



**SUNDARAM FINANCE**

*Enduring values. New age thinking.*

SEC:040:20-21/SS

August 10, 2020

The Manager - Listing  
National Stock Exchange of India Limited  
Capital Market – Listing  
Exchange Plaza, 5th Floor  
Plot No. C/1, G Block  
Bandra-Kurla Complex  
Bandra (E), Mumbai 400 051

Dear Sir,

Sub: Submission of standalone and consolidated unaudited financial results for the quarter ended 30th June 2020

Ref: Reg. 33 and 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement

We have pleasure in enclosing the standalone and consolidated unaudited financial results for the quarter ended 30th June 2020 together with the copies of the Limited Review Reports issued by the Statutory Auditors. These results were approved at the Board Meeting held today.

We have made arrangements for publishing the extract of the unaudited financial results in 'Makkal Kural' and 'Business Line' on 11th August 2020.

Thanking you,

Yours truly,  
for Sundaram Finance Limited

P. Viswanathan  
Secretary & Compliance Officer

Encl:

CC: The Corporate Relationship  
Dept. of Corporate Services  
Bombay Stock Exchange Limited  
Floor 25, P J Towers  
Dalal Street  
Mumbai 400 001

**Sundaram Finance Limited**



STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER ENDED 30.06.2020

(₹ in lakhs)

Sl.No	Particulars	Standalone				Consolidated			
		Quarter Ended		Year Ended		Quarter Ended		Year Ended	
		30.06.2020	31.03.2020	30.06.2019	31.03.2020	30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Reviewed	Audited	Reviewed	Audited	Reviewed	Audited	Reviewed	Audited
1	Revenue from Operations								
	Interest Income	84498.24	86037.49	81650.28	340640.02	110809.43	112369.93	81756.77	393358.14
	Lease Rental income (Net)	1384.56	1575.61	1487.94	5881.28	1379.21	1569.51	1480.13	5840.79
	Fees and Commission Income	2370.10	4874.32	5213.14	21455.54	2418.43	5386.53	5117.77	21205.80
	Dividend Income	1587.22	253.15	1560.00	4921.54	2.47	1631.23	154.08	2329.07
	Income from other Services	544.23	607.43	672.90	2564.51	7157.57	9050.77	9040.59	35809.50
	Recovery of Bad debts	122.27	492.48	419.96	1962.49	122.27	501.13	419.96	1979.53
	Net gain on fair value changes	4337.69	368.02	718.19	4889.57	5286.34	1417.95	310.54	6889.76
	Net gain on derecognition of financial instruments under amortised cost category	-	(16.12)	1303.47	1894.03	23.75	97.91	1303.47	2128.53
	<b>Total Revenue from operations</b>	<b>94844.31</b>	<b>94192.38</b>	<b>93025.88</b>	<b>384208.98</b>	<b>127199.47</b>	<b>132024.96</b>	<b>99583.31</b>	<b>469541.12</b>
2	Other Income	362.30	1161.19	303.33	8484.59	499.04	1091.56	348.60	2711.62
3	<b>Total Income</b>	<b>95206.61</b>	<b>95353.57</b>	<b>93329.21</b>	<b>392693.57</b>	<b>127698.51</b>	<b>133116.52</b>	<b>99931.91</b>	<b>472252.74</b>
4	Expenses								
	Finance cost	52346.32	51563.75	49639.57	207202.96	69548.45	68821.43	49701.62	242745.26
	Employee benefit expenses	9299.89	9275.45	8833.95	35862.33	13931.90	13256.25	11797.91	50200.48
	Fees and commission expenses	-	-	-	-	2045.27	3594.86	3402.49	12580.75
	Administrative & other expenses	3950.17	4396.76	4982.49	19178.91	5310.26	6458.99	6297.01	24804.61
	Depreciation & amortisation	1639.84	1991.87	1632.41	7297.98	2201.72	2494.21	1757.99	8953.24
	impairment on financial instruments	6071.27	11569.47	4590.33	28639.64	8517.95	13799.50	4467.12	33011.98
	<b>Total expenses</b>	<b>73307.49</b>	<b>78797.30</b>	<b>69678.75</b>	<b>298181.82</b>	<b>101555.55</b>	<b>108425.24</b>	<b>77424.14</b>	<b>372296.32</b>
5	<b>Profit/(loss) before exceptional items and tax</b>	<b>21899.12</b>	<b>16556.27</b>	<b>23650.46</b>	<b>94511.75</b>	<b>26142.96</b>	<b>24691.28</b>	<b>22507.77</b>	<b>99956.42</b>
6	Exceptional items	-	-	-	-	-	-	-	-
7	<b>Profit/(loss) before tax</b>	<b>21899.12</b>	<b>16556.27</b>	<b>23650.46</b>	<b>94511.75</b>	<b>26142.96</b>	<b>24691.28</b>	<b>22507.77</b>	<b>99956.42</b>
8	Tax expense								
	Current tax	7780.91	6413.09	8972.27	25841.73	9599.52	8474.53	9554.17	30225.17
	Deferred tax	(2449.93)	(2945.86)	(1074.33)	(3724.74)	(3026.25)	(1689.70)	(1474.03)	(3151.06)
	Reversal of Deferred Tax Liability relating to past years	-	-	-	-	-	(6024.86)	-	(6024.86)
9	<b>Profit/(loss) for the period from continuing operations</b>	<b>16568.14</b>	<b>13089.04</b>	<b>15752.52</b>	<b>72394.76</b>	<b>19569.69</b>	<b>23931.31</b>	<b>14427.63</b>	<b>78907.17</b>
10	Profit/(loss) for the period from discontinued operations (net of tax)	-	-	-	-	-	-	-	1622.79
11	<b>Profit/(loss) after tax (PAT)</b>	<b>16568.14</b>	<b>13089.04</b>	<b>15752.52</b>	<b>72394.76</b>	<b>19569.69</b>	<b>23931.31</b>	<b>14427.63</b>	<b>80529.96</b>
12	Share of Profits from Associates					(1290.63)	872.89	1192.72	4884.24
13	Share of Profits from Joint Ventures					7872.37	(3240.94)	2189.62	(873.67)
14	<b>Profit/(loss) after tax(PAT)</b>	<b>16568.14</b>	<b>13089.04</b>	<b>15752.52</b>	<b>72394.76</b>	<b>26151.43</b>	<b>21563.26</b>	<b>17809.97</b>	<b>84540.53</b>





STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER ENDED 30.06.2020

(₹ in Lakhs)

Sl.No	Particulars	Standalone				Consolidated			
		Quarter Ended		Year Ended		Quarter Ended		Year Ended	
		30.06.2020	31.03.2020	30.06.2019	31.03.2020	30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Reviewed	Audited	Reviewed	Audited	Reviewed	Audited	Reviewed	Audited
15	Other Comprehensive Income (net of tax)	133.10	465.20	105.31	6317.04	(7048.59)	(7671.66)	(16076.19)	(44459.89)
16	Total Comprehensive Income for the period / year	16701.24	13554.24	15857.83	78711.80	19102.84	13891.60	1733.78	40080.64
	Profit for the year attributable to								
	Owners of the Company					26926.45	19564.62	17008.10	79154.39
	Non-controlling interests					(775.02)	1998.64	801.87	5386.14
	Other Comprehensive Income for the period/year attributable to								
	Owners of the Company					1872.14	1402.74	(3948.62)	(3673.04)
	Non-controlling interests					(8920.73)	(9074.40)	(12127.57)	(40786.85)
	Total Comprehensive Income for the period/year attributable to:								
	Owners of the Company					28798.59	20967.36	13059.48	75481.35
	Non-controlling interests					(9695.75)	(7075.76)	(11325.70)	(35400.71)
17	Basic & diluted Earnings per equity share (on PAT) (Face Value of ₹10/- each) (not annualised)	14.91	11.78	14.18	65.16	24.44	17.76	15.44	71.85







**STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER ENDED 30.06.2020**

Notes:

