



## SUNDARAM FINANCE HOLDINGS

SEC:001:21-22/GN

April 1, 2021

National Stock Exchange of India Limited  
Listing Department  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot no. C/1, G- Block,  
Bandra-Kurla Complex,  
Mumbai – 400 051.  
NSE Symbol: SUNDARMHLD

Dear Sir,

**Re: Disclosure under Reg. 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**

Further to our intimation dated 25<sup>th</sup> March, 2021, we wish to inform you that the Board of Directors of Sundaram Finance Holdings Limited (the “**Company**”), at its meeting held today, approved the raising of funds by way of a rights issue of fully paid-up equity shares of the Company for an amount aggregating up to ₹355 crores (Rupees Three Hundred and Fifty Five Crores Only), in accordance with Section 62 of the Companies Act, 2013, read with the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable provisions, if any. The rights issue will be subject to all approvals, as may be required, under the applicable laws.

In this connection, a Report on Review of Unaudited Condensed Consolidated Interim Financial Statements issued by our Statutory Auditors, M/s. R.G.N. Price & Co., Chartered Accountants, Chennai, together with the unaudited condensed consolidated interim financial statements, related notes and schedules for the nine months ended 31<sup>st</sup> December 2020, as approved by the Board of Directors at its meeting held today, is enclosed. The unaudited condensed consolidated interim financial statements of the Company, along with review report, are also being uploaded on the Company’s website at [www.sundaramholdings.in](http://www.sundaramholdings.in).

Further, the unaudited condensed consolidated interim financial statements are being issued on a one-time basis only and should not be considered as any practice for disclosure of financial information that will be followed by the Company in future.

The detailed terms of the rights issue, including but not limited to the record date, issue price, rights entitlement ratio, timing and terms of subscription will be determined in due course by the Board of Directors or a duly constituted committee thereof. The rights shares will be offered to the shareholders whose names appear on the register of members as on the record date to be decided for this purpose.

The meeting started at 1.25 P.M. and concluded at 4.40 P.M.

We request you to take the above on record and treat this disclosure as compliance under the applicable regulation(s) under the SEBI Listing Regulations.

Thanking you,

Yours truly,  
For Sundaram Finance Holdings Limited

  
P.N. Srikant  
Secretary & Compliance Officer



Encl:

**Sundaram Finance Holdings Limited**

# R.G.N. PRICE & CO.

CHARTERED ACCOUNTANTS

**Phone** : 28413633 /28583494  
**E-Mail** : [price@rgnprice.com](mailto:price@rgnprice.com)  
**Offices at** : Mumbai, Bengaluru, New Delhi  
Kochi, Kollam and Kozhikode

Simpson's Buildings,  
861, Anna Salai  
Chennai - 600 002

1<sup>st</sup> April 2021

## Report on Review of Unaudited Condensed Consolidated Interim Financial Statements

To the Board of Directors of Sundaram Finance Holdings Limited

We have reviewed the accompanying unaudited condensed consolidated interim financial statements of Sundaram Finance Holdings Limited (the "Company" / "Holding Company") its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its Associates, which comprise the unaudited condensed consolidated interim balance sheet as at December 31, 2020, the unaudited condensed consolidated interim statement of profit and loss, including other comprehensive income, unaudited condensed consolidated interim cash flow statement and the unaudited condensed consolidated interim statement of changes in equity for the nine-months period ended and a summary of selected explanatory notes (together hereinafter referred to as, the "Unaudited Condensed Consolidated Interim Financial Statements"). The Unaudited Condensed Consolidated Interim Financial Statements have been prepared by the Company in connection with raising of funds in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations").

### Responsibilities of Management for the Unaudited Condensed Consolidated Interim Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Unaudited Condensed Consolidated Interim Financial Statements in accordance with the requirements of Indian Accounting Standard (Ind AS 34) "Interim Financial Reporting" specified under section 133 of the Companies Act, 2013 (the "Act"), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Unaudited Condensed Consolidated Interim Financial Statements that are free from material misstatement, whether due to fraud or error.



## **Auditor's Responsibilities for the Unaudited Condensed Consolidated Interim Financial Statements**

We conducted our review of the Unaudited Condensed Consolidated Interim Financial Statements 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 specified under section 143(10) of the Act 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.

The Unaudited Condensed Consolidated Interim Financial Statements include the results of the following entities:

**Subsidiary** - Sundaram Business Services Limited

**Associates:**

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

## **Conclusion**

Based on our review conducted as above and based on the consideration of the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying Unaudited Condensed Consolidated Interim Financial Statements are not prepared, in all material respects, in accordance with requirements of Ind AS 34 as specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India.

## **Emphasis of Matter**

We draw your attention to Note 27(C) of the Unaudited Condensed Consolidated Interim Financial Statements wherein the Holding Company has disclosed impact assessment due to COVID-19 pandemic. As stated in the said note, the Management has assessed that the pandemic and consequent lockdown imposed by the Government till end of November 2020 have considerably impacted the business operations of the Holding Company's Associates, including their subsidiaries, which in turn, have impacted the financial results of the Holding Company, being an investment entity. The management is also of the view that though there have been signs of a reasonably healthy recovery in the automotive sector during the third quarter of the financial year pursuant to the phased release of the lock down, a full recovery to the levels of the pre-COVID era is unlikely in the near future. Considering the uncertainties prevailing in the economic conditions globally and in India, such impact assessment done by the Management of the Holding Company is highly dependent on the circumstances as they evolve in subsequent periods.

Our conclusion is not modified in respect of this matter.



## **Other matters**

We did not review the Unaudited Condensed Interim Financial Statements and other financial information of the Subsidiary; whose Unaudited Condensed Interim Financial Statements and other financial information reflect total assets of Rs. 3474.95 Lakhs as at 31<sup>st</sup> December, 2020, total revenues of Rs. 2209.72 Lakhs, total net profit after tax of Rs. 264.09 Lakhs, total comprehensive income/(loss) of Rs. (-) 456.66 Lakhs and net cash inflows amounting to Rs. 70.91 Lakhs for the nine-months period then ended, as considered in the Unaudited Condensed Consolidated Interim Financial Statements, whose unaudited condensed interim financial information have been reviewed by other auditor and their report was provided to us by the management.

The Unaudited Condensed Consolidated Interim Financial Statements also include the Group's share of net profit of Rs. 3121.56 Lakhs and total comprehensive income of Rs. 2,568.24 lakhs for the nine-months period ended 31<sup>st</sup> December 2020, as considered in the Unaudited Condensed Consolidated Interim Financial Statements, in respect of nine Associates, whose unaudited financial results have not been reviewed by us. These unaudited financial results have been reviewed by other auditors whose reports have been furnished to us by the Management during our review of unaudited consolidated financial results for the quarter ended December 31, 2020 and nine months period then ended being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular No. CIR/CFD/CMD1/44/2019 dated, March 29, 2019 (the "Circular").


Our conclusion on the Unaudited Condensed Consolidated Interim Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and nine associates, is based solely on the reports of the other auditors.

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

## **Restriction on use**

The accompanying Unaudited Condensed Consolidated Interim Financial Statements have been prepared in connection with the raising of funds in accordance with the provisions of the SEBI ICDR Regulations. Accordingly, this report should not be used, referred to or distributed for any other purpose.

