



SUNDARAM FINANCE

Enduring values. New age thinking.

SEC:293:17-18/GN

January 29, 2018

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 unaudited financial results for the quarter and nine months ended 31st December 2017

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 unaudited financial results for the quarter and nine months ended 31st December 2017 together with a copy of the Limited Review Report issued by the Statutory Auditors. These results were approved at the Board Meeting held today.

We have also made arrangements for publishing the extract of the unaudited financial results in 'Business Line' and 'Makkal Kural' on 31st January 2018.

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 AND NINE MONTHS ENDED 31.12.2017

(₹ in lakhs)

Sl.No	Particulars	Standalone			Standalone		
		Quarter ended			Nine months ended		Year Ended
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Revenue from Operations	67723.38	63982.89	59011.05	191853.96	172399.59	232476.43
2	Other income	3305.08	5455.31	3353.54	9968.34	7111.94	10149.26
3	Total Revenue	71028.46	69438.20	62364.59	201822.30	179511.53	242625.69
4	EXPENSES:						
	a) Finance Costs	33041.91	30489.37	28757.12	92588.55	88127.01	116452.47
	b) Employee benefits	6855.82	6965.47	5822.06	20454.49	17364.23	23462.65
	c) Administrative and Other expenses	4706.62	4594.10	4248.13	13766.21	12105.60	16340.28
	d) Provisions and Write Off	1409.65	1470.19	1166.15	4289.44	3498.40	5517.26
	e) Depreciation	1529.49	1485.83	2063.74	4809.11	6021.96	8202.06
	f) Contingent Provision against Standard Assets	281.59	281.60	199.29	844.79	597.86	630.29
	Total Expenses	47825.08	45286.56	42256.49	136752.59	127715.06	170605.01
5	Profit before exceptional and extraordinary items and tax	23203.38	24151.64	20108.10	65069.71	51796.47	72020.68
6	Exceptional items	-	-	-	-	-	-
7	Profit before extraordinary items and tax	23203.38	24151.64	20108.10	65069.71	51796.47	72020.68
8	Extraordinary items	-	-	-	-	-	-
9	Profit/(Loss) before tax	23203.38	24151.64	20108.10	65069.71	51796.47	72020.68
10	Tax Expense						
	- Current tax	8341.47	8166.51	6479.22	22819.52	17424.05	22019.57
	- Deferred tax	(508.01)	(12.91)	(195.45)	(851.99)	(1237.66)	465.81
11	Profit After Tax	15369.92	15998.04	13824.33	43102.18	35610.08	49535.30
12	Less : Profit relating to demerged operations (net of taxes) (Refer Note 3)	2763.78	-	-	2763.78	-	-
13	Profit after tax for the period from continuing operations	12606.14	15998.04	13824.33	40338.40	35610.08	49535.30
14	Paid-up Equity Share Capital (Face value of ₹ 10 each)	11110.39	11110.39	11110.39	11110.39	11110.39	11110.39
15	Reserves (excluding Revaluation Reserves)						363452.55
16	Basic and Diluted Earnings per Share (before extraordinary items) (₹)	11.35	14.40	12.44	36.31	32.05	44.58
	Basic and Diluted Earnings per Share (after extraordinary items) (₹)	11.35	14.40	12.44	36.31	32.05	44.58

Notes:

- The above results were approved by the Board of Directors at its meeting held on 29th January 2018.
- Sundaram Infotech Solutions Limited, a wholly owned subsidiary of the company, was amalgamated with the company, from the Appointed date i.e. April 01, 2016, the effect of which, was given in the quarter ended 30.09.2017. The consequential effect of this merger on the results is not significant.
- The National Company Law Tribunal, Division Bench, Chennai vide Order No. CP/210-214/CAA/2017 dated 12th January 2018 approved the Composite Scheme of Arrangement and Amalgamation (Scheme) between the Company and its four subsidiaries, viz., Sundaram Insurance Broking Services Limited, Infreight Logistics Solutions Limited, Sundaram BPO India Limited and Sundaram Finance Holdings Limited which was received on 18th January 2018. The Scheme shall be effective from the Appointed Date, i.e. 01st April 2016, but shall be operative from the Effective Date, i.e. 18th January 2018.

The Scheme envisages transfer of the shared services businesses as well as the non-core investments in various companies, to Sundaram Finance Holdings Limited (SFHL). All shareholders of Sundaram Finance Limited shall be allotted shares in SFHL, in the ratio of 1:1. SFHL will be listed on NSE in due course.

The results for the quarter ended 31-Dec-2017 reflect the impact of demerger as contemplated under the "Scheme", as set out below.

a) A net amount of Rs. 20183.63 lakhs towards transfer of assets and liabilities as of 1st Apr 2016, has been reduced from the Reserves.

b) A net amount of Rs. 3673.50 lakhs towards transfer of profits for the financial year 2016-17 has been reduced from the Reserves.

c) A net amount of Rs. 2763.78 lakhs towards transfer of profits for the period Apr - Dec 17 has been reduced from the profits for the current quarter and nine months ended 31.12.2017.

