



Service



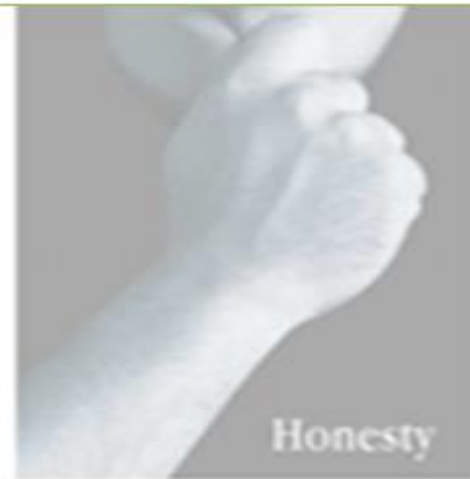
Discipline



Prudence



Fair play



Honesty

## PERFORMANCE HIGHLIGHTS 2018-19



**SUNDARAM FINANCE**  
*Enduring values. New age thinking.*



Integrity



Humility



Openness



Relationships

# Sundaram Ring of Excellence



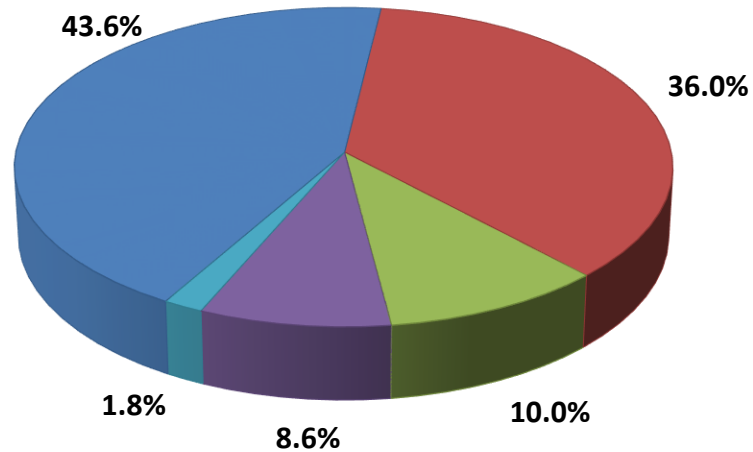
# Highlights

- Disbursements for the year 2018-19 up by 9.3% to ₹ 17170 Cr.
- Net Profit for the year at ₹ 1126 Cr., including an amount of ₹ 522 Cr. towards exceptional income on account of sale of shares in Royal Sundaram.
- Assets Under Management up by 16.1% at ₹ 28984 Cr.
- Stage III Assets stood at 1.33% and net of ECL provisions at 0.83% compared to 1.27% and 0.66% in the previous year.
- Capital Adequacy Ratio at 19.5%, Tier-I at 14.7%.
- Dividend for the year 175%, including special dividend of 50%.

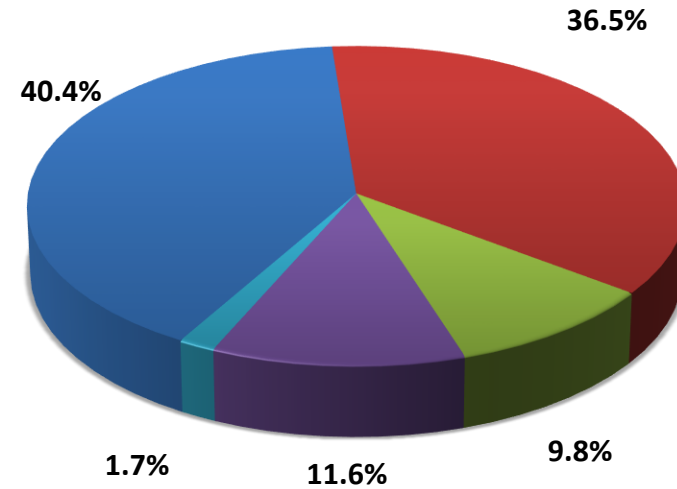
**In this presentation, the figures for FY 2019 and FY 2018 are as per Ind AS, while FY 2017 is as per Previous GAAP.**

# Shareholding Pattern

31-Mar-18



31-Mar-19



■ Public ■ Promoters ■ Mutual Funds & AIFs ■ FII / FPIs and NRIs ■ Banks, Financial Institutions & Insurance Companies

# Financial Summary

₹ in Crore

Year	Paid-up Capital	Networth	Disbursements	Receivables Under Management	PAT	Dividend %	Market Capitalisation
2008-09	55.55	1153	4614	9204	150.73	65	917
2009-10	55.55	1316	5926	10219	226.75	100	2096
2010-11	55.55	1530	7592	12354	295.23	140	2722
2011-12	55.55	1789	9433	15540	355.45	155	3645
2012-13	* 111.10	2087	9991	17645	410.11	90	5265
2013-14	111.10	2405	9719	18158	442.51	100	7359
2014-15	111.10	2978	10012	18734	454.14	105	16859
2015-16	111.10	3313	11444	20699	477.28	110	14450
2016-17	111.10	3746	13218	24036	** 495.35	115	17940
2017-18	111.10	4134	15712	28648	563.44	120	18634
2018-19	111.10	5044	17170	33447	@ 604.04	# 175	17318

\* Increase in Capital by way of 1:1 bonus issue.

\*\* Adjusted for demerger ₹ 460.57 Cr.

# Includes special dividend of 50%.

@ Excludes exceptional item

Market Capitalisation is as on 31<sup>st</sup> March of the respective years.

# Profit & Loss Statement

₹ in Crore

Particulars	Quarter Ended March 2018	Quarter Ended March 2019	2017-18	2018-19
Revenue From Operations *	778.04	872.16	2763.30	3362.12
Other Income	19.44	7.16	49.13	20.56
<b>Total Revenue</b>	<b>797.48</b>	<b>879.32</b>	<b>2812.43</b>	<b>3382.68</b>
Finance cost	390.54	474.83	1346.02	1762.51
Operating expenses	167.08	138.33	531.19	617.57
Impairment on financial instruments	32.55	42.61	85.51	107.33
<b>Total Expenses</b>	<b>590.17</b>	<b>655.77</b>	<b>1962.72</b>	<b>2487.41</b>
<b>Profit Before Taxation and exceptional item</b>	<b>207.31</b>	<b>223.55</b>	<b>849.71</b>	<b>895.27</b>
Exceptional Item **	-	592.44	-	592.44
<b>Profit Before Taxation (After exceptional item)</b>	<b>207.31</b>	<b>815.99</b>	<b>849.71</b>	<b>1487.71</b>
<b>Profit After Taxation and exceptional item</b>	<b>137.93</b>	<b>674.75</b>	<b>563.44</b>	<b>1126.31</b>
<b>Other Comprehensive Income (net of taxes)</b>	<b>(0.51)</b>	<b>1.74</b>	<b>(1.51)</b>	<b>2.77</b>
<b>Total Comprehensive Income for the period year</b>	<b>137.42</b>	<b>676.49</b>	<b>561.93</b>	<b>1129.08</b>

\* Revenue from operations is net of depreciation on operating lease

\*\*Exceptional item represents, sale of 11,62,91,000 equity shares of ₹ 10/- each (representing 25.90% stake) in Royal Sundaram General Insurance Co. Limited (RSGI) for a consideration of ₹ 984.17 Crore to Ageas Insurance International N.V, The Netherlands. The profit is net of transaction expenses and provisions towards certain financial covenants, whereby the company has agreed to indemnify the buyer. Subsequent to the transaction, the company holds 50% in the equity share capital of RSGI, resulting in RSGI becoming a Joint Venture company with effect from 22nd Feb 2019.