For R.G.N. Price & Co.  
Chartered Accountants  
Firm's Registration Number: 002785S



K. Venkatakrishnan  
Partner  
Membership number : 208591  
UDIN: 21208591AAAABR7700

<b>Sundaram Finance Holdings Limited</b>			
<b>Unaudited Condensed Consolidated Interim Balance sheet as at Dec 31,2020</b>			
(₹ in Lakhs)			
Particulars	Notes	Dec 31,2020 (Unaudited)	Mar 31,2020 (Audited)
<b>ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	1	939.73	998.60
(b) Derivative financial instruments	2	-	575.74
(c) Receivables	3	587.74	774.10
(d) Loans	4	34.05	44.47
(e) Investments	5	193992.32	187865.49
(f) Other financial assets	6	247.83	162.19
<b>(2) Non-financial Assets</b>			
(a) Current tax assets (Net)	7	493.01	467.66
(b) Investment property	8	185.71	171.26
(c) Property, plant and equipment	9	287.59	331.92
(d) Other intangible assets	9	36.77	24.20
(e) Goodwill		156.08	156.08
(f) Right of Use asset		118.25	202.12
(g) Other non-financial assets	10	383.73	435.07
<b>Total Assets</b>		<b>197462.81</b>	<b>192208.90</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial liabilities</b>			
(a) Payables	11		
Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises		3.76	0.67
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		67.39	86.26
(b) Other financial liabilities	12	177.95	127.90
(c) Derivative financial instruments	13	498.23	-
(d) Lease Liability		130.74	213.68
<b>(2) Non-Financial liabilities</b>			
(a) Provisions	14	326.25	311.12
(b) Deferred tax liabilities (Net)	15	7278.81	5616.13
(c) Other non-financial liabilities	16	87.22	126.87
<b>(3) Equity</b>			
(a) Equity share capital	17	7555.19	7555.19
(b) Other equity	18	181337.27	178171.08
<b>Total Liabilities and Equity</b>		<b>197462.81</b>	<b>192208.90</b>

For Sundaram Finance Holdings Limited

*Harsha km*

Director

For Sundaram Finance Holdings Limited

*V. Vasen*  
V. Vasen  
Chief Financial Officer

For SUNDARAM FINANCE HOLDINGS LIMITED

*P.N. Srikanth*  
P.N. SRIKANT  
Secretary & Compliance Officer



Sundaram Finance Holdings Limited			
Unaudited Condensed Consolidated Interim Statement of Profit and Loss for the period ended 31 Dec 2020			
(₹ in Lakhs)			
Particulars	Notes	For the period ended 31 Dec 2020	For the period ended 31 Dec 2019
<b>Revenue from operations</b>			
Interest Income	19	1.31	250.91
Dividend Income		2.37	688.15
Net gain on fair value changes	20	534.93	153.39
Sale of services		3559.73	4610.20
<b>Total Revenue from operations</b>		<b>4098.34</b>	<b>5702.65</b>
Other Income	21	486.16	523.31
<b>Total Income</b>		<b>4584.50</b>	<b>6225.96</b>
<b>Expenses</b>			
Finance cost	22	11.26	27.43
Employee benefit expenses	23	2675.36	3225.11
Depreciation and Amortisation		109.89	171.09
Administrative and Other Expenses	24	1036.02	1465.35
<b>Total expenses</b>		<b>3832.53</b>	<b>4888.98</b>
Profit before exceptional items and tax		751.97	1336.98
Exceptional items		-	-
<b>Profit before tax</b>		<b>751.97</b>	<b>1336.98</b>
Tax expense			
1. Current tax		239.04	289.48
2. Deferred tax		(71.05)	27.82
<b>Total tax</b>		<b>167.99</b>	<b>317.30</b>
<b>Profit for the period</b>		<b>583.98</b>	<b>1019.68</b>
Share of net profits from associates		3121.56	4011.34
<b>Profit after tax</b>		<b>3705.54</b>	<b>5031.02</b>
<b>Other Comprehensive Income</b>			
<b>A. Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans		(11.36)	(2.49)
Income tax on above		(3.31)	-
Remeasurements of the defined benefit plans (Net of tax)		(8.05)	(2.49)
Change in Fair value of equity instruments		(6654.82)	(41764.18)
Income tax on above		1971.34	379.91
Change in Fair value of equity instruments (Net of tax)		(8626.16)	(42144.09)
Share of other comprehensive income from associates using equity method (Net of tax)		75.69	3.86
<b>B. Items that will be reclassified to profit or loss</b>			
Change in fair value of derivative instrument		(998.55)	(238.70)
Income tax on above		(277.80)	(66.41)
Change in fair value of derivative instrument (Net of tax)		(720.75)	(172.29)
Share of other comprehensive income from associates using equity method		(374.57)	(453.97)
Foreign currency Translation Reserve		(254.44)	249.77
<b>Other Comprehensive Income Net of Tax</b>		<b>(9908.28)</b>	<b>(42519.21)</b>
<b>Total Comprehensive Income for the period</b>		<b>(6202.74)</b>	<b>(37488.19)</b>
<b>Basic and Diluted Earnings per Equity Share of ₹ 5 each</b>		<b>2.45</b>	<b>3.33</b>

For Sundaram Finance Holdings Limited

*Harsha Kumar*  
Director

For Sundaram Finance Holdings Limited

*V. Vasan*  
Chief Financial Officer

For SUNDARAM FINANCE HOLDINGS LIMITED

*P.N. Srikanth*  
Secretary & Compliance Officer



<b>Sundaram Finance Holdings Limited</b>		
<b>Unaudited Condensed Consolidated Interim Statement of Cash Flows For the period ended 31 Dec 2020</b>		
(₹ in Lakhs)		
Particulars	For the period ended 31 Dec 2020	For the period ended 31 Dec 2019
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>751.97</b>	<b>1336.98</b>
<b>Adjustments to reconcile profit before tax to net cash used in operating activities</b>		
Depreciation and Amortisation	109.89	171.09
Fair value change in financial instruments	(534.93)	(153.39)
Interest income	(1.31)	(250.91)
(Gain)/loss on sale of property, plant and equipment	(0.06)	0.04
Gain on lease modification	(5.74)	-
Finance costs paid	11.26	27.43
Net Actuarial gain/(loss) on defined benefit plan	(11.36)	(2.49)
Add: Dividend received from associates	390.41	2626.88
	<b>710.13</b>	<b>3755.64</b>
<b>Working capital adjustments</b>		
(Increase)/ Decrease in trade and other receivables	186.36	96.03
(Increase)/ Decrease in Loans	10.42	(22.31)
(Increase)/ Decrease in Other financial assets	(10.22)	(8.41)
(Increase)/ Decrease in Other non-financial assets	51.34	(95.40)
Increase/ (Decrease) in trade and other payables	(15.78)	(67.65)
Increase/(Decrease) in financial liabilities	50.05	79.80
Increase/(Decrease) in other non-financial liabilities and provisions	(24.50)	9.24
	<b>957.79</b>	<b>3746.94</b>
Income Tax paid	(220.64)	(441.87)
<b>Net cash flows from operating activities</b>	<b>737.15</b>	<b>3305.07</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(81.24)	(137.69)
(Purchase)/Sale of Mutual funds	13340.26	3993.00
(Purchase)/Sale of other investments	(13285.36)	(3630.32)
Proceeds from sale of property, plant and equipment	11.63	0.53
Interest received	1.74	1.74
<b>Net cash flows from investing activities</b>	<b>(12.97)</b>	<b>227.26</b>
<b>Cash flow from financing activities</b>		
Dividend Paid	(755.55)	(3187.91)
Lease Liability Principal	(16.24)	(94.00)
Finance charges-Lease Liability Interest	(11.26)	(17.62)
Finance charges paid	-	(9.81)
<b>Net cash flows from financing activities</b>	<b>(783.05)</b>	<b>(3309.34)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(58.87)</b>	<b>222.99</b>
Cash and cash equivalents at the beginning of the year	998.60	475.55
<b>Cash and cash equivalents at the end of the period (Note 1)</b>	<b>939.73</b>	<b>698.54</b>