- 1 The above results were approved by the Board of Directors at its meeting held on 10th August 2020.
- 2 Expected credit loss on Financial assets has been provided on estimated basis.
- 3 The Company's Secured Non - Convertible Debentures are secured by mortgage of immovable property ranking pari passu and Hypothecation of specific Loan receivables / Hire purchase/ Lease agreements with a cover of 100%, as per the terms of issue.
- 4 During the previous year ended 31.03.2020, the Company acquired 49% stake in Sundaram Fund Services Limited (erstwhile Sundaram BNP Paribas Fund Services Limited) and 49.9% stake in Sundaram Home Finance Limited (erstwhile Sundaram BNP Paribas Home Finance Limited ) on 31st July 2019 and 30th September 2019 respectively, making them 100% subsidiaries of the Company. The results for the quarter under review are therefore not directly comparable with the corresponding quarter of the previous year.
- 5 COVID-19, a global pandemic has affected several Countries across the world including India, leading to significant slowdown in economic activities. The pandemic and consequent lockdown imposed by the Government have impacted the Company's business operations for the quarter ended 30 June 2020. Further, as per the Board approved policy, in line with the RBI guidelines on the COVID-19 Regulatory Package, the Company has offered moratorium for instalments falling due between March 1, 2020 and August 31, 2020, to all eligible customers. While the extension of moratorium by itself does not necessarily trigger significant increase in credit risk, considering the uncertainty of customer's behaviour post moratorium and taking in to account the overall stressed economic situation in general, the Company, based on its estimates and judgments specific to the impact of the COVID-19 pandemic, has provided for possible credit loss in respect of loan receivables. The Company will continue to monitor any material changes to future economic conditions.  
  
Further, for the quarter ended 30 June 2020, as required under RBI guidelines dated 17th April 2020, the Company has set aside an additional amount of ₹ 11016.83 lakhs and ₹ 13729.38 lakhs towards COVID-19 provision in the Standalone and Consolidated financial statements respectively, in respect of all moratorium accounts, where asset classification benefit was extended.
- 6 The figures for the quarter ended 31st March 2020 are the balancing figures between audited numbers for the respective financial year and year to date numbers up to the third quarter of the relevant financial year.
- 7 Previous period's figures have been regrouped wherever necessary to conform to current period's classification.
- 8 The Statutory Auditors have carried out a Limited Review of the financial results for the quarter ended 30th June 2020.

By Order of the Board

  
T.T. SRINIVASARAGHAVAN  
Managing Director



Chennai  
10.08.2020

**Sundaram Finance Limited**  
CIN:L65191TN1954PLC002429  
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Email: investorservices@sundaramfinance.in  
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Segment Information in respect of Consolidated Accounts for the Quarter ended 30.06.2020

Business Segments	Quarter Ended			(₹ in Lakhs)
	30.06.2020	31.03.2020	30.06.2019	Year ended 31.03.2020
<b>1. Segment Revenue</b>				
a) Asset Financing	118453.05	119036.82	89005.05	425043.33
b) Others	11521.32	13206.82	13381.31	54594.50
<b>Total</b>	<b>129974.37</b>	<b>132243.64</b>	<b>102386.36</b>	<b>479637.83</b>
Less: Inter Segment Revenue	2774.90	218.68	2803.05	10096.71
<b>Income from Operations</b>	<b>127199.47</b>	<b>132024.96</b>	<b>99583.31</b>	<b>469541.12</b>
<b>2. Segment Results</b>				
a) Asset Financing	26378.56	21663.42	22362.20	96207.22
b) Others	2556.80	3934.23	2426.16	11636.77
<b>Total</b>	<b>28935.36</b>	<b>25597.65</b>	<b>24788.36</b>	<b>107843.99</b>
Less: Inter Segment adjustments	2036.87	693.35	2298.29	8136.15
Add: Unallocable corporate income net of expenses	(755.53)	(213.02)	17.70	248.58
Exceptional item				
<b>Profit Before Tax</b>	<b>26142.96</b>	<b>24691.28</b>	<b>22507.77</b>	<b>99956.42</b>
<b>Segment assets</b>				
a) Asset Financing	4250103.68	4104592.16	3149464.28	4104592.16
b) Others	420871.72	423788.56	349381.82	423788.56
<b>Total Segment assets</b>	<b>4670975.40</b>	<b>4528380.72</b>	<b>3498846.10</b>	<b>4528380.72</b>
Less: Inter Segment Assets	141250.56	141192.66	21993.28	141192.66
Add: Unallocable corporate assets	87456.92	84901.72	31664.65	84901.72
Add: Assets held for sale	1.25	1.25	-	1.25
<b>Total Assets</b>	<b>4617183.01</b>	<b>4472091.03</b>	<b>3508517.47</b>	<b>4472091.03</b>
<b>Segment Liabilities</b>				
a) Asset Financing	3765923.31	3651037.74	2700641.36	3651037.74
b) Others	7598.23	9672.01	8118.87	9672.01
Less: Inter Segment Liabilities	2045.56	1848.36	1688.63	1848.36
Add: Unallocable corporate Liabilities	-	-	-	-
<b>Total Liabilities</b>	<b>3771475.98</b>	<b>3658861.39</b>	<b>2707071.60</b>	<b>3658861.39</b>



**Independent Auditor's Review Report on quarterly and year to date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**Review Report to the Board of Directors of Sundaram Finance Limited, Chennai.**

We have reviewed the accompanying statement of unaudited standalone financial results of Sundaram Finance Limited, Chennai ("the Company") for the quarter ended June 30 ("the statement").