# Balance Sheet

₹ in Crore

Particulars	31-Mar-2018	31-Mar-2019
<b>EQUITY AND LIABILITIES</b>		
Financial Liabilities	21597.86	25530.90
Non Financial Liabilities	79.21	74.46
Equity	4133.63	5043.81
<b>Total - EQUITY AND LIABILITIES</b>	<b>25810.70</b>	<b>30649.17</b>
<b>ASSETS</b>		
Financial Assets	25222.96	30079.48
Non Financial Assets	587.74	569.69
<b>Total - ASSETS</b>	<b>25810.70</b>	<b>30649.17</b>



# Profit Reconciliation

₹ in Crore

Particulars	Quarter ended March 2018	2017-18
<b>Profit as per previous GAAP</b>	<b>129.57</b>	<b>532.95</b>
<b>Adjustments increasing / (decreasing) net profit after tax as reported in the previous GAAP:</b>		
Amortisation of net income under EIR method for financial assets	2.98	22.52
Amortisation of expenses under EIR method for financial liabilities	2.16	3.73
Application of Expected Credit Loss method for loan loss provisions	(9.58)	2.76
Financial assets / liabilities measured at Fair Value through Profit & Loss	6.64	14.68
Impact on recognition of securitised loan portfolio	0.42	1.56
De-recognition of Financial asset	5.98	(5.39)
Re-measurement of defined benefit plan	0.77	2.32
Others	0.13	0.75
Tax adjustments on above items	(1.14)	(12.44)
<b>Net Profit after tax as per Ind AS</b>	<b>137.93</b>	<b>563.44</b>
Other Comprehensive income (net of taxes)	(0.51)	(1.51)
<b>Total Comprehensive income as per Ind AS</b>	<b>137.42</b>	<b>561.93</b>



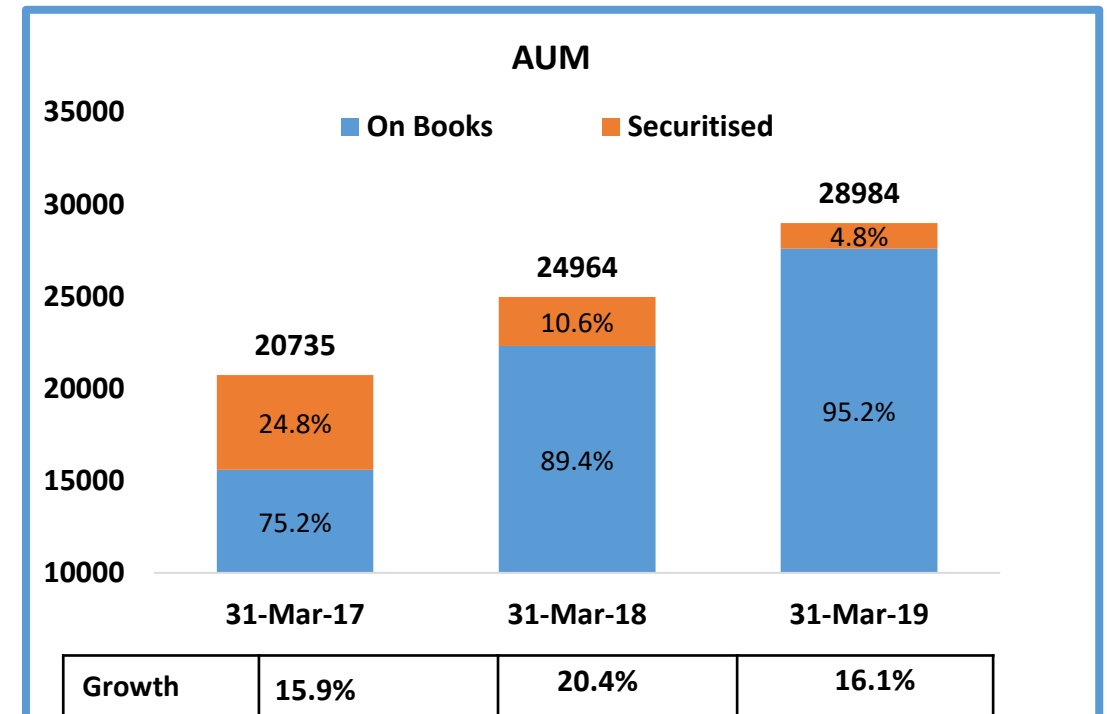
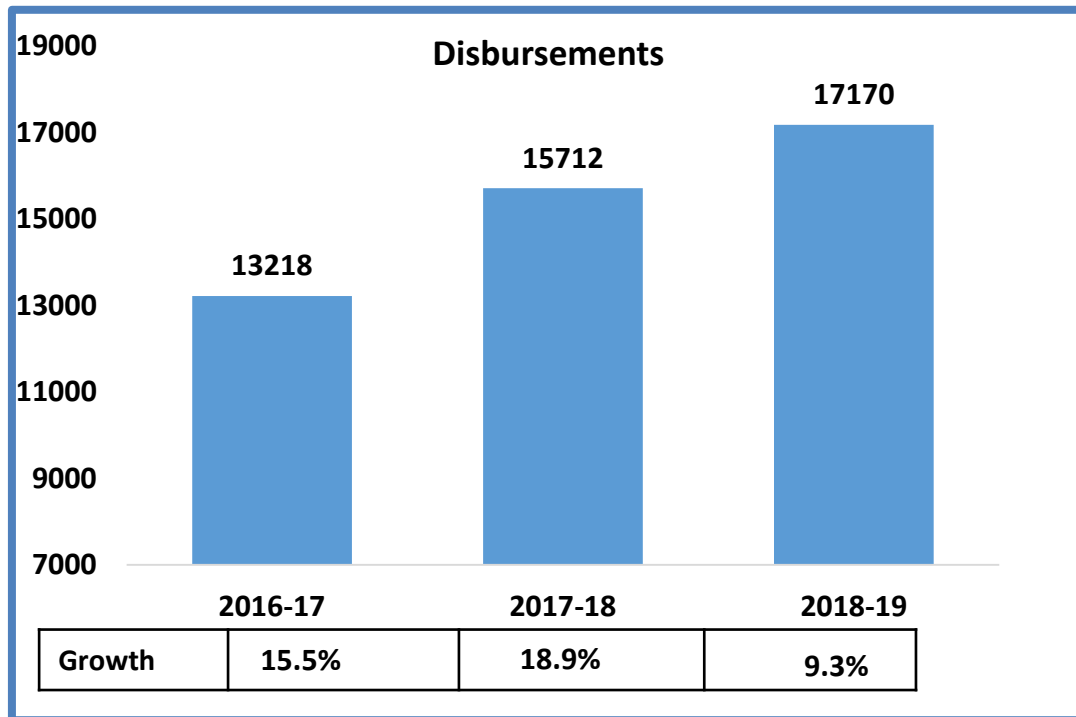
# Equity Reconciliation

