR Regulations, on the Proforma Condensed Combined Financial Information as requested by the Management, on whether the Proforma Condensed Combined Financial Information has been compiled, in all material respects, by the Management on the basis stated in Note 1 to the Proforma Condensed Combined Financial Information.
6. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, 'Assurance Engagements to Report on the Compilation of Proforma Condensed Combined Financial Information for the purpose of Inclusion in Placement Documents, issued by the Institute of Chartered Accountants of India. This Standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Company's Management has compiled, in all material respects, the Proforma Condensed Combined Financial Information on the basis stated in Note 1 to the Proforma Condensed Combined Financial Information.
7. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Condensed Combined Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Proforma Condensed Combined Financial Information.
8. Our work has not been carried out in accordance with the auditing or other standards and practice generally accepted in other jurisdiction and accordingly not be relied upon as if it had been carried out in accordance with those standard and practices.



9. The purpose of Proforma Condensed Combined Financial Information is solely to illustrate the impact of the Scheme as described in Note 1 to the Proforma Condensed Combined Financial Information on unadjusted financial information of the Group as if the Scheme had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Scheme would have been as presented.
10. A reasonable assurance engagement to report on whether the Proforma Condensed Combined Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Company's Management in the compilation of the Proforma Condensed Combined Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:
- The related Condensed Proforma adjustments give appropriate effect to those criteria; and
 - The Proforma Condensed Combined Financial Information reflects the proper application of those adjustments to the unadjusted financial information.
11. The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the company, the Scheme in respect of which the Proforma Condensed Combined Financial Information has been compiled, and other relevant engagement circumstances.
12. The engagement also involves evaluating the overall presentation of the Proforma Condensed Combined Financial Information.
13. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports or examination reports issued by us or by other chartered accountants on any financial statements of the Company or any of the components included in the Proforma Condensed Combined Financial Information (Refer paragraph 4 above).
14. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
15. We have no responsibility to update our report or reissue our report for events and circumstances occurring after the date of the report.

Opinion

16. In our opinion, the Proforma Condensed Combined Financial Information, as requested by the Management, has been compiled, in all material respects, on the basis of preparation as stated in Note 1 to the Proforma Condensed Combined Financial Information.



Emphasis of Matter

17. We draw attention to the following matters:

Basis of Preparation as set out in Note 1 of the Proforma Condensed Combined Financial Information. The Proforma Condensed Combined Financial Information has been compiled by the Management only to illustrate the impact of the Scheme set out in Note 1 on the Group's financial performance for the year ended March 31, 2024, as if the Scheme had taken place at April 1, 2021 for the purpose of Inclusion in Placement Documents. As a result, the Proforma Condensed Combined Financial Information may not be suitable for any another purpose.

Our opinion is not modified in respect of the above matters.

Other Matter

18. For the purpose of our examination, we have relied on:

- a. Unaudited financial statements of subsidiaries as at the years ended March 31, 2024, March 31, 2023 and March 31, 2022 whose financial statements reflect total assets, total revenues and net cash inflows/(outflows) as tabulated below and included in the Proforma Condensed Combined Financial Information of the Group:

(Rs. In Crores)

As at the year ended	Total assets of subsidiaries	Total revenue of subsidiaries	Net cash inflow/ (outflow) of subsidiaries
March 31, 2024	1052.60	167.95	(8.29)
March 31, 2023	991.51	112.86	(17.49)
March 31, 2022	888.65	52.84	21.68

Our opinion on the Proforma Condensed Combined Financial Information is not modified in respect of the above matters based on the audit procedures carried out by us on separate financial statements of the subsidiaries and the financial statements/ financial information certified by the Management.

- b. Financial statements of associate which are audited by other auditors as at the years ended March 31, 2024, March 31, 2023 and March 31, 2022, whose financial statements reflect share of profit/loss in associate as tabulated below and included in the Proforma Condensed Combined Financial Information of the Group:

(Rs. In Crores)

As at the year ended	Share of profit / (loss) in associate
March 31, 2024	0.64
March 31, 2023	(0.03)
March 31, 2022	0.12

These financial statements has been audited by other auditor as listed, whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in the Proforma Condensed Combined Financial Information are based solely on the report of other auditor.



Restriction on Use

19. This report is addressed to and is provided to the Board of Directors of the Company to enable them to use for the purpose of inclusion in Placement Documents. Our report should not be used by any other person or for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom our report is shown or into whose hands it may come without our prior consent in writing.

for **Raghavan, Chaudhuri & Narayanan**

Chartered Accountants

Firm Registration No.:007761S

V

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SATHYANARAYANAN
Date: 2024.10.03
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V. Sathyanarayanan

Partner

Membership No.: 027716

Date: October 3, 2024

UDIN: 24027716BKCNCRC7614



SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
PROFORMA CONDENSED COMBINED BALANCE SHEET

(Rs In Crores)

Particulars	Note No.	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2023 (A)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2023 (B)	Proforma condensed combined financial information as on 31.03.2023 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2022 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2022 (E)	Proforma condensed combined financial information as on 31.03.2022 (F = D + E)
ASSETS								
Non-current assets								
Property, plant and equipment	2	1,473.43	1,470.50	-	1,470.50	1,389.59	-	1,389.59
Capital work in progress	2	330.10	77.81	-	77.81	64.40	-	64.40
Other intangible assets	3	0.49	0.73	-	0.73	0.58	-	0.58
Financial assets								
i. Investments	4 (a)	24.59	8.72	-	8.72	9.49	-	9.49
ii. Investments accounted using equity method	4 (b)	1.31	0.95	-	0.95	0.98	-	0.98
iii. Other financial assets	5	9.53	8.92	-	8.92	11.90	-	11.90
Other non-current assets	6	52.05	44.21	-	44.21	33.33	-	33.33
Total non-current assets		1,891.50	1,611.84	-	1,611.84	1,510.27	-	1,510.27
Current assets								
Inventories	7	370.67	410.98	-	410.98	394.17	-	394.17
Financial assets								
i. Trade receivables	8	292.88	252.29	-	252.29	266.83	-	266.83
ii. Cash and cash equivalents	9	14.42	103.75	-	103.75	123.61	-	123.61
iii. Bank balances other than (ii) above	10	10.42	-	-	-	-	-	-
iv. Other financial assets	5	26.45	10.17	-	10.17	7.51	-	7.51
Other current assets	11	67.62	22.75	-	22.75	22.95	-	22.95
Total current assets		782.46	799.94	-	799.94	815.07	-	815.07
Total Assets		2,673.96	2,411.78	-	2,411.78	2,325.34	-	2,325.34
EQUITY AND LIABILITIES								
Equity								
Equity share capital	12	10.12	10.12	-	10.12	10.12	-	10.12
Other equity	13	590.04	763.98	(0.01)	763.97	547.26	(0.01)	547.25
Non Controlling Interest		-	-	-	-	291.31	-	291.31
Total equity		600.16	774.10	(0.01)	774.09	848.69	(0.01)	848.68
Liabilities								
Non-current liabilities								
Financial liabilities								
i. Borrowings	14	755.47	799.18	-	799.18	595.07	-	595.07
ii. Lease liability		3.78	7.68	-	7.68	20.14	-	20.14
iii. Other financial liabilities	15	-	10.68	-	10.68	10.56	-	10.56
Provisions	16	17.86	11.08	-	11.08	16.05	-	16.05
Deferred tax liabilities (Net)	17	16.94	27.74	-	27.74	33.08	-	33.08
Other non-current liabilities	18	10.84	-	-	-	-	-	-
Total non-current liabilities		804.89	856.36	-	856.36	674.90	-	674.90
Current liabilities								
Financial liabilities								
i. Borrowings	19	661.90	282.66	-	282.66	359.28	-	359.28
ii. Lease liability		4.57	17.30	-	17.30	15.42	-	15.42
iii. Trade payables	20	444.41	399.50	0.01	399.51	366.34	0.01	366.35
iv. Other financial liabilities	15	57.51	52.90	-	52.90	31.12	-	31.12
Other current liabilities	18	51.86	19.38	-	19.38	21.21	-	21.21
Current tax liability		2.19	-	-	-	-	-	-
Provisions	16	46.47	9.58	-	9.58	8.38	-	8.38
Total current liabilities		1,268.91	781.32	0.01	781.33	801.75	0.01	801.76
Total liabilities		2,073.80	1,637.68	0.01	1,637.69	1,476.65	0.01	1,476.66
Total equity and liabilities		2,673.96	2,411.78	-	2,411.78	2,325.34	-	2,325.34

The accompanying notes 1 to 31 are an integral part of the financial information

VIVEK SHRIPAD JOSHI
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Date: 2024.10.03 11:16:24 +05'30'

VIVEK S JOSHI
Director & CEO
DIN: 09522758

Date : 3rd October 2024

AJAY KUMAR
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Date: 2024.10.03 11:25:25 +05'30'

AJAY KUMAR
Chief Financial Officer

PONNERI DIVAKAR DEVKISHAN
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Date: 2024.10.03 11:36:14 +05'30'

P D DEV KISHAN
Company Secretary

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

V SATHYANARAYANAN
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Date: 2024.10.03 11:58:01 +05'30'

V SATHYANARAYANAN
Partner
Membership No.:027716
Date : 3rd October 2024

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
PROFORMA CONDENSED COMBINED STATEMENT OF PROFIT AND LOSS

(Rs In Crores)

Particulars	Note No.	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) -For the period from 1st April 2023 to 10th Aug 2023 (A)	Audited Consolidated Financial Statements of Sundaram-Clayton Limited (B)	Proforma condensed combined financial information for the year ended 31.03.2024 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2023 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2023 (E)	Proforma condensed combined financial information for the year ended 31.03.2023 (F = D+E)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2022 (G)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2022 (H)	Proforma condensed combined financial information for the year ended 31.03.2022 (I = G+H)
I Income										
Revenue from operations	21	769.56	1,415.31	2,184.87	2,052.78	-	2,052.78	1,692.42	-	1,692.42
Other income	22	2.19	33.88	36.07	10.20	-	10.20	3.61	-	3.61
Total income		771.75	1,449.19	2,220.94	2,062.98	-	2,062.98	1,696.03	-	1,696.03
II Expenses										
Cost of materials consumed	23	425.65	763.95	1,189.60	1,130.63	-	1,130.63	956.04	-	956.04
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(10.53)	(7.51)	(18.04)	(2.01)	-	(2.01)	(85.33)	-	(85.33)
Employee benefit expenses	25	115.57	222.86	338.43	277.87	-	277.87	195.84	-	195.84
Finance costs	26	31.93	57.47	89.40	60.05	-	60.05	46.39	-	46.39
Depreciation and amortisation expense	27	50.19	103.24	153.43	143.88	-	143.88	130.72	-	130.72
Other expenses	28	198.91	405.17	604.08	521.89	-	521.89	436.35	0.01	436.36
Total expenses		811.72	1,545.18	2,356.90	2,132.31	-	2,132.31	1,680.01	0.01	1,680.02
III Profit/(Loss) before exceptional items, share of net profit of investment and tax (I-II)		(39.97)	(95.99)	(135.96)	(69.33)	-	(69.33)	16.02	(0.01)	16.01
Share of net profit from associates using equity method		0.42	0.22	0.64	(0.03)	-	(0.03)	0.12	-	0.12
IV Profit/(Loss) before exceptional items and tax		(39.55)	(95.77)	(135.32)	(69.36)	-	(69.36)	16.14	(0.01)	16.13
V Exceptional items - income / (expense)	28A	(5.07)	(1.60)	(6.67)	(17.10)	-	(17.10)	(13.48)	-	(13.48)
VI Profit/(Loss) before tax (IV+V)		(44.62)	(97.37)	(141.99)	(86.46)	-	(86.46)	2.66	(0.01)	2.65
VII Income tax expense										
Current tax	29	9.23	27.04	36.27	27.48	-	27.48	16.54	-	16.54
Deferred tax charge/(credit)	30	(4.56)	(4.28)	(8.84)	(6.10)	-	(6.10)	2.71	-	2.71
VIII Profit/(Loss) for the year (VI-VII)		(49.29)	(120.13)	(169.42)	(107.84)	-	(107.84)	(16.59)	(0.01)	(16.60)

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
PROFORMA CONDENSED COMBINED STATEMENT OF PROFIT AND LOSS

(Rs In Crores)

Particulars	Note No.	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) -For the period from 1st April 2023 to 10th Aug 2023 (A)	Audited Consolidated Financial Statements of Sundaram-Clayton Limited (B)	Proforma condensed combined financial information for the year ended 31.03.2024 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2023 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2023 (E)	Proforma condensed combined financial information for the year ended 31.03.2023 (F = D+E)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2022 (G)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2022 (H)	Proforma condensed combined financial information for the year ended 31.03.2022 (I = G+H)
IX Other comprehensive income										
Items that will not be reclassified to profit and loss										
Remeasurement of post employment benefit obligations		(2.43)	(1.69)	(4.12)	1.53	-	1.53	(8.71)	-	(8.71)
Change in fair value of equity instruments				-	-	-	-	-	-	-
Income tax relating to these items		1.00	0.43	1.43	(0.38)	-	(0.38)	2.19	-	2.19
Items that will be reclassified to profit and loss										
Transactions relating to Derivative instruments		0.45	(0.45)	-	1.53	-	1.53	4.78	-	4.78
Change in fair value of FVOCI debt instruments				-	-	-	-	-	-	-
Income tax relating to these items		(0.11)	0.11	-	(0.39)	-	(0.39)	(1.48)	-	(1.48)
FCTR - Subsidiaries				-	47.86	-	47.86	19.12	-	19.12
Other comprehensive income for the year, net of tax		(1.09)	(1.60)	(2.69)	50.15	-	50.15	15.90	-	15.90
X Total comprehensive income (VIII + IX)		(50.38)	(121.73)	(172.11)	(57.69)	-	(57.69)	(0.69)	(0.01)	(0.70)
XI Earnings per equity share										
Basic & Diluted earnings per share	31			(83.74)			(53.31)			(8.21)

VIVEK SHRIPAD JOSHI
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VIVEK S JOSHI
Director & CEO
DIN: 09522758

Date : 3rd October 2024

AJAY KUMAR
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AJAY KUMAR
Chief Financial Officer

PONNERI DIVAKAR DEVKISHAN
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Date: 2024.10.03 11:37:18 +05'30'

P D DEV KISHAN
Company Secretary

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants

Firm Regn. No.007761S
V SATHYANARAYA SATHYANARAYANAN
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Date: 2024.10.03 11:56:01 +05'30'

V SATHYANARAYANAN
Partner

Membership No. 027716
Date : 3rd October 2024

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
PROFORMA CONDENSED COMBINED STATEMENT OF CASH FLOWS

(Rs In Crores)

Particulars	Proforma condensed combined financial information for the year ended 31.03.2024 *	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2023 (A)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2023 (B)	Proforma condensed combined financial information for the year ended 31.03.2023 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2022 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2022 (E)	Proforma condensed combined financial information for the year ended 31.03.2022 (F = D + E)
A. CASH FLOW FROM OPERATING ACTIVITIES							
Net profit/(loss) before tax	(141.99)	(86.46)	-	(86.46)	2.66	(0.01)	2.65
Add: Depreciation and amortisation for the year	153.43	143.88	-	143.88	130.72	-	130.72
Loss on sale/scraping of property, plant and equipment	0.06	-	-	-	3.89	-	3.89
Profit on sale of property, plant and equipment	(0.27)	(0.26)	-	(0.26)	(0.11)	-	(0.11)
Unrealised exchange (gain) / loss	(2.11)	(8.89)	-	(8.89)	(2.42)	-	(2.42)
Dividend income	(0.42)	-	-	-	-	-	-
Interest income	(1.83)	(0.97)	-	(0.97)	(1.08)	-	(1.08)
Fair value of financial assets & financial liabilities	-	-	-	-	0.40	-	0.40
Interest expense	89.40	60.05	-	60.05	46.39	-	46.39
Profit on sale of investments	-	(0.08)	-	(0.08)	-	-	-
Net (profit)/ loss from Associate using equity method	(0.64)	-	-	-	-	-	-
	237.62	193.73	-	193.73	177.79	-	177.79
Operating profit before working capital changes	95.63	107.27	-	107.27	180.45	(0.01)	180.44
Adjustments for:							
Inventories	40.31	(16.81)	-	(16.81)	(88.47)	-	(88.47)
Trade Receivables	(40.59)	14.54	-	14.54	(44.60)	-	(44.60)
Other financial assets	(16.89)	0.32	-	0.32	6.44	-	6.44
Other bank balances	(10.42)	-	-	-	-	-	-
Other non-current assets	(7.84)	(10.88)	-	(10.88)	(12.85)	-	(12.85)
Other current assets	(44.87)	0.20	-	0.20	1.72	-	1.72
Trade Payables	46.48	33.16	-	33.16	94.07	0.01	94.08
Provisions	39.55	(3.77)	-	(3.77)	5.22	-	5.22
Other financial liabilities (excluding current maturities of debt)	(18.14)	31.43	-	31.43	(15.27)	-	(15.27)
Other non-current liabilities	10.84	-	-	-	-	-	-
Other current liabilities	32.48	(1.83)	-	(1.83)	(5.20)	-	(5.20)
	30.91	46.36	-	46.36	(58.94)	0.01	(58.93)
Cash generated from operations	126.54	153.63	-	153.63	121.51	-	121.51
Direct taxes paid	(34.08)	(27.48)	-	(27.48)	(16.54)	-	(16.54)
Net cash from operating activities (A)	92.46	126.15	-	126.15	104.97	-	104.97