For Sundaram Finance Holdings Limited

For Sundaram Finance Holdings Limited

For SUNDARAM FINANCE HOLDINGS LIMITED



*Harsha*  
Director

*V. Vasan*  
V. Vasan  
Chief Financial Officer

*P.N. Sri Kant*  
P.N. SRIKANT  
Secretary & Compliance Officer

**Sundaram Finance Holdings Limited**

**Unaudited Condensed Consolidated Interim Statement of Changes in Equity for the period ended 31 Dec 2020**

**(a) Equity Share Capital** (₹ in Lakhs)

Particulars	Amount
As at April 1, 2019	7555.19
Changes in equity share capital	-
As at Mar 31, 2020	7555.19
As at April 1, 2020	7555.19
Changes in equity share capital	-
As at Dec 31, 2020	7555.19

**(b) Other equity**

(₹ in Lakhs)

Particulars	Reserves and Surplus				Gains / (losses) from equity investments through OCI	Total
	Capital Reserve	General Reserve	FCTR	Retained Earnings		
<b>Balance as at 01 April, 2019</b>	<b>2569.62</b>	<b>13135.01</b>	<b>1017.42</b>	<b>73200.51</b>	<b>139084.02</b>	<b>229006.59</b>
Add: Profit or loss for the period				7813.49		7813.49
Add: Other comprehensive income			729.97	(306.78)	(54518.02)	(54094.83)
Less: Final Dividend for FY 2018-19 paid				(2644.35)		(2644.35)
Less: Dividend Tax				(543.55)		(543.55)
Less: Interim Dividend for FY 2019-20 paid				(1133.31)		(1133.31)
Less: Dividend Tax				(232.95)		(232.95)
<b>Balance as at 31 Mar 2020</b>	<b>2569.62</b>	<b>13135.01</b>	<b>1747.39</b>	<b>76153.05</b>	<b>84566.00</b>	<b>178171.08</b>

(₹ in Lakhs)

Particulars	Reserves and Surplus				Gains / (losses) from equity investments through OCI	Total
	Capital Reserve	General Reserve	FCTR	Retained Earnings		
<b>Balance as at 01 April, 2020</b>	<b>2569.62</b>	<b>13135.01</b>	<b>1747.39</b>	<b>76153.05</b>	<b>84566.00</b>	<b>178171.08</b>
Add: Profit or loss for the period				3705.54		3705.54
Add: Other comprehensive income			(254.44)	(1027.68)	(8626.16)	(9908.28)
Adjustment on account of acquisition of Wheels India Limited				9849.76		9849.76
Add: Equity impact	23.92			250.80		274.72
Less: Final Dividend for FY 2019-20 paid				(755.55)		(755.55)
<b>Balance as at 31 Dec 2020</b>	<b>2593.54</b>	<b>13135.01</b>	<b>1492.95</b>	<b>88175.93</b>	<b>75939.84</b>	<b>181337.27</b>





## Sundaram Finance Holdings Limited

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. Company Overview

Sundaram Finance Holdings Limited ('the Parent Company') is a Public Limited Company domiciled in India and incorporated under the provisions of Companies Act 1956. The equity shares of the Company are listed on the National Stock Exchange of India Limited. The Company is in the process of registering with the Reserve Bank of India as Non Banking Financial company (NBFC) since it cease to be exempted Core Investment Company as on 31<sup>st</sup> March 2020. The Company is primarily engaged in the business of Investments, business processing and support services and having a 100% subsidiary (Collectively, the Group) which is an outsourcing company offering various support services to large and mid-sized firms in India. The company's registered office is at No.21, Patullos Road, Chennai – 600002.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

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

##### 2.1 Basis of Preparation

The Consolidated financial statements of the group comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The Financial Statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period. Consolidated financial statements are prepared in Indian Rupees (Rs.), which is also its functional currency.

**Principles of Consolidation:** The consolidated Financial statements comprise the financial statements of the parent company and its subsidiary which is controlled by the parent company.

**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.



## Sundaram Finance Holdings Limited

### NOTES TO THE FINANCIAL STATEMENTS

The group combines the financial statements of the parent and its subsidiary line by line adding together like 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.

Goodwill represents the difference between the Company's share in the net worth of subsidiary and its cost of acquisition.

The financial Statements of the following subsidiary company is consolidated as per Ind AS 110- Consolidated Financial Statements.

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest (%)
Sundaram Business Services Limited	India	100

#### 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 recognized at cost.

Name of the Associates	Country of Incorporation	Proportion of Ownership Interest (%)
Axles India Limited	India	38.81
Turbo Energy Private Limited	India	32.00
Wheels India Limited	India	23.28
Transenergy Limited	India	43.74
Sundaram Dynacast Private Limited	India	26.00
Sundaram Hydraulics Limited	India	25.71
Flometallic India Private Limited	India	40.00
Dunes Oman LLC (FZC)	Sultanate of Oman	43.69
Mind S.r.l Italy	Italy	40.60

## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize 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 from associates are recognized as a reduction in the carrying amount of the investment.

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.

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 obligation or made payments on behalf of the other entity

#### **2.2 Measurement of fair values**

The Group's accounting policies and disclosures require the measurement of financial assets and liabilities at fair values. The Group has established policies and procedures with respect to measurement of fair values.

The Group's policy on Fair Valuation is stated below.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

**Level 1** - The fair value of financial instruments traded in active markets (such as publicly traded securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

**Level 2** - The fair valuation of instruments not traded in active markets is determined using valuation techniques. These valuation techniques maximize the use of observable market data and minimize the use of entity specific estimates (All significant inputs to the fair value measurement is observable)

**Level 3** -Valuation techniques for one or more significant inputs to the fair value measurement is unobservable.

## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### **2.3 Revenue Recognition:**

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group is entitled in exchange for those goods or services, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Revenue from rendering of services is recognised with reference to the stage of completion determined based on estimate of work performed, and when the outcome of the transaction can be estimated reliably.

#### **Dividends:**

Dividend income is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably. This is generally when the shareholder approve the dividend.

#### **Interest Income:**

For all debt instruments measured at amortised cost, interest income is recognised on time proportion basis, taking into account the amount outstanding and effective interest rate.

#### **Rental Income:**

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

**NOTES TO THE FINANCIAL STATEMENTS**

**2.4. Financial Assets**

**Classification**

The Group classifies its financial assets in the following categories:

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

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

**Initial Measurement**

At Initial recognition, the group measures a financial asset at its fair value plus (in the case of financial asset not a fair value through profit or loss) transaction cost 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.

**Subsequent Measurement**

**Financial Asset measured at Amortised Cost (AC)**

A financial asset is measured at amortised cost if it is held within a Group's business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

**Financial assets at fair value through other comprehensive income: (FVTOCI)**

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal and the interest on the principal outstanding.

**Financial assets at Fair value through profit or loss: (FVTPL)**

Any financial asset not subsequently measured at amortized cost or at fair value through other comprehensive income, is subsequently measured at fair value through profit or loss. Financial

## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

assets falling in this category are measured at fair value and all changes are recognized in the Statement of Profit and Loss.

#### **2.5. Financial Liabilities**

##### **Initial Recognition**

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

##### **Subsequent Measurement**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

##### **De-Recognition**

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

##### **Impairment of Financial Assets**

The Group applies the Expected Credit Loss (ECL) model for recognizing impairment losses if any on financial assets.