₹ in Crore

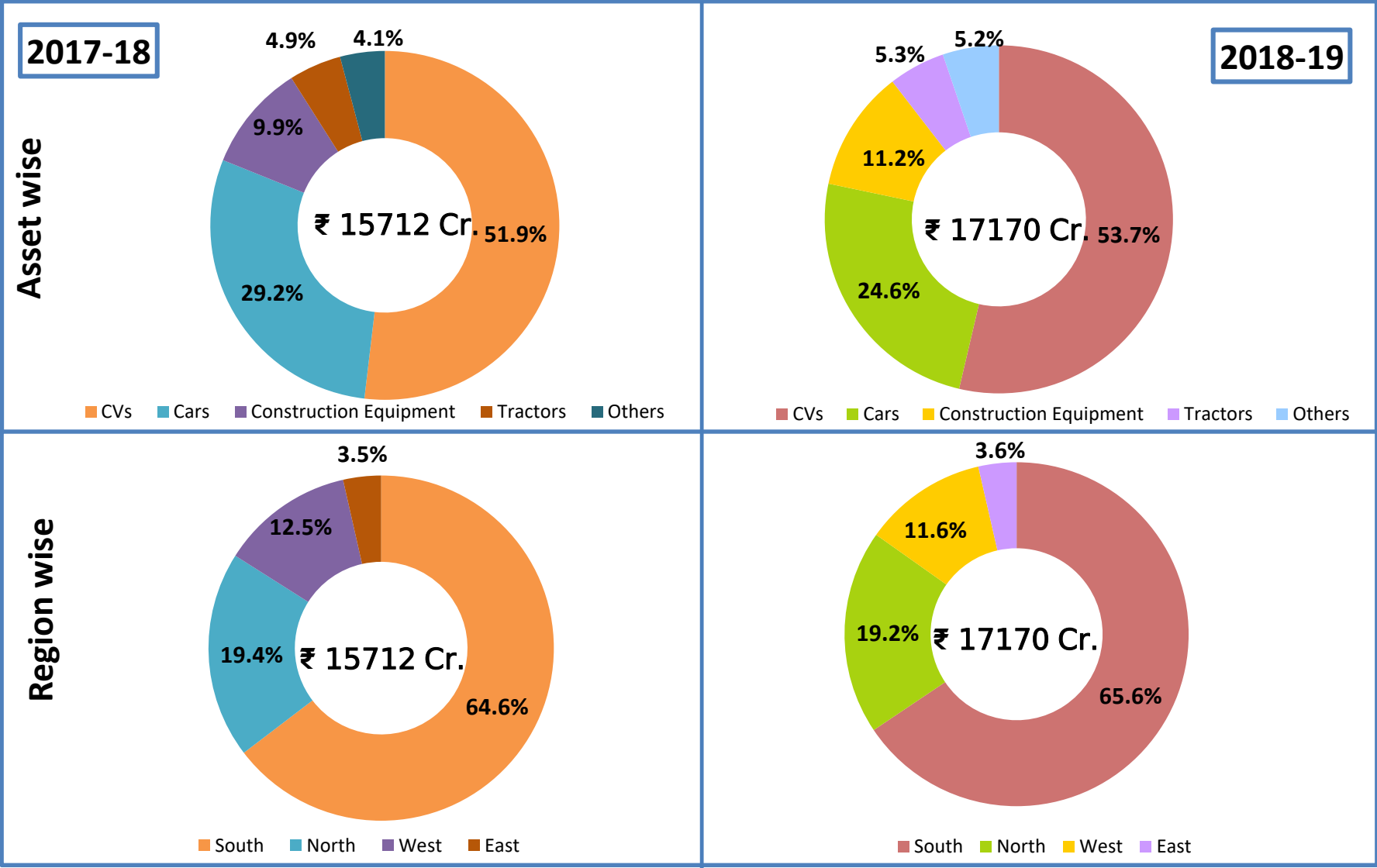
Particulars	31-Mar-2018	01-Apr-2017
Equity as per previous GAAP	3970.85	3745.63
Impact due to Scheme (demerger and merger)		(228.73)
<b>Adjusted Equity as per previous GAAP</b>	<b>3970.85</b>	<b>3516.90</b>
On application of Effective Interest Rate method		
Financial assets	72.20	49.68
Financial liabilities	15.16	11.42
Impact on account of Expected credit loss	96.71	93.95
Financial assets / Liabilities measured at Fair value through Profit & Loss	14.56	(0.11)
Impact on recognition of securitised loan portfolio	1.56	
Derecognition of Financial asset	23.19	28.59
Others	2.10	1.35
Tax impact on above adjustments	(62.70)	(51.07)
<b>Equity as per Ind AS</b>	<b>4133.63</b>	<b>3650.71</b>