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
PROFORMA CONDENSED COMBINED STATEMENT OF CASH FLOWS

Particulars	(Rs In Crores)						
	Proforma condensed combined financial information for the year ended 31.03.2024 *	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2023 (A)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2023 (B)	Proforma condensed combined financial information for the year ended 31.03.2023 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2022 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2022 (E)	Proforma condensed combined financial information for the year ended 31.03.2022 (F = D + E)
B CASH FLOW FROM INVESTING ACTIVITIES							
Additions to property, plant and equipment (including Capital work in progress)	(409.26)	(187.50)	-	(187.50)	(100.10)	-	(100.10)
Sale of property, plant and equipment	1.06	0.56	-	0.56	0.49	-	0.49
Purchase of investments	(16.23)	-	-	-	(0.02)	-	(0.02)
Proceeds from Sale of investments	-	0.77	-	0.77	0.00	-	-
Net gain on sale of Investments	-	0.08	-	0.08	0.00	-	-
Net Movement in Associate Investment	0.64	(0.85)	-	(0.85)	(0.47)	-	(0.47)
Interest received	1.83	0.97	-	0.97	1.08	-	1.08
Dividend received	0.42	-	-	-	0.00	-	-
Net Cash from/(used in) investing activities (B)	<u>(421.54)</u>	<u>(185.97)</u>	<u>-</u>	<u>(185.97)</u>	<u>(99.02)</u>	<u>-</u>	<u>(99.02)</u>
C CASH FLOW FROM FINANCING ACTIVITIES							
Net Borrowings:							
Term loans availed/(repaid)	149.38	121.48	-	121.48	14.59	-	14.59
Short term borrowings availed/ (repaid)	186.15	6.01	-	6.01	42.31	-	42.31
Interest paid	(86.89)	(60.05)	-	(60.05)	(46.39)	-	(46.39)
Net Impact on account of de-merger as per Ind AS 103	8.60	(16.90)	-	(16.90)	93.69	-	93.69
Repayment of lease liabilities	(17.49)	(10.58)	-	(10.58)	(7.64)	-	(7.64)
Net cash inflow/(outflow) from financing activities (C)	<u>239.75</u>	<u>39.96</u>	<u>-</u>	<u>39.96</u>	<u>96.56</u>	<u>-</u>	<u>96.56</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(89.33)	(19.86)	-	(19.86)	102.51	-	102.51
Cash and cash equivalents at the beginning of the year							
Cash and Bank balances	103.75	123.61	-	123.61	21.10	-	21.10
Cash credit balance	-	103.75	-	-	21.10	-	-
Cash and cash equivalents at the end of the year	<u>14.42</u>	<u>103.75</u>	<u>-</u>	<u>103.75</u>	<u>123.61</u>	<u>-</u>	<u>123.61</u>
Cash and Bank balances							
Cash credit balance	-	103.75	-	-	123.61	-	-

* Represents Cash Flows for the Full FY 2023-24 i.e. - summation of cash flows of Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the period from 1st April 2023 to 10th Aug 2023 (A) & Audited Consolidated Financial Statements of Sundaram-Clayton Limited (B)

VIVEK SHRIPAD JOSHI
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AJAY KUMAR
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 Date: 2024.10.03 11:26:32 +05'30'

PONNERI DIVAKAR DEVKISHAN
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 Date: 2024.10.03 11:39:38 +05'30'

VIVEK S JOSHI
 Director & CEO
 DIN: 09522758

AJAY KUMAR
 Chief Financial Officer

P D DEV KISHAN
 Company Secretary

Date : 3rd October 2024

As per our report annexed
 For Raghavan, Chaudhuri & Narayanan
 Chartered Accountants
 Firm Regn. No.007761S
 V SATHYANARAYANAN
 Digitally signed by V SATHYANARAYANAN
 Date: 2024.10.03 11:57:21 +05'30'
 ANAN V SATHYANARAYANAN
 Partner
 Membership No. 027716
 Date : 3rd October 2024

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
PROFORMA CONDENSED COMBINED STATEMENT OF CHANGES IN EQUITY
A. Equity Share Capital- New Equity Shares of the Resulting Company

(Rs In Crores)

Particulars	Amount
As at 01-04-2021	10.12
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2021	10.12
Changes in equity share capital during the year	-
As at 31-03-2022	10.12
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2022	10.12
Changes in equity share capital during the year	-
As at 31-03-2023	10.12
Changes in Equity Share capital due to prior period errors	-
Restated balance as at 01-04-2023	10.12
Changes in equity share capital during the year	-
As at 31-03-2024	10.12

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
PROFORMA CONDENSED COMBINED STATEMENT OF CHANGES IN EQUITY

(Rs In Crores)

Particulars	Reserves and surplus				Other reserves				
	General reserve	Retained earnings	Capital Reserve	Total	Fair Value through OCI	FCTR	Hedging reserve	Non Controlling Interest	Total
Balance as at March 31, 2021	224.90	185.00	1.83	411.73	0.82	11.00	(3.70)	325.72	333.84
Add : Profit for the period - Restated FS of SCL	-	25.22	-	25.22	-	-	-	(41.81)	(41.81)
Add : Profit for the period - SCL DCD Limited	-	(0.01)	-	(0.01)	-	-	-	-	-
Add : Other comprehensive income	-	-	-	-	(6.52)	9.49	3.30	9.63	15.90
Add/ (Less): Transaction with Non controlling Interest	-	(3.68)	-	(3.68)	-	5.91	-	(2.23)	3.68
Adjustment due to composite scheme of arrangement	-	-	93.69	93.69	-	-	-	-	-
Total Comprehensive Income for the year	-	21.53	93.69	115.22	(6.52)	15.40	3.30	(34.41)	(22.23)
Add/ (Less) : Change in fair value of equity instruments	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	224.90	206.53	95.52	526.95	(5.70)	26.40	(0.40)	291.31	311.61
Add : Profit for the period - Restated FS of SCL	-	(107.84)	-	(107.84)	-	-	-	-	-
Add : Profit for the period - SCL DCD Limited	-	-	-	-	1.15	47.86	1.14	-	50.15
Add : Other comprehensive income	-	-	-	-	-	26.79	-	-	(264.52)
Add/ (less): Transaction with Non Controlling Interest	-	(52.49)	-	(52.49)	-	-	-	(291.31)	-
Adjustment due to composite scheme of arrangement	-	-	300.11	300.11	-	-	-	-	-
Total Comprehensive Income for the year	-	(160.33)	300.11	139.79	1.15	74.65	1.14	(291.31)	(214.37)
Add / (Less) : Reclassified to retained earnings	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	224.90	46.20	395.63	666.73	(4.55)	101.05	0.74	-	97.24
Add : Profit for the period	-	(169.42)	-	(169.42)	-	-	-	-	-
Add : Other comprehensive income	-	(2.69)	-	(2.69)	-	-	-	-	-
Total Comprehensive Income for the year	-	(172.11)	-	(172.11)	-	-	-	-	-
Add / (Less) : Issue of Non-Convertible redeemable Preference shares during the period (NCRPS)	-	(0.86)	-	(0.86)	-	-	-	-	-
Adjustment due to composite scheme of arrangement	-	4.94	-	4.94	-	-	-	-	-
Add/(less) : Movements in reserve	-	-	-	-	-	1.68	-	-	1.68
Adjustment due to IND AS 103 Business Combination	(0.06)	248.72	(250.13)	(1.47)	-	4.47	(0.16)	-	4.31
Less: Interim Dividends declared during the period	-	(10.42)	-	(10.42)	-	-	-	-	-
Balance as at March 31, 2024	224.84	116.47	145.50	486.81	(4.55)	107.20	0.58	-	103.23

Nature and purpose of reserves:

Securities premium reserve: This consist of premium realised on issue of shares and will be applicable / utilised in accordance with the provisions of the Companies Act, 2013
General reserve: General reserve is part of retained earnings. This is available for distribution to shareholders as dividend and capitalisation.

VIVEK SHRIPAD JOSHI
Digitally signed by VIVEK SHRIPAD JOSHI
Date: 2024.10.03 11:17:35 +05'30'
VIVEK S JOSHI
Director & CEO
DIN: 09522758

AJAY KUMAR
Digitally signed by AJAY KUMAR
Date: 2024.10.03 11:27:06 +05'30'
AJAY KUMAR
Chief Financial Officer

PONNERI DIVAKAR DEVKISHAN
Digitally signed by PONNERI DIVAKAR DEVKISHAN
Date: 2024.10.03 11:40:14 +05'30'
P D DEV KISHAN
Company Secretary

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S
V SATHYANARAYANAN
Digitally signed by V SATHYANARAYANAN
Date: 2024.10.03 11:58:38 +05'30'
YANAN
V SATHYANARAYANAN
Partner
Membership No., 027716
Date : 3rd October 2024

Date : 3rd October 2024

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET
2- Property, Plant & Equipment (Rs In Crores)

Description	As on 31.03.2024								
	Freehold land	Lease hold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	ROU	Total
	1	2	3	4	5	6	7	8	9
Gross block									
As at 01-04-2023	48,89	10,78	136,87	1,540,23	4,75	13,00	1,74	51,67	1,807,93
Additions/FCTR	0,36	-	3,59	140,92	(0,09)	1,85	2,97	7,03	156,63
Sub-total	49,25	10,78	140,46	1,681,15	4,66	14,85	4,71	58,70	1,964,56
Sales / deletion	-	-	(0,25)	(5,78)	(0,02)	(0,09)	(0,15)	-	(6,29)
Adjustments (refer note below) #	(10,21)	35,16	373,34	308,18	8,19	(7,10)	35,22	0,69	743,47
Total	39,04	45,94	513,55	1,983,55	12,83	7,66	39,78	59,39	2,701,74
Depreciation/FCTR									
Upto 31-03-2023	-	1,50	16,23	292,65	1,84	4,48	0,05	20,68	337,43
For the year	-	0,34	12,38	128,67	0,84	0,40	3,00	7,22	152,85
Sub-total	-	1,84	28,61	421,32	2,68	4,88	3,05	27,90	490,28
Withdrawn on assets sold / deleted	-	-	-	(5,21)	(0,02)	(0,08)	(0,13)	-	(5,44)
Adjustments (refer note below) #	-	0,78	76,02	638,12	6,16	(0,60)	23,09	(0,10)	743,47
Total	-	2,62	104,63	1,054,23	8,82	4,20	26,01	27,80	1,228,31
Net Carrying amount									
As at 31-03-2024	39,04	43,32	408,92	929,32	4,01	3,46	13,77	31,59	1,473,43

Adjustments in the gross block and accumulated depreciation are due to the Redclassification of Property, Plant & Equipment and Actual Original Gross Block of the Property, Plant & Equipment instead of the Deemed Gross block considered earlier.

CAPITAL WORK-IN-PROGRESS (AT COST)	2023-24	2022-23
(a) Building	218,58	26,85
(b) Plant & equipment	109,61	47,87
(c) Others	1,91	3,09
Total	330,10	77,81

Ageing of Capital work-in- progress as on 31st March 2024:

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	286,63	43,07	-	0,40	330,10

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET
2- Property, Plant & Equipment (Rs In Crores)

Description	As on 31.03.2023								
	Freehold land	Lease hold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	ROU	Total
	1	2	3	4	5	6	7	8	9
Gross block									
As at 01-04-2022	48,89	10,78	136,65	1,326,20	4,78	8,50	1,56	51,67	1,589,03
Additions/FCTR	-	-	0,22	219,82	0,03	4,71	0,26	-	225,04
Sub-total	48,89	10,78	136,87	1,546,02	4,81	13,21	1,82	51,67	1,814,07
Sales / deletion	-	-	-	(5,79)	(0,06)	(0,21)	(0,08)	-	(6,14)
Total	48,89	10,78	136,87	1,540,23	4,75	13,00	1,74	51,67	1,807,93
Depreciation/FCTR									
Upto 31-03-2022	-	1,00	10,81	168,23	1,38	2,47	0,04	15,51	199,44
For the year	-	0,50	5,42	129,75	0,51	2,20	0,09	5,17	143,64
Sub-total	-	1,50	16,23	297,98	1,89	4,67	0,13	20,68	343,08
Withdrawn on assets sold / deleted	-	-	-	(5,33)	(0,05)	(0,19)	(0,08)	-	(5,65)
Total	-	1,50	16,23	292,65	1,84	4,48	0,05	20,68	337,43
Net Carrying amount									
As at 31-03-2023	48,89	9,28	120,64	1,247,58	2,91	8,52	1,69	30,99	1,470,50
CAPITAL WORK-IN-PROGRESS (AT COST)								2022-23	2021-22
(a) Building								26,85	0,14
(b) Plant & equipment								47,87	62,68
(c) Others								3,09	1,58
Total								77,81	64,40

Ageing of Capital work-in- progress as on 31st March 2023:

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	76,95	-	0,56	0,30	77,81

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)									
NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET									
2- Property, Plant & Equipment									
(Rs In Crores)									
Description	As on 31.03.2022								
	Freehold land	Lease hold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	ROU	Total
	1	2	3	4	5	6	7	8	9
Gross block *									
As at 01-04-2021	48.89	10.78	136.20	555.24	4.68	5.04	1.63	51.67	814.13
Additions/FCTR			0.45	785.41	0.10	3.61	-		789.57
Sub-total	48.89	10.78	136.65	1,340.65	4.78	8.65	1.63	51.67	1,603.70
Sales / deletion			-	(14.45)	-	(0.15)	(0.07)		(14.67)
Total	48.89	10.78	136.65	1,326.20	4.78	8.50	1.56	51.67	1,589.03
Depreciation/FCTR									
Upto 31-03-2021	-	0.50	5.40	60.93	0.71	1.00	-	10.34	78.88
For the year		0.50	5.41	117.15	0.67	1.61	0.11	5.17	130.62
Sub-total	-	1.00	10.81	178.08	1.38	2.61	0.11	15.51	209.50
Withdrawn on assets sold / deleted	-	-	-	(9.85)	-	(0.14)	(0.07)	-	(10.06)
Total	-	1.00	10.81	168.23	1.38	2.47	0.04	15.51	199.44
Net Carrying amount									
As at 31-03-2022	48.89	9.78	125.84	1,157.97	3.40	6.03	1.52	36.16	1,389.59

* For the purpose of restated financials, the net block as on 31st March 2020 has been considered as the opening gross block of assets on 1st April 2020. For the purpose of this proforma financials the closing gross block as on 31st March 2021 as per restated financials has been carried over as the opening gross block on 1st April 2021.

CAPITAL WORK-IN-PROGRESS (AT COST)	2021-22	2020-21
(a) Building	0.14	0.10
(b) Plant & equipment	62.68	734.66
(c) Others	1.58	2.08
Total	64.40	736.84

Ageing of Capital work-in-progress as on 31st March 2022:					
Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	63.55	0.53	-	0.32	64.40

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)			
NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET			(Rs in Crores)
3 - Intangible Assets:			
Particulars	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024	Proforma condensed combined financial information as on 31.03.2023	Proforma condensed combined financial information as on 31.03.2022
Software			
Gross block			
As at the beginning of the year	13.35	13.31	12.41
Additions	0.34	0.89	0.90
Sub-total	13.69	14.20	13.31
Sales / deletion	-	(0.85)	-
Total	13.69	13.35	13.31
Depreciation			
As at the beginning of the year	12.62	12.73	12.13
For the year	0.58	0.74	0.60
Sub-total	13.20	13.47	12.73
Withdrawn on assets sold / deleted	-	(0.85)	-
Total	13.20	12.62	12.73
Net Carrying amount			
As at the end of the year	0.49	0.73	0.58

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET

4(a) Non Current Investments

Sl. No.	Name of the body corporate	Subsidiary / associate	Valuation Method	No. of shares / units			Face Value	Currency	Partly paid / fully paid	(Rs In Crores)		
				Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024	Proforma condensed combined financial information as on 31.03.2023	Proforma condensed combined financial information as on 31.03.2022				Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024	Proforma condensed combined financial information as on 31.03.2023	Proforma condensed combined financial information as on 31.03.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	Investment in Equity Instruments fair valued through OCI											
	Unquoted :											
(i)	Green Infra BTV Limited, New Delhi (formerly known as TVS Energy Limited)	Others	Cost - PYGC	45,00,000	45,00,000	45,00,000	10,00	INR	Fully paid	4.50	4.50	4.50
(ii)	Sai Regency Power Corporation Private Limited, Chennai	Others	Cost - PYGC	3,75,000	3,75,000	3,75,000	10,00	INR	Fully paid	0.38	0.38	0.38
(iii)	Clean Max Genesis Pvt Ltd	Others	Cost - PYGC	58,224			10,00	INR	Fully paid	11.22	-	-
(iv)	Nagai Power Private Limited	Others	Cost - PYGC	1,33,010	1,33,010	1,33,010	10,00	INR	Fully paid	0.13	0.13	0.13
	Quoted:											
(i)	Tulsyan NEC Limited, Chennai	Others	Cost - PYGC	1,63,125	1,63,125	1,63,125	10,00	INR	Fully paid	0.50	0.50	0.50
	Total value of Equity Instruments (a)									16.73	5.51	5.51
(b)	Other non-current Investments											
(i)	ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai	Others	FV - AC					INR	Fully paid	1.18	0.66	0.75
(ii)	Life Insurance Corporation Pension Policy, Chennai	Others	FV - AC					INR	Fully paid	7.05	2.55	3.23
	Total value of Other non-current Investments (b)									8.23	3.21	3.98
	Total (a) + (b)									24.96	8.72	9.49
	Aggregate amount of quoted and unquoted investments									24.96	8.72	9.49
	Aggregate amount of impairment in value of investments									(0.37)	-	-
	Total									24.59	8.72	9.49

The values have been arrived using the management's best estimate of the fair value of the fund. These values may not materially differ from the actuals.