12 months ECL represents the expected default events on the financial asset that are possible within 12 months after the reporting date.

Where the credit risk on the financial assets has not increased significantly since initial recognition, the loss is measured at an amount equal to 12 months ECL.

Where the credit risk on the financial assets has increased significantly since initial recognition, the loss is measured at an amount equal to the lifetime expected credit loss.

##### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when the Group has a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **Derivative financial instruments**

The Group is exposed to certain risk relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk.

To mitigate the risk of changes in foreign exchange rates on forecasted cash flows denominated in foreign currencies, the Group holds derivative financial instruments such as foreign exchange forward contracts. The counterparty for these contracts is generally a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in the Statement of Profit and Loss.

Cash flow hedges: Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective.

To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss.

#### **2.6. Leases**

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is

## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### **2.7. Employee Benefits**

##### **SHORT TERM EMPLOYEE BENEFITS**

As per the employment policy of the Group, short term employee benefits for services rendered by employees are recognized during the period when the services are rendered.

##### **POST EMPLOYMENT BENEFITS**

###### **a. Defined Contribution plans**

###### **i. Superannuation**

The Group contributes to the Superannuation fund, which is managed by the Life Insurance Corporation of India (LIC). The contributions are charged to the Statement of Profit and Loss.

###### **ii. Provident Fund**

The Provident Fund contributions are made to the government administered Provident Fund and Employees' Pension Scheme under the Employees Provident Fund Act and to Employees' State Insurance Schemes on behalf of its employees. The contributions are charged to Statement of Profit and Loss.



**NOTES TO THE FINANCIAL STATEMENTS**

**b. Defined benefit plans**

**i. Gratuity**

The Group provides a lump sum payment to eligible employees, at retirement or resignation of employment based on the last drawn salary and years of employment with the Group as per the provisions of the Payment of Gratuity Act, 1972. The Group makes contributions to a gratuity fund administered by trustees and managed by LIC of India.

The liability or asset recognized in the Balance Sheet in respect of a defined gratuity plan is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets. Gratuity liability is a defined benefit obligation and is recorded based on actuarial valuation using the projected unit credit method made at the end of the year.

The present value of defined benefit obligation is determined by discounting the estimated future cash out flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The gratuity liability and net periodic gratuity cost is actuarially determined after considering discount rates, expected long term return on plan assets and increase in compensation levels. Re-measurement gains or losses arising from Experience Adjustments and changes in actuarial assumptions are recognized in the period they occur, directly in the Other Comprehensive Income. They are included in the statement of changes in equity and in the Balance Sheet. Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to Statement of Profit or Loss in subsequent periods.

Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss.

**c. Other Long Term Employee Benefits**

i) The estimated liability in respect of other long term benefits like Employee Assured Bonus Scheme has been provided on the basis of actuarial valuation.

ii) Leave Encashment:

The Group contributes to a staff leave encashment scheme managed by SBI Life Insurance Company Limited. The Group accounts its liability based on an actuarial valuation, as at the Balance Sheet date, using the Projected Unit Credit method.

## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **2.8 Income Taxes**

Income-tax expense comprises current tax (amount of tax for the period determined in accordance with The Income Tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax bases of assets and liabilities and their carrying amounts in the financial statements). Taxes are recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in the Other Comprehensive Income.

##### **Current tax**

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

##### **Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable income.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized.

## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if the Group:

- a) has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

#### **Current and Deferred tax for the year- OCI**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### **2.9. Property, plant and equipment**

The property plant and equipment are the assets held for the use in the supply of services

Property, plant and equipment's are stated in the balance sheet at cost (net of duty/ tax credit availed) less accumulated depreciation and accumulated impairment losses.

Cost of acquisition is inclusive of freight, non-refundable duties & taxes and other directly attributable cost of bringing the asset to its working condition for the intended use.

Freehold land is not depreciated.

An item is recognised as property plant and equipment if and only if it is probable that future economic benefits associated with the item will flow to the Group and its costs can be measured reliably

Subsequent expenditure is added to the carrying amount or recognised as separate asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably.

## Sundaram Finance Holdings Limited

### NOTES TO THE FINANCIAL STATEMENTS

Depreciation commences when the assets are ready for their intended use. Where the property plant and equipment is not ready for its intended use as on the balance sheet date it is disclosed as capital work in progress

For the Parent and its subsidiary, Depreciation is recognised to write off, the cost of assets less their residual values over their useful lives, using the written down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

All the Associate companies except Turbo Energy Private Limited provide depreciation on Property, Plant & Equipment on straight-line basis on the useful life of the asset as provided in the schedule II of Companies Act 2013

Estimated useful lives of the assets, based on technical assessment, which are different in certain cases from those prescribed in Schedule II to the Act, are as follows:

(in years)

Assets	Own
Office equipment	8
Computer (included in Plant & Equipment)	
End user services	7
Servers and network	10
Vehicles	5
Electrical Equipment	15

The property plant and equipment with definite life are reviewed for impairment whenever the events or changes indicate that their carrying value may not be recoverable.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

An item of the property plant equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the

## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

disposal or retirement of the item of property plant equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognised in profit and loss.

#### **2.10 Investment Property**

Properties held to earn rental income or for capital appreciation or both and that is not occupied by the Group is classified as Investment Property.

It is measured initially at cost of acquisition including transaction costs, borrowing cost and other directly attributable cost in bringing the asset to its working condition for its intended use.

Subsequent expenditure is capitalized to the asset carrying amount only when it is probable that the future economic benefit associated with the expenditure will flow to the Group and cost can be measured reliably.

The fair value of investment property has been determined by property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

Depreciation is provided on written down value method by adopting useful life prescribed under schedule II to the Companies Act, 2013 after retaining 5% of Original cost as residual value for Buildings.

<b>Items of Investment property</b>	<b>Useful Lives(Total)</b>
-------------------------------------	----------------------------

Freehold Land	N.A
Building	30 years

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **2.11. Intangible assets**

Intangible assets are identified non-monetary assets without physical existence. Intangible assets represent Computer software whose cost is amortised over their expected useful life on a straight-line basis.

Intangible assets with finite useful lives that are acquired separately are capitalised and carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful life of the asset.

Intangible assets are recognised in books only when it is probable that future economic benefits associated with the asset will flow to the group and the cost can be measured reliably.

The cost of the intangible asset shall include the purchase price, including non-refundable duties and taxes, all the directly attributable costs to bring the intangible to the present location, working condition and intended use.

#### **2.12. Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### **2.13. Foreign Currency Transactions**

##### **Functional and Presentation Currency:**

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (i.e the "functional currency"). The functional currency of Group is the Indian Rupee. These Consolidated financial statements are presented in Indian rupee.

##### **Foreign Currency Transactions and balances:**

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

#### **2.14. Cash Flow Statement**

Statement of cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

#### **2.15. Provisions and Contingent Liabilities**

Provisions are recognized when the enterprise has a present legal or constructive obligation, as a result of a past event, and it is probable that the Group will be required to settle the obligation for which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

A Contingent liability is

- (i) a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group (or)
- (ii) a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made.

A contingent liability should be disclosed, if the possibility of an outflow of resources embodying economic benefits is not remote.

#### **2.16 Earnings Per Share**

The basic earnings per share has been computed by dividing the net income attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

The diluted earnings per share has been computed using weighted average number of shares adjusted for effects of all potentially dilutive equity shares.

#### **2.17 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.

#### **2.18 Trade receivables**

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

### **3. Critical accounting judgments and key sources of estimation uncertainty**

The preparation of consolidated financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The actual results may differ from these estimates. The



## **Sundaram Finance Holdings Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively in the current and future periods.

