



SUNDARAM FINANCE
Enduring values. New age thinking.

SEC:150:21-22/SS
February 7, 2022

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 / nine months ended 31st December 2021

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

We have pleasure in enclosing the standalone and consolidated unaudited financial results for the quarter and nine months ended 31st December 2021 together with the copies of the Limited Review Reports issued by the Joint 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 8th February 2022.

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



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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31.12.2021

(₹ in crores)

Sl.No	Particulars	Standalone					
		Quarter Ended			Nine Months Ended		Year Ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations						
	Interest Income	857.20	860.62	904.33	2573.50	2612.54	3471.34
	Lease Rental income (Net)	17.24	17.79	14.25	50.86	42.74	58.09
	Fees and Commission Income	57.44	51.76	70.50	142.59	142.58	196.61
	Dividend Income	0.01	58.36	0.00	73.62	47.88	63.07
	Income from other Services	5.32	5.16	5.30	15.73	16.52	21.01
	Recovery of Bad debts	5.54	4.50	3.11	13.21	6.70	12.97
	Net gain on fair value changes	15.58	23.63	46.47	60.78	117.19	130.65
	Total Revenue from Operations	958.33	1021.82	1043.96	2930.29	2986.15	3953.74
2	Other Income	2.94	3.35	2.50	11.78	10.24	60.46
3	Total Income	961.27	1025.17	1046.46	2942.07	2996.39	4014.20
4	Expenses						
	Finance cost	417.28	413.41	507.13	1289.22	1546.01	2030.73
	Employee benefit expenses	104.11	105.24	93.86	312.45	280.36	382.23
	Administrative & other expenses	57.12	44.89	37.73	142.06	114.96	158.62
	Depreciation & amortisation	18.94	17.90	17.86	52.46	51.55	70.25
	Impairment on financial instruments	96.42	165.27	69.69	346.89	210.58	316.06
	Total expenses	693.87	746.71	726.27	2143.08	2203.41	2957.90
	Profit/(loss) before exceptional items and tax	267.40	278.46	320.19	798.99	792.98	1056.30
6	Exceptional items	-	-	-	-	-	-
7	Profit/(loss) before tax	267.40	278.46	320.19	798.99	792.98	1056.30
8	Tax expense						
	Current tax	63.22	89.45	65.01	246.94	213.40	288.25
	Deferred tax	1.80	(21.64)	12.96	(52.56)	(20.27)	(41.00)
9	Profit/(loss) after tax (PAT)	202.38	210.65	242.22	604.61	599.85	809.05
10	Other Comprehensive Income (net of tax)	(0.23)	(10.37)	(1.49)	(12.38)	(3.75)	(4.83)
11	Total Comprehensive Income for the period / year	202.15	200.28	240.73	592.23	596.10	804.22
12	Basic & diluted Earnings per equity share (on PAT) (Face Value of ₹10/- each) (not annualised for the quarter/nine months)	18.22	18.96	21.80	54.42	53.99	72.82





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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31.12.2021