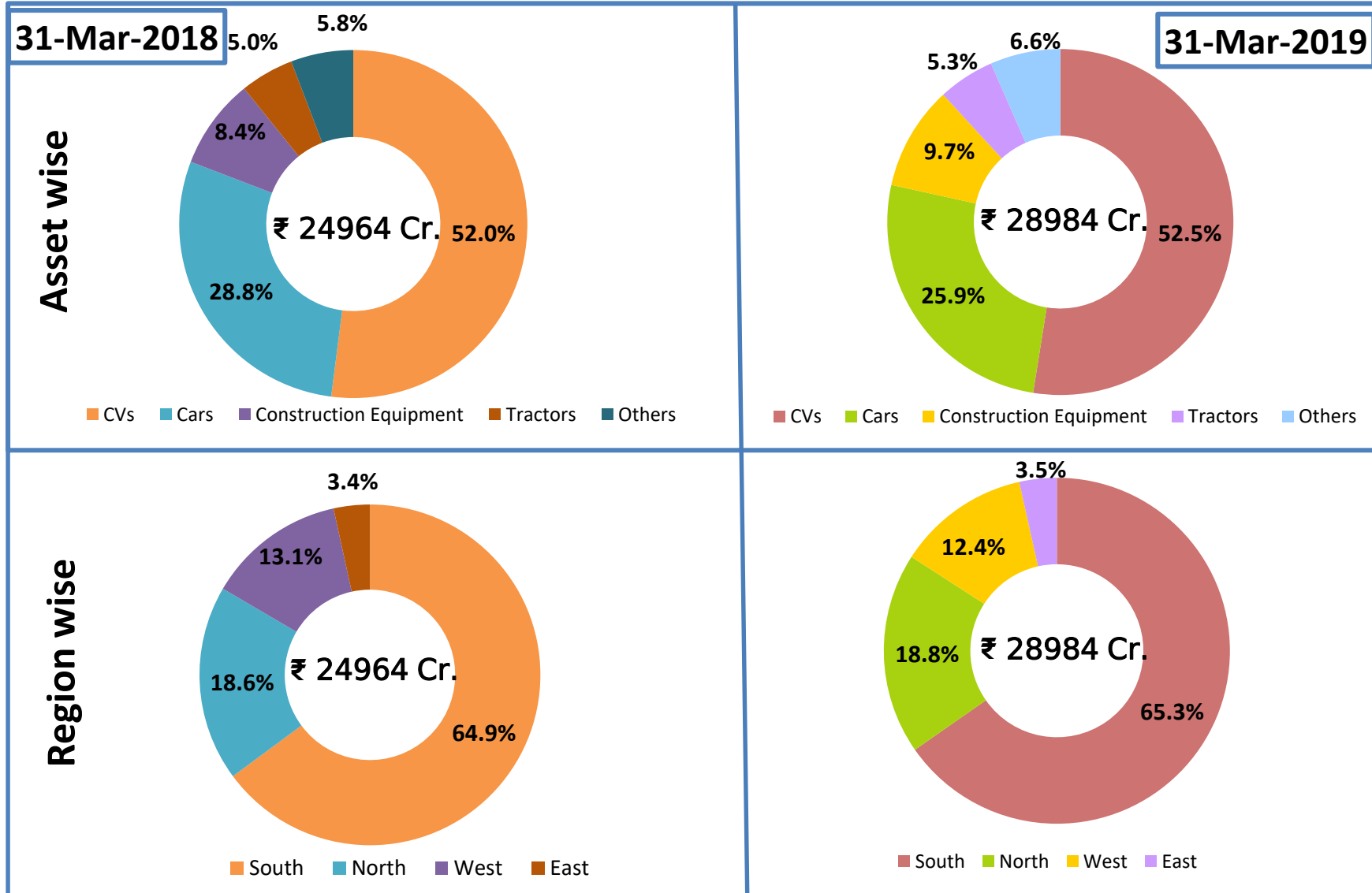
# Disbursements and AUM

₹ in Crore

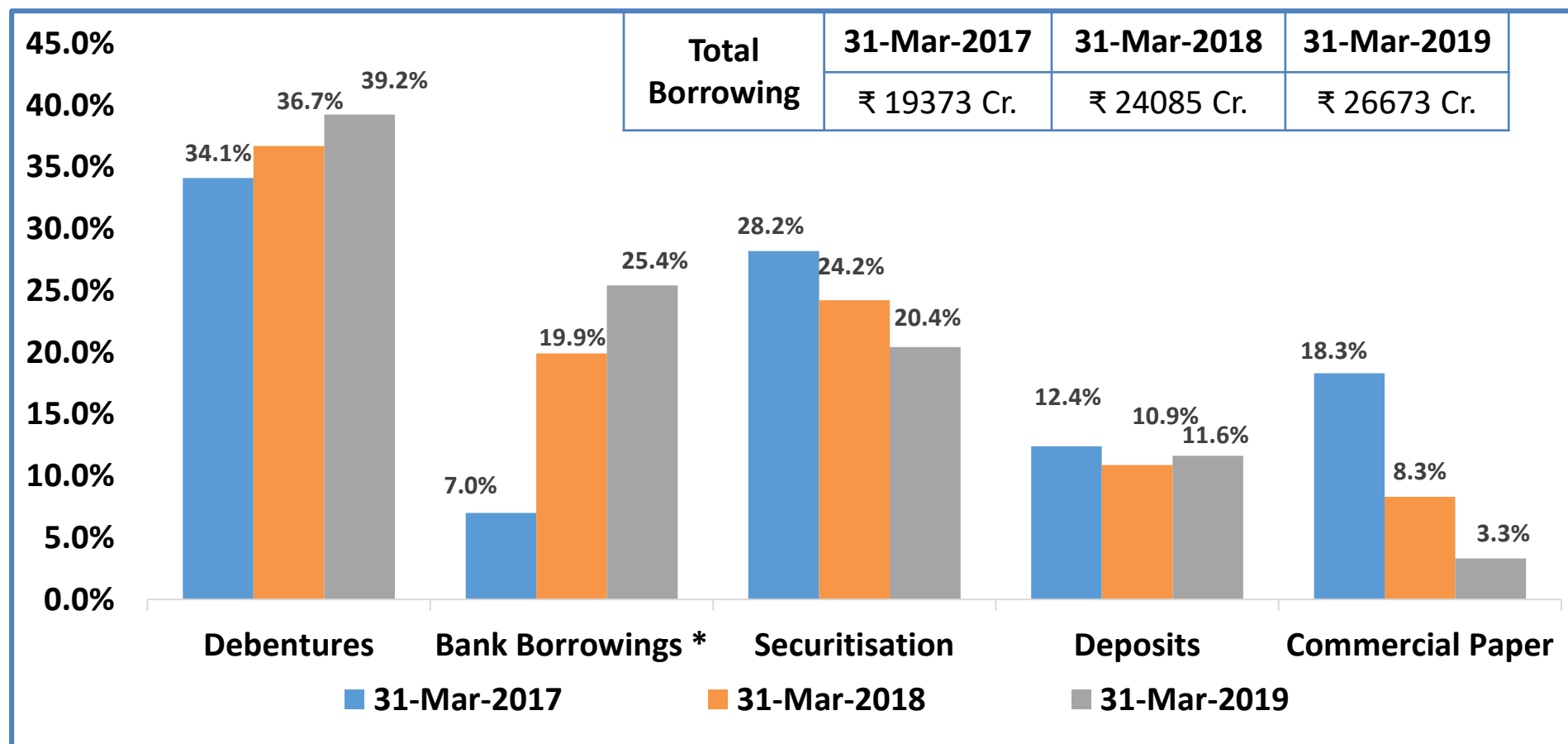


# Disbursements





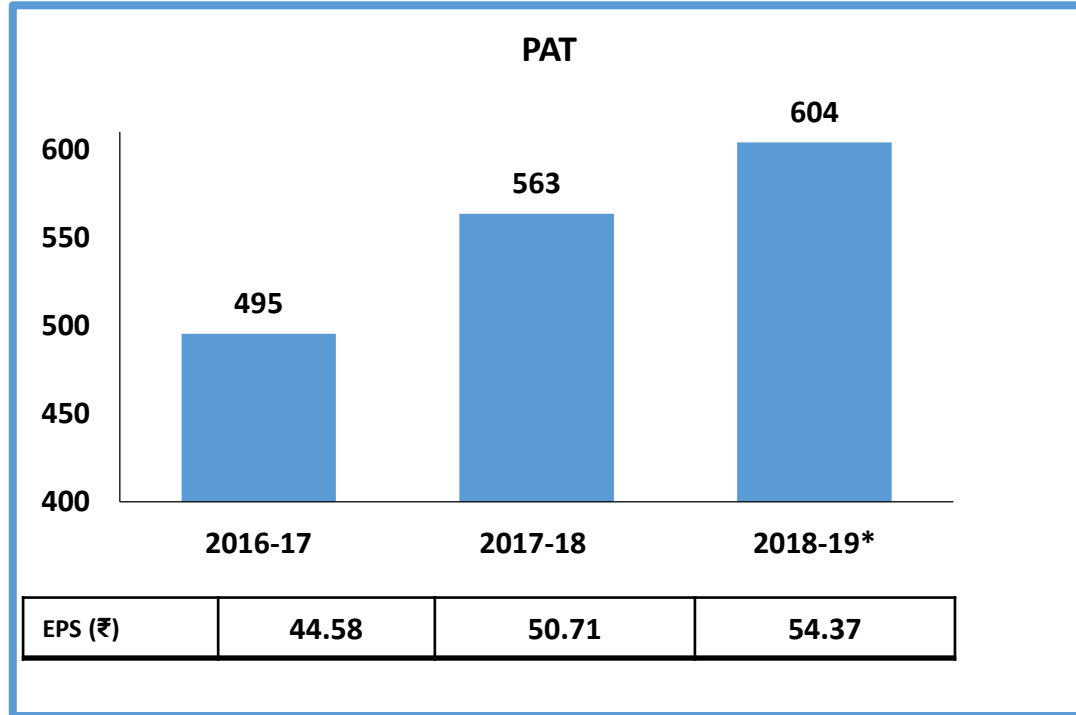
# Funding Mix



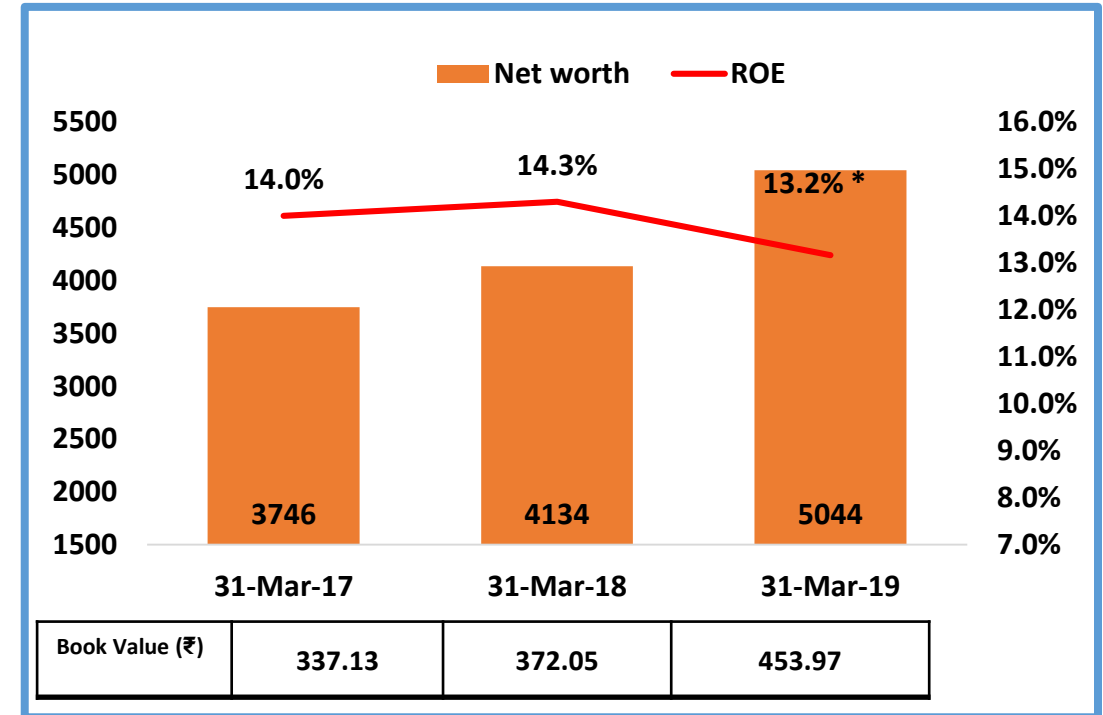