#### **Useful lives of Property Plant and Equipment / Intangible Assets**

Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and takes into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

#### **Impairment of Financial Assets**

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.



(₹ in Lakhs)

Particulars	Dec 31, 2020	Mar 31, 2020
<b>Note 1</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	0.20	0.15
Balances with Banks in Current Accounts	918.51	978.00
Earmarked balances with banks (for unpaid dividend)	21.02	20.45
	<b>939.73</b>	<b>998.60</b>

(₹ in Lakhs)

Particulars	Dec 31, 2020			Mar 31, 2020		
	Notional amounts	Fair value assets	Fair value liabilities	Notional amounts	Fair value assets	Fair value liabilities
<b>Note 2</b>						
<b>Derivative Financial instruments</b>						
<b>Part I</b>						
(i) Currency Derivatives						
-Spot and forwards	-	-	-	-	575.74	-
Total Derivatives Financial instruments	-	-	-	-	<b>575.74</b>	-
<b>Part II</b>						
Included in above (Part I) are derivatives held for hedging and risk management purpose as follows						
(i) Cash flow hedging						
-Currency derivatives	-	-	-	-	575.74	-
	-	-	-	-	<b>575.74</b>	-

The company holds forward contracts to mitigate the risk of changes in foreign exchange rates on forecasted cash flows denominated in foreign currencies. Derivatives are recognised and measured at fair value.

Particulars	Dec 31, 2020	Mar 31, 2020
<b>Note 3</b>		
<b>Receivables</b>		
Trade receivables		
- Considered good-Secured	-	-
- Considered good-Unsecured	587.74	774.10
- Receivables having significant increase in credit risk	37.07	33.20
Less : Allowance for impairment loss	(37.07)	(33.20)
- Credit Impaired	0.60	5.64
Less : Allowance for impairment loss	(0.60)	(5.64)
Debts due by Directors and others	-	-
	<b>587.74</b>	<b>774.10</b>
<b>Note 4</b>		
<b>Loans-Unsecured and Measured at amortized cost</b>		
Staff advance		
Gross Loans	36.54	46.96
Less: Impairment Loss allowance	2.49	2.49
<b>Net Loans</b>	<b>34.05</b>	<b>44.47</b>



**Note 5: Investments**

(₹ in lakhs)

Particulars	Face Value (₹)	As at 31.12.2020		As at 31.03.2020	
		Holding (Number)	Carrying Amount	Holding (Number)	Carrying Amount
<b>At Carrying amount</b>					
- Associates					
-Flometallic India Private Limited	100000	3800	7305.36	3800	6195.44
-The Dunes Oman LLC (FZC)	1*	2293725	8846.76	2293725	8892.95
-Sundaram Hydraulics Limited	10	11250000	-	11250000	-
-Axles India Limited	10	9891754	4985.98	9891754	5329.20
-Turbo Energy Private Limited	10	2560000	47699.56	2560000	46125.28
-Transenergy Limited	100	120000	752.61	120000	387.98
-Sundaram Dynacast Private Limited	10	1170000	1505.58	1170000	1395.71
-Wheels India Limited	10	5601117	24333.53	-	-
-Mind S.r.l Italy	1#	305838	2305.63	-	-
<b>Total - A</b>			<b>97735.01</b>		<b>68326.57</b>
<b>At fair value through other comprehensive income:</b>					
-Equity Instruments					
-Wheels India Limited		-	-	3269096	18814.52
-Brakes India Private Limited	100	159460	22104.21	159460	12169.89
-India Motor Parts & Accessories Limited	10	2320005	12619.73	2320005	13495.32
-Sundaram Clayton Limited	5	2273081	40888.55	2273081	45703.24
-TVS Investments Private Limited	5	2273085	1956.06	2273085	2188.55
-Lucas-TVS Limited	100	63224	6861.96	63224	2923.22
-Delphi TVS Technologies Limited	10	252896	1244.14	252896	1196.02
-Techtran Polylenes Limited	10	250000	-	250000	-
-Vishnu Forge Industries Limited	10	297110	125.20	297110	114.68
-D2C Consulting Services Private Limited	10		1.75		1.75
-Fettle Tone LLP			2087.00		2087.00
<b>Total - B</b>			<b>87888.60</b>		<b>98694.19</b>
<b>At fair value through profit or loss:</b>					
- Mutual Funds					
-Sundaram Money Fund-Growth		2700510	1162.49	9845279.02	4122.18
-Sundaram Ultra Short term Fund-Growth		8136772.02	892.86	68397132.06	7215.35
-Sundaram Banking PSU & Debt Fund			-	10501895.15	3365.52
-Sundaram Money market fund		153582.661	17.84	37678369.73	4220.81
-JM Financial yield enhancer (Distressed Opportunity ) Fund I - Series I			430.00		100.00
-HDFC Short Term Fund		2079494.746	517.61		-
-ICICI Prudential Short Term Fund		1070399.41	517.66		-
-HDFC Corporate Fund		3991402.1	1004.88		-
-IDFC- Banking & Psu Debt fund		5150664.482	1002.50		-
-IDFC Corporate Bond Fund		6567125.967	1002.42		-
-Preference Shares					
-D2C Consulting Services Private Limited-0.1% Cumulative Convertible Preference Shares		17014	298.26	17014	298.26
<b>Total - C</b>			<b>6846.52</b>		<b>19322.11</b>
<b>At amortised cost:</b>					
-Preference Shares					
Sundaram Asset Management Company-6.75% Redeemable Cumulative Non-Convertible Preference Shares	100	1500000	1500.00	1500000	1500.00
- Government securities					
-IRFC tax free bonds	1000	2175	22.19	2175	22.62
<b>Total - D</b>			<b>1522.19</b>		<b>1522.62</b>
<b>Total Investments A+B+C+D</b>			<b>193992.32</b>		<b>187865.49</b>
Less: Allowance for Impairment loss			-		-
<b>Total Investments</b>			<b>193992.32</b>		<b>187865.49</b>

\* Face value in Omani Riyal

# Face value in EURO



(₹ in Lakhs)

Particulars	Dec 31, 2020	Mar 31, 2020
<b>Note 6</b>		
<b>Other Financial assets (Unsecured )</b>		
Income receivable	82.13	3.74
Security Deposits	136.96	133.26
Unbilled Revenue	28.74	25.20
	<b>247.83</b>	<b>162.19</b>
<b>Note 7</b>		
<b>Current Tax Assets (net)</b>		
Advance Income Tax and Tax Deducted at source (Net of Provision for tax)	493.01	467.66
	<b>493.01</b>	<b>467.66</b>

**Note 8 : Investment Property**

(₹ in Lakhs)

Particulars	Land	Building
<b>As at 01-04-2020</b>	<b>128.75</b>	<b>54.28</b>
Additions	-	19.95
Sub-total	128.75	74.23
Sales / deletion	-	-
Total	128.75	74.23
<b>Depreciation</b>		
Upto 31-03-2020	-	11.77
For the year	-	5.50
Sub-total	-	17.27
Withdrawn on assets sold / deleted	-	-
Total	-	17.27
<b>Net Carrying amount</b>		
As at 31-12-2020	<b>128.75</b>	<b>56.96</b>

(₹ in Lakhs)

Particulars	Land	Building
<b>As at 01-04-2019</b>	<b>128.75</b>	<b>43.19</b>
Additions	-	11.09
Sub-total	128.75	54.28
Sales / deletion	-	-
Total	128.75	54.28
<b>Depreciation</b>		
Upto 31-03-2019	-	7.68
For the year	-	4.09
Sub-total	-	11.77
Withdrawn on assets sold / deleted	-	-
Total	-	11.77
<b>Net Carrying amount</b>		
As at 31-03-2020	<b>128.75</b>	<b>42.51</b>



Handwritten initials 'HV' and a signature.