Sl.No	Particulars	Consolidated					
		Quarter Ended			Nine Months Ended		Year Ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Revenue from Operations						
	Interest Income	1085.29	1090.66	1154.34	3263.39	3384.35	4478.30
	Lease Rental Income (Net)	17.21	17.77	14.20	50.78	42.60	57.91
	Fees and Commission Income	58.42	54.23	72.73	148.01	146.29	201.46
	Dividend Income	0.26	2.35	0.02	7.98	0.05	4.50
	Income from other Services	93.82	91.38	85.29	265.56	234.95	323.20
	Recovery of Bad debts	7.31	4.50	3.11	14.98	6.70	12.97
	Net gain on fair value changes	21.97	31.36	58.72	83.37	144.41	164.18
	Net gain on derecognition of financial instruments under amortised cost category	0.98	0.94	2.58	2.51	3.14	5.14
	Total Revenue from Operations	1286.26	1293.19	1390.99	3836.58	3962.48	5247.66
2	Other Income	3.54	5.80	4.74	14.52	16.13	69.08
3	Total Income	1289.80	1298.99	1395.73	3851.10	3978.61	5316.74
4	Expenses						
	Finance cost	550.99	546.80	663.95	1690.57	2041.14	2659.39
	Employee benefit expenses	152.94	149.75	137.63	449.62	415.78	560.98
	Fees and commission expenses	16.31	17.83	23.55	50.40	62.46	91.77
	Administrative & other expenses	72.07	60.05	56.27	183.50	161.87	213.77
	Depreciation & amortisation	25.32	21.82	23.39	67.24	68.06	92.97
	Impairment on financial instruments	125.23	198.73	76.96	434.13	230.45	358.29
	Total expenses	942.86	934.98	981.75	2875.46	2979.76	3887.17
5	Profit/(loss) before exceptional items and tax	346.94	364.01	413.98	975.64	998.85	1329.57
6	Exceptional items	-	-	-	-	-	-
7	Profit/(loss) before tax	346.94	364.01	413.98	975.64	998.85	1329.57
8	Tax expense						
	Current tax	90.79	106.49	87.21	316.24	273.21	385.68
	Deferred tax	(6.72)	(16.62)	12.26	(60.96)	(22.46)	(58.15)
	Reversal of Deferred Tax Liability relating to past years						
9	Profit/(loss) for the period from continuing operations	262.87	214.14	314.51	720.36	748.10	1002.04
10	Profit/(loss) after tax (PAT)	262.87	214.14	314.51	720.36	748.10	1002.04
11	Share of Profits from Associates	33.12	25.28	25.66	83.65	31.22	64.22
12	Share of Profits from Joint Ventures	18.51	34.38	23.76	94.52	144.31	156.74
13	Profit/(loss) after tax (PAT)	314.50	273.80	363.93	898.53	923.63	1223.00
14	Other Comprehensive Income (net of tax)	30.28	67.82	123.65	268.09	(37.87)	178.46
15	Total Comprehensive Income for the period / year	344.78	341.62	487.58	1166.62	885.76	1401.46
	Profit for the year attributable to						
	Owners of the Company	288.83	259.04	342.25	833.35	894.58	1165.09
	Non-controlling interests	25.67	14.76	21.68	65.18	29.05	57.91
	Other Comprehensive Income for the period/year attributable to						
	Owners of the Company	(13.88)	20.86	48.44	39.24	39.81	45.04
	Non-controlling interests	44.16	46.96	75.21	228.85	(77.68)	133.42
	Total Comprehensive Income for the period/year attributable to:						
	Owners of the Company	274.95	279.90	390.69	872.59	934.39	1210.13
	Non-controlling interests	69.83	61.72	96.89	294.03	(48.63)	191.33
16	Basic & diluted Earnings per equity share (on PAT) (Face Value of ₹10/- each) (not annualised for the quarter/nine months)	26.21	23.51	31.06	75.63	81.19	105.74





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Segment Information in respect of Unaudited Consolidated Results

	(₹ in crores)					
	Quarter Ended			Nine Months Ended		Year ended
	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
Business Segments	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
a) Asset Financing	1174.41	1181.92	1287.42	3513.00	3678.20	4855.68
b) Others	119.70	177.22	117.67	418.39	371.92	513.92
	1294.11	1359.14	1405.09	3931.39	4050.12	5369.60
Less: Inter Segment Revenue	7.85	65.95	14.09	94.81	87.64	121.93
Total	1286.26	1293.19	1391.00	3836.58	3962.48	5247.66
2. Segment Results						
a) Asset Financing	321.05	274.01	392.96	894.47	967.90	1226.24
b) Others	31.59	86.77	26.23	160.15	102.39	156.01
Total	352.64	360.78	419.19	1054.62	1070.29	1382.25
Less: Inter Segment adjustments	(0.78)	57.66	6.52	69.98	65.25	90.95
Add: Unallocable corporate income net of expenses	(6.49)	0.89	1.31	(9.00)	(6.19)	38.28
Exceptional item	-	-	-	-	-	-
Profit Before Tax	346.94	304.01	413.98	975.64	998.85	1329.58
Segment assets						
a) Asset Financing	41311.49	40966.70	44052.50	41311.49	44052.50	42135.12
b) Others	5848.58	5419.76	4464.08	5848.58	4464.08	4811.43
Total Segment assets	47160.07	46386.46	48516.58	47160.07	48516.58	46946.55
Less: Inter Segment Assets	1696.97	1517.20	1411.11	1696.97	1411.11	1412.59
Add: Unallocable corporate assets	1323.58	1169.11	1053.46	1323.58	1053.46	1058.57
Total Assets	46786.68	46038.37	48158.93	46786.68	48158.93	46592.53
Segment Liabilities						
a) Asset Financing	35805.59	35506.12	38992.15	35805.59	38992.15	37042.62
b) Others	295.49	98.87	119.23	295.49	119.23	117.78
Total Segment Liabilities	36101.08	35604.99	39111.38	36101.08	39111.38	37160.40
Less: Inter Segment Liabilities	151.19	22.65	19.04	151.19	19.04	18.37
Add: Unallocable corporate Liabilities	-	-	-	-	-	-
Total Liabilities	35949.89	35582.34	39092.34	35949.89	39092.34	37142.03