Note 4(b) Investments accounted using equity method

Sl. No.	Particulars	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024	Proforma condensed combined financial information as on 31.03.2023	Proforma condensed combined financial information as on 31.03.2022
(1)	Sundram Non Conventional Energy Systems Limited, Chennai (1,17,650 Equity Shares of Face Value Rs 10 each fully paid up)	1.31	0.95	0.98
	Total	1.31	0.95	0.98

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
 NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET

(Rs In Crores)

Note	Particulars	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2023 (A)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2023 (B)	Proforma condensed combined financial information as on 31.03.2023 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2022 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2022 (E)	Proforma condensed combined financial information as on 31.03.2022 (F = D + E)
5	Other Financial Assets							
	Non-current							
	Rental deposits	9.53	8.92	-	8.92	8.36	-	8.36
	Derivatives (Forwards,POS,Call spread,IRS)	-	-	-	-	3.54	-	3.54
	Total	9.53	8.92	-	8.92	11.90	-	11.90
	Current							
	Unsecured, Considered Good :							
	Employee Advances	3.65	2.20	-	2.20	2.90	-	2.90
	Claims receivable	17.88	1.21	-	1.21	1.18	-	1.18
	Derivatives (Forwards,POS,Call spread,IRS)	0.52	5.98	-	5.98	1.55	-	1.55
	Duty Drawback receivable	4.40	0.78	-	0.78	1.88	-	1.88
	Total	26.45	10.17	-	10.17	7.51	-	7.51
6	Other non-current assets							
	Capital advances	25.70	16.12	-	16.12	14.75	-	14.75
	Advances - other than capital advances:							
	Statutory and other deposits	23.10	12.76	-	12.76	9.25	-	9.25
	Prepaid expenses	2.92	15.33	-	15.33	9.33	-	9.33
	Accrued lease rental asset	0.33	-	-	-	-	-	-
	Total other non-current assets	52.05	44.21	-	44.21	33.33	-	33.33
7	Inventories (at weighted average cost or net realisable value whichever is less)							
	Raw materials and components	36.33	56.51	-	56.51	35.71	-	35.71
	Goods-in-transit - Raw materials and components	6.10	-	-	-	0.20	-	0.20
	Work-in-progress	35.89	41.33	-	41.33	36.96	-	36.96
	Finished goods	221.45	197.97	-	197.97	200.33	-	200.33
	Stores and spares	70.90	115.17	-	115.17	120.97	-	120.97
	Total Inventories	370.67	410.98	-	410.98	394.17	-	394.17
8	Trade receivables							
	Secured, considered good	-	-	-	-	-	-	-
	Unsecured, considered good	292.88	252.29	-	252.29	266.83	-	266.83
	Doubtful	9.84	8.41	-	8.41	3.60	-	3.60
	Sub total	302.72	260.70	-	260.70	270.43	-	270.43
	Less: Loss Allowance	9.84	8.41	-	8.41	3.60	-	3.60
	Total Trade Receivables	292.88	252.29	-	252.29	266.83	-	266.83
9	Cash and cash equivalents							
	Balances with banks	14.29	20.65	-	20.65	40.47	-	40.47
	Transferred as a part of Composite scheme of arrangement	-	83.00	-	83.00	83.00	-	83.00
	Balance with term deposits	0.10	0.10	-	0.10	0.10	-	0.10
	Cash on hand	0.03	-	-	-	0.04	-	0.04
	Total Cash and cash equivalents	14.42	103.75	-	103.75	123.61	-	123.61
10	Other Bank Balances							
	Earmarked balances with banks (including unpaid dividend)	10.42	-	-	-	-	-	-
	Total Other Bank balances	10.42	-	-	-	-	-	-
11	Other current assets							
	Indirect taxes receivable	25.80	0.78	-	0.78	0.29	-	0.29
	Prepaid expenses	7.29	7.49	-	7.49	5.71	-	5.71
	Vendor advances	26.02	11.37	-	11.37	7.11	-	7.11
	Export incentives receivable	1.13	0.44	-	0.44	9.84	-	9.84
	Employee benefit assets	1.11	2.67	-	2.67	-	-	-
	Statutory deposits	6.27	-	-	-	-	-	-
	Total other current assets	67.62	22.75	-	22.75	22.95	-	22.95

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)							
NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET							
12 - Share Capital						(Rs In Crores)	
(a)	Details of authorised, issued and subscribed share capital						
(i)	<u>Equity Share Capital</u>						
	Particulars	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024		Proforma condensed combined financial information as on 31.03.2023		Proforma condensed combined financial information as on 31.03.2022	
		No: of shares	Amount	No: of shares	Amount	No: of shares	Amount
	<u>Authorised Capital</u>						
	Equity Shares of Rs.5/- each	2,50,00,000	12.50	2,50,00,000	12.50	2,50,00,000	12.50
	<u>Issued, Subscribed & Paid up Capital</u>						
	New Equity Shares of the resulting company of Rs.5/- each	2,02,32,104	10.12	2,02,32,104	10.12	2,02,32,104	10.12
		2,02,32,104	10.12	2,02,32,104	10.12	2,02,32,104	10.12
(ii)	<u>Preference Share Capital</u>						
	Particulars	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024		Proforma condensed combined financial information as on 31.03.2023		Proforma condensed combined financial information as on 31.03.2022	
		No: of shares	Amount	No: of shares	Amount	No: of shares	Amount
	<u>Authorised Preference share Capital</u>						
	Preference Shares of Rs.10/- each	25,00,000	2.50	25,00,000	2.50	25,00,000	2.50
	<u>Issued, Subscribed & Paid up Capital</u>						
	0.1% Cumulative Non-convertible Redeemable Preference Shares of Resulting Company (NCRPS)	8,73,032	0.87	8,73,032	0.87	8,73,032	0.87
		8,73,032	0.87	8,73,032	0.87	8,73,032	0.87
	Note: The company has issued NCRPS by utilising the reserves as per Composite Scheme of Arrangement, the same has been accounted as financial liability as per "Ind AS -32 Financial Instruments: Presentation" and disclosure under Current borrowings (refer note: 19)						

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)						
NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET						
12 - Share Capital						(Rs In Crores)
(b) Reconciliation of shares outstanding at the beginning and at the end of the year						
(i) <u>Equity Share Capital</u>						
Particulars	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024		Proforma condensed combined financial information as on 31.03.2023		Proforma condensed combined financial information as on 31.03.2022	
	No: of shares	Amount	No: of shares	Amount	No: of shares	Amount
Shares outstanding at the beginning of the year	2,02,32,104	10.12	2,02,32,104	10.12	2,02,32,104	10.12
Shares Issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	2,02,32,104	10.12	2,02,32,104	10.12	2,02,32,104	10.12
(ii) <u>Preference Share Capital</u>						
Particulars	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024		Proforma condensed combined financial information as on 31.03.2023		Proforma condensed combined financial information as on 31.03.2022	
	No: of shares	Amount	No: of shares	Amount	No: of shares	Amount
Shares outstanding at the beginning of the year	8,73,032	0.87	8,73,032	0.87	8,73,032	0.87
Shares Issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	8,73,032	0.87	8,73,032	0.87	8,73,032	0.87

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)									
NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET									
12 - Share Capital								(Rs In Crores)	
(c) i) Rights and preferences attached to equity share:									
Every shareholder is entitled to such rights as to attend the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act 2013.									
There are no restrictions attached to equity shares.									
ii) Rights attached to NCRPS share:									
The NCRPS do not have voting rights other than in respect of matters directly affecting it.									
(d) Details of shares held by holding/ultimate holding/subsidiaries/associates of holding company at the end of the year for Equity Capital and Preference Share Capital									
(i) Equity Share Capital									
Name of Shareholder	Relationship	Class of Share	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024		Proforma condensed combined financial information as on 31.03.2023		Proforma condensed combined financial information as on 31.03.2022		
			No: of shares	% of Holding	No: of shares	% of Holding	No: of shares	% of Holding	
Mr Venu Srinivasan, representing VS Trust	Controlling Entity	Equity	1,03,23,122	51.02	1,03,23,122	51.02	1,03,23,122	51.02	
(ii) Preference Share Capital									
Name of Shareholder	Relationship	Class of Share	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024		Proforma condensed combined financial information as on 31.03.2023		Proforma condensed combined financial information as on 31.03.2022		
			No: of shares	% of Holding	No: of shares	% of Holding	No: of shares	% of Holding	
Mr Venu Srinivasan, representing VS Trust	Controlling Entity	Preference	NIL						

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET

12 - Share Capital

(Rs In Crores)

(e) **Details of shareholders holding more than five percent at the end of the year (other than 12 (d)) above**

Name of Shareholder	Class of Share	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024		Proforma condensed combined financial information as on 31.03.2023		Proforma condensed combined financial information as on 31.03.2022	
		No: of shares	% of Holding	No: of shares	% of Holding	No: of shares	% of Holding
SBI Long Term Equity Fund	Equity	19,21,616	9.50	-	-	-	-
Sundaram Finance Holdings Limited- Chennai		15,14,378	7.49	15,14,378	7.49	15,14,378	7.49
Mr Venu Srinivasan		-	-	23,82,847	11.78	23,82,847	11.78

Name of Shareholder	Class of Share	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024		Proforma condensed combined financial information as on 31.03.2023		Proforma condensed combined financial information as on 31.03.2022	
		No: of shares	% of Holding	No: of shares	% of Holding	No: of shares	% of Holding
Sundaram Finance Holdings Limited- Chennai	Preference	1,75,667	20.12	1,75,667	20.12	1,75,667	20.12
Aditya Birla Sun Life Mutual Fund		85,923	9.84	88,060	10.09	88,060	10.09
Govindlal M Parikh		53,114	6.08	53,114	6.08	53,114	6.08

(f) **Details of shares held by promoters**

Name of the Promoters	Class of Share	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024		Proforma condensed combined financial information as on 31.03.2023		Proforma condensed combined financial information as on 31.03.2022	
		No: of shares	% of Holding	No: of shares	% of Holding	No: of shares	% of Holding
Mr Venu Srinivasan, representing VS Trust	Equity	1,03,23,122	51.02	1,03,23,122	51.02	1,03,23,122	51.02
Mr Venu Srinivasan		9,66,600	4.78	23,82,847	11.78	23,82,847	11.78

Name of the Promoters	Class of Share	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024		Proforma condensed combined financial information as on 31.03.2023		Proforma condensed combined financial information as on 31.03.2022	
		No: of shares	% of Holding	No: of shares	% of Holding	No: of shares	% of Holding
Mr Venu Srinivasan, representing VS Trust	Preference						
Mr Venu Srinivasan							

NIL

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
 NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET

(Rs In Crores)

13 - Other equity

Particulars	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2023 (A)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2023 (B)	Proforma condensed combined financial information as on 31.03.2023 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2022 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2022 (E)	Proforma condensed combined financial information as on 31.03.2022 (F = D + E)
General reserve	224,84	224,90	-	224,90	224,90	-	224,90
Retained earnings	116,47	46,21	(0,01)	46,20	206,54	(0,01)	206,53
Capital Reserve	145,50	395,63	-	395,63	95,52	-	95,52
Other reserves	103,23	97,24	-	97,24	20,30	-	20,30
Total reserves and surplus	590,04	763,98	(0,01)	763,97	547,26	(0,01)	547,25
Non-controlling interest	-			-	291,31	-	291,31

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET

(Rs In Crores)

14 - Long Term Borrowings

Description	Security	No. of instal-ments due	Frequency	Maturity	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2023 (A)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2023 (B)	Proforma condensed combined financial information as on 31.03.2023 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2022 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2022 (E)	Proforma condensed combined financial information as on 31.03.2022 (F = D + E)
<u>Secured:</u>											
Rupee Term loan I		NA	Quarterly	Dec-22			-	-	24.92	-	24.92
Foreign Currency Non-resident Borrowings (FCNR(B)) I	First and exclusive charge on specific plant and equipments of the Company,	NA	Half yearly	Sep-22			-	-	15.16	-	15.16
External Commercial Borrowing II (ECB II)		4	Quarterly	Feb-24	-	40.72	-	40.72	75.43	-	75.43
State owned corporation		1	Bullet payment	Apr-31	8.78	8.12	-	8.12	7.51	-	7.51
Rupee Term loan II	First pari passu charge - 50% security on plant and machinery	15	Quarterly	Dec-27	130.00	75.00	-	75.00		-	-
Foreign Currency Non-resident Borrowings (FCNR(B)) III	Hypothecation of all current assets	19	Quarterly	Dec-28	95.49	114.50	-	114.50	134.25	-	134.25
USD Term Loan - HSBC Singapore	Pari passu charge on fixed assets	9	Half yearly	Dec-24	88.32	173.97	-	173.97	220.84	-	220.84
USD Term Loan - Axis bank	Pari passu charge on fixed assets	1	Bullet payment	Jun-24	244.85	196.29	-	196.29		-	-
<u>Unsecured:</u>											
Non Convertible Debentures		2	Yearly	Aug-25	99.99	99.85	-	99.85	99.70	-	99.70
Rupee Term loan III		18	Quarterly	Sep-27	162.04	175.98	-	175.98	185.14	-	185.14
Rupee Term loan IV		8	Quarterly	Mar-27	137.62		-	-		-	-
USD Term Loan - HSBC Gift city		1	Bullet payment	Apr-24	66.72		-	-		-	-
Total Borrowings :					1,033.81	884.43	-	884.43	762.95	-	762.95
Less : Current Maturities of long-term borrowings (Refer Note No. 19)					278.34	85.25		85.25	167.88		167.88
Total Long-term Borrowings					755.47	799.18	-	799.18	595.07	-	595.07

Amount payable in each instalment other than bullet repayments:

Description	Currency	Type of Repayments	Interest
Rupee Term loan I	INR	8.34 Crores	MCLR plus Margin
Rupee Term loan II	INR	Structured instalments	3M Tbill + Margin
Rupee Term loan III	INR	Structured instalments	MCLR plus Margin
Foreign Currency Non-resident Borrowings (FCNR(B)) I	USD	2 Million	Overnight LIBOR plus Margin
Foreign Currency Non-resident Borrowings (FCNR(B)) III	USD	Structured instalments	6 Months SOFR plus margin
External Commercial Borrowing II (ECB II)	USD	1.25 Million	3 Month LIBOR plus Margin
Non Convertible Debentures	INR	50 Crores - from Aug-24	7.65%
Rupee Term Loan IV	INR	Structured instalments	8.00%
USD Term Loan - HSBC Singapore	USD	Structured instalments	6 Months SOFR plus margin
USD Term Loan - HSBC Gilt city	USD	USD 8 Million in Apr 24	1 Month SOFR plus margin
USD Term Loan - Axis bank	USD	USD 30 Million in Jun 24	3 Months SOFR plus margin

NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET

Note	Particulars	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2023 (A)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2023 (B)	Proforma condensed combined financial information as on 31.03.2023 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2022 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2022 (E)	Proforma condensed combined financial information as on 31.03.2022 (F = D + E)
15	Other financial liabilities							
	Non current							
	Derivatives	-		-	-	0.71	-	0.71
	Others (Subsidiaries)		10.68		10.68	9.85		9.85
		-	10.68	-	10.68	10.56	-	10.56
	Current							
	Interest accrued but not due on loans	9.21	7.56	-	7.56	9.57	-	9.57
	Unpaid Dividends	10.42	-	-	-	-	-	-
	Employee related liabilities	37.36	44.28	-	44.28	21.31	-	21.31
	Liabilities for expenses	-	0.69	-	0.69	0.06	-	0.06
	Derivatives	0.52	0.37	-	0.37	0.18	-	0.18
	Total other current financial liabilities	57.51	52.90	-	52.90	31.12	-	31.12

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
 NOTES TO PROFORMA CONDENSED COMBINED BALANCE SHEET

(Rs in Crores)

Note	Particulars	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024		Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2023 (A)		Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2023 (B)		Proforma condensed combined financial information as on 31.03.2023 (C = A+B)		Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2022 (D)		Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2022 (E)		Proforma condensed combined financial information as on 31.03.2022 (F = D + E)	
		Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
		16	Provisions												
	Employee benefits														
	(a) Pension	3.45	5.94	2.91	4.66	-	-	2.91	4.66	4.12	4.32	-	-	4.12	4.32
	(b) Leave salary	0.79	7.92	0.59	6.42	-	-	0.59	6.42	1.05	7.02	-	-	1.05	7.02
	(c) Gratuity	-	-	-	-	-	-	-	-	-	4.71	-	-	-	4.71
		4.24	13.86	3.50	11.08	-	-	3.50	11.08	5.17	16.05	-	-	5.17	16.05
	Others														
	(a) Warranty	3.93	-	3.84	-	-	-	3.84	-	3.21	-	-	-	3.21	-
	(b) Disputed tax provided for	10.48	-	2.24	-	-	-	2.24	-	-	-	-	-	-	-
	(c) Customer provisions	27.82	-	-	-	-	-	-	-	-	-	-	-	-	-
	(d) Other provisions	-	4.00	-	-	-	-	-	-	-	-	-	-	-	-
	Total	46.47	17.86	9.58	11.08	-	-	9.58	11.08	8.38	16.05	-	-	8.38	16.05