**Notes to the Accounts**  
**for the period ended 31 Dec 2020**

Sundaram Finance Holdings Limited

Note 9

(₹ in Lakhs)

Description	Property, Plant & Equipment							Intangible Software-Bought out	Total (tangible and intangible)	
	Free hold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Electrical Equipment	Vehicles			Total
As at 01-04-2020	31.86	3.08	344.05	43.46	48.36	20.21	13.72	504.72	137.82	642.54
Additions	-	0.53	24.30	4.88	1.25	-	-	30.97	30.33	61.30
Sub-total	31.86	3.61	368.35	48.34	49.61	20.21	13.72	535.69	168.15	703.83
(-) Sales / deletion	-	-	0.87	5.78	1.28	-	13.46	21.39	-	21.39
<b>Total</b>	<b>31.86</b>	<b>3.61</b>	<b>367.48</b>	<b>42.56</b>	<b>48.32</b>	<b>20.21</b>	<b>0.26</b>	<b>514.30</b>	<b>168.15</b>	<b>682.45</b>
Depreciation										
Upto 31-03-2020	-	-	120.69	19.74	20.38	6.72	5.27	172.80	113.61	286.42
For the year	-	-	52.27	4.32	5.14	1.39	0.60	63.71	17.76	81.47
Sub-total	-	-	172.96	24.06	25.52	8.11	5.87	236.52	131.37	367.88
(-) Withdrawn on assets sold / deleted	-	-	0.45	2.93	0.49	-	5.94	9.81	-	9.81
<b>Total</b>	<b>-</b>	<b>-</b>	<b>172.51</b>	<b>21.13</b>	<b>25.03</b>	<b>8.11</b>	<b>(0.07)</b>	<b>226.71</b>	<b>131.37</b>	<b>358.07</b>
Net Carrying amount										
As at 31-12-2020	31.86	3.61	194.97	21.43	23.30	12.10	0.33	287.59	36.77	324.38

Description	Property, Plant & Equipment							Intangible Software-Bought out	Total (tangible and intangible)	
	Free hold land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Electrical Equipment	Vehicles			Total
As at 01-04-2019	31.86	3.08	169.31	35.55	38.65	18.65	16.44	313.53	122.86	436.39
Additions	-	-	175.11	7.91	10.01	1.56	-	194.59	14.96	209.55
Sub-total	31.86	3.08	344.43	43.46	48.66	20.21	16.44	508.12	137.82	645.94
(-) Sales / deletion	-	-	0.38	-	0.30	-	2.72	3.40	-	3.40
<b>Total</b>	<b>31.86</b>	<b>3.08</b>	<b>344.05</b>	<b>43.46</b>	<b>48.36</b>	<b>20.21</b>	<b>13.72</b>	<b>504.72</b>	<b>137.82</b>	<b>642.54</b>
Depreciation										
Upto 31-03-2019	-	-	75.71	13.33	12.42	4.78	5.04	111.28	82.02	193.29
For the year	-	-	45.02	6.42	8.04	1.94	2.95	64.37	31.60	95.97
Sub-total	-	-	120.73	19.74	20.47	6.72	7.99	175.65	113.61	289.26
(-) Withdrawn on assets sold / deleted	-	-	0.04	-	0.08	-	2.72	2.84	-	2.84
<b>Total</b>	<b>-</b>	<b>-</b>	<b>120.69</b>	<b>19.74</b>	<b>20.38</b>	<b>6.72</b>	<b>5.27</b>	<b>172.80</b>	<b>113.61</b>	<b>286.42</b>
Net Carrying amount										
As at 31-03-2020	31.86	3.08	223.35	23.71	27.98	13.49	8.45	331.92	24.20	356.12



(₹ in Lakhs)

Particulars	Dec 31, 2020	Mar 31, 2020
<b>Note 10</b>		
<b>Other Non-Financial Assets</b>		
Prepaid expenses	69.72	77.65
SEIS Scrip Incentive	-	106.23
Other advance	121.27	30.14
Service Tax /GST Input Credit	192.74	221.06
	<b>383.73</b>	<b>435.07</b>
<b>Note 11</b>		
<b>Trade Payables</b>		
(i) Total outstanding due to micro and small enterprises	3.76	0.67
(ii) Total outstanding due of creditors other than micro and small enterprises		
- For Expenses	67.39	86.26
- For Others	-	-
	<b>71.15</b>	<b>86.93</b>
<b>Note 12</b>		
<b>Other Financial Liabilities</b>		
Accrued expenses	90.17	95.72
Other Liabilities	87.78	32.18
	<b>177.95</b>	<b>127.90</b>

(₹ in Lakhs)

Particulars	Dec 31, 2020			Mar 31, 2020		
	Notional amounts	Fair value assets	Fair value liabilities	Notional amounts	Fair value assets	Fair value liabilities
<b>Note 13</b>						
<b>Derivative Financial instruments</b>						
<b>Part I</b>						
(i) Currency Derivatives						
-Spot and forwards	-	-	498.23	-	-	-
Total Derivatives Financial instruments	-	-	<b>498.23</b>	-	-	-
<b>Part II</b>						
Included in above (Part I) are derivatives held for hedging and risk management purpose as follows						
(i) Cash flow hedging						
-Currency derivatives	-	-	498.23	-	-	-
	-	-	<b>498.23</b>	-	-	-

The company holds forward contracts to mitigate the risk of changes in foreign exchange rates on forecasted cash flows denominated in foreign currencies. Derivatives are recognised and measured at fair value.



✓

6/3/20

(₹ in Lakhs)

Particulars	Dec 31, 2020	Mar 31, 2020
<b>Note 14</b>		
<b>Provisions</b>		
Provision for Employee Benefits	326.25	283.50
Provision for expenses	-	27.62
	<b>326.25</b>	<b>311.12</b>
<b>Note 15</b>		
<b>Deferred taxes</b>		
<b>Deferred tax liabilities</b>		
On Investments	7850.53	6019.92
On Derivatives	(132.72)	145.08
Others	7.69	2.87
<b>Deferred tax assets</b>		
On Investments	(132.72)	(132.72)
On Employee Benefits	(22.49)	(22.11)
On Provision for doubtful debts	(11.17)	(11.50)
On Property, Plant & Equipment	(28.82)	(21.88)
On Security Deposits	(0.47)	(0.58)
On others	(2.15)	(2.95)
Minimum Alternate Tax (MAT) credit	(248.87)	(360.01)
<b>Net Deferred tax liabilities</b>	<b>7278.81</b>	<b>5616.13</b>
<b>Note 16</b>		
<b>Other non-financial liabilities</b>		
Statutory Liabilities	87.22	126.87
	<b>87.22</b>	<b>126.87</b>



## Note 17

(₹ in Lakhs)

Particulars	As at 31 Dec 2020	As at 31 Mar 2020
<b>Authorised:</b> 32,00,00,000 Equity shares of face value of ₹. 5/- each(16,00,00,000 equity shares of face value of ₹. 5/- as on 31.03.2020)	16000.00	8000.00
	<b>16000.00</b>	<b>8000.00</b>
<b>Issued, Subscribed and fully paid up:</b> 15,11,03,860 Equity shares of face value of ₹. 5/- each	7555.19	7555.19
	<b>7555.19</b>	<b>7555.19</b>