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Notes:

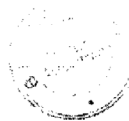
- 1 The above Financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held in Chennai on 3rd and 7th February, 2022.
- 2 The Company's Secured Non - Convertible Debentures are secured by mortgage of immovable property ranking pari passu and Hypothecation of specific Loan receivables / Hire purchase/ Lease agreements with a cover of 100%, as per the terms of issue.
- 3 The Company is a 'Large Corporate' as per criteria under SEBI circular SEBI/HO/DDHS/CIR/P/2018/144. Necessary disclosure has been made to the stock exchange in this regard.
- 4 The global COVID-19 pandemic has disrupted economic activity substantially over the past two years. The recent outbreak of the third wave of COVID-19 Omicron variant has been highly infectious but relatively mild in intensity till date. The extent to which the COVID-19 pandemic (including the outbreak of any new coronavirus variants) will affect the Company's operations is unknown. The impact to growth, asset quality and profitability will depend on future developments, which remain uncertain. Accordingly, Management continues to monitor the evolving situation and has considered events up to the date of the financial statements to determine the financial implications, including in respect of Expected Credit Loss (ECL) provisioning as of 31st December 2021.

Disclosure on Resolution Framework 2.0 implemented in terms of RBI circulars RBI/2021-22/31 DOR-STR.REC.11/21.04.048/2021-22 and RBI/2021-22/32 dated 5th May 2021:

(₹ in crores except number of accounts)

Sl. No.	Description	Individual Borrowers		Small Businesses*
		Personal Loans	Business Loans	
A	Number of requests received for invoking resolution process under Part A	845	4843	1311
B	Number of accounts where resolution plan has been implemented under this window*	763	4832	1310
C	Exposure to accounts mentioned at (B) before implementation of the plan*	224.89	678.49	253.00
D	Of (C), aggregate amount of debt that was converted into other securities			
E	Additional funding sanctioned, if any, including between invocation of the plan and implementation			
F	Increase in provisions on account of the implementation of the resolution plan	23.25	45.96	15.27

*Including MSME loans





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- 5 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 is attached as Annexure.
- 6 With a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions, RBI vide its circular dated 12th November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances" has tightened the NPA norms for NBFCs with immediate effect. The Company has taken steps to comply with the changes for regulatory reporting, as applicable. The Company continues to prepare the financial results in accordance with the applicable Ind-AS guidelines and maintains adequate ECL provisions as per Ind AS 109.
- 7 The Board of Directors, at their meeting held on 7th February, 2022, has declared an Interim Dividend of ₹ 10 per share (100%) for the financial year 2021-22 which will be paid on 4th March 2022 to those Shareholders whose names stand on the Registrar of Members of the Company on the Record date - 18th February 2022.
- 8 Previous period's / year figures have been regrouped wherever necessary to conform to current period's classification.
- 9 The Joint Statutory Auditors have carried out a Limited Review of the financial results for the quarter and nine months ended 31st December 2021.

