SUNDARAM FINANCE HOLDINGS

SEC:105:19-20/GN
February 4, 2020

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

Dear Sir,

Sub: Non-submission of Reports / Disclosures in the Annual Report submitted for the year ended March 2019

Ref: Your letter Ref: NSE/LIST/100811 dated 30th January 2020

We are in receipt of your letter dated 30th January 2020 sent vide email on the captioned subject.

In reply, we would like to clarify that the Dividend Distribution Policy of the Company has been made available on our website – www.sundaramholdings.in, immediately after listing during March 2018. Further, the Business Responsibility Report for the year ended 31st March 2019 was prepared and maintained at our end for internal compliance. However, since our Company was not part of the top 500 listed entities based on market capitalisation as on 31st March 2019, we did not print these two documents as part of our Annual Report for the financial year 2018-19.

We are now enclosing the Dividend Distribution Policy of the Company, framed in accordance with Reg.43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Business Responsibility Report for the financial year 2018-19 prepared in accordance with Reg.24(2)(f) of the said Regulations, for your records.

Pursuant to the discussions the undersigned had with your official vide telecon, we have noted that the market capitalisation as on 31st March should be used as a basis for the immediately succeeding financial year and have noted to print the said documents on the basis of the clarified interpretation.

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Further, as suggested by your official vide telecon, we are submitting an announcement on the NEAPS platform by providing our website links pertaining to these two documents, for the purpose of communicating the policy and report to the shareholders of the Company. The said links are as under:

1. Dividend Distribution Policy
   Dividend Distribution Policy

2. Business Responsibility Report for the financial year 2018-19
   Business Responsibility Report 2018-19

Thanking you,

Yours truly,
For Sundaram Finance Holdings Limited



P.N. Srikant
Secretary & Compliance Officer

SUNDARAM FINANCE HOLDINGS

SFHL Dividend Policy
[Pursuant to Schedule VIII to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009]

The SFHL Dividend Policy (the Policy) shall come into effect from the date it is approved by the Board of Directors.

The Policy is being framed in compliance with the requirement stipulated under Part A. Para (VIII).(H) of Schedule VIII to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, for distribution of dividends, based on the following parameters:

1. The Board of Directors may declare one or more interim dividends after considering various financial and other parameters. The Board may recommend final dividend after approval of the final audited accounts.

2. Dividends shall generally be declared out of the annual standalone Profit After Tax of the Company relating to the current financial year, subject to any other regulatory provisions that may be introduced from time to time.

3. The Board will generally endeavour to maintain a dividend payout ratio (including dividend distribution tax) of 25% – 50% of the annual standalone profit after tax for each financial year.

4. The factors, internal and external, to be considered by the Board, for determining the quantum of dividend, will include the following:

   (a) Internal Factors

   - Growth in volume of business
   - Performance of portfolio companies
   - Profitability position
   - Stability of earnings
   - Carried forward balance in P & L account
   - Accumulated reserves

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(b) External Factors

- Macro-economic environment
- Performance of the automotive sector
- Changes in governmental policies
- Regulatory changes

5. The retained earnings of the Company may be used, *inter alia*, for one or more of the following purposes:

(i) Growth plans;
(ii) Capital expenditure;
(iii) Working capital requirements;
(iv) Capitalisation;
(v) Investment in new lines of business and / or additional investment in existing lines of business;
(vi) Repayment of debt;
(vii) Meeting contingency plans; and
(viii) Any other purpose as may be permitted by law.

The Board may consider utilising the retained earnings for declaration of dividend under special circumstances.



SUNDARAM FINANCE HOLDINGS

Business Responsibility Report for the Financial Year 2018-19

Section A: General Information about the Company

1.	Corporate Identity Number (CIN)	:	L65100TN1993PLC025996
2.	Name of the Company	:	Sundaram Finance Holdings Limited
3.	Registered address	:	21, Patullos Road, Chennai 600 002
4.	Website	:	www.sundaramholdings.in
5.	E-mail id	:	investorservices@sundaramholdings.in
6.	Financial Year reported	:	2018-19

7. Sector(s) that the Company is engaged in (industrial activity code-wise)

   As per National Industrial Classification – 2008:
   Section K - Financial Service Activities, except Insurance and Pension Funding
   Division 64 – Other Financial Activities.

8. List three key ~~products~~ / services that the Company ~~manufactures~~ / provides (as in balance sheet)

   1. BPO Services
   2. Training Services

9. Total number of locations where business activity is undertaken by the Company

   i. Number of International Locations (Provide details of major 5)

      Nil

   ii. Number of National Locations

      3 locations

10. Markets served by the Company – Local / State / National / International

    National

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Section B: Financial Details of the Company (as on 31.03.2019)

1. Paid up Capital (INR) : ₹75.55 cr.

2. Total Turnover (INR) : ₹120.71 cr.

3. Total profit after taxes (INR) : ₹84.93 cr.

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)

   The Company's total spending on CSR is 2.01% of the average profit after taxes in the previous three financial years.

5. List of activities in which expenditure in 4 above has been incurred:-

   Health and Education

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

   Yes.

2. Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   Business Responsibility initiatives of the Parent Company are generally followed by the subsidiary company to the extent possible.

3. Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]

   No.

Section D: BR Information

1. Details of Director / Directors responsible for BR

   a) Details of the Director / Director responsible for implementation of the BR policy / policies

DIN Number	00018247
Name	Sri T.T. Srinivasaraghavan
Designation	Chairman



Regd. Office: 21, Patullos Road, Chennai – 600 002, India PAN: AAACS3116J CIN: L65100TN1993PLC025996
Ph: +91 44 2852 1181 www.sundaramholdings.in Fax: +91 44 2858 6641

b) Details of the BR head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	-
2.	Name	Sri P.N. Srikant
3.	Designation	Secretary & Compliance Officer
4.	Telephone Number	044 2888 1311
5.	Email id	srikantpn@sundaramholdings.in

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)

(a) Details of Compliance (Reply in Y/N)

Sr. No.	Questions	Business Ethics	Product Responsibilit	Wellbeing of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for	Y	N	Y	N	Y	N	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	-	Y	-	Y	-	-	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	-	Y	-	Y	-	-	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	-	Y	-	Y	-	-	Y	Y
5	Does the company have a specified committee of the Board / Director/ Official to oversee the implementation of the policy?	Y	-	Y	-	Y	-	-	Y	Y
6	Indicate the link for the policy to be viewed online?	*	-	*	-	*	-	-	*	*
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	-	Y	-	Y	-	-	Y	Y
8	Does the company have in-house structure to implement the policy / policies.	Y	-	Y	-	Y	-	-	Y	Y

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9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	-	Y	-	Y	-	-	Y	Y
10	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	N	-	N	N	N	-	-	N	N

(b) If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	#	-	#	-	#	#	-	-

* http://www.sundaramholdings.in/csa/csa.aspx

\# Considering the nature of company's business, these Principles have limited applicability. The Company complies with Regulations governing its operations and has taken initiatives to promote inclusive growth and environmental sustainability.

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

  Annually.

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- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

  Yes.

  http://www.sundaramholdings.in/app_documents/companyinfo/investorinfo/08.%20Annual%20Report/2.%20SFHL%20Annual%20Report%202018-19.pdf?v=288e50bb-3cd4-4867-b219-cb5a22629d6c

  Annually

Section E: Principle-wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

   Yes. The Policy covers the company and group.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

From	Received and Resolved during the year 2018-19
Shareholders	-

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   Not Applicable

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

   ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   Not Applicable

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3. Does the company have procedures in place for sustainable sourcing (including transportation)?

   i. If yes, what percentage of your inputs was sourced sustainably? *Also, provide details thereof, in about 50 words or so.*

   Not Applicable

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Yes, wherever possible.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   Yes, wherever possible.

Principle 3: Businesses should promote the wellbeing of all employees

1. Please indicate the Total number of employees.

   612

2. Please indicate the Total number of employees hired on temporary / contractual / casual basis.

   28

3. Please indicate the Number of permanent women employees.

   197

4. Please indicate the Number of permanent employees with disabilities

   The Company does not specifically track the number of disabled employees. The Company gives equal opportunities and treats all employees at par. Based on the income-tax declarations which enable claiming income-tax deduction for self-disability, the Company has 2 employees.

5. Do you have an employee association that is recognized by management

   No.



6. What percentage of your permanent employees is members of this recognized employee association?

   Nil

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

   Nil

S. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour / forced labour / involuntary labour	Nil	
2.	Sexual harassment		
3.	Discriminatory employment		

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

   A. Permanent Employees
   B. Permanent Women Employees
   C. Casual / Temporary / Contractual Employees
   D. Employees with Disabilities

   All employees of the Company (Permanent men, Permanent women and Contractual employees) are covered by skill upgradation training programmes conducted through our “Sundaram Learning”.

   All the employees of the Company at Head Office have been given fire and other safety training while first-aid training had been given to selected employees at HO and at branches.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No

   No.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

   Not Applicable

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3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   Not Applicable

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

   This is covered under our Policies on Business Responsibility Report.
   Refer http://www.sundaramholdings.in/csa/csa.aspx

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   Refer Serial no.2 of Principle 1.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.

   Not Applicable

2. Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Not Applicable

3. Does the company identify and assess potential environmental risks? Y / N

   Not Applicable

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   No.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y / N. If yes, please give hyperlink for web page etc.

   No.

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6. Are the Emissions / Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?

   Not Applicable.

7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   Not Applicable.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   No.

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Yes. Representations had been submitted to the Government and regulatory authorities on various matters for the improvement of public good.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Not Applicable.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?

   Not Applicable.

3. Have you done any impact assessment of your initiative?

   Not Applicable.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

   Amount spent ₹37.28 lakhs. Please refer to Annual Report on CSR Activities for details.

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5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Please refer to Annual Report on CSR Activities.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints / consumer cases are pending as on the end of financial year.

   Nil.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)

   Not Applicable.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   No.

4. Did your company carry out any consumer survey / consumer satisfaction trends?

   No.