\* Includes a) Term loans b) Commercial Papers and demand loans availed from the limits.

# Key Ratios

₹ in Crore

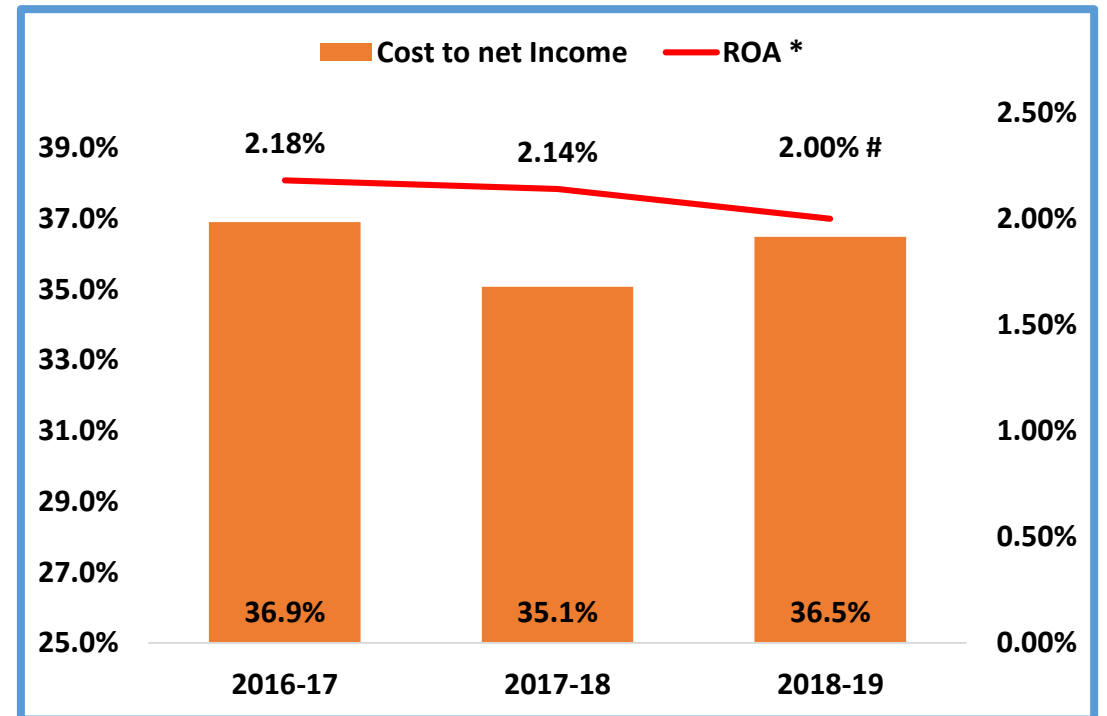
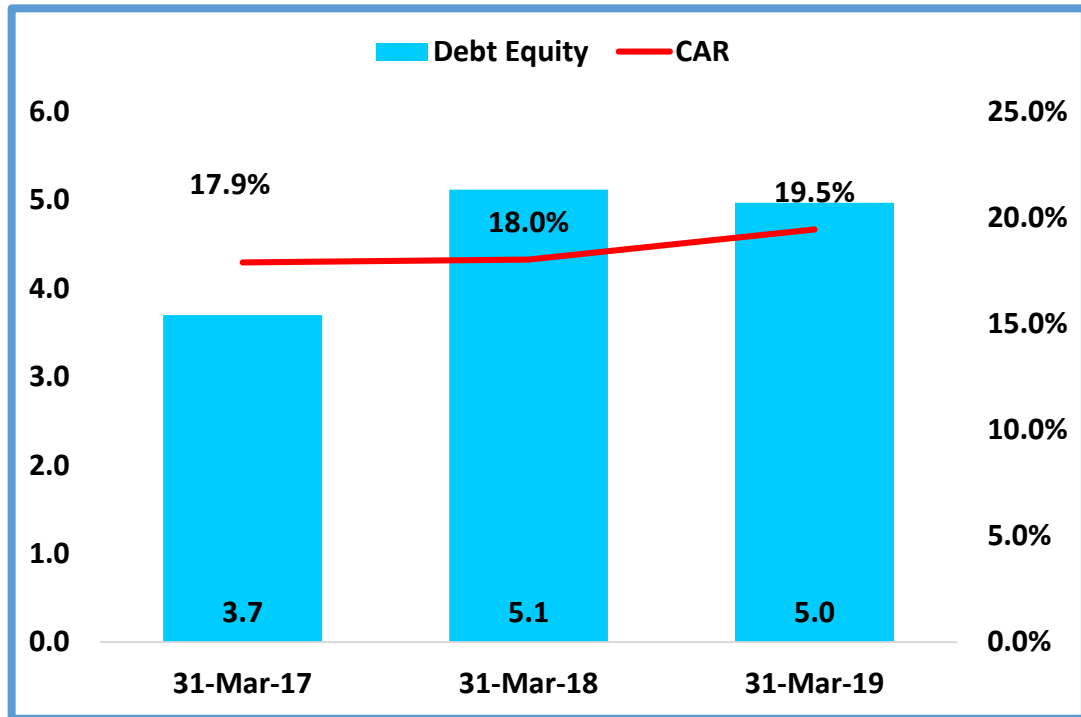