This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



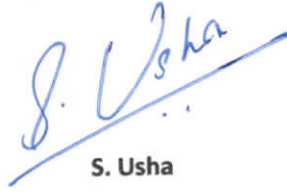


**SUNDARAM & SRINIVASAN**  
CHARTERED ACCOUNTANTS

Offices: Chennai - Mumbai - Bangalore - Madurai

We draw attention to Note no: 5 relating to impact of COVID 19 Pandemic in the financial statements in which the management has described the probable impact on the company, the environment in which it operates and the uncertainties. The measures taken to deal with these circumstances were explained by the management. Our opinion is not modified in this matter.

**For Sundaram and Srinivasan**  
**Chartered Accountants**  
**Firm Regn. No. – 004207S**



**S. Usha**  
**Partner**  
**Membership No: 211785**  
**UDIN: 20211785AAAADW5031**

**Place: Chennai**  
**Date: 10<sup>th</sup> August 2020**



**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Sundaram Finance Limited, Chennai.**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Sundaram Finance Limited, Chennai ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its associates and joint venture for the quarter ended June 30, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing 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. Accordingly, we do not express an audit opinion.





We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

A. Parent Company

Sundaram Finance Limited

B. Subsidiary Companies

Sundaram Finance Holdings Limited

Sundaram Home Finance Limited

Sundaram Asset Management Company

Sundaram Trustee Company Limited

LGF Services Limited

Sundaram Fund Services Limited

Sundaram Finance Employee Welfare Trust

Sundaram Business Services Limited

Sundaram Asset Management Singapore Pte Limited

Sundaram Alternate Assets Limited

C. Joint Venture

Royal Sundaram General Insurance Company Limited

D. Associates

Flometallic India Private Limited

Dunes Oman LLC (FZC)

Sundaram Hydraulics Limited

Axles India Limited

Turbo Energy Private Limited

Transenergy Limited

Sundaram Dynacast Private Limited

Wheels India Limited [From 29.06.2020]



5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under section 133 of the Companies Act, 2013, as amended read with relevant Rules thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note no: 5 relating to impact of COVID-19 Pandemic in the financial statements in which the management has described the probable impact on the company, the environment in which it operates and the uncertainties. The measures taken to deal with these circumstances were explained by the management. Our opinion is not modified in this matter.
7. We did not review the interim financial results of six subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 7,223.47 Lakhs and total net profit after tax of Rs.1,021.88 Lakhs and total comprehensive loss of Rs.9,772.71 Lakhs for the quarter ended June 30, 2020 as considered in the consolidated unaudited financial results.

The consolidated unaudited financial results also includes the Group's share of net loss after tax of Rs.822.17 Lakhs and total comprehensive loss of Rs.897.14 Lakhs for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results, in respect of four associates, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.




**SUNDARAM & SRINIVASAN**  
CHARTERED ACCOUNTANTS

Offices: Chennai - Mumbai - Bangalore - Madurai

The consolidated unaudited financial results also include the Group's share of net profit after tax of Rs.7872.37 Lakhs and total comprehensive income of Rs.12,006.62 Lakhs for the quarter ended June 30, 2020, as considered in the consolidated financial statements in respect of a joint venture, whose financial results have not been reviewed by us. These statements have been reviewed by other auditors under Indian GAAP and certified by the other auditors and the management of the said company under Ind AS and have been furnished to us for the purpose of consolidation. Our opinion on the consolidated unaudited financial results, in so far as it relates to the amounts and disclosures included in respect of the above joint venture is based solely on such certified financial results furnished to us by the management.

Our conclusion on the Statement is not modified in respect of the above matters.

**For Sundaram and Srinivasan**  
**Chartered Accountants**  
**Firm Regn. No. – 004207S**



**S. Usha**  
**Partner**  
**Membership No: 211785**  
**UDIN: 20211785AAAADW5031**

**Place: Chennai**  
**Date: 10<sup>th</sup> August 2020**