By Order of the Board

RAJIV C LOCHAN
Managing Director



Chennai
07.02.2022

Sundaram Finance Limited
CIN:L65191TN1954PLC002429
Regd. Office: 21, Patullas Road, Chennai 600 002
Tel: 044 2852 1181, Fax: 044 2858 6641
Email: investorservices@sundaramfinance.in
www.sundaramfinance.in

Disclosure in Compliance with regulation 52 (4) of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 as amended, for the quarter and nine months ended December 31, 2021

Particulars	Annexure					
	Quarter ended			Nine Months ended		Year ended
	31st Dec 2021	30th Sep 2021	31st Dec 2020	31st Dec 2021	31st Dec 2020	31st Mar 2021
a) Debt Equity Ratio	4.04	4.13	4.86	4.04	4.86	4.57
b) Debt Service coverage ratio	N/A	N/A	N/A	N/A	N/A	N/A
c) Interest Service coverage ratio	N/A	N/A	N/A	N/A	N/A	N/A
d) Outstanding redeemable preference shares (quantity and value)	N/A	N/A	N/A	N/A	N/A	N/A
e) Capital redemption reserve/Debenture redemption reserve	N/A	N/A	N/A	N/A	N/A	N/A
f) Networth (₹ in Cr.)	6709.46	6506.67	6104.36	6709.46	6104.36	6179.45
g) Net Profit after tax (₹ in Cr.)	202.38	210.65	242.22	604.61	599.85	809.05
h) Earnings per Equity Share (Basic & Diluted) (₹) (not annualised for the interim period)	18.22	18.96	21.80	54.42	53.99	72.82
i) Current ratio	N/A	N/A	N/A	N/A	N/A	N/A
j) Long term debt to working capital	N/A	N/A	N/A	N/A	N/A	N/A
k) Bad debts to Account Receivable ratio (not annualised)	0.38%	0.14%	0.29%	0.55%	0.43%	0.61%
l) Current Liability ratio	N/A	N/A	N/A	N/A	N/A	N/A
m) Total Debts to Total Assets	78.91%	79.29%	81.75%	78.91%	81.75%	80.83%
n) Debtors Turnover	N/A	N/A	N/A	N/A	N/A	N/A
o) Inventory Turnover	N/A	N/A	N/A	N/A	N/A	N/A
p) Operating Margin (%)	56.46%	59.54%	51.42%	56.00%	48.23%	48.64%
q) Net profit margin (%)	21.12%	20.62%	23.20%	20.63%	20.09%	20.46%
r) Sector Specific Equivalent ratios:						
1. Gross Stage 3 Loans	3.39%	3.45%	1.59%	3.39%	1.59%	1.84%
2. Net Stage 3 Loans	2.09%	2.12%	0.83%	2.09%	0.83%	1.01%
3. Capital Adequacy Ratio	23.58%	23.40%	19.78%	23.58%	19.78%	22.06%

The Honourable Supreme Court of India, vide an interim order dt. 3rd Sep 2020, directed that borrowers who have availed moratorium benefit and were not declared Non-Performing Assets (NPA) till 31st Aug 2020 shall not be declared as NPA till further orders. Hence, the Company has not classified any moratorium account as NPA for the period ended 31st December, 2020, if the same were not NPA as of 31st Aug 2020. If the Company had classified the above borrower accounts as NPA, the Gross Stage 3 Loans and the Net Stage 3 Loans ratio would have been 2.47% and 1.51% respectively, for the period ended 31st December 2020.

Note:

Baddebts to Account Receivable ratio $\frac{\text{Bad debts}}{\text{Average Loans}}$
 Operating Margin $\frac{\text{Revenue from Operations less Finance Cost}}{\text{Revenue from Operations}}$
 Net profit margin $\frac{\text{Profit after Tax}}{\text{Revenue from Operations}}$



Limited review report on unaudited standalone financial results of Sundaram Finance Limited for the quarter and nine months ended 31 December 2021 under Regulation 33 and Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
Sundaram Finance Limited

INTRODUCTION

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Sundaram Finance Limited (the 'Company') for the quarter and nine months ended 31 December 2021 ('the Statement').
2. The Statement, which is the responsibility of the Company's management and approved by its 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, and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.