\* Adjusted for exceptional item



\* Adjusted for exceptional item

# Key Ratios

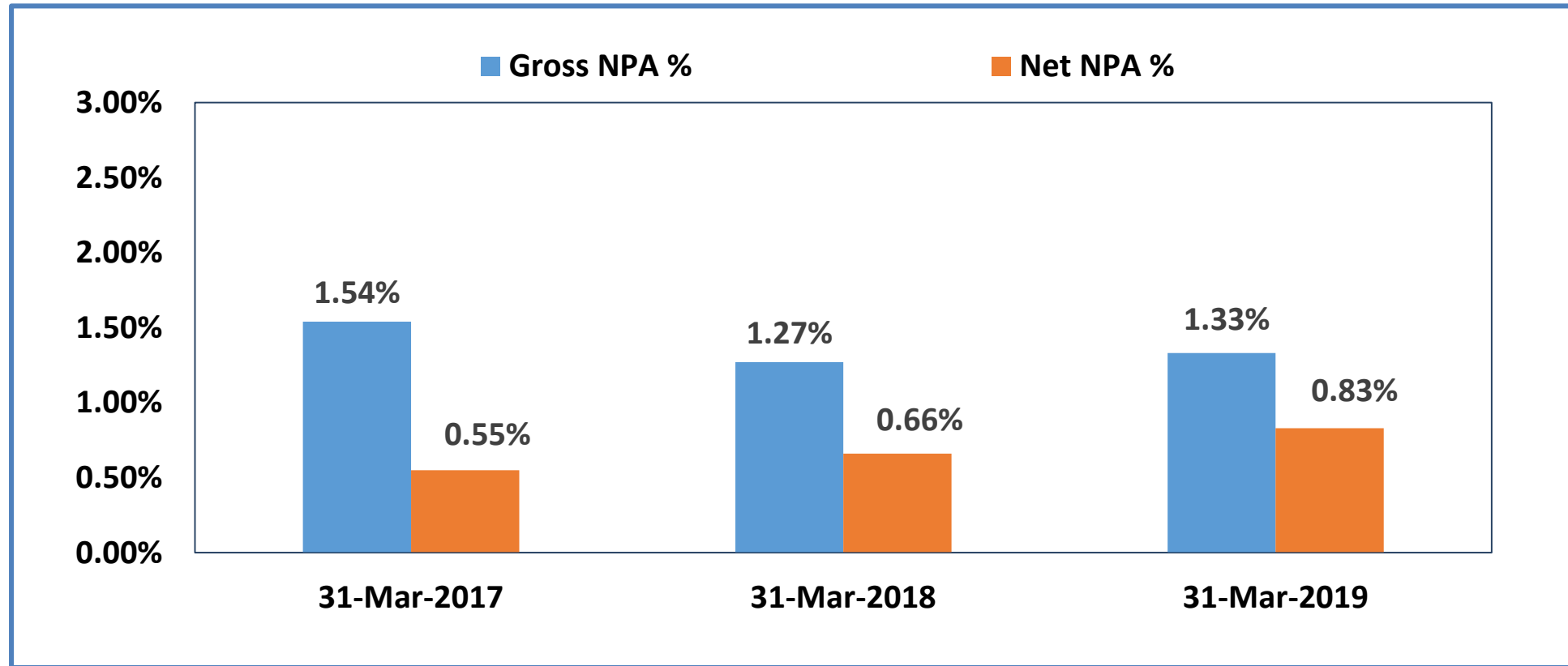


\* Assets includes securitised / assigned portfolio

# Adjusted for exceptional item



# Portfolio Quality



*For Mar 2018 & Mar 2019 - Gross & Net NPA corresponds to stage 3 assets, calculated as per Expected Credit Loss model in line with Ind AS.*

# Credit Ratings

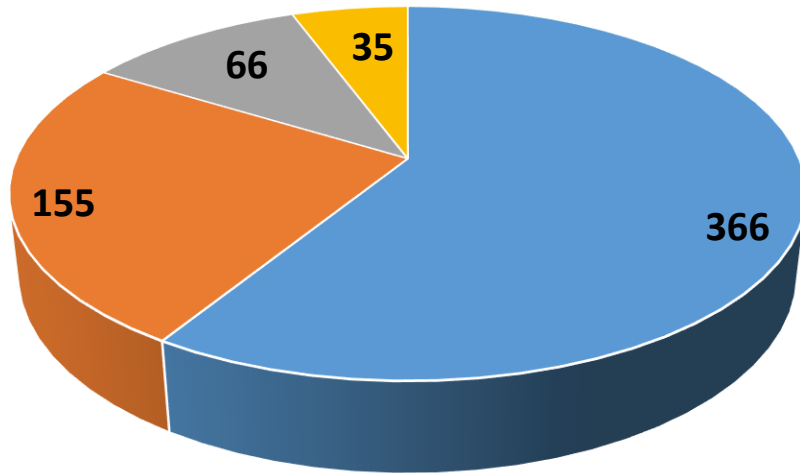


Instrument	ICRA	CRISIL
Deposits	AAA (Stable)	AAA (Stable)
Debentures	AAA (Stable)	AAA (Stable)
Subordinated Debentures	AAA (Stable)	AAA (Stable)
Long Term Loans	AAA (Stable)	AAA (Stable)
Working Capital Facilities	AAA (Stable)	
Commercial Paper	A1+	A1+
Short Term Loans	A1+	