Note	Particulars	Audited Consolidated Financial Statements of Sundaram-Clayton Limited as on 31.03.2024	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2023 (A)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2023 (B)	Proforma condensed combined financial information as on 31.03.2023 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) as on 31.03.2022 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) as on 31.03.2022 (E)	Proforma condensed combined financial information as on 31.03.2022 (F = D + E)
17	Deferred tax liabilities / (assets)							
	The balance comprises temporary differences attributable to:							
	Depreciation	29.68	33.93	-	33.93	40.24	-	40.24
	Employee benefits	(4.44)	(2.80)	-	(2.80)	(5.36)	-	(5.36)
	Financial assets & Financial liabilities	(3.77)	(5.04)	-	(5.04)	(3.45)	-	(3.45)
	Others (Including Carried forward loss)	(4.53)	1.65	-	1.65	1.65	-	1.65
	Total deferred tax liabilities / (assets)	16.94	27.74	-	27.74	33.08	-	33.08
18	Other liabilities							
	Non-current							
	Government Grant - Deferred income	10.84	-	-	-	-	-	-
	Total other non-current liabilities	10.84	-	-	-	-	-	-
	Current							
	Statutory dues	6.08	0.06	-	0.06	1.48	-	1.48
	Advance received from customers	30.82	17.80	-	17.80	18.56	-	18.56
	Government Grant - Deferred income	1.52	1.52	-	1.52	1.17	-	1.17
	Other Payables	13.44	-	-	-	-	-	-
	Total other current liabilities	51.86	19.38	-	19.38	21.21	-	21.21
19	Financial Liabilities - Borrowings (Current)							
	0.1% Non Convertible Redeemable Preference Shares (Refer Note 12)	0.87	0.87	-	0.87	0.87	-	0.87
	Repayable on demand from banks							
	Secured	225.21	140.52	-	140.52	66.97	-	66.97
	Unsecured	157.48	56.02	-	56.02	123.56	-	123.56
	Current maturities of Long term borrowings	278.34	85.25	-	85.25	167.88	-	167.88
	Total Borrowings under Current Liabilities	661.90	282.66	-	282.66	359.28	-	359.28
	Details of securities created for secured loans repayable on demand:							
	First charge by way of hypothecation and / or pledge of all current assets viz., inventories of raw materials, semi finished and finished goods, stores and spares, bills receivable, book debts and all other current assets							
20	Trade payables							
	Current							
	Dues to Micro and Small Enterprises	22.53	25.02	-	25.02	10.08	-	10.08
	Dues to enterprises other than Micro and Small Enterprises	421.88	374.48	0.01	374.49	356.26	0.01	356.27
	Total Trade payables	444.41	399.50	0.01	399.51	366.34	0.01	366.35

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO PROFORMA CONDENSED COMBINED STATEMENT OF PROFIT AND LOSS

(Rs In Crores)

Note	Particulars	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) - For the period from 1st April 2023 to 10th Aug 2023 (A)	Audited Consolidated Financial Statements of Sundaram-Clayton Limited (B)	Proforma condensed combined financial information for the year ended 31.03.2024 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2023 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2023 (E)	Proforma condensed combined financial information for the year ended 31.03.2023 (F = D+E)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2022 (G)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2022 (H)	Proforma condensed combined financial information for the year ended 31.03.2022 (I = G+H)
21	Revenue from operations									
	Sale of products	760.96	1,401.33	2,162.29	2,025.82	-	2,025.82	1,657.17	-	1,657.17
	Sale of services			-	0.13	-	0.13	0.13	-	0.13
	Other operating revenue	8.60	13.98	22.58	26.83	-	26.83	35.12	-	35.12
	Total revenue	769.56	1,415.31	2,184.87	2,052.78	-	2,052.78	1,692.42	-	1,692.42
22	Other income									
	Dividend income									
	(i) From subsidiary			-	-	-	-	-	-	-
	(ii) From others		0.42	0.42	-	-	-	-	-	-
	Interest income	0.80	1.03	1.83	0.97	-	0.97	1.08	-	1.08
	Gain on foreign currency transactions and translation	-	5.57	5.57	8.89	-	8.89	2.42	-	2.42
	Net gain on sale of Investments	-	-	-	0.08	-	0.08	-	-	-
	Profit on sale of Property, Plant & Equipment	0.07	0.20	0.27	0.26	-	0.26	0.11	-	0.11
	Lease Income	1.32	2.68	4.00	-	-	-	-	-	-
	Miscellaneous Income		23.98	23.98	-	-	-	-	-	-
	Total other income	2.19	33.88	36.07	10.20	-	10.20	3.61	-	3.61
23	Cost of Materials consumed:									
	Opening stock of raw materials and components	56.51	40.06	56.51	35.71	-	35.71	29.29	-	29.29
	Add: Purchases	409.20	760.22	1,169.42	1,151.43	-	1,151.43	962.46	-	962.46
		465.71	800.28	1,225.93	1,187.14	-	1,187.14	991.75	-	991.75
	Less: Closing stock of raw materials and components	40.06	36.33	36.33	56.51	-	56.51	35.71	-	35.71
	Consumption of raw materials and components	425.65	763.95	1,189.60	1,130.63	-	1,130.63	956.04	-	956.04
24	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade:									
	Opening stock:									
	Work-in-progress	41.33	49.52	41.33	36.96	-	36.96	22.44	-	22.44
	Finished goods	197.97	200.31	197.97	200.33	-	200.33	129.52	-	129.52
	Total - (A)	239.30	249.83	239.30	237.29	-	237.29	151.96	-	151.96
	Closing stock:									
	Work-in-progress	49.52	35.89	35.89	41.33	-	41.33	36.96	-	36.96
	Finished goods	200.31	221.45	221.45	197.97	-	197.97	200.33	-	200.33
	Total - (B)	249.83	257.34	257.34	239.30	-	239.30	237.29	-	237.29
	Total (A)-(B)	(10.53)	(7.51)	(18.04)	(2.01)	-	(2.01)	(85.33)	-	(85.33)

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO PROFORMA CONDENSED COMBINED STATEMENT OF PROFIT AND LOSS

(Rs In Crores)

Note	Particulars	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) - For the period from 1st April 2023 to 10th Aug 2023 (A)	Audited Consolidated Financial Statements of Sundaram-Clayton Limited (B)	Proforma condensed combined financial information for the year ended 31.03.2024 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2023 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2023 (E)	Proforma condensed combined financial information for the year ended 31.03.2023 (F = D+E)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2022 (G)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2022 (H)	Proforma condensed combined financial information for the year ended 31.03.2022 (I = G+H)
25	Employee benefit expense									
	Salaries, wages and bonus	95.44	189.60	285.04	242.65	-	242.65	164.38	-	164.38
	Contribution to provident and other funds	6.97	8.99	15.96	4.79	-	4.79	(1.98)	-	(1.98)
	Welfare expenses	13.16	24.27	37.43	30.43	-	30.43	33.44	-	33.44
	Total employee benefit expense	115.57	222.86	338.43	277.87	-	277.87	195.84	-	195.84
26	Finance Costs									
	Interest	31.39	56.91	88.30	57.83	-	57.83	42.90	-	42.90
	Interest on lease liabilities	0.45	0.41	0.86	1.94	-	1.94	2.94	-	2.94
	Other borrowing costs	0.09	0.15	0.24	0.28	-	0.28	0.55	-	0.55
	Total finance costs	31.93	57.47	89.40	60.05	-	60.05	46.39	-	46.39
27	Depreciation and amortisation expense									
	Depreciation on Property, Plant and Equipment	46.94	98.35	145.29	137.25	-	137.25	124.06	-	124.06
	Depreciation on Right-to-use asset	3.06	4.16	7.22	5.39	-	5.39	5.56	-	5.56
	Amortisation on Intangible assets	0.17	0.41	0.58	0.74	-	0.74	0.60	-	0.60
	Amortisation on leasehold land	0.02	0.32	0.34	0.50	-	0.50	0.50	-	0.50
	Total depreciation and amortisation expense	50.19	103.24	153.43	143.88	-	143.88	130.72	-	130.72
28	Other expenses *									
	(a) Consumption of stores, spares and tools	32.32	53.64	85.96	73.64	-	73.64	74.67	-	74.67
	(b) Power and fuel	56.87	96.42	153.29	128.22	-	128.22	112.07	-	112.07
	(c) Repairs - buildings	8.13	16.85	24.98	16.12	-	16.12	14.60	-	14.60
	(d) Repairs - plant and equipment	22.94	55.08	78.02	44.24	-	44.24	42.17	-	42.17
	(e) Repairs - others	0.32	0.46	0.78	0.60	-	0.60	0.35	-	0.35
	(f) Insurance	3.79	9.05	12.84	7.75	-	7.75	7.51	-	7.51
	(g) Rates and taxes (excluding taxes on income)	4.03	11.67	15.70	1.78	-	1.78	5.83	-	5.83
	(h) Audit fees	0.23	1.07	1.30	0.68	-	0.68	0.71	-	0.71
	(i) Packing and freight charges	30.59	77.30	107.89	98.44	-	98.44	110.39	-	110.39
	(j) Loss on sale of Property, plant & equipment	0.05	0.01	0.06	-	-	-	3.89	-	3.89
	(k) Decrease in Fair value of Financial Assets	-	-	-	-	-	-	0.40	-	0.40
	(l) Miscellaneous expenses (under this head there is no expenditure which is in excess of 1% of revenue from operations or Rs.10 lakh, whichever is higher)	39.64	83.62	123.26	150.42	-	150.42	63.76	0.01	63.77
	Total other expenses	198.91	405.17	604.08	521.89	-	521.89	436.35	0.01	436.36
	* Net of recoveries and claims made									
28A	Exceptional items									
	One time voluntary separation costs	(5.07)	(1.60)	(6.67)	(17.10)	-	(17.10)	(13.48)	-	(13.48)
	Total exceptional items	(5.07)	(1.60)	(6.67)	(17.10)	-	(17.10)	(13.48)	-	(13.48)
29	Current Tax									
	Current tax on profits for the year	9.23	27.04	36.27	27.48	-	27.48	16.54	-	16.54
	Total current tax	9.23	27.04	36.27	27.48	-	27.48	16.54	-	16.54

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO PROFORMA CONDENSED COMBINED STATEMENT OF PROFIT AND LOSS

(Rs In Crores)

Note	Particulars	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) - For the period from 1st April 2023 to 10th Aug 2023 (A)	Audited Consolidated Financial Statements of Sundaram-Clayton Limited (B)	Proforma condensed combined financial information for the year ended 31.03.2024 (C = A+B)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2023 (D)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2023 (E)	Proforma condensed combined financial information for the year ended 31.03.2023 (F = D+E)	Restated FS of Sundaram-Clayton Limited (Die-Casting Division) for the year ended 31.03.2022 (G)	Audited Standalone Financial Statements of Sundaram-Clayton Limited (Formerly known as Sundaram-Clayton DCD Limited) for the year ended 31.03.2022 (H)	Proforma condensed combined financial information for the year ended 31.03.2022 (I = G+H)
30	Deferred tax									
	Decrease (increase) in deferred tax assets	(0.85)	(0.66)	(1.51)	(6.29)	-	(6.29)	5.97	-	5.97
	(Decrease) increase in deferred tax liabilities	(3.71)	(3.62)	(7.33)	0.19	-	0.19	(3.26)	-	(3.26)
	Total deferred tax expense / (benefit)	(4.56)	(4.28)	(8.84)	(6.10)	-	(6.10)	2.71	-	2.71
31	Earnings per share									
	(a) Basic and diluted earnings per share									
	Basic and diluted earnings per share attributable to the equity holders of the Company (Rs.)			(83.74)			(53.31)			(8.21)
	(b) Earnings used in calculating earnings per share									
	Basic and diluted earnings per share			(169.42)			(107.84)			(16.60)
	Profit attributable to equity holders of the company used in calculating basic earnings per share			2,02,32,104			2,02,32,104			2,02,32,104
	(c) Weighted average number of equity shares used as the denominator in calculating basic earnings per share									

VIVEK SHRIPA
D JOSHI

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VIVEK S JOSHI
Director & CEO
DIN: 09522758

AJAY KUMAR

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AJAY KUMAR
Chief Financial Officer

PONNERI DIVAKAR DEVKISHAN

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P D DEV KISHAN
Company Secretary

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007781S
V SATHYANA RAYANAN

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V SATHYANARAYANAN
Partner
Membership No. 027716
Date : 3rd October 2024

Date : 3rd October 2024

Notes to Proforma Condensed Combined Financial Information

1.

A. Brief description of the Company

Sundaram-Clayton Limited ('the Company') is a public limited company incorporated in India whose shares are publicly traded. The registered office is located at "Chaitanya", 12, Khader Nawaz Khan Road, Nungambakkam Chennai – 600006, Tamil Nadu, India. The Company together with its subsidiaries and associates (collectively referred to as the "Group") operate in the activities of manufacturing automotive components.

During the year 2023-2024, the entire die cast manufacturing business of TVS Holdings Limited (formerly known as Sundaram-Clayton Limited) was demerged, transferred and vested into Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) effective 11th August 2023 on going concern basis in accordance with the Composite Scheme of Arrangement ("Scheme") sanctioned by the Hon'ble National Company Law Tribunal, Chennai Bench ("NCLT") vide its Order dated 6th March 2023.

B. Purpose and basis of preparation

The Proforma Condensed Combined Financial Information have been prepared by the management of the Company for the purpose of inclusion in the Preliminary Placement Document and the Placement Document in connection with proposed Qualified Institutional Placement of equity shares of the Company.

The purpose of preparing the Proforma Condensed Combined Financial Information is to indicate the results of operations that would have resulted had the scheme been effective from the beginning of the period presented i.e., 1st April, 2021, but is not intended to be indicative of expected results or operations in the future periods or the future financial position of the Company. The Company believes that such information is important for the investors for evaluating the financial performance of the company as a whole.

The Proforma Condensed Combined Financial Information have been approved by the Management on October 3, 2024.

The Proforma Condensed Combined Financial Information comprises the proforma condensed combined balance sheet as at March 31, 2024, March 31, 2023 and March 31, 2022 and proforma condensed combined statement of profit and loss, proforma condensed combined cash flow statement and proforma condensed combined statement of changes in equity for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 and selected explanatory notes (collectively hereinafter referred as "Proforma Condensed Combined Financial Information").

C. Statement of compliance, basis of measurement and estimates

a. Basis of measurement

The Proforma Condensed Combined Financial Information have been prepared on a historical cost convention, using the accrual basis of accounting, except for the following material items that have been measured at fair value, as required by the relevant Ind AS:-

- i) Certain financial assets and liabilities are measured at fair value
- ii) Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations.

b. Use of estimates

In preparation of these Proforma Condensed Combined Financial Information, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively.

Sundaram-Clayton Limited
(Formerly known as Sundaram- Clayton DCD
Limited)

The Condensed Combined Financial Information for the Quarter
ended June 30, 2024

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF SUNDARAM-CLAYTON LIMITED (formerly Sundaram-Clayton DCD Limited)

Report on the Interim Condensed Consolidated Financial Statements

Opinion

We have reviewed the accompanying interim condensed consolidated financial statements of **Sundaram-Clayton Limited** (formerly Sundaram-Clayton DCD Limited) (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") and its share of net profit of associate prepared by the Company's Management, which comprise the Condensed Consolidated Balance Sheet as at **June 30, 2024**, the Condensed Consolidated Statement of Profit and Loss (including other comprehensive income), the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Statement of Cash Flows for the quarter ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "Interim Condensed Consolidated Financial Statements").

Responsibilities of Management and Those Charged with Governance for the Interim Condensed Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Interim Condensed Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive loss, consolidated changes in equity and consolidated cash flows of the Group in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013, as amended ("Act") other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Interim Condensed Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Interim Condensed Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Interim Condensed Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the each of the companies in the Group and its associate, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its associate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.



Auditors' Responsibilities

Our responsibility is to express a conclusion on the Interim Condensed Consolidated Financial Statements based on our review. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 'Review of Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India.

A review consists of making inquiries primarily of Company personnel responsible for financial and accounting matters, and applying analytical and other review procedures to financial data. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing, the objective of which is the expression of an opinion on the truth and fairness of the financial statements taken as a whole, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Conclusion

Based on our review conducted as above and to the best of our information and according to the explanations given to us, nothing has come to our attention that causes us to believe that the accompanying Interim Condensed Consolidated Financial Statements of the Company has not been prepared, in all material respects in accordance with the recognition and measurement principles of Ind AS 34, "Interim Financial Reporting" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI') and other accounting principles generally accepted in India, or that it contains any material misstatement. Further, the aforesaid Interim Condensed Consolidated Financial Statements give a true and fair view in conformity with Ind AS 34 prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India of the consolidated state of affairs of the group as at **June 30, 2024** and its consolidated loss and consolidated total comprehensive loss for the three months ended on that date, its consolidated changes in equity and its consolidated cash flows for the three months ended on that date.



Other Matters

1. The accompanying interim condensed consolidated financial statements include 7 subsidiaries located outside India whose financial information and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's Management has converted this financial information from accounting principles generally accepted in their respective countries, to Indian accounting standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's Management. These financial statements have not been reviewed by their respective auditors, which reflects total assets (before consolidation adjustments) of Rs.1092.30 crores as at 30th June, 2024, total revenue (before consolidation adjustments) of Rs.62.01 crores, total net loss after tax (before consolidation adjustments) of Rs.72.53 crores for the quarter ended 30th June, 2024, total net cash inflows (before consolidation adjustments) of Rs. 10.63 crores for the quarter ended on that date, as considered in the interim condensed consolidated financial statements. These financial statements and other financial information have been furnished to us by the management.

Our opinion on the interim condensed consolidated financial statements is not modified in respect of the above matters based on the procedures carried out by us on separate financial statements of the subsidiaries and the financial statements/ financial information certified by the Management.

2. The interim condensed consolidated financial statements also include the Group's share of net profit of Rs.0.09 crore for the quarter ended 30th June, 2024, as considered in the interim condensed consolidated financial statements, in respect of 1 associate, whose financial statements, other financial information have not been reviewed and whose financial statements, other financial information have been furnished to us by the Management.