SCOPE OF 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

CONCLUSION

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, 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 and Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement



B. K. Khare & Co.
Chartered Accountants
706-708, Sharda Chambers
New Marine Lines
Mumbai 400020

N C Rajagopal & Co
No.22 Krishnaswamy Avenue,
Luz Church Road,
Mylapore,
Chennai – 600 004

EMPHASIS OF MATTER

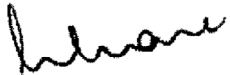
5. We draw attention to Note no 4 of the accompanying statement, relating to the impact of the outbreak of COVID -19 Pandemic on the unaudited financial results/business operations of the company. In view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in this matter.

OTHER MATTER

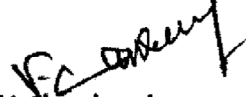
6. The numbers and details pertaining to period(s) i.e. Quarter ended 31 December 2020, nine months ended 31 December 2020 have been traced from the review reports of Previous Auditor, in terms of Regulation 33 and Regulation 52 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Similarly, the numbers and details pertaining to Year ended as at 31 March 2021 and notes related thereto in the Statement have been traced from the Financial Statements of the Company audited by the Previous Auditor vide their unmodified report dated 28 May 2021. Our report is not modified in respect of this matter.

For B. K. Khare & Co
Chartered Accountants
Firm Registration Number – 105102W

For N C Rajagopal & Co
Chartered Accountants
Firm Registration Number - 0033985


Padmini Khare Kaicker
Partner
Membership No. 04784
UDIN: 22044784AAPYLZ7920
Place: Mumbai
Date: 07 February 2022




V. Chandrasekaran
Partner
Membership No. 024844
UDIN: 22024844AAPWID5620
Place: Chennai
Date: 07 February 2022



2

Limited review report on unaudited Consolidated financial results of Sundaram Finance Limited for the quarter and nine months ended 31 December 2021 under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To:
The Board of Directors of
Sundaram Finance Limited

INTRODUCTION

1. We have reviewed the accompanying Statement of unaudited Consolidated financial results of Sundaram Finance Limited (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 (Refer Annexure-1 for the list of subsidiaries included in the Statement) for the quarter and nine months ended 31 December 2021 ('the Statement'), being submitted by the parent pursuant to the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'LODR')
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, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.

SCOPE OF 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 the 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 SEBI Circular CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



CONCLUSION

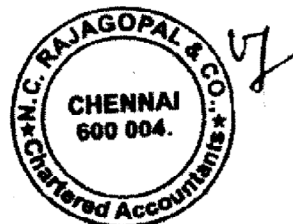
4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with recognition and measurement principles laid down in Ind AS 34, specified under Section 133 of the Companies Act, 2013, the SEBI Circular and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements 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.

EMPHASIS OF MATTER

5. We draw attention to Note no 4 of the accompanying statement, relating to the impact of the outbreak of COVID -19 Pandemic on the unaudited financial results/business operations of the Group. In view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in this matter.

OTHER MATTER

6. We did not review the interim financial results of thirteen subsidiaries (including eight stepdown subsidiaries) included in the unaudited consolidated financial results, whose interim financial results reflect total revenues of Rs. 333 Crores and Rs.993 Crores, and total net profit or loss after tax of Rs. 61 Crores and Rs.189 Crores, and total comprehensive income of Rs. 117 Crores and Rs.481 Crores, and total asset of Rs. 13,502 Crores for the quarter ended 31 December 2021 and for the period 1 April 2021 to 31 December 2021 respectively as considered in the unaudited consolidated financial results.
7. The unaudited consolidated financial results also include the Group's share of net Profit after tax of Rs. 33 Crores and Rs.84 Crores, and total comprehensive income/loss of Rs.34 Crores and Rs.87 Crores for the quarter ended 31 December 2021 and for the period 1 April 2021 to 31 December 2021 respectively, as considered in the unaudited consolidated financial results, in respect of eight stepdown 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 and associates, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

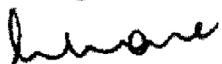


B. K. Khare & Co.
Chartered Accountants
706-708, Sharda Chambers
New Marine Lines
Mumbai 400020

N C Rajagopal & Co
No.22 Krishnaswamy Avenue,
Luz Church Road,
Mylapore,
Chennai – 600 004.