# Branch Network

**31-Mar-18**

No. of Branches : 622

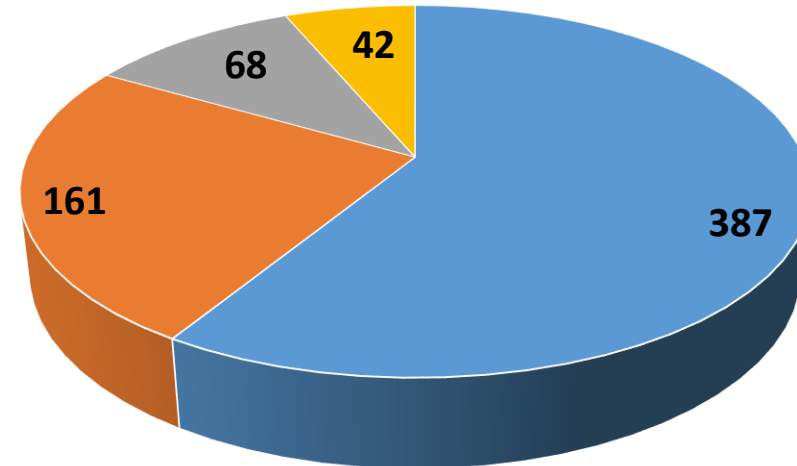


No. of Employees : 3880

■ South ■ North ■ West ■ East

**31-Mar-19**

No. of Branches : 658



No. of Employees : 4055

# Subsidiaries, Joint Ventures & Associates

## **Subsidiaries**

Sundaram Finance Holdings Limited  
Sundaram Business Services Limited  
Sundaram Asset Management Company Limited  
Sundaram Asset Management Singapore Pte. Limited  
Sundaram Trustee Company Limited  
Sundaram Alternate Assets Limited  
LGF Services Limited

## **Joint Ventures**

Royal Sundaram General Insurance Co. Limited  
Sundaram BNP Paribas Home Finance Limited  
Sundaram BNP Paribas Fund Services Limited

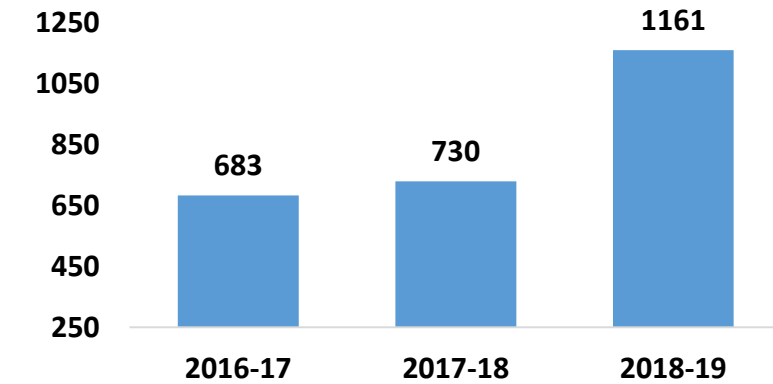
## **Associates**

Axles India Limited  
Turbo Energy Private Limited  
Transenergy Limited  
Sundaram Dynacast Private Limited  
Sundaram Hydraulics Limited  
Flometallic India Private Limited  
Dunes Oman LLC (FZC)

# Consolidated Results

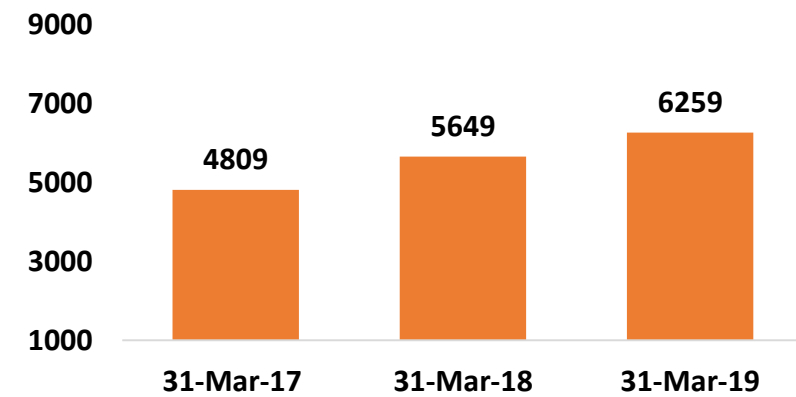
₹ in Crore

**PAT**



EPS (₹)	61.52	66.28	105.40
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**Net Worth**



Book Value (₹)	432.86	512.99	568.29
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# Consolidated Results

₹ in Crore

Particulars	Share of Net Worth		Share in Profit	
	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019
<b>Sundaram Finance Ltd.</b>	4133.63	5043.81	563.44	1126.31
<b>Subsidiaries:</b>				
Royal Sundaram General Insurance Co. Ltd	755.71	-	57.08	-
Sundaram Finance Holdings Ltd. (Consolidated)	744.29	626.22	34.32	36.39
Sundaram Asset Management Company Ltd. (Consolidated)	177.25	197.94	31.02	28.84
Sundaram Trustee Company Ltd.	1.60	1.80	0.85	0.80
LGF Services Ltd	4.18	3.67	0.34	0.25
Sundaram Finance Employees Welfare Trust	11.97	13.86	0.78	1.89
<b>Non-Controlling Interests in Subsidiaries</b>	2307.07	1738.91	113.41	97.65
<b>Joint Control Entities</b>				
Sundaram BNP Paribas Home Finance Ltd	587.52	639.21	72.36	72.88
Royal Sundaram General Insurance Co. Ltd	-	551.12	-	56.63
Sundaram BNP Paribas Fund Services Ltd	14.95	10.52	(0.07)	(4.43)
	8738.17	8827.06	873.53	1417.21
Adjustment arising out of Consolidation	(781.85)	(828.87)	(30.21)	(158.71)
<b>Total</b>	<b>7956.32</b>	<b>7998.19</b>	<b>843.32</b>	<b>1258.50</b>

# Sundaram BNP Paribas Home Finance

₹ in Crore

Particulars	31-Mar-2018	31-Mar-2019
Disbursements	2626	2449
-Housing	63%	69%
-Non-Housing	37%	31%
AUM	8358	9064
-Housing	69%	70%
-Non-Housing	31%	30%
PAT	144	146
EPS (₹)	14.26	14.37
Net worth	1149	1252
Book Value (₹)	113.46	123.66
Gross NPA #	3.27%	2.95%
Net NPA #	1.09%	0.94%
CAR #	24.3%	23.5%
Branches	112	115
Employees	746	755

# as per prudential norms





Particulars	31-Mar-2018	31-Mar-2019
Gross Written Premium	2643	3196
PAT	75	113
Net worth	996	1102
Combined Operating Ratio	109%	108%
Employees	1955	2105