In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants

Firm Registration No: 007761S

V
SATHYANAR
AYANAN

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V. Sathyanarayanan
Partner

Membership No: 027716



Date : October 03, 2024

UDIN: 24027716BKCNRD9465

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)		
CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024		
(Rupees In crores)		
Particulars	Note No.	AS AT JUN 30, 2024
ASSETS		
(1) Non-current Assets		
(a) Property, plant and equipment	2	1,451.43
(b) Capital work in progress	2	454.09
(c) Other intangible assets	3	0.51
(d) Financial assets		
i. Investments	4A	24.65
ii. Other financial assets	5	10.05
(e) Investments accounted using Equity method	4B	1.40
(f) Other non-current assets	6	70.41
Total Non-Current Assets		2,012.54
(2) Current Assets		
(a) Inventories	7	396.51
(b) Financial assets		
i. Trade receivables	8	300.51
ii. Cash and cash equivalents	9	23.37
iii. Bank balances other than (ii) above	10	0.04
iv. Other financial assets	5	30.16
(c) Other current assets	11	91.51
Total Current Assets		842.10
Total Assets		2,854.64

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024

(Rupees In crores)

Particulars	Note No.	AS AT JUN 30, 2024
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	12	10.12
(b) Other Equity	13	532.67
Equity attributable to owners		542.79
Total Equity		542.79
Liabilities		
(1) Non-Current Liabilities		
(a) Financial liabilities		
i. Borrowings	14	949.96
ii. Lease liability		4.83
(b) Provisions	15	18.34
(c) Deferred tax liabilities (Net)	16	17.57
(d) Other non-current liabilities	17	8.61
Total Non-Current Liabilities		999.31
(2) Current Liabilities		
(a) Financial liabilities		
i. Borrowings	18	653.94
ii. Lease liability		2.99
iii. Trade Payables	19	
(A) total outstanding dues of micro enterprises and small enterprises		22.79
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		466.51
iv. Other financial liabilities	20	54.80
(b) Other current liabilities	17	52.62
(c) Provisions	15	55.14
(d) Current Tax Liabilities (Net)		3.75
Total Current Liabilities		1,312.54
Total Liabilities		2,311.85
Total Equity and Liabilities		2,854.64
Material Accounting Policies	1	

The accompanying notes are an integral part of these financial statements

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

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VIVEK S JOSHI
Director & CEO
DIN: 09522758

AJAY KUMAR
Chief Financial Officer

P D DEV KISHAN
Company Secretary

V SATHYANARAYANAN
Partner
Membership No.:027716

Date : 3rd October 2024

Date : 3rd October 2024

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED JUN 30, 2024

(Rupees In Crores)

	Particulars	Note No.	QUARTER ENDED JUN 30, 2024
I	Revenue from operations	21	580.43
II	Other Income	22	4.52
III	Total Income (I + II)		584.95
IV	EXPENSES		
	Cost of materials consumed	23	326.12
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(14.57)
	Employee benefit expenses	25	99.89
	Finance costs	26	26.19
	Depreciation and amortisation expense	27	38.11
	Other expenses	28	159.23
	Total Expenses (IV)		634.97
V	Profit/(Loss) before exceptional items, share of net profit of investment and tax (III-IV)		(50.02)
VI	Share of net profit from associates using equity method		0.09
VII	Profit/(Loss) before exceptional items and tax (V+VI)		(49.93)
VIII	Exceptional items - income / (expense)		-
IX	Profit/(Loss) before tax (VII+VIII)		(49.93)
X	Income tax expense		
	i) Current tax	29	4.87
	ii) Deferred tax charge/(credit)	30	1.05
XI	Profit/(Loss) for the Quarter (IX-X)		(55.85)
	Profit / (Loss) attributable to Non-controlling Interest		-
	Profit / (Loss) attributable to Owners		(55.85)

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED JUN 30, 2024

(Rupees In Crores)

	Note No.	QUARTER ENDED JUN 30, 2024
XII Other comprehensive income		
A. Items that will not be reclassified to profit and loss:		
Remeasurement of post employment benefit obligations		(1.67)
Change in fair value of equity instruments		-
Income tax relating to these items		0.42
B. Items that will be reclassified to profit and loss		
Transactions relating to Derivative instruments		-
Income tax relating to these items		-
FCTR - Subsidiaries		(0.27)
Other comprehensive income for the Quarter, net of tax		(1.52)
Other Comprehensive income attributable to non-controlling interest		-
Other Comprehensive income attributable to Owners		(1.52)
XIII Total comprehensive income attributable to Owners (XI+XII)		(57.37)
XIV Earnings per equity share (not annualised)		
Basic & Diluted earnings per share	31	(27.60)

The accompanying notes are an integral part of these financial statements

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

VIVEK
SHRIPAD
JOSHI

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VIVEK SHRIPAD JOSHI
Date: 2024.10.03
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VIVEK S JOSHI
Director & CEO
DIN: 09522758

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KUMAR

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AJAY KUMAR
Chief Financial Officer

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P D DEV KISHAN
Company Secretary

V
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V SATHYANARAYANAN
Partner
Membership No.:027716

Date : 3rd October 2024

Date : 3rd October 2024

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)		
CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED JUN 30, 2024		
(Rupees In Crores)		
Particulars	QUARTER ENDED JUN 30, 2024	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax		(49.93)
Add: Depreciation and amortisation for the Quarter	38.11	
Loss on sale/scraping of property, plant and equipment	0.27	
Profit on sale of property, plant and equipment	(0.01)	
Unrealised exchange (gain) / loss	0.86	
Dividend income	-	
Interest income	(0.42)	
Interest expense	26.19	
Net (profit)/ loss from Associate using equity method	(0.09)	
Other adjustments	(0.27)	
		64.64
Operating profit before working capital changes		14.71
Adjustments for:		
Inventories	(25.84)	
Trade Receivables	(8.40)	
Other financial assets	(4.23)	
Other bank balances	10.38	
Other non-current assets	(18.36)	
Other current assets	(23.89)	
Trade Payables	44.71	
Provisions	7.48	
Other financial liabilities (excluding current maturities of debt)	1.08	
Other non-current liabilities	(2.23)	
Other current liabilities	0.76	
		(18.54)
Cash generated from operations		(3.83)
Direct taxes paid		(3.31)
Net cash from operating activities	(A)	(7.14)

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited) CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED JUN 30, 2024 (Rupees In Crores)		
B CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment (including Capital work in progress)		(146.17)
Sale of property, plant and equipment		5.79
Purchase of investments		(0.06)
Net profit/(loss) from Associate using equity method		0.09
Interest received		0.42
Dividend received		-
Net Cash from/(used in) investing activities (B)		(139.93)
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Borrowings:		
Term loans availed/(repaid)		194.49
Short term borrowings availed/ (repaid)		(7.96)
Interest paid		(19.52)
Interim Dividend paid		(10.38)
Repayment of lease liabilities		(0.61)
Net cash inflow/ (outflow) from financing activities (C)		156.02
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		
D (A+B+C)		8.95
Cash and cash equivalents at the beginning of the Quarter		
Cash and Bank balances	14.42	
Cash credit balance	-	14.42
Cash and cash equivalents at the end of the Quarter		
Cash and Bank balances	23.37	
Cash credit balance	-	23.37

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED JUN 30, 2024
(Rupees in Crores)

Change in liability arising from financing activities

Particulars	Notes	Balance as at the beginning of the Quarter	Cash flow	Non-cash changes		JUN 30, 2024
				Fair value change	Foreign exchange movement	
Long term borrowings	14	755.47	194.49	-	-	949.96
Short term borrowings	18	661.90	(7.96)	-	-	653.94

Notes:

The above statement has been prepared in indirect method except in case of dividend, tax and purchase and sale of investments which have been considered on the basis of actual movement of cash.

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

VIVEK
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VIVEK S JOSHI
Director & CEO
DIN: 09522758

Date: 3rd October 2024

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AJAY KUMAR
Chief Financial Officer

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V SATHYANARAYANAN
Partner

Membership No.:027716
Date : 3rd October 2024

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED JUN 30, 2024

(Rupees In Crores)

A. Equity Share Capital (Refer Note 12)

As at the beginning of the Quarter	10.12
Changes in Equity share capital during the Quarter	-
As at JUN 30, 2024	10.12

B. Other Equity (Refer Note 13)

Particulars	Reserves and surplus				Other reserves			Non Controlling Interest	Total
	General reserve	Retained earnings	Capital Reserve	Total	Fair Value through Other Comprehensive Income	Hedging reserve	Foreign currency translation reserve		
Balance as at the beginning of the Quarter	224.84	116.47	145.50	486.81	(4.55)	0.58	107.20	-	103.23
Add : Profit/(loss) for the Quarter		(55.94)		(55.94)				-	-
Add : Other comprehensive income		(1.25)		(1.25)	-	-	(0.27)	-	(0.27)
Add / (Less) : Associate profit adjustment		0.09		0.09				-	
Total Comprehensive Income for the Quarter	-	(57.10)	-	(57.10)	-	-	(0.27)	-	(0.27)
Add / (Less) : Reclassified to retained earnings								-	-
Balance as at JUN 30, 2024	224.84	59.37	145.50	429.71	(4.55)	0.58	106.93	-	102.96

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D JOSHI

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DIN: 09522758

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Chief Financial Officer

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DIVAKAR
DEVKISHAN

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Date: 2024.10.03 11:42:23 +05'30'

P D DEV KISHAN
Company Secretary

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

V
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ANAN

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V SATHYANARAYANAN
Partner
Membership No.:027716

Date : 3rd October 2024

Date: 3rd October 2024

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)

NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024

2. PROPERTY, PLANT & EQUIPMENT

(Rupees in Crores)

Description	Property, Plant & Equipment								
	Freehold land	Leasehold Land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	Right to Use Asset	Total
Gross block									
As at the beginning of the Quarter	39.04	45.94	513.55	1,993.01	12.83	30.24	7.74	59.39	2,701.74
Additions	-	7.41	-	14.31	-	0.32	-	-	22.04
Foreign currency translation reserve	-	-	-	-	-	-	-	-	-
Sub-total	39.04	53.35	513.55	2,007.32	12.83	30.56	7.74	59.39	2,723.78
Sales / deletion	-	-	-	(5.76)	-	-	-	(2.36)	(8.12)
Total	39.04	53.35	513.55	2,001.56	12.83	30.56	7.74	57.03	2,715.66
Depreciation									
As at the beginning of the Quarter	-	(2.62)	(104.63)	(1,061.01)	(8.82)	(19.57)	(3.86)	(27.80)	(1,228.31)
For the Quarter	-	(0.14)	(3.09)	(31.85)	(0.21)	(0.91)	(0.19)	(1.60)	(37.99)
Foreign currency translation reserve	-	-	-	-	-	-	-	-	-
Sub-total	-	(2.76)	(107.72)	(1,092.86)	(9.03)	(20.48)	(4.05)	(29.40)	(1,266.30)
Withdrawn on assets sold / deleted	-	-	-	2.07	-	-	-	-	2.07
Total	-	(2.76)	(107.72)	(1,090.79)	(9.03)	(20.48)	(4.05)	(29.40)	(1,264.23)
Net Carrying amount as at JUN 30, 2024	39.04	50.59	405.83	910.77	3.80	10.08	3.69	27.63	1,451.43

Previous year's figures for asset classes have been regrouped in accordance with the current classification.

CAPITAL WORK-IN-PROGRESS (AT COST)

(a) Building	243.64
(b) Plant & equipment	209.30
(c) Others	1.15
Total	454.09

Ageing of Capital work-in- progress as on JUN 30, 2024:

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	453.69	-	-	0.40	454.09

i) There were no material projects which have exceeded their original plan cost as at JUN 30, 2024

ii) Project which has exceeded its original timeline :

Project	Amount
Automation of Material handling process	0.40

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)	
NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024	
3 - INTANGIBLE ASSETS:	
(Rupees In Crores)	
Description	Software
Gross block	
As at the beginning of the Quarter	13.70
Additions	0.14
Foreign currency translation reserve	-
Sub-total	13.84
Sales / deletion	-
Total	13.84
Amortisation	
As at the beginning of the Quarter	(13.21)
For the Quarter	(0.12)
Foreign currency translation reserve	
Sub-total	(13.33)
Withdrawn on assets sold / deleted	-
Total	(13.33)
Net Carrying amount as at JUN 30, 2024	0.51

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)

NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024

4A NON CURRENT INVESTMENTS

(Rupees in Crores)

Sl. No.	Name of the body corporate	Subsidiary / associate	No. of shares / units	Face Value	Currency	Partly paid / fully paid	Amount	
			As at JUN 30, 2024				As at JUN 30, 2024	
(a)	<u>Investment in Equity Instruments measured at FVOCI</u>							
	<u>Unquoted :</u>							
(i)	Green Infra BTV Limited, New Delhi (formerly known as TVS Energy Limited)	Others	45,00,000	10.00	INR	Fully paid	4.50	
(ii)	Sai Regency Power Corporation Private Limited, Chennai	Others	3,75,000	10.00	INR	Fully paid	0.38	
(iii)	Nagai Power Private Limited, Hyderabad.	Others	1,33,010	10.00	INR	Fully paid	0.13	
(iv)	Clean Max Genesis Pvt Ltd	Others	58,224	10.00	INR	Fully paid	11.22	
	<u>Quoted :</u>							
(i)	Tulsyan NEC Limited, Chennai	Others	1,63,125	10.00	INR	Fully paid	0.50	
	Total value of Equity Instruments (A)							16.73
(b)	<u>Other non-current Investments measured at FVTPL</u>							
(i)	ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai	Others			INR	Fully paid	1.18	
(ii)	Life Insurance Corporation Pension Policy, Chennai	Others			INR	Fully paid	7.11	
	Total value of Other non-current Investments (B)							8.29
	Total (A) + (B)							25.02
	Less: Aggregate amount of impairment in value of investments							(0.37)
	Total							24.65
4B	Investments in Associates accounted using Equity method							
Sl. No.	Name of the body corporate	Subsidiary / associate	No. of shares / units	Face Value	Currency	Partly paid / fully paid	Amount	
			As at JUN 30, 2024				As at JUN 30, 2024	
(i)	Sundram Non Conventional Energy Systems Limited, Chennai	Associate	1,17,650	10.00	INR	Fully paid	1.40	
	Total							1.40

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024
(Rupees in Crores)

5	OTHER FINANCIAL ASSETS	As at JUN 30, 2024
	Non-current	
	Rental deposits	10.05
	Total	10.05
	Current	
	<u>Unsecured, Considered Good :</u>	
	Employee Advances	7.65
	Claims receivable	18.13
	Derivatives (Forwards, POS, Call spread, IRS)	0.56
	Duty Drawback receivable	3.82
Total	30.16	
6	OTHER NON-CURRENT ASSETS	As at JUN 30, 2024
	Capital advances	43.92
	<u>Advances - other than capital advances:</u>	
	Statutory and other deposits	23.42
	Prepaid expenses	2.68
	Accrued lease rental asset	0.39
	Total other non-current assets	70.41

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024

(Rupees In Crores)

7 INVENTORIES (AT WEIGHTED AVERAGE COST OR NET REALISABLE VALUE WHICHEVER IS LESS)	As at JUN 30, 2024
Raw materials and components	43.01
Goods-in-transit - Raw materials and components	1.66
Work-in-progress	41.03
Finished goods	230.88
Stores and spares	79.93
Total Inventories	396.51
8 TRADE RECEIVABLES	As at JUN 30, 2024
Secured, considered good	-
Unsecured, considered good	300.51
Doubtful	10.82
Sub total	311.33
Less: Loss Allowance	10.82
Total Trade Receivables *	300.51
* Refer note 37 for receivables from related parties	

Ageing for trade receivables as on JUN 30, 2024						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables - Considered good	300.51					300.51
(ii) Undisputed trade receivables - Which have significant increase in credit risk	-	6.21	1.82	2.35	0.44	10.82
(iii) Undisputed trade receivables - Credit impaired						-
(iv) Disputed trade receivables - Considered good						-
(v) Disputed trade receivables - Which have significant increase in credit risk						-
(vi) Disputed trade receivables - Credit impaired						-
Less: Allowance for Expected Credit loss	-	(6.21)	(1.82)	(2.35)	(0.44)	(10.82)
Total Trade Receivables as on JUN 30, 2024	300.51	-	-	-	-	300.51

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)		
NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024		(Rupees In Crores)
9	CASH AND CASH EQUIVALENTS	As at JUN 30, 2024
	Balances with banks	23.25
	Bank Deposits with maturity of more than three months and less than twelve months	0.10
	Cash on hand	0.02
	Total Cash and Cash equivalents	23.37
10	OTHER BANK BALANCES	As at JUN 30, 2024
	Earmarked balances with banks - Unpaid dividend	0.04
	Total Other Bank balances	0.04
11	OTHER CURRENT ASSETS	As at JUN 30, 2024
	Indirect taxes receivable	33.00
	Prepaid expenses	9.24
	Vendor advances	40.40
	Export incentives receivable	2.46
	Statutory deposits	6.41
	Total other current assets	91.51

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024
12 - SHARE CAPITAL

(Rupees In Crores)

(a) **Details of authorised, issued and subscribed share capital**

(i) **Equity Share Capital**

Particulars	As at JUN 30, 2024	
	Number	Rs in Crores
Authorised Capital		
Equity Shares of Rs.5/- each	2,50,00,000	12.50
Issued, Subscribed & Paid up Capital		
Equity Shares of Rs.5/- each fully paid	2,02,32,104	10.12
	2,02,32,104	10.12

(ii) **Preference Share Capital**

Particulars	As at JUN 30, 2024	
	Number	Rs in Crores
Authorised Preference share Capital		
Preference Shares of Rs.10/- each	25,00,000	2.50
Issued, Subscribed & Paid up Capital		
0.1% Cumulative Non-convertible Redeemable Preference Shares Rs.10/- each fully paid (NCRPS)	8,73,032	0.87
	8,73,032	0.87

Note: The Group has issued NCRPS by utilising the reserves as per Composite Scheme of Arrangement(Refer note 36 iv), the same has been accounted as financial liability as per "Ind AS -32 Financial Instruments: Presentation" and disclosure under Current borrowings (refer note: 18)

(b) **Reconciliation of shares outstanding at the beginning and at the end of the Quarter**

(i) **Equity Share Capital**

Particulars	As at JUN 30, 2024	
	Number	Rs in Crores
Shares outstanding at the beginning of the Quarter	2,02,32,104	10.12
Shares Issued during the Quarter	-	-
Shares outstanding at the end of the Quarter	2,02,32,104	10.12

(ii) **Preference Share Capital**

Particulars	As at JUN 30, 2024	
	Number	Rs in Crores
Shares outstanding at the beginning of the Quarter	8,73,032	0.87
Shares Issued during the Quarter	-	-
Shares outstanding at the end of the Quarter	8,73,032	0.87

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024
12 - SHARE CAPITAL

(Rupees In Crores)

(c) **i) Rights and preferences attached to equity share:**

Every shareholder is entitled to such rights as to attend the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act 2013.