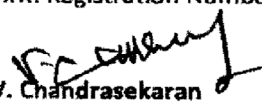
8. The numbers and details pertaining to period(s) i.e. Quarter ended 31 December 2020, nine months 31 December 2020 in the Statement have been traced from the review reports of Previous Auditor in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Similarly, the numbers and details pertaining to Year ended as at 31 March 2021 and notes related thereto in the Statement have been traced from the Financial Statements of the Parent audited by the Previous Auditor vide their unmodified audit report dated 28 May 2021.

For B. K. Khare & Co
Chartered Accountants
Firm Registration Number - 105102W


Padmini Khare Kaicker
Partner
Membership No. 044784
UDIN: 22044784AAPZGN3876
Place: Mumbai
Date: 07 February 2022



For N C Rajagopal & Co
Chartered Accountants
Firm Registration Number - 0033985


V. Chandrasekaran
Partner
Membership No. 024844
UDIN: 22024844AAPWNE8154
Place: Chennai
Date: 07 February 2022



Annexure-1 The Statement includes the results of the following entities:

A. Parent Company Sundaram Finance Limited

B. Subsidiary Companies

1. Sundaram Finance Holdings Limited
2. Sundaram Home Finance Limited
3. Sundaram Asset Management Company
4. Sundaram Trustee Company Limited
5. LGF Services Limited
6. Sundaram Fund Services Limited
7. Sundaram Finance Employee Welfare Trust
8. Sundaram Business Services Limited
9. Sundaram Asset Management Singapore Pte Limited
10. Sundaram Alternate Assets Limited
11. Mind srl (wef 14-12-2021)
12. Principal Trustee Company Private Limited (wef 31-12-2021)
13. Principal Asset Management Private Limited (wef 31-12-2021)
14. Principal Retirement Advisors Private Limited (wef 31-12-2021)
15. Sundaram Composite Structures Private Limited (wef 06-12-2021)

C. Joint Venture

Royal Sundaram General Insurance Company Limited

D. Associates

1. Flometallic India Private Limited
2. Sundaram Hydraulics Limited
3. Axles India Limited
4. Turbo Energy Private Limited
5. Transenergy Limited
6. Sundaram Dynacast Private Limited
7. Wheels India Limited
8. The Dunes Oman LLC (FZC)





SUNDARAM FINANCE
Enduring values. New age thinking.

SEC:152:21-22/SS
February 7, 2022

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 Press Release

We have pleasure in enclosing the press release relating to unaudited financial results for the quarter and nine months ended 31st December 2021.

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



PRESS RELEASE

**Unaudited standalone & consolidated financial results for the quarter and nine months ended
December 31, 2021**

Sundaram Finance Apr – Dec 2021 net profit at Rs. 605 crores as against Rs. 600 crores in Apr – Dec 2020.

Disbursements for Apr – Dec 2021 up by 13% at Rs. 9,524 crores.

Stage 3 assets at 3.39% (3.45% as of 30th September 2021) and Net stage 3 assets at 2.09% (2.12% as of 30th September 2021)

ROA at 2.3% (2.2% in 9M FY21) and Capital Adequacy Ratio at 23.6% (19.8% in 9M FY21)

100% interim dividend (Rs. 10 per share) declared

The Board of Directors of Sundaram Finance Ltd. (SFL) approved the unaudited standalone and consolidated financial results for the quarter and nine months ended December 31, 2021, at its meeting held on February 7, 2022, in Chennai. The accounts have been subjected to a limited review by the Company's statutory auditors in line with the regulatory guidelines.

"Overall economic activity improved in Q3 FY22 and demand remained robust across segments. However, supply side issues, including the global semiconductor chip shortage, caused a decline in industry volumes across multiple asset classes – tractor & farm equipment, construction equipment, passenger vehicles and small commercial vehicles. Medium and Heavy commercial vehicles witnessed robust growth albeit on a smaller base. We anticipate broad-based recovery across all segments in Q4," said Harsha Vijji, Executive Vice Chairman.