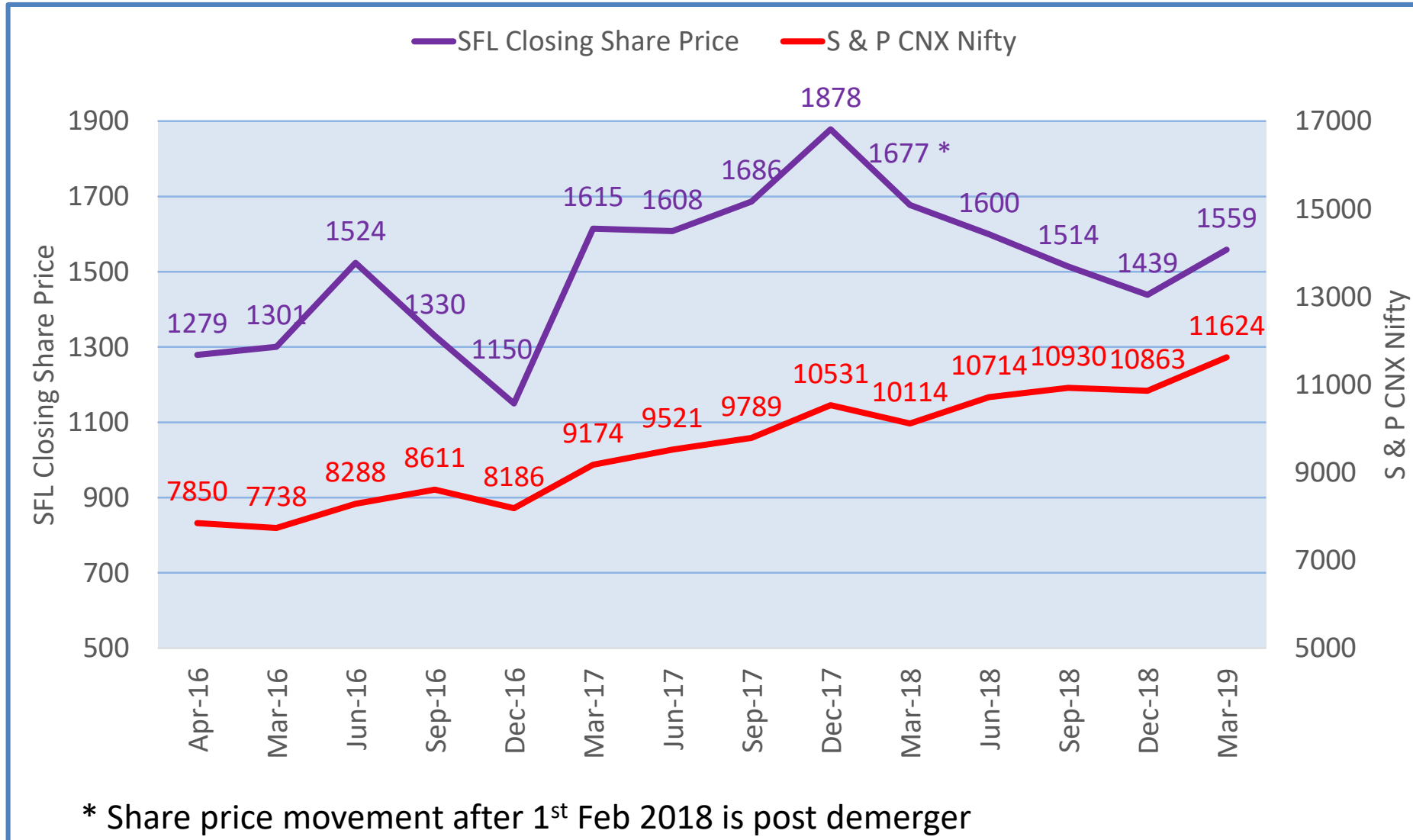
# Sundaram Asset Management

₹ in Crore

Particulars	31-Mar-2018	31-Mar-2019
Average AUM	35,982	34,111
-Equity	19,512	21,058
-Debt	16,470	13,053
PAT	31	29
Net worth	177	198
Employees	328	354
Retail Investors	11,22,438	11,87,512

# Share Price Movement

In ₹



# Board of Directors as on 30.05.2019

Name of the Director	Expertise	Qualification
Sri S Viji Chairman	Has over 5 decades of experience in Banking, Finance, Insurance and Automotive Component Manufacturing Industry. He is the Chairman of Sundaram BNP Paribas Home Finance Limited and Managing Director of Brakes India Private Limited.	B.Com, ACA, MBA (University of Michigan, USA)
Sri S Ram	Has over 5 decades of work experience in Vehicle and Component Industry . He is the Chairman of Wheels India Ltd., Axles India Ltd and India Motor Parts & Accessories Ltd.	BE (Mechanical), MS (Production Engineering) (Birmingham University, UK)
Sri Raghuttama Rao Raghavendra	Has over 3 decades of work experience spanning Manufacturing, Financial Markets, Public Policy and Management Consulting.	B.Tech. (Mech. Engg.) – IIT Madras, CMA – ICWAI, P.G.D.M. - IIM Ahmedabad
Sri P N Venkatachalam	Has nearly 4 decades of experience in Banking, Finance and Capital Markets. Formerly Managing Director of State Bank of India.	MA (Economics), CAIIB
Sri S Mahalingam	4 decades of experience in Finance and Information Technology. Formerly Chief Financial Officer and Executive Director of Tata Consultancy Services.	B.Com (Honours), FCA
Sri S Prasad	Has more than a decade experience in industry as finance professional and 37 years as a practicing Chartered Accountant.	FCA

# Board of Directors as on 30.05.2019

Name of the Director	Expertise	Qualification
Sri S Ravindran	4 decades of experience in Finance and Engineering. He is a Whole Time Director of Turbo Energy Private Limited.	B.Com, ACA
Ms Shobhana Ramachandhran	3 decades of experience in General Management and automobile industry. She is the Managing Director of TVS Srichakra Limited.	MA (English Literature)
Sri Rajiv C. Lochan	Has two decades of experience in the field of management especially in the areas of finance, social sector, and public health. He is the Managing Director and CEO of Kasturi & Sons Limited.	B.Tech. (IIT), MS (MIT), MBA (Columbia Business School)
Sri T T Srinivasaraghavan Managing Director	Has nearly 4 decades of experience in Banking and Financial Services. Has held various operational roles in the Company and brings to bear in-depth knowledge of automotive financing. He is the Managing Director of the Company since 2003.	B.Com, MBA (Gannon University, Pennsylvania)
Sri Harsha Viji Deputy Managing Director	Has more than a decade experience in areas of specialisation particularly, strategy formulation, joint venture negotiations, new business development.	B.Com, ACA MBA (Ann Arbor, Michigan)
Sri A N Raju Director (Operations)	3 decades of experience in the Automobile, Engineering, Finance and General Management.	BSc (Engineering), MBA

# Key Managerial Personnel

Name	Expertise	Qualification
Sri M. Ramaswamy Chief Financial Officer	He has over 30 years of experience in the Company. He is the Chief Financial Officer of the Company from Sep 2011. He is responsible for the Treasury Management, Financial Planning & Accounting, Taxation and Regulatory Compliance. He is a member of the Risk Management Committee and Asset Liability Management of the Company.	B.Sc. (Statistics), ACA
Sri P. Viswanathan Company Secretary & Compliance Officer	He has over 40 years of experience in the Company/Group. He became the Company Secretary and Compliance Officer of the Company from Sep 2011. He is responsible for statutory compliance in respect of all laws and regulations applicable to the Company, including Company Law, SEBI and RBI. He liaisons with the Board Members in connection with all Board related actions in the Company. He was Chairman of the Expert Committee on Company law of Madras Chamber of Commerce and Industry and is a Committee Member of Finance Companies Association of India.	B.Com, FCS

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