There are no restrictions attached to equity shares.

ii) Rights attached to NCRPS share:

The NCRPS do not have voting rights other than in respect of matters directly affecting it.

(d) **Details of shares held by holding/ultimate holding/subsidiaries/associates of holding company at the end of 30th June 2024 for both Equity and Preference Share Capital**

Name of Shareholder	Relationship	Class of Share	As at JUN 30, 2024	
			No. of Shares held	% of Holding
VS Trust (Mr Venu Srinivasan, Trustee)	Controlling Entity	Equity	1,03,23,122	51.02

Name of Shareholder	Relationship	Class of Share	As at JUN 30, 2024	
			No. of Shares held	% of Holding
Nil	Nil	Preference	Nil	

(e) **Details of shareholders holding more than five percent at the end of 30th June 2024 (other than 12 (d)) above**

Name of Shareholder	Class of Share	As at JUN 30, 2024	
		No. of Shares held	% of Holding
SBI Long Term Equity Fund	Equity	19,21,616	9.50
Sundaram Finance Holdings Limited- Chennai		15,14,378	7.49

Name of Shareholder	Class of Share	As at JUN 30, 2024	
		No. of Shares held	% of Holding
Sundaram Finance Holdings Limited- Chennai	Preference	1,75,667	20.12
Aditya Birla Sun Life Mutual Fund		85,923	9.84
Govindlal M Parikh		53,114	6.08

(f) **Details of shares held by promoters**

Name of the Promoters	Class of Share	As at JUN 30, 2024	
		No. of Shares held	% of Holding
VS Trust (Mr Venu Srinivasan, Trustee)	Equity	1,03,23,122	51.02
Mr Venu Srinivasan		9,66,600	4.78

Name of the Promoters	Class of Share	As at JUN 30, 2024	
		No. of Shares held	% of Holding
VS Trust (Mr Venu Srinivasan, Trustee)	Preference	NIL	
Mr Venu Srinivasan		NIL	

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024

(Rupees In Crores)

13 - OTHER EQUITY

Particulars	As at JUN 30, 2024
General reserve	224.84
Retained earnings	59.37
Capital Reserve	145.50
Foreign currency translation reserve	106.93
Other reserves	(3.97)
Total reserves and surplus	532.67
Non-controlling interest	-

Nature and Purpose of reserves

i) **General reserve**:- General reserve is part of retained earnings. This is available for distribution to shareholders as dividend and capitalisation.

ii) **Retained earnings**:- Retained earnings are the accumulated profits earned by the Group till date, less transfer to general reserves, dividend and other distributions made to the shareholders.

iii) **Capital reserves**:- This represents reserves created in pursuant to Composite Scheme of arrangement.

iv) **Foreign currency translation reserve** :- It represents exchange differences arising from translation of financial statements of foreign operations into the Group's functional currency as per INDAS 21.

v) **Other reserves**:- Other reserves represents Other Comprehensive Income and Hedging reserve created as per INDAS 109.

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024

(Rupees In Crores)

14 - LONG TERM BORROWINGS

Description	Security	No. of instalments due	Frequency	Maturity	As at JUN 30, 2024
Secured:					
State owned corporation - SIPCOT	First and exclusive charge on specific plant and equipments of the Company.	1	Bullet payment	Apr-31	8.95
Rupee Term loan II	First pari passu charge - 50% security on plant and machinery *	17	Quarterly	Dec-27	125.00
Foreign Currency Non-resident Borrowings (FCNR(B)) III	Hypothecation of all current assets	19	Quarterly	Dec-28	90.45
USD Term Loan - HSBC Singapore	Pari passu charge on fixed assets	9	Half yearly	Dec-24	42.93
USD Term Loan - ICICI Gift City	SBLC from ICICI Bank Limited India	16	Quarterly	Apr-29	125.09
USD Term Loan - ICICI New York	SBLC from ICICI Bank Limited India	16	Quarterly	May-29	250.17
Unsecured :					
Non Convertible Debentures		2	Yearly	Aug-25	100.00
Rupee Term loan III - EXIM Bank		18	Quarterly	Sep-27	157.42
Rupee Term Loan IV - Indus Ind Bank		8	Quarterly	Mar-27	149.73
Federal Bank Loan		11	Quarterly	Feb-28	81.34
Total Borrowings :					1,131.08
Less : Current Maturities of long-term borrowings (Refer Note No. 18)					(181.12)
Total Long-term Borrowings					949.96

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NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024

(Rupees In Crores)

Amount payable in each instalment other than bullet repayments:

Description	Currency	Type of Repayments	Interest
Rupee Term loan II - HDFC bank	INR	Structured instalments	3M Tbill + Margin
Rupee Term loan III - EXIM Bank	INR	Structured instalments	MCLR plus Margin
Foreign Currency Non-resident Borrowings (FCNR(B)) III - SBI Bank	USD	Structured instalments	6 Months SOFR plus margin
Non Convertible Debentures	INR	INR 50 Crores - from Aug-24	7.65%
Indus Ind Bank Loan	INR	Structured instalments	7.93%
Federal Bank Loan	INR	Structured instalments	8.10%
USD Term Loan - HSBC Singapore	USD	Structured instalments	6 Months SOFR plus margin
USD Term Loan - ICICI Gift City	USD	Structured instalments	3 Months SOFR plus margin
USD Term Loan - ICICI New York	USD	Structured instalments	3 Months SOFR plus margin

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)		
NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024		
(Rupees In Crores)		
15	PROVISIONS	
		JUN 30, 2024
	Particulars	Current Non-current
	Employee benefits (Refer Note 32)	
	(a) Pension	3.42 6.31
	(b) Leave salary	0.77 7.42
	(c) Gratuity	0.61
		4.19 14.34
	Others	
	(a) Warranty	4.04 -
	(b) Disputed tax provided for	9.67 -
	(c) Customer provisions	37.24 -
	(d) Other provisions	4.00
	Total	55.14 18.34
	Movement in provisions during the Quarter	
	Particulars	Warranty Disputed tax provided for
	Balance as at the beginning of the Quarter	3.93 10.47
	Additional provisions made during the Quarter	0.11 -
	Amounts utilised	- (0.80)
	Closing balance as on JUN 30, 2024	4.04 9.67

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)

NOTES TO CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUN 30, 2024

(Rupees In Crores)

16	DEFERRED TAX LIABILITIES	
	The balance comprises temporary differences attributable to:	
	Particulars	As at JUN 30, 2024
	Depreciation	35.42
	Employee benefits	(3.45)
	Financial assets & Financial liabilities	(5.89)
	Others	(8.51)
	Total deferred tax liabilities	17.57

17	OTHER LIABILITIES		As at JUN 30, 2024
	Non current		
	Government Grant - Deferred income		8.61
	Total		8.61
	Current		
	Statutory dues		5.37
	Advance received from customers		39.13
	Government Grant - Deferred income		3.78
	Other payables		4.34
	Total		52.62

18	FINANCIAL LIABILITIES - BORROWINGS (CURRENT)	
	Particulars	As at JUN 30, 2024
	0.1% Non Convertible Redeemable Preference Shares (Refer Note 12)	0.87
	Repayable on demand from banks	
	Secured	236.25
	Unsecured	235.70
	Current maturities of Long term borrowings	181.12
	Total Borrowings under Current Liabilities	653.94

Details of securities created for secured loans repayable on demand:

First charge by way of hypothecation and / or pledge of all current assets viz., inventories of raw materials, semi finished and finished goods, stores and spares, bills receivable, book debts and all other current assets.

19	TRADE PAYABLES	As at JUN 30, 2024
	Current	
	Dues to Micro and Small Enterprises **	22.79
	Dues to enterprises other than Micro and Small Enterprises	466.51
	Total Trade payables *	489.30

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no undisputed overdues on Principal and no interest due or outstanding.

* Refer note 37 for Payables to Related Parties

Ageing for Trade Payables as on JUN 30, 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	17.33	5.18	0.01	0.27	22.79
Others	405.23	58.84	-	2.44	466.51
Disputed Dues - MSME					-
Disputed Dues - Others					-
Total	422.56	64.02	0.01	2.71	489.30

20	OTHER FINANCIAL LIABILITIES	As at JUN 30, 2024
	Non current	
	Derivatives	-
		-
	Current	
	Interest accrued but not due on loans	15.80
	Unpaid Dividends	0.04
	Employee related liabilities	38.51
	Liabilities for expenses	0.43
	Derivatives	0.02
	Total other current financial liabilities	54.80

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NOTES TO CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED JUN 30, 2024
(Rupees In Crores)

21	REVENUE FROM OPERATIONS	For the Quarter ended JUN 30, 2024
	Sale of products	574.53
	Other operating revenue	5.90
	Total revenue * #	580.43
	* Refer Note 38(A) for Disaggregated revenue from operations	
	# Refer Note 37 for revenue from related parties	
22	OTHER INCOME	For the Quarter ended JUN 30, 2024
	Interest income	0.42
	Gain on foreign currency transactions and translation	0.65
	Lease Income	1.01
	Profit on sale of Property, Plant & Equipment	0.01
	Miscellaneous Income	2.43
	Total other income	4.52
23	COST OF MATERIALS CONSUMED	For the Quarter ended JUN 30, 2024
	Opening stock of raw materials and components	36.33
	Add: Purchases *	332.80
		369.13
	Less: Closing stock of raw materials and components	43.01
	Consumption of raw materials and components	326.12
	* Refer Note 37 for purchases from related parties	
24	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE:	
	Opening stock:	
	Work-in-progress	35.89
	Finished goods	221.45
	Total - (A)	257.34
	Closing stock:	
	Work-in-progress	41.03
	Finished goods	230.88
	Total - (B)	271.91
	Total (A)-(B)	(14.57)

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED JUN 30, 2024
(Rupees In Crores)

25	EMPLOYEE BENEFIT EXPENSE (REFER NOTE 32)	For the Quarter ended JUN 30, 2024
	Salaries, wages and bonus	80.90
	Contribution to provident and other funds	7.79
	Welfare expenses	11.20
	Total employee benefit expense *	99.89
	* Refer Note 37 for remuneration and contribution paid to related parties	
26	FINANCE COSTS	For the Quarter ended JUN 30, 2024
	Interest	26.08
	Interest on lease liabilities	0.08
	Other borrowing costs	0.03
	Total finance costs	26.19
27	DEPRECIATION AND AMORTISATION EXPENSE	For the Quarter ended JUN 30, 2024
	Depreciation on Property, Plant and Equipment	36.25
	Depreciation on Right-to-use asset	1.60
	Amortisation on Intangible assets	0.12
	Amortisation on leasehold land	0.14
	Total depreciation and amortisation expense	38.11
28	OTHER EXPENSES *	For the Quarter ended JUN 30, 2024
	(a) Consumption of stores, spares and tools	20.41
	(b) Power and fuel	38.84
	(c) Repairs - buildings	7.60
	(d) Repairs - plant and equipment	17.57
	(e) Repairs - others	0.17
	(f) Insurance	3.48
	(g) Rates and taxes (excluding taxes on income)	2.78
	(h) Audit fees	0.16
	(i) Packing and freight charges	26.42
	(j) Loss on sale of Property, plant & equipment	0.27
	(k) Corporate social responsibility expenditure	0.15
	(l) Miscellaneous expenses (under this head there is no expenditure which is in excess of 1% of revenue from operations or Rs.10 lakh, whichever is higher)	41.38
	Total other expenses #	159.23
	* Net of recoveries and claims made	
	# Refer Note 37 for related party transactions	

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NOTES TO CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED JUN 30, 2024
(Rupees In Crores)

29	CURRENT TAX	For the Quarter ended JUN 30, 2024
	Current tax	4.87
	Total current tax	4.87
30	DEFERRED TAX	For the Quarter ended JUN 30, 2024
	Decrease (increase) in deferred tax assets	1.75
	(Decrease) increase in deferred tax liabilities	(0.70)
	Total deferred tax expense / (benefit)	1.05
	Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:	
	Particulars	For the Quarter ended JUN 30, 2024
	Profit before tax expense	(49.93)
	Tax at the Indian tax rate of 25.17%	-
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	
Expenses wholly/partially not allowed for deductions	0.06	
Tax payable on standalone basis	4.84	
Other items	1.02	
	Tax expense / (benefit)	5.92
31	EARNINGS PER SHARE (NOT ANNUALISED)	
	Particulars	For the Quarter ended JUN 30, 2024
	(a) Basic and diluted earnings per share (Rs.)	(27.60)
	(b) Earnings of Group used as numerator in calculating basic and diluted earnings per share	(55.85)
	(c) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,02,32,104

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Rupees In Crores)

32 - EMPLOYEE BENEFIT OBLIGATIONS

Particulars	JUN 30, 2024		
	Current	Non-current	Total
Pension	3.42	6.31	9.73
Leave Salary	0.77	7.42	8.19
Gratuity	-	0.61	0.61
Total employee benefit obligations	4.19	14.34	18.53

Amount recognised in the Balance sheet and the movements in the net defined benefit obligation / other employee benefits over the QUARTER are as follows:

Particulars	Gratuity			Pension			Leave Salary		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Balance as at the beginning of the Quarter	25.40	26.51	(1.11)	9.39	-	9.39	8.71	-	8.71
Current service cost	0.28	-	0.28	-	-	-	-	-	-
Interest expense/income	0.44	0.46	(0.02)	0.18	-	0.18	0.16	-	0.16
Experience (gains)/losses	-	-	-	-	-	-	(0.61)	-	(0.61)
(Gain)/loss from change in financial assumptions	-	-	-	-	-	-	0.03	-	0.03
Total amount recognised in statement of profit and loss	0.72	0.46	0.26	0.18	-	0.18	(0.42)	-	(0.42)
<i>Remeasurements</i>									
Return on plan assets, excluding amounts included in interest expense/income	-	-	-	-	-	-	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	0.15	-	0.15	0.07	-	0.07	-	-	-
Experience (gains)/losses	1.31	-	1.31	0.14	-	0.14	-	-	-
Total amount recognised in other comprehensive income	1.46	-	1.46	0.21	-	0.21	-	-	-
Employer contribution	-	-	-	-	-	-	-	-	-
Benefit payments	(0.11)	(0.11)	-	(0.05)	-	(0.05)	(0.10)	-	(0.10)
JUN 30, 2024	27.47	26.86	0.61	9.73	-	9.73	8.19	-	8.19

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Rupees In Crores)

32 - EMPLOYEE BENEFIT OBLIGATIONS

(i) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Details	Gratuity	Pension	Leave Salary
	JUN 30, 2024	JUN 30, 2024	JUN 30, 2024
Discount rate	6.92%	6.91%	6.92%
Salary growth rate	5.50%	5.50%	5.50%
Mortality rate	IALM (2006-08) Ultimate		

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at 58 years.

(ii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Gratuity	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Details	JUN 30, 2024	JUN 30, 2024	
Discount rate	0.50%	26.05	29.03
Salary growth rate	0.50%	29.05	26.03
Mortality rate	5.00%	27.49	27.48

Pension	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Details	JUN 30, 2024	JUN 30, 2024	
Discount rate	1.00%	8.65	11.01
Salary growth rate	1.00%	11.08	8.59
Mortality rate	5.00%	9.64	9.80

Leave Salary	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Details	JUN 30, 2024	JUN 30, 2024	
Discount rate	0.50%	7.86	8.55
Salary growth rate	0.50%	8.56	7.85
Mortality rate	5.00%	8.20	8.19

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the defined benefit liability recognised in the balance sheet.

32 - EMPLOYEE BENEFIT OBLIGATIONS

(iii) Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The Group has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Group intends to maintain the above investment mix in the continuing years.

Changes in bond yield: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans' bond holdings.