Disbursements for Apr – Dec 2021 recorded a growth of 13% to Rs. 9,524 crores as compared to Rs. 8,437 crores registered in the corresponding period of the previous year. Gross stage 3 assets as on December 31, 2021, stood at 3.39% with provision cover of 39% as against 3.45% as on September 30, 2021, with provision cover of 39%. Profit after tax for Apr – Dec 21 went up to Rs. 605 crores as against Rs. 600 crores in Apr – Dec 2020.

"While the Omicron variant was highly infectious, it has been relatively mild on hospitalisations and mortality, causing a rapid flattening of the curve in Wave 3 of the Covid pandemic. We expect Q4 to see recovery to normalcy which will enable pick-up in activity and credit offtake. We are well-poised to capture growth opportunities across all asset classes in Q4," said Rajiv Lochan, Managing Director.

STANDALONE PERFORMANCE HIGHLIGHTS FOR Q3 & 9M FY22

- Disbursements for Q3 FY22 was at Rs. 3,843 crores as compared to Rs. 4,334 crores in Q3 FY21. Adjusting for the pandemic induced ECLGS scheme, disbursements in Q3 FY22 grew 3% over Q3 FY21. Disbursements for Apr – Dec 21 recorded a growth of 13% to Rs. 9,524

Sundaram Finance Limited





crores as against Rs. 8,437 crores in Apr – Dec 20. Adjusting for the pandemic induced ECLGS scheme, core business disbursements grew 26% in 9MFY22 compared to 9MFY21.

- The assets under management stood at Rs. 29,796 crores as on 31st December 2021 as against Rs. 29,811 crores as on 30th September 2021.
- Pursuant to RBI's notification on Resolution Framework 2.0 related of advances to customers, assets totalling Rs. 781 crores, about 2.68% of loan outstanding, were restructured during Apr – Dec 2021. The total restructured assets were Rs.2,089 crores, about 7.16% of loan outstanding, as on 31st December 2021.
- Gross stage 3 assets as on 31st December 2021 stood at 3.39% with provision cover of 39% when compared to 3.45% with 39% provision cover as of 30th September 2021. Net stage 3 assets as of 31st December 2021 closed at 2.09% as against 2.12% as of 30th September 2021.
- With a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions, RBI vide its circular dated 12th November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances" has tightened the NPA norms for NBFCs with immediate effect. The Company has taken steps to comply with the changes for regulatory reporting, as applicable. The Company continues to prepare the financial results in accordance with the applicable Ind-AS guidelines and maintains adequate ECL provisions as per Ind AS 109.
- Covid-impacted customer segments, in particular staff & route bus, tourist bus and school bus operators, tourist taxi operators and small market load CV operators are still struggling through the process of recovery based on the pandemic's evolution and consequent actions to contain it. As per RBI's circular of November 12, 2021, gross NPA was 7.71%, of which 4.06% was below 90 days past due as of Dec 31, 2021. Excluding this, gross NPA would have been 3.65% as against 3.85% as of Sep 30, 2021. The Company's underlying business risk has not undergone any material change.
- Cost to income ratio closed at 30.13% in Apr – Dec 2021 as against 30.14% in Apr – Dec 2020.
- The deposit base stood at Rs. 4,117 crores as on 31st December 2021, a net accretion of Rs. 97 crores over 31st March 2021.
- Profit after tax for Apr – Dec 2021 at Rs. 605 crores as against Rs. 600 crores in Apr – Dec 2020. Profit after tax for Q3 FY22 closed at Rs.202 crores.
- Return on assets (ROA) for Apr – Dec 2021 closed at 2.3% as against 2.2% for Apr – Dec 2020. Return of equity (ROE) was at 12.5% for Apr – Dec 2021 as against 13.7% for Apr – Dec 2020. If we exclude investments in subsidiaries and group companies, core ROE was at 16.2% for Apr – Dec 2021 as against 19.2% for Apr – Dec 2020.