(a) Equity share capital	As at 31 Dec 2020		As at 31 Mar 2020	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balance at the beginning of the year	151103860	7555.19	151103860	7555.19
Changes in equity share capital during the year	-	-	-	-
Issued during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>151103860</b>	<b>7555.19</b>	<b>151103860</b>	<b>7555.19</b>

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

Name	Status	No. of Shares	% held as at 31.12.2020	No. of Shares	% held as at 31.03.2020
Sundaram Finance Limited	Promoter	32650000	21.61%	32650000	21.61%

## Note 18

(₹ in Lakhs)

Particulars	Reserves and Surplus				Gains / (losses) from equity investments through OCI	Total
	Capital Reserve	General Reserve	FCTR	Retained Earnings		
Balance as at 01 Apr, 2019	2569.62	13135.01	1017.42	73200.51	139084.02	229006.59
Add: Profit or loss for the period				7813.49		7813.49
Add: Other comprehensive income			729.97	(306.78)	(54518.02)	(54094.83)
Less: Final Dividend for FY 2018-19 paid				(2644.35)		(2644.35)
Less: Dividend Tax				(543.55)		(543.55)
Less: Interim Dividend for FY 2019-20 paid				(1133.31)		(1133.31)
Less: Dividend Tax				(232.95)		(232.95)
<b>Balance as at 31 Mar, 2020</b>	<b>2569.62</b>	<b>13135.01</b>	<b>1747.39</b>	<b>76153.05</b>	<b>84566.00</b>	<b>178171.08</b>

(₹ in Lakhs)

Particulars	Reserves and Surplus				Gains / (losses) from equity investments through OCI	Total
	Capital Reserve	General Reserve	FCTR	Retained Earnings		
Balance as at 01 Apr, 2020	2569.62	13135.01	1747.39	76153.05	84566.00	178171.08
Add: Profit or loss for the period				3705.54		3705.54
Add: Other comprehensive income			(254.44)	(1103.37)	(8550.47)	(9908.28)
Adjustment on account of acquisition of Wheels India Limited				9849.76		9849.76
Add: Equity impact	23.92			250.80		274.72
Less: Final Dividend for FY 2019-20 paid				(755.55)		(755.55)
<b>Balance as at 31 Dec, 2020</b>	<b>2593.54</b>	<b>13135.01</b>	<b>1492.95</b>	<b>88100.24</b>	<b>76015.53</b>	<b>181337.27</b>

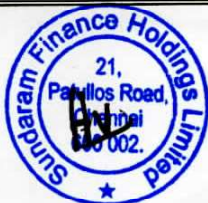




## Profit &amp; Loss Account

(₹ in Lakhs)

Particulars	For the period ended 31st Dec 2020	For the period ended 31st Dec 2019
<b>Note 19</b>		
<b>Interest Income</b>		
On financial assets measured at amortised cost		
Interest income from investments	1.31	250.91
<b>Total</b>	<b>1.31</b>	<b>250.91</b>
<b>Note 20</b>		
<b>Net gain/(Loss) on fair value changes</b>		
Net gain/(Loss) on financial instruments at FVTPL	534.93	153.39
<b>-Investments</b>		
Fair Value changes:		
-Realised	466.10	(175.11)
-Unrealised	68.83	328.50
<b>Total Net gain/(Loss) on fair value changes</b>	<b>534.93</b>	<b>153.39</b>
<b>Note 21</b>		
<b>Other Income</b>		
Interest Receipts	10.83	22.62
Rent Receipts	136.21	134.13
Other Non-Operating Income	21.72	0.44
Net gain on Exchange Fluctuation	304.73	198.20
Excess provisions/liabilities written back	2.72	22.43
Export Incentive SEIS	85.37	159.94
Derivative income/(loss)	(75.42)	(14.45)
<b>TOTAL</b>	<b>486.16</b>	<b>523.31</b>
<b>Note 22</b>		
<b>Finance Costs</b>		
Interest on Income Tax	-	9.81
Interest-others	11.26	17.62
<b>TOTAL</b>	<b>11.26</b>	<b>27.43</b>
<b>Note 23</b>		
<b>Employee benefit expense</b>		
Salaries, bonus and commission	2436.46	2899.88
Contribution to Provident and Other Funds	193.43	228.95
Staff welfare expenses	39.83	78.79
Staff Recruitment and Training Expenses	5.64	17.49
<b>TOTAL</b>	<b>2675.36</b>	<b>3225.11</b>
<b>Note 24</b>		
<b>Administrative and Other Expenses</b>		
Rent	256.42	309.70
Rates and taxes	8.19	25.34
Electricity expenses	68.46	124.85
Sales and Marketing expenses	72.17	227.21
Communication expenses	60.33	68.62
Outsourcing cost	117.94	123.40
Audit Fees	20.25	18.75
Repairs and Maintenance - others	76.13	132.47
Professional fees	85.44	93.62
Director sitting fees	8.85	10.75
Filing Fees	0.11	-
Travelling and Conveyance	3.92	90.30
Allowance for doubtful debts (Net)	3.87	4.94
CSR Expenditure	30.00	67.00
Miscellaneous expenses	223.94	168.40
<b>TOTAL</b>	<b>1036.02</b>	<b>1465.35</b>



**Note 25: Segment Reporting**

(i) The Group has following operating segments namely Investments, Domestic Support Services and Overseas Support Services. The operating segments are established on the basis of individual segment's revenue being more than 10% of the combined revenue of all operating segments

Business Segments	Investments		Support services				Eliminations		Total				
	Apr-Dec'20	Apr-Dec'19	Domestic		Overseas		Apr-Dec'20	Apr-Dec'19	Apr-Dec'20	Apr-Dec'19			
			Apr-Dec'20	Apr-Dec'19	Apr-Dec'20	Apr-Dec'19							
<b>REVENUE</b>													
Segment Revenue	538.60	1092.45	1761.46	2485.12	1834.73	2125.08	(36.45)	-	4098.34	5702.65			
<b>RESULT</b>													
Segment Result	505.32	1060.86	7.43	10.67	137.35	181.85	-	-	650.09	1253.38			
Unallocated income / (expenses) (Net)									101.88	83.60			
Profit before tax									751.97	1336.98			
Less: Income tax									167.99	317.30			
Profit after tax before share of profits from associates									583.98	1019.68			
Add: Share of profit from Associates									3121.56	4011.34			
Profit after tax									3705.54	5031.02			
<b>Business Segments</b>	<b>Investments</b>		<b>Support services</b>				<b>Eliminations</b>		<b>Total</b>				
	<b>Apr-Dec'20</b>	<b>Apr-Mar'20</b>	<b>Apr-Dec'20</b>	<b>Apr-Mar'20</b>	<b>Apr-Dec'20</b>	<b>Apr-Mar'20</b>	<b>Apr-Dec'20</b>	<b>Apr-Mar'20</b>	<b>Apr-Dec'20</b>	<b>Apr-Mar'20</b>			
<b>OTHER INFORMATION</b>													
Segment Assets	194348.89	188182.95	913.27	1398.91	1857.34	1798.14	-	-	197119.50	191380.00			
Unallocated Assets									343.31	828.90			
<b>Total Assets</b>									<b>197462.81</b>	<b>192208.90</b>			
Segment Liabilities									8372.35	6711.01			
Unallocated Liabilities									197.99	(228.38)			
<b>Total Liabilities</b>									<b>8570.34</b>	<b>6482.63</b>			
Capital Expenditure									81.24	220.64			
Depreciation									109.89	133.04			



**Note 26****Related Party Transactions**

Related party disclosures, as per Ind AS 24 - Related Party Disclosures, details of related parties and the transactions with related parties are given below:

**Related Parties:****Holding Company**

Sundaram Finance Limited

**Fellow Subsidiaries**

Sundaram Asset Management Company Ltd  
Sundaram Fund Services Ltd  
Sundaram Home Finance Ltd  
Sundaram Asset Management Singapore Pte Ltd.  
LGF Services Limited  
Sundaram Alternate Assets Limited  
Sundaram Trustee Company Limited

**Joint Venture of Holding Company**

Royal Sundaram General Insurance Co. Ltd

**Others**

Sundaram Finance Holdings Gratuity Trust

**Associate Companies**

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 (w.e.f Jun'20)  
Mind S.r.l Italy (w.e.f Oct'20)

**Key Management Personnel:**

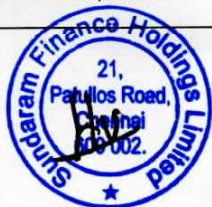
Sri. T.T.Srinivasaraghavan-Chairman  
Sri. Harsha Viji - Director  
Sri. Paramesh Krishnaier-Chief Executive officer (Till 18th May 2020)  
Sri. Ravi S -Chief Executive Officer  
Sri.Vaasen V-Chief Financial Officer

**Related Party Transactions:**

The nature and volume of transactions of the company during the period, with the above related parties are as follows:

(₹ in Lakhs)

Nature of Transactions	Holding Company	Associates	Fellow Subsidiaries	Joint Venture of Holding Company	KMP	Apr- Dec' 20	Apr- Dec' 19
<b>Income</b>							
<b>Dividend Income</b>							
Sundaram Dynacast Private Limited		93.60				93.60	117.00
Turbo Energy Private Limited						-	768.00
Dunes Oman LLC (FZC)						-	1012.22
Axles India Limited		148.38				148.38	395.67
Transenergy Limited						-	9.00
Flometallic India Private Limited						-	325.00
Wheels India Limited		148.43				148.43	-
<b>Income from Services</b>							
Sundaram Finance Limited	893.92					893.92	909.07
Sundaram Asset Management Company Ltd			17.28			17.28	220.01
Sundaram Fund Services Ltd			0.43			0.43	11.68
Sundaram Home Finance Ltd			29.71			29.71	38.26
Royal Sundaram General Insurance Co. Ltd				457.46		457.46	688.22
Sundaram Alternate Assets Limited			2.16			2.16	2.16
Turbo Energy Private Limited						-	0.50
Wheels India Limited		5.21				5.21	-
Transenergy Limited						-	0.11
<b>Other Income</b>							
<b>Rental Income</b>							
Turbo Energy Private Limited		25.80				25.80	25.80
Sundaram Finance Limited	70.79					70.79	70.79
<b>Expenses</b>							
<b>Sundaram Finance Limited</b>							
Rent & other Amenities	111.98					111.98	122.55
Internal Audit fees	9.00					9.00	9.00
ITVO Charges	0.30					0.30	0.09
Website Maintenance	0.77					0.77	0.77
Fuel Expenses	6.25					6.25	8.14
<b>Royal Sundaram General Insurance Co. Limited</b>							
Insurance				0.05		0.05	0.17
<b>Turbo Energy Private Limited</b>							
Procurement of Solar Panel						-	29.50
<b>Sundaram Finance Limited</b>							
Purchase of License	19.18					19.18	-
Remuneration paid to KMP					76.41	76.41	57.51



Nature of Transactions	Holding Company	Associates	Fellow Subsidiaries	Joint Venture of Holding Company	KMP	Apr- Dec' 20	FY 19-20
<b><u>Other Transactions - Investments</u></b>							
Purchase of Equity Shares - Wheels India Limited		9999.94				9999.94	-
Purchase of Equity Shares - Mind S.r.l.		2387.75				2387.75	-
Payment of Call money-Flometallic India		550.00				550.00	-
<b><u>Closing Balance of Investment in Equity Shares</u></b>							
Flometallic India Private Limited		7305.36				7305.36	6195.44
Dunes Oman LLC (FZC)		8846.76				8846.76	8892.95
Sundaram Hydraulics Limited		-				-	-
Axles India Limited		4985.98				4985.98	5329.20
Turbo Energy Private Limited		47699.56				47699.56	46125.28
Transenergy Limited		752.61				752.61	387.98
Sundaram Dynacast Private Limited		1505.58				1505.58	1395.71
Wheels India Limited		24333.53				24333.53	-
Mind S.r.l Italy		2305.63				2305.63	-
<b><u>Closing Balance of Investment in Preference Shares</u></b>							
Sundaram Asset Management Company Ltd			1500.00			1500.00	1500.00
<b><u>Insurance Deposit</u></b>							
Royal Sundaram General Insurance Co. Ltd				0.43		0.43	0.01
<b><u>Receivables:</u></b>							
Sundaram Finance Limited	111.26					111.26	178.28
Sundaram Asset Management Company Ltd			2.60			2.60	7.54
Sundaram Fund Services Ltd			0.28			0.28	0.34
Sundaram Home Finance Ltd			9.29			9.29	-
Royal Sundaram General Insurance Co. Ltd				6.08		6.08	85.22
Sundaram Alternate Assets Limited			0.28			0.28	0.28
<b><u>Payables:</u></b>							
Sundaram Finance Limited	2.04					2.04	12.66



**Note 27****27(a) Contingent liabilities and commitments**

- (i) Estimated amount of investment to be made in JM Financial yield enhancer (Distressed Opportunity ) Fund I - Series I for Capital Commitment-Rs.570 Lakhs.
- (ii) Estimated amount of capital commitments for Property,Plant and equipment and Investment property - Rs.32.50 lakhs.
- (iii) The Liability in respect of Guarantee issued by bank amount to Rs.50 lakhs.
- (iv) ESI Claims against the erstwhile Professional Management Consultants Limited (PMCL) not accepted by the company - Rs 2.06 lakhs (previous year – Rs 2.06 lakhs). Against this claim, PMCL filed an appeal before the Employees' Insurance (EI) Court and a stay was obtained, on a payment of 20% of the disputed amount. Accordingly, PMCL has deposited a sum of Rs 0.41 lakhs with the EI Court. The said amount has been grouped under Loans and Advances in the Balance Sheet.

In an earlier year, the above appeal was dismissed by the ESI Court and PMCL has since filed an appeal before Hon'ble High Court of Chennai and has obtained a stay against the order of the ESI Court. The Hon'bl High Court of Chennai issued a favourable order and set aside the order earlier passed by the Employee Insurance Court.

- (v) ESI Claims against the company not acknowledged as debts - Rs 1.25 lakhs (Previous Year - Rs 1.25 lakhs). The company has filed an appeal against the Order dated 19.02.2016 Accordingly, the Company has deposited a sum of Rs 0.63 lakhs with EI Court. The said amount has been grouped under Loans and Advances in the Balance Sheet.

**27(b) MSME Disclosures -**

There is no amount due to small scale industries more than 45 days in terms of "The Micro, Small and Medium Enterprises Development Act, 2006".

**27(C) COVID -19**

The worldwide disruption caused by the COVID-19 pandemic and the consequent lockdown imposed almost till end-November 2020 have considerably impacted the business operations of our associate companies, including their subsidiaries, which in turn, have impacted the financial results of the Company. Though there have been signs of a reasonably healthy recovery in the automotive sector during the third quarter of the financial year pursuant to the phased release of the lock down, a full recovery to the levels of the pre-COVID era is unlikely in the near term. The company will however continue to closely monitor any material changes to future economic conditions and take appropriate risk mitigation measures.



✓

12