Inflation risks: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Defined contribution plans:

The Group's contribution to defined contribution plan i.e., provident fund of Rs. 2.16 crores has been recognised in the Statement of Profit and Loss.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Rupees In Crores)

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

33 - FAIR VALUE MEASUREMENTS

Financial instruments by category	JUN 30, 2024		
	FVTPL	FVOCI	Amortised cost
Financial assets			
Investments			
- Equity instruments	-	16.36	-
- Others	8.29	-	-
Trade receivables	-	-	300.51
Cash & Cash Equivalents	-	-	23.41
Derivative financial assets	0.56	-	-
Security deposits	-	-	10.05
Other financial assets	-	-	29.60
Total financial assets	8.85	16.36	363.57
Financial liabilities			
Trade payables	-	-	489.30
Borrowings - Current	-	-	472.82
Borrowings - Non Current	-	-	949.96
Current Maturities of long term borrowings	-	-	181.12
Derivative financial liabilities	0.02	-	-
Lease Liabilities	-	-	7.82
Other financial liabilities	-	-	54.78
Total financial liabilities	0.02	-	2,155.80

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At JUN 30, 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at FVTPL:					
Derivative financial asset	5	-	0.56	-	0.56
Equity Instruments	4A	-	8.29	-	8.29
Financial assets at FVOCI:					
Investments					
- Equity instruments	4A	0.50	-	15.86	16.36
- Others		-	-	-	-
Total financial assets		0.50	8.85	15.86	25.21
Financial liabilities					
Financial liabilities at FVTPL:					
Derivative financial liability	20	-	0.02	-	0.02
Financial liabilities at FVOCI:					
- Others		-	-	-	-
Total financial liabilities		-	0.02	-	0.02

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(Rupees In Crores)

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

33 - FAIR VALUE MEASUREMENTS

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At JUN 30, 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Trade receivables	8			300.51	300.51
Cash & Cash Equivalents	9,10			23.41	23.41
Security deposits	5			10.05	10.05
Other financial assets	5			29.60	29.60
Total financial assets		-	-	363.57	363.57
Financial Liabilities					
Borrowings	14,18	-	-	1,603.90	1,603.90
Trade payables	19			489.30	489.30
Lease Liabilities				7.82	7.82
Other financial liabilities	20			54.78	54.78
Total financial liabilities		-	-	2,155.80	2,155.80

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

33 - FAIR VALUE MEASUREMENTS

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the period.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves.
- the fair value of forward exchange contract and principal only swap is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

FVTPL - Fair value through statement of Profit and Loss; FVOCI - Fair value through Other Comprehensive Income.

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(Rupees In Crores)

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

33 - FAIR VALUE MEASUREMENTS

(iii) Fair value measurement using significant unobservable inputs (Level 3)

Particulars	Unlisted Equity Shares	Total
As at the beginning of the Quarter	15.86	15.86
Additions / (deletions)	-	-
Gains/(losses) recognised in profit or loss	-	-
Gains/(losses) recognised in other comprehensive income	-	-
As at JUN 30, 2024	15.86	15.86

(iv) Fair value of financial assets and liabilities measured at amortised cost

Particulars	JUN 30, 2024	
	Carrying amount	Fair value
Financial assets		
Equity Instruments	-	-
Trade receivables	300.51	300.51
Cash & Cash Equivalents	23.41	23.41
Security deposits	10.05	10.05
Other financial assets	29.60	29.60
Total financial assets	363.57	363.57
Financial Liabilities		
Borrowings	1,603.90	1,603.90
Trade payables	489.30	489.30
Lease Liabilities	7.82	7.82
Other financial liabilities	54.78	54.78
Total financial liabilities	2,155.80	2,155.80

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate, which approximates the carrying value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

34 - FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Risk Parameters and Mitigation
Market Risk - Foreign exchange		<ul style="list-style-type: none"> i) The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. ii) Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). iii) The risk is measured through a forecast of highly probable foreign currency cash flows. The Group has a forex management policy which is duly approved by the Board. iv) The objective of the hedges when taken is to minimise the volatility of the INR cash flows of highly probable forecast transactions.
Market Risk - Interest rate	Foreign currency denominated borrowings	<ul style="list-style-type: none"> i) The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow risk. ii) Group's policy is to maintain most of its borrowings at fixed rate using interest rate swaps. The Group's fixed rate borrowings are carried at amortised cost. iii) Foreign currency borrowings are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.
Market Risk - Foreign Currency	Export trade receivables and Import Payables	<ul style="list-style-type: none"> i) The Group has a forex management policy duly approved by the Board. The Group's policy is to hedge most of its net currency exposure. ii) Group reviews the forex exposure on a regular basis and also reports its adherence to the Board on a QUARTERLY basis. The recording and reporting requirements are strictly adhered.

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FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

34 - FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Risk Parameters and Mitigation
Market Risk - Foreign Currency	Foreign currency denominated borrowings	The Group has hedged its borrowings by covering the principal repayments using Principal Only Swaps and cost reduction structure viz., Call Spread under the approved Forex management policy.
Liquidity risk	Borrowings (Other than soft loans given by Govt. Authorities)	<ul style="list-style-type: none"> i) The Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. ii) The Group prepares a detailed annual operating plans to assess the fund requirements - both short term and long term. iii) Detailed month wise cash flow forecast is also carried out along with required sensitivities. Based on these factors adequate working capital credit limits are organised in advance. iv) Group has pre-approved credit lines with various banks and these are constantly reviewed and approved by the Board. v) For long term fund requirements, Group targets various options such as rupee term loan, external commercial borrowing, debentures etc. vi) The Group obtains a credit rating for the various borrowing facilities on annual basis. Group constantly monitors the free cashflow from operations to ensure that the borrowings are minimized.

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FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

34 - FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Risk Parameters and Mitigation
Credit Risk		<p>i) Credit risk primarily arises from cash and cash equivalents, trade receivables and investments carried at amortised cost.</p> <p>ii) The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting QUARTER.</p> <p>iii) To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.</p> <p>iv) It considers available reasonable and supportive forward-looking information (more specifically described below).</p> <p>v) A default on a financial asset is when the counterparty fails to make contractual payments within 180 days of when they fall due. This definition of default is determined by considering the business environment in which Group operates and other macro-economic factors.</p>
	a. Cash and Cash Equivalents	Surplus cash is deposited only with banks / financial institutions with a high external credit rating.
	b. Domestic Trade Receivables	<p>i) The Group extends credit to the customers and such extension of credit is based on customers' credit worthiness, ability to repay and past track record.</p> <p>ii) The Group has extensive reporting systems and review to constantly monitor the receivables.</p>
	c. Export Trade Receivables	The Group's export customers are Original Equipment Manufacturers with high credit rating. Export receivables are also covered through Insurance with Export Credit Guarantee Corporation of India Limited.

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(Rupees In Crores)

34 - FINANCIAL RISK MANAGEMENT - (CONTINUED)

(A) Credit risk

Basis of recognition of expected credit loss & providing for such loss

Rating	Category	Description of category	Investments	Loans and deposits	Trade receivables
1	High Quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12 month expected credit losses	12 month expected credit losses	Life time expected credit losses (simplified approach)
2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.			
3	Standard Assets, moderate credit risk	Assets where the probability of default is considered moderate and where the counter-party's capacity to meet the obligations is not strong.			
4	Substandard Assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Life time expected credit losses		
5	Low quality assets, very high credit risk	Assets where there is a high probability of default. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due.			
6	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.	Asset is written off		

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(Rupees In Crores)

34 - FINANCIAL RISK MANAGEMENT - (CONTINUED)

JUN 30, 2024

a). Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	1	Investments at amortised cost	-	-	-	-
	1	Other financial assets	39.65	-	-	39.65

b). Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	300.51	10.82	311.33
Expected loss rate	0%	100%	-
Expected credit losses	-	10.82	10.82
Carrying amount of trade receivables	300.51	-	300.51

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(Rupees In Crores)

34 - FINANCIAL RISK MANAGEMENT - (CONTINUED)

Reconciliation of loss allowance provision - Trade receivables

Loss allowance as at the beginning of the Quarter	9.84
Changes in loss allowance	0.98
Loss allowance as at JUN 30, 2024	10.82

(B) Liquidity risk

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Floating rate	JUN 30, 2024
- Expiring within one year (bank overdraft and other facilities)	239.74

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity ranging from 30 to 180 days.

(ii) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

JUN 30, 2024

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	357.37	243.54	53.03	949.96	-	1,603.90
Trade payables	489.30	-	-	-	-	489.30
Lease liabilities	0.17	0.18	2.64	4.83	-	7.82
Other financial liabilities	54.80	-	-	-	-	54.80

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(Rupees In Crores)

34 - FINANCIAL RISK MANAGEMENT - (CONTINUED)

(C) Market risk

(i) Foreign exchange risk

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

Particulars	JUN 30, 2024	
	USD	EUR
Financial assets		
Trade receivables	314.94	51.44
Derivatives	0.24	0.32
Exposure to foreign currency risk (assets)	315.18	51.76
Financial liabilities		
Foreign currency loan	90.45	18.07
Trade payables	46.65	19.21
Derivatives	0.01	0.01
Exposure to foreign currency risk (liabilities)	137.11	37.29
Net Exposure to foreign currency risk assets / (liabilities)	178.07	14.47

Note: Group has insignificant exposure to other foreign currencies and therefore the foreign currency risk of the same is immaterial

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	Impact on profit after tax*	Impact on other components of equity*
	JUN 30 ,2024	JUN 30 ,2024
USD sensitivity		
INR/USD Increases by 10%	17.81	-
INR/USD Decreases by 10%	(17.81)	-
EURO sensitivity		
INR/EURO Increases by 10%	1.45	-
INR/EURO Decreases by 10%	(1.45)	-

* Holding all other variables constant

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(Rupees In Crores)

34 - FINANCIAL RISK MANAGEMENT - (CONTINUED)

(ii) Interest Rate risk

For short term borrowings the marginal cost of lending rate of the bank is followed. In respect of foreign currency borrowings for longer Quarter, the interest rates are covered through interest rate swaps (IRS).

Particulars	JUN 30, 2024
Variable rate borrowings	1,047.56
Fixed rate borrowings	556.34

Sensitivity	Impact on profit after tax JUN 30, 2024
Increase in interest rates by 100 bps	(10.48)
Decrease in interest rates by 100 bps	10.48

(iii) Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet either as fair value through other comprehensive income or at fair value through statement of profit and loss. To manage its price risk from investments in equity securities, the Group diversifies its portfolio. The impact of the changes in price risk is not material.

(D) Impact of hedging activities

i) Disclosure of effects of hedge accounting on financial position as at JUN 30, 2024

Type of hedge and risks	Nominal value		Carrying amount hedging instrument		Maturity date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Foreign exchange forward contracts	133.75	91.73	0.56	0.02	Jul'24 to Oct'24	0.54	(0.54)
Principal Only Swaps(POS), Interest Rate Swaps(IRS) & Call Spread	-	-	-	-	NA	-	-

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(Rupees In Crores)

34 - FINANCIAL RISK MANAGEMENT - (CONTINUED)

ii) Disclosure of effects of hedge accounting on financial performance for the Quarter ended JUN 30, 2024 :

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge : Foreign exchange forward contracts & IRS	-	(0.54)	-	-

Movements in Cash flow hedging reserve

Particulars	Forward Contracts	Interest Rate Swap	Total
Balance as at the beginning of the Quarter	0.58	-	0.58
Change in fair value of hedging instruments net of tax	-	-	-
Reclassification to statement of profit and loss	-	-	-
Deferred tax on the above	-	-	-
Closing balance as at June 30, 2024	0.58	-	0.58

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

35 - CAPITAL MANAGEMENT

(a) Risk management

The Group's objectives in regard to managing capital are

- safeguard its status as a going concern
- to ensure returns to shareholders
- to ensure benefits to stakeholders
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain optimum capital structure, the board may

- increase the capital by fresh issue of shares or
- reduce the same by return to equity holders
- vary the equity by increasing or reducing the quantum of dividend

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

Net debt divided by total equity

Gearing ratio refers to the level of a Group's debt compared to its total equity.

The Group's strategy is to maintain an optimum gearing ratio. The gearing ratios were as follows:

Particulars	JUN 30, 2024
Net Debt	1,579.76
Total equity	542.79
Net Debt to equity ratio	2.91

The Group also monitors interest coverage ratio :

Group's Earnings Before Interest ,Taxes, Depreciation & Amortization (EBITDA) divided by interest .

The Group's strategy is to maintain a optimum interest coverage ratio. The interest coverage ratio were as follows:

Particulars	JUN 30, 2024
EBITDA	12.69
Interest	26.11
Interest coverage ratio	0.49

36 - OTHER DISCLOSURES

(i) Contingent liabilities

Details	JUN 30, 2024
(i) Claims against the Group not acknowledged as debt - Goods and Service Tax [#]	1.50
(ii) Guarantees excluding Financial Guarantees	-
(iii) Other money for which the Group is contingently liable	-
Total	1.50

[#]The Group has filed appeals with the respective appellate authorities in respect of these demands.

(ii) Capital commitments

Details	JUN 30, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for	242.77
Total	242.77

(iii) Borrowing costs capitalised :

Borrowing cost capitalised during the period Rs.6.27 Crores

The capitalisation rate used to determine borrowing costs to be capitalised is weighted average interest rate of 8.13%.

(iv) Composite scheme of arrangement :

During Financial Year 2023-24, the entire manufacturing business of TVS Holdings Limited (formerly known as Sundaram-Clayton Limited) was demerged, transferred and vested into Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) effective 11th August 2023 on going concern basis in accordance with the Composite Scheme of Arrangement ("Scheme") amongst TVS Holdings Limited (formerly Sundaram-Clayton Limited) and TVS Holdings Private Limited and VS Investments Private Limited and Sundaram-Clayton Limited (formerly Sundaram-Clayton DCD Limited) and their respective shareholders and creditors sanctioned by the Hon'ble National Company Law Tribunal, Chennai Bench ("NCLT") vide its Order dated 6th March 2023.

In terms of the Scheme, the Board had on 11th August 2023, issued and allotted the following shares in consideration of the Demerger to the shareholders of TVS Holdings Limited:

- a) 1 (One) fully paid-up Equity Share of INR 5 each of the Resulting Company, for every 1 (One) Equity Share of INR 5 each held in the Company; and
- b) 1 (One) fully paid-up Cumulative Non-Convertible Redeemable Preference Share of INR 10 each ("Preference Shares") of the Resulting Company, for every 1,000 Preference Shares of INR 10 each held in the Company thereby resulting in a mirror shareholding of TVS Holdings Limited in the Company.

The equity shares of the Company were listed to trade on BSE Limited and National Stock Exchange of India Limited w.e.f. 29th December, 2023.

36 - OTHER DISCLOSURES

(v) Leases :

Group as a Lessee

The Group has taken plant & equipment on lease for lease period ranging 3-10 years

Wherever the lease includes extension option and it is reasonably certain to exercise that option, the same is considered for computing the lease term. In other cases, the term is limited to initial lease period. Lease term includes non-cancellable period and expected lease period.

Payment made towards short term leases during the period is Rs. 1.10 crores

Payment made towards low value asset leases during the period: Nil

Payment relating to leases are disclosed in Cash flow statement.

Income from sub-leasing of Right of use asset: Nil

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

37 - RELATED PARTY DISCLOSURE

LIST OF RELATED PARTIES

- a) Reporting entity:** Sundaram-Clayton Limited, Chennai (SCL)
- b) Controlling Entity** (i) VS Trust (Mr Venu Srinivasan, Trustee)
- c) Subsidiaries:**
- (i) Sundaram-Clayton (USA) Limited, USA
 - (ii) Sundaram Holding USA Inc, Delaware, USA
 - (iii) Sundaram-Clayton GmbH, Germany
- Subsidiary companies of Sundaram Holding USA Inc, Delaware, USA**
- (i) Green Hills Land Holding LLC, South Carolina, USA
 - (ii) Components Equipment Leasing LLC, South Carolina, USA
 - (iii) Sundaram - Clayton (USA) LLC, South Carolina, USA
 - (iv) Premier Land Holding LLC, South Carolina, USA
- Associate companies :**
- (i) Sundram Non-Conventional Energy Systems Limited, Chennai
- d) Enterprises under Common control**
- (i) TVS Holdings Limited, Chennai
 - (ii) TVS Motor Company Limited, Chennai
 - (iii) Sundaram Auto Components Limited, Chennai
 - (iv) TVS Credit Services Limited, Chennai
 - (v) Emerald Haven Realty Limited, Chennai
 - (vi) TVS Training and Services Limited, Chennai
- e) Key management personnel (KMP)**
- Executive Directors:**
- (i) Mr. Venu Srinivasan, Chairman Emeritus & Managing Director
 - (ii) Dr . Lakshmi Venu, Managing Director
 - (iii) Mr. Vivek S Joshi, Director & CEO
- Non Executive Directors :**
- Independent Directors:**
- (i) Ms.Sasikala Varadachari
 - (ii) Mr.C R Dua
 - (iii) Mr.R Gopalan
- Non Independent Directors :**
- (i) Mr. Rajesh Narasimhan
 - (ii) Mr. R Anandkrishnan (w.e.f. Nov 10, 2023)
- f) Post employment benefit plans**
- (i) Sundaram- Clayton Limited Employees Provident Fund, Chennai
 - (ii) Sundaram- Clayton Limited Employees Gratuity Fund , Chennai

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Rupees In Crores)

37 - RELATED PARTY TRANSACTIONS

SI No	Nature of transactions	Name of the company	Controlling Entity	Associates	KMP	Relative of KMP	Other related party	Total
1	Purchase of goods	TVS Motor Company Limited, Chennai	-	-	-	-	3.55	3.55
			-	-	-	-	3.55	3.55
2	Sale of goods (including sub contract charges)	TVS Motor Company Limited, Chennai	-	-	-	-	104.11	104.11
			-	-	-	-	104.11	104.11
3	Purchase of power	Sundram Non Conventional Energy Systems Limited, Chennai	-	0.08	-	-	-	0.08
			-	0.08	-	-	-	0.08
4	Rendering of services	TVS Motor Company Limited, Chennai	-	-	-	-	0.92	0.92
		Sundaram Auto Components Limited, Chennai	-	-	-	-	0.34	0.34
		TVS Credit Services Limited, Chennai	-	-	-	-	0.13	0.13
		TVS Holdings Limited	-	-	-	-	0.11	0.11
		Emerald Haven Realty Limited, Chennai	-	-	-	-	0.17	0.17
-	-	-	-	-	-	1.67	1.67	
5	Receiving of services	Sundaram Auto Components Limited, Chennai	-	-	-	-	1.34	1.34
		TVS Training and Services Limited, Chennai	-	-	-	-	0.24	0.24
		TVS Motor Company Limited, Chennai	-	-	-	-	0.45	0.45
		-	-	-	-	-	2.03	2.03

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Rupees In Crores)

37 - Related party transactions (continued)

SI No	Nature of transactions	Name of the company	Controlling Entity	Associates	KMP	Relative of KMP	Other related party	Total
6	Remuneration paid	Key Management Personnel	-	-	3.82	-	-	3.82
			-	-	3.82	-	-	3.82
7	Contribution to post employment benefit plan	Sundaram- Clayton Limited Employees Provident Fund, Chennai	-	-	-	-	3.59	3.59
		Sundaram- Clayton Limited Employees Gratuity Fund , Chennai	-	-	-	-	-	-
			-	-	-	-	3.59	3.59
8	Dividend received	Sundram Non-Conventional Energy Systems Limited, Chennai	-	-	-	-	-	-
			-	-	-	-	-	-
9	Outstanding as on JUN 30, 2024 Receivables	TVS Motor Company Limited, Chennai	-	-	-	-	20.45	20.45
		Sundaram Auto Components Limited, Chennai	-	-	-	-	0.43	0.43
		TVS Credit Services Ltd, Chennai	-	-	-	-	0.39	0.39
		TVS Holdings Limited	-	-	-	-	2.14	2.14
			-	-	-	-	23.41	23.41
10	Outstanding as on JUN 30, 2024 Payables	TVS Motor Company Limited, Chennai	-	-	-	-	0.11	0.11
		Sundaram Auto Components Limited, Chennai	-	-	-	-	0.59	0.59
		Sundram Non-Conventional Energy Systems Limited, Chennai	-	0.04	-	-	-	0.04
		Emerald Haven Realty Limited, Chennai	-	-	-	-	0.01	0.01
			-	0.04	-	-	0.71	0.75

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Rupees in crores)

38 REVENUE FROM CONTRACT WITH CUSTOMERS

A Disaggregated revenue

Revenue from contracts with customers are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Group identifies the product lines, amongst others to indicate the factors as mentioned above. The details of revenue from contracts with customers on the basis of various product lines are as under :

SI.No	Particulars	For the Quarter ended JUN 30, 2024
A.	Type of goods or service	
1.	Automotive components	580.43
		580.43
B.	Geographical markets	
1.	Domestic	276.53
2.	Exports	303.90
		580.43

B The Group operates in the segment of Automotive components.