Sundaram Finance Limited



- Capital Adequacy Ratio stood at 23.6% (Tier I – 16.7%) as of 31st December 2021 compared to 19.8% (Tier I – 14.2%) as of 31st December 2020.
- The Company has declared an interim dividend of Rs. 10 per share (100%).

CONSOLIDATED PERFORMANCE HIGHLIGHTS FOR Q3 & 9M FY22

The consolidated results of SFL include the results of its standalone subsidiaries Sundaram Home Finance, Sundaram Asset Management and joint venture company Royal Sundaram General Insurance.

- The assets under management (AUM) in our lending (Sundaram Finance & Sundaram Home) and general insurance businesses stood at Rs. 46,349 crores as on 31st December 2021 as against Rs. 47,297 crores as on 31st December 2020. The assets under management of our asset management business stood at Rs. 46,355 crores as on 31st December 2021 as against Rs. 39,803 crores as on 31st December 2020.
- Consolidated profit after tax stood at Rs. 833 crores for the nine months ended 31st December 2021 compared to profit after tax of Rs. 895 crores for the nine months ended 31st December 2020.

GROUP COMPANY PERFORMANCE HIGHLIGHTS

Our group companies continued to perform well in difficult business conditions.

- The asset management business closed the nine months ended 31st December 2021 with assets under management of Rs. 46,355 crores (over 80 % in equity) and consolidated profits from the asset management businesses grew from Rs. 31 crores in Apr – Dec 2020 to Rs. 73 crores in Apr – Dec 2021, an increase of 135%.

On 31st December 2021, the asset management business completed the acquisition of Principal Asset Management Private Limited pursuant to approvals by the Competition Commission of India and SEBI. Consequently, assets under management as on 1st January 2022 amounted to Rs. 55,859 crores, an increase of 21%.

- Royal Sundaram General Insurance, our joint venture with Ageas of Belgium, delivered Gross Written Premium of Rs. 2,147 crores in Apr – Dec 2021, a 3% increase over Rs. 2,081 crores in Apr – Dec 2020. The profit for Apr – Dec 21 was at Rs. 189 crores as against Rs. 289 crores in Apr – Dec 2020, a decrease due to lower motor claims in Apr – Dec 2020 due to more extensive nation-wide lockdowns.

Sundaram Finance Limited





- Disbursements of Sundaram Home Finance were up by 91% to Rs. 1,517 crores in Apr – Dec 2021. The profit for Apr – Dec 2021 was Rs. 115 crores as against Rs. 155 crores in Apr – Dec 2020.

ABOUT SUNDARAM FINANCE

Sundaram Finance was established in 1954 and the company has today grown into one of the most trusted and diversified financial services groups in India providing financing for commercial vehicles, cars & utility vehicles, tractors and farm equipment, construction equipment, SME finance and a range of working capital products for financing diesel, tyres, insurance as well as working capital for SMEs. Through its subsidiaries and group companies, the company offers home finance, loans against property, mutual funds and investment management solutions and the full range of general insurance products and services. It has a nation-wide presence of over 600 branches, over 1.5 lakh depositors and over 4 lakh lending customers.

Sundaram Finance's vision is to be the most respected NBFC in the country and its mission is to deliver the Sundaram experience to all customers, big and small, in keeping with the ethos of the Company. Sundaram Finance embraces a philosophy that balances Growth, Quality and Profitability and remains rooted to its ideal of protecting and enhancing shareholder value. The founding philosophy of the company is that everything begins with the customer. Our founder, Late Sri T S Santhanam, enshrined in the company its core values - The Sundaram Way - that have been the company's guiding light over the decades. The company is deeply rooted in its values and proud of its heritage, also constantly innovating in terms of technology and processes to deliver the unique Sundaram experience to its customers and stakeholders.

For more information, please visit: <https://www.sundaramfinance.in/>

For further details, please contact:

- P. Viswanathan, Sundaram Finance, +91 44 2888 1207
- S. Prabhu, ProPR, +91 94440 40748, sprabhu@propr.in



Sundaram Finance Limited