Hence, the profit figures for the Quarter and Nine months ended 31.12.2017 are not comparable with earlier periods.
- Income deferment and provision for Non-Performing Assets / Standard Assets have been made on an estimated basis, as in earlier years.
- 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.
- The Company is engaged primarily in the business of financing and accordingly there is no separate reportable segment as per Accounting Standard (AS-17) 'Segment Reporting'.
- The Statutory Auditors have carried out a Limited Review of the financial results for the quarter ended 31st December 2017.
- Previous year's figures have been regrouped wherever necessary to conform to current year's classification.

By Order of the Board

T.T. SRINIVASARAGHAVAN
Managing Director

Chennai
29.01.2018

SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS

Offices : Chennai - Mumbai - Bangalore - Madurai

23, C.P. Ramaswamy Road,
Alwarpet, Chennai - 600 018.

Ref.No.

Telephone { 2498 8762
2498 8463
4210 6952

E-Mail : yessendes@vsnl.net

Website : www.sundaramandsrinivasan.com

Date

To

The Board of Directors
Sundaram Finance Limited
Chennai

We have reviewed the accompanying statement of unaudited financial results of Sundaram Finance Limited for the nine months ended 31st December, 2017. This statement is the responsibility of the Company's management and has been approved by the Committee of Board of Directors. Our responsibility is to issue a report on this financial statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (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 provides 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 financial results prepared in accordance with applicable accounting standards and other recognised 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.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration Number : 004207S

Place : Chennai
Date : 29th January 2018


K.Srinivasan
Partner
Membership Number : 5809





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January 29, 2018

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 2017.

Thanking you,

Yours truly,
for Sundaram Finance Limited

P. Viswanathan
Secretary & Compliance Officer

Encl:

Sundaram Finance Limited



SUNDARAM FINANCE
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Sundaram Finance Q3 Disbursements up 46% at 4810crores Net Profit at Rs.154 crores

Chennai January 29, 2018: Leading Chennai based NBFC Sundaram Finance Ltd. (SFL), has announced that the National Company Law Tribunal, Division Bench, Chennai has approved the Composite Scheme of Arrangement and Amalgamation (Scheme) between the Company and its four subsidiaries, viz., Sundaram Insurance Broking Services Limited, Infreight Logistics Solutions Limited, Sundaram BPO India Limited and Sundaram Finance Holdings Limited (SFHL).

The Scheme shall be effective from the Appointed Date, i.e. 1st April 2016, but shall be operative from the Effective Date, i.e. 18th January 2018. The Scheme envisages transfer of the shared services businesses as well as the non-core investments held by SFL in various companies, to SFHL. All shareholders of SFL as on the Record date, Feb 2nd 2018, shall be allotted shares in SFHL, in the ratio of 1:1. SFHL will be listed on NSE in due course.

Q3 Results

SFL has registered a 12% rise in its Net Profit at Rs. 154crores for the Q3 ended 31st December 2017 as compared to Rs. 138crores for the same period the previous year, before giving effect to the demerger. However, a sum of Rs.28 crores representing the Net profit of the demerged operations has been reduced from the profits for the current quarter as well as the nine months ended 31st Dec 2017 and consequently, Net Profit from continuing operations for the Quarter ended 31st December 2017 stood at Rs. 126crores as compared to Rs. 138crores registered in the same period the previous year.

Net Profit for the nine months ended 31st December 2017, after giving effect to the demerger, rose by 13% to Rs. 403crores as compared to Rs. 356crores registered in the nine months ended 31st December 2016.

The profit figures for the current quarter and the nine months ended 31.12.2017 are not comparable with the earlier periods.

Growth in disbursements

Disbursements for Q3 ended 31st December 2017 went up by 46% to Rs.4810crores as compared to Rs.3284crores registered in Q3 ended 31st December 2016. Disbursements for nine months ended 31st December 2017 went up by 24% to Rs.12092crores as compared to Rs. 9731crores registered in same period the previous year.

Asset Quality

The asset quality continued to reflect the Company's continuing emphasis on Credit underwriting with Gross and Net NPA (based on the 3 months norm) standing at 1.74% and 0.81% respectively as on 31st December 2017, as compared to 2.16% and 1.02% as on 31st December 2016.

During the quarter, the Long term credit ratings of SFL were upgraded to AAA (STABLE OUTLOOK) by ICRA and CRISIL.



Commenting on the results, TT Srinivasaraghavan, MD, Sundaram Finance Ltd., “We witnessed a robust growth in disbursements in Q3, driven by a strong surge in sales of M&HCVs. As always, the focus on GQP has meant that the portfolio quality remains strong and Net Profit on a like to like basis, grew by 24% for the nine months ended 31st December 2017.”

Set up in 1954, the Sundaram Finance Group’s services include financing for the entire range of commercial vehicles, passenger cars and construction equipment, as well as specially designed working capital products such as fuel finance and tyre finance. The company is also into home loans, mutual funds, non-life insurance, IT, BPO and distribution of a wide range of financial products and services. The company has over 600 branches spread across the country.

Media Contact: S. Prabhu@ 94440 40748 or sprabhu@proPR.in