C Reconciliation of contracts with customers

Movement of contract liabilities for the reporting period given below:

Particulars	For the Quarter ended JUN 30, 2024
Contract Liabilities at the beginning of the Quarter	30.82
Add / (Less) :	
Consideration received during the period as advance	8.31
Contract Liabilities at the end of the Quarter	39.13

Payment is received in advance towards contracts entered with customers, and is recognised as a contract liability. As and when the performance obligation is met the same is recognized as revenue.

D Transaction price allocated to the remaining performance obligations

The Group's contracts with customers are short term(i.e.,the performance obligations are expected to be met within one year or less). Therefore, taking the practical expedient, the details on transaction price allocated to the remaining performance obligations are not disclosed.

E Reconciliation of amount of revenue recognised in statement of profit and loss with the contracted price

Particulars	JUN 30, 2024
Sale of Products	
Contract Price	580.43
Revenue recognised	580.43
Contract balances:	
a. Contract assets - Trade receivables (refer note 8)	300.51
b. Contract liabilities - Advance from Customers (refer note 17)	39.13

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)				
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS				
Note 39 : Interests in other entities				
(a) Subsidiaries				
The Group's subsidiaries at JUN 30, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.				
Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group	Ownership interest held by non- controlling interests	Principal activities
		JUN 30, 2024	JUN 30, 2024	
Sundaram-Clayton (USA) Limited, USA	USA	100.00%	0.00%	Others
Sundaram Holding USA Inc., Delaware,USA	USA	100.00%	0.00%	Automotive components
Green Hills Land Holding LLC, USA	USA	100.00%	0.00%	Others
Component Equipment Leasing LLC, USA	USA	100.00%	0.00%	Others
Sundaram-Clayton USA LLC, USA	USA	100.00%	0.00%	Automotive components
Premier Land Holding LLC, USA	USA	100.00%	0.00%	Others
Sundaram - Clayton GmbH, Germany	Germany	100.00%	0.00%	Others

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Rupees in Crores)

Note 39 : Interests in other entities (contd)

(b) Interests in associates and joint ventures

The Group has interests in 1 associate that is accounted using equity method.

Particulars	JUN 30, 2024
Aggregate carrying amount of associate	1.40

Particulars	JUN 30, 2024
Share of profits from associates	0.09
Other Comprehensive Income	-
Total Comprehensive Income	0.09

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
 NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Rupees in Crores)

40 Additional Information on net assets and share of profits as at JUN 30, 2024

Name of the entity	Net Assets (Total Assets - Total Liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount Rs. in crores	As % of consolidated profit or loss	Amount Rs. in crores	As % of other comprehensive income	Amount Rs. in crores	As % of total comprehensive income	Amount Rs. in crores
1	2	3	4	5	6	7	8	9
Parent								
Sundaram-Clayton Limited, Chennai	149.87%	813.49	(30.67%)	17.13	82.24%	(1.25)	(27.68%)	15.88
Subsidiaries - Foreign								
Sundaram-Clayton (USA) Limited, Illinois	(0.01%)	(0.06)	0.07%	(0.04)	0.00%	-	0.07%	(0.04)
Sundaram Holding USA Inc., Delaware, USA	85.72%	465.30	129.92%	(72.56)	0.00%	-	126.48%	(72.56)
Sundaram - Clayton GmbH, Germany	0.91%	4.94	(0.13%)	0.07	0.00%	-	(0.12%)	0.07
Sub-total		1,283.67		(55.40)		(1.25)		(56.65)
Non Controlling Interest in all subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sub-total		1,283.67		(55.40)		(1.25)		(56.65)

SUNDARAM-CLAYTON LIMITED (Formerly known as Sundaram-Clayton DCD Limited)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Rupees in Crores)

40 Additional Information on net assets and share of profits as at JUN 30, 2024

Name of the entity	Net Assets (Total Assets - Total Liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount Rs. in crores	As % of consolidated profit or loss	Amount Rs. in crores	As % of other comprehensive income	Amount Rs. in crores	As % of total comprehensive income	Amount Rs. in crores
1	2	3	4	5	6	7	8	9
Add:								
Associates (Investment as per the equity method) Sundram Non-Conventional Energy Systems Limited , Chennai	0.26%	1.40	(0.16%)	0.09	0.00%	-	(0.16%)	0.09
Sub-total	236.75%	1,285.07	99.03%	(55.31)	82.24%	(1.25)	98.60%	(56.56)
Less: Effect of intercompany eliminations	136.75%	742.28	(0.97%)	0.54	(17.76%)	0.27	(1.40%)	0.81
Total - Attributable to owners	100%	542.79	100%	(55.85)	100%	(1.52)	100%	(57.37)

Note

The above amounts / percentage of net assets and net profit or (loss) in respect of the parent company, its subsidiaries and associates are determined based on the standalone financial statements amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments

VIVEK
SHRIPAD
JOSHI

Digitally signed
by VIVEK
SHRIPAD JOSHI
Date: 2024.10.03
11:20:56 +05'30'

VIVEK S JOSHI
Director & CEO
DIN: 09522758

AJAY
KUMAR

Digitally signed
by AJAY KUMAR
Date: 2024.10.03
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AJAY KUMAR
Chief Financial Officer

PONNERI
DIVAKAR
DEVKISHAN

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PONNERI DIVAKAR
DEVKISHAN
Date: 2024.10.03
11:42:49 +05'30'

P D DEV KISHAN
Company Secretary

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

V
SATHYANARAYANAN
ANAN

Digitally signed by V
SATHYANARAYANAN
Date: 2024.10.03
12:09:00 +05'30'

V SATHYANARAYANAN
Partner
Membership No.:027716

Date : 3rd October 2024

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SUNDARAM-CLAYTON LIMITED

1. SIGNIFICANT ACCOUNTING POLICIES

1. Material Accounting Policies

The accounting policies mentioned herein are relating to the Condensed Consolidated financial statements of Sundaram-Clayton Limited and its subsidiaries and associates.

a) Brief description of the Company

Sundaram-Clayton Limited ("the Company") is a public limited company incorporated in India whose shares are publicly traded. The registered office is located at "Chaitanya", 12, Khader Nawaz Khan Road, Nungambakkam Chennai – 600006, Tamil Nadu, India. The Company together with its subsidiaries and associates (collectively referred to as the "Group") operate in the activities of manufacturing automotive components.

During the Financial Year 2023-24, the entire manufacturing business of TVS Holdings Limited (formerly known as Sundaram-Clayton Limited) was demerged, transferred and vested into Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) effective 11th August 2023 on going concern basis in accordance with the Composite Scheme of Arrangement ("Scheme") amongst TVS Holdings Limited (formerly Sundaram-Clayton Limited) and TVS Holdings Private Limited and VS Investments Private Limited and Sundaram-Clayton Limited (formerly Sundaram-Clayton DCD Limited) and their respective shareholders and creditors sanctioned by the Hon'ble National Company Law Tribunal, Chennai Bench ("NCLT") vide its Order dated 6th March 2023.

b) Basis of preparation

The Condensed Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Group's financial statements have been prepared on a going concern basis.

The financial statement has been prepared on the historical cost convention under accrual basis of accounting except for certain assets and liabilities (as per the accounting policy below), which have been measured at fair value. These financial statements for the period ended 30th June 2024 have been approved and authorised for issue by the Qualified Institutional Placement Committee on 3rd October 2024.

Principles of Consolidation

Business Combination:

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard.

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Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognized as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve.

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together, items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests (if any) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. (This is generally the case where the Group holds between 20% and 50% of the voting rights). Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

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Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. The estimates and underlying assumptions are reviewed on an ongoing basis.

This note provides an overview of the areas that involved a higher degree of judgment or complexity. It also provides an overview of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with the information about the basis of calculation for each affected line item in the financial statements

d) Significant estimates and judgments

The areas involving significant estimates or judgments are:

- i) Estimation of fair value of unlisted securities - (Refer Note 33 (iii))
- ii) Estimation of defined benefit obligation - (Refer Note 32)
- iii) Estimation of useful life of Property, Plant and Equipment - (Refer Note 1(i) and 1(j))
- iv) Estimation of Expected Credit Loss on Trade receivables (Refer Note 34A)

e) Cost Recognition

Costs and expenses are recognised when incurred and are classified according to their nature. Expenditure are capitalized where appropriate, in accordance with the policy for internally generated intangible assets and represents employee costs, stores and other manufacturing supplies, and other expenses incurred for construction and product development undertaken by the Group.

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1. SIGNIFICANT ACCOUNTING POLICIES

f) Revenue recognition

i) Sale of automotive components:

Revenue is recognized when the performance obligations are satisfied and the control of the goods is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Group has a right to payment for the goods, customer has possession and legal title to the goods, customer bears significant risk and rewards of ownership and the customer has accepted the goods or the Group has objective evidence that all criteria for acceptance have been satisfied.

ii) Sale of Services:

Revenue from Services is recognised in the accounting period in which the services are rendered.

iii) Significant judgements

There are no significant judgements made by the Group in determining the timing of satisfaction of performance obligation. It is determined as per the terms of the contract. In case of multiple performance obligations, the Group uses the adjusted market assessment approach to allocate the transaction price between multiple performance obligations. If a discount is granted, the same is adjusted against the transaction price of the contract.

g) Dividend:

Any dividend declared by Company is based on the profits available for distribution as reported in the statutory Standalone financial statements. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory Standalone financial statements after providing for depreciation as per the Companies Act, 2013.

However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014.

h) Property, Plant and Equipment

Freehold Land is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation / amortization and impairment, if any.

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Cost includes:

- i) purchase price,
- ii) taxes and duties,
- iii) labour cost, and
- iv) Directly attributable overheads incurred up to the date the asset is ready for its intended use.

However, cost excludes GST, to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Government grants relating to the purchase of property, plant and equipment are capitalized and included as cost to property, plant & equipment.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within Other gains/ (losses).

i) Depreciation

- i) Depreciation on tangible property, plant & equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated by a Chartered Engineer, on straight line method and in accordance with Ind AS 16, taking into consideration both usage, useful life and legal limitations on the use of assets, on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013.
- ii) The estimated useful life of the tangible property, plant & equipment as assessed by the Chartered Engineer and followed by the Group is furnished below:

Description	Years
Factory building and other buildings	30 to 64
Plant and Equipment	8 to 21
Electrical Equipment	15
Furniture and Fixtures	10
Computers	3
Mobile phones	1
Vehicles	6

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- iii) The residual value for all the above assets are retained at 5% of the cost except for Mobile phones for which nil residual value is considered. Residual values and useful lives are reviewed, and adjusted, if appropriate, for each reporting period.
- iv) On tangible property, plant & equipment added / disposed off during the period, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.
- v) Depreciation in respect of tangible assets costing individually less than Rs.5,000/- is provided at 100%.
- vi) Premium on Leasehold land is amortized over the period of lease.

j) Intangible assets

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately and the estimated useful life is more than one year, is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure:

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development phase of internal project is recognised, if and only if, the conditions under the Ind AS 34 - Intangible Asset, are fulfilled. If the conditions are not fulfilled the same is recognised in profit and loss in the period in which it is incurred.

The intangible assets are amortised on straight line basis over its useful life, viz., 2 years in the case of software.

k) Impairment

At each balance sheet date, the Group assesses whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

When necessary, the entire carrying amount of the Equity accounted investments is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's/CGU's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash generating unit) for which the estimates of future cash flows have not been adjusted.

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Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

I) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). i.e. in Indian rupees (INR) and all values are rounded off to nearest crores except where otherwise indicated.

(ii) Transactions and balances

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

- (a) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.
- (b) Non-monetary items denominated in foreign currency such as investments, property, plant & equipment, etc., are valued at the exchange rate prevailing on the date of transaction.
- (c) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities are translated at the closing rate at the date of that balance sheet
- b) income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- c) all resulting exchange differences are recognised in other comprehensive income.

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m) Hedge accounting

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 33. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in the Statement of Profit and Loss, within other gains/ (losses).

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognized in other comprehensive income in cash flow hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognized in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects the Statement of Profit and Loss (for example, when the forecast sale that is hedged takes place).

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When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the Statement of Profit and Loss within other gains/ (losses).

n) Inventories

Inventories are valued at the lower of cost and net realizable value.

- i. Cost of raw materials, components, stores, spares are determined on a moving average basis.
- ii. Finished Goods and Work in Progress are valued at Standard cost.
- iii. Cost of finished goods and work-in-process comprises of direct materials, direct labour and an applicable proportion of variable and fixed overhead expenditure, fixed overhead expenditure absorbed on the basis of normal operating capacity.
- iv. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
- v. Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost. Slow and non-moving material, obsolescence, defective inventories are duly provided for.

o) Employee benefits

i) Short term obligations:

Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognized upto the end of the reporting period at the amounts expected to be paid at the time of settlement.

ii) Other long term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, recognized and provided for at the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related

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obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation:

The Group operates the following post-employment schemes:

- a) Defined benefit plans such as gratuity for its eligible employees, pension plan for eligible senior managers; and
- b) Defined contribution plan such as provident fund.

a) Pension and gratuity obligation:

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (net of deferred tax). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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b) Provident fund:

The eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The provident fund contributions are made to an irrevocable trust set up by the Group. The Group is generally liable for annual contributions and any shortfall in the fund assets based on the Government specified minimum rates of return and recognizes such contributions and shortfall, if any, as an expense in the year in which it is incurred.

iv) Bonus plans:

The Group recognizes a liability and an expense for bonus. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

p) Taxes on income

Tax expense comprises of (i) current tax and (ii) deferred tax.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

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q) Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit or loss of the period in which it becomes receivable.

Government grants relating to the purchase of property, plant and equipment are included in current / non-current liabilities as deferred income and are credited to profit or loss as and when the obligations are fulfilled and presented within other income.

In case of waiver of duty under EPCG license, such grant is considered as revenue grant and recognized in "Other Income" on completion of export obligation as approved by Regulatory Authorities.

r) Provisions and contingent liabilities

i) Provision:

A provision is recorded when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. The estimated liability for product warranties is accounted based on technical evaluation, when the products are sold.

Provisions are evaluated at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

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ii) Contingent liabilities:

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

s) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The group operates in only one segment – Die casting of Automotive components

t) **Leases**

Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option

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Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognized in profit and loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

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u) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

v) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less provision for impairment.

w) Contract Liabilities

A contract liability is the obligation to transfer goods to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the consideration is received. Contract liabilities are recognized as revenue when the Group performs under the contract.

x) Investments and Other financial assets

i) Classification

The Group classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus (in the case of a financial asset not a fair value through profit or loss) transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Equity instruments:

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The Group subsequently measures all investments in equity (except of the subsidiaries / associates) at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there will be no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in the Statement of Profit and Loss as other income when the Group's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately. Where the Group elects to measure fair value through profit and loss, changes in the fair value of such financial assets are recognized in the statement of profit and loss.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 34(A) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognized from initial recognition of the receivables.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

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(iv) Derecognition of financial assets

A financial asset is derecognised only when:

- a) the Group has transferred the rights to receive cash flows from the financial asset or
- b) The Group retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised, if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(v) Income recognition

Dividend income:

Dividends are recognized in statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be reliably measured.

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y) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings, using the effective interest rate method. Fees paid on the established loan facilities are recognized as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for over or at least 12 months after the reporting period.

z) Current and Non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

SUNDARAM-CLAYTON LIMITED

1. SIGNIFICANT ACCOUNTING POLICIES

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. In Group's considered view, twelve months is its operating cycle for all entities within the Group.

aa) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

ab) Earnings Per Share (EPS)

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year/period.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.