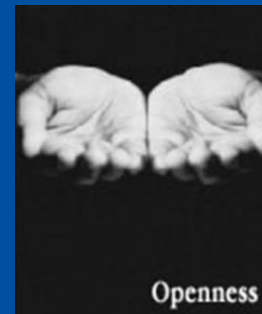
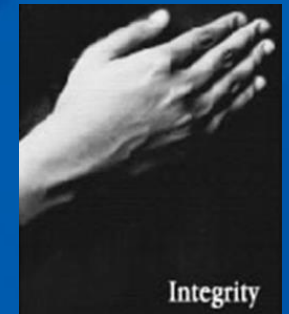
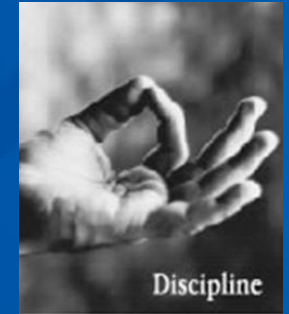




SUNDARAM FINANCE
Enduring values. New age thinking.

PERFORMANCE HIGHLIGHTS

Q1FY24





01

Overview of
Sundaram Finance



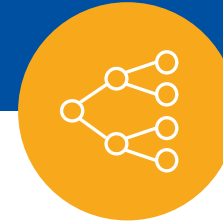
02

Financial results &
performance



03

Key trends in financial
performance



04

Consolidated results



05

More about
Sundaram Finance



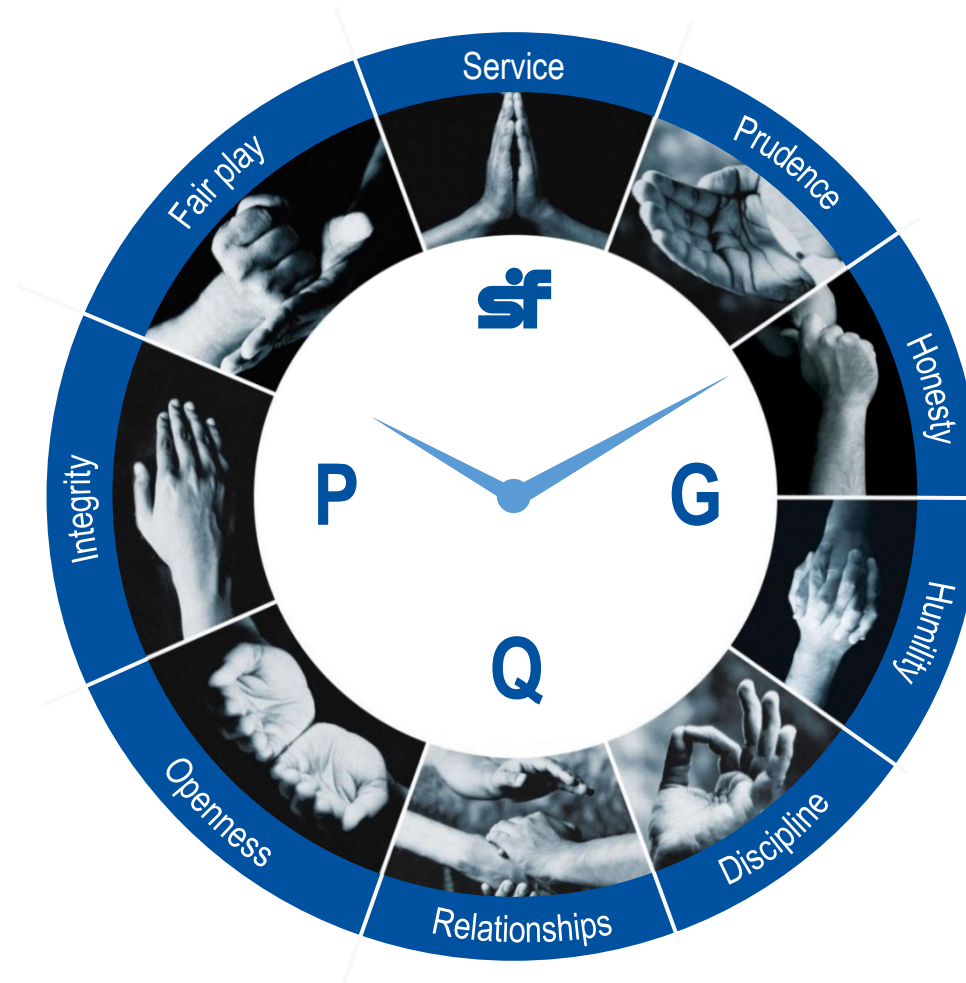
01 Overview of Sundaram Finance

OUR VISION, MISSION AND PHILOSOPHY



Vision

To be the most respected NBFC in the country



Growth

Quality

Profitability



Mission

To deliver the “Sundaram experience” to all our customers, big and small, in keeping with the ethos of the company



Service

To be of service even when time is against you



Fair play

To stand for fair play when the odds are stacked against you



Humility

To realise that humility is the greatest virtue



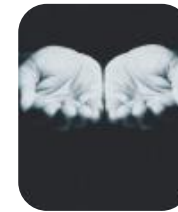
Discipline

To know that discipline is your ally in all situations



Honesty

To believe that honesty is the only policy



Openness

To be open to scrutiny, anywhere, anytime



Prudence

To be the voice of prudence in the midst of chaos













Integrity

To put integrity about all else



Relationships

To know that we are not merely the holders of people's money; but more importantly the custodians of their trust

	 AUM	 Branches	 Staffs *	 Customer count
 SUNDARAM FINANCE <i>Enduring values. New age thinking.</i>	37,255	691	7,846	5,43,570
 Royal Sundaram General Insurance <i>Joint Venture with Ageas Insurance International NV</i>	8,196	164	2,982	33,17,970
 SUNDARAM HOME <i>100% subsidiary</i>	11,699	125	1,265	42,193
 SUNDARAM MUTUAL UNEARTHING OPPORTUNITIES <i>100% subsidiary</i>	59,862	85	527	12,94,892
 Group	1,17,012	1,065	12,620	51,98,625

* Includes off roll employees

STRATEGIC SOURCES OF DISTINCTIVENESS



69-year heritage of trust and prudence



Pioneer of hire-purchase finance in India



Diversified financial services group across lending, general insurance, home finance and asset management with total **AUM of over Rs. 1,15,000 cr.**



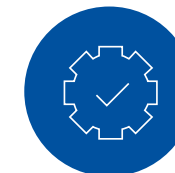
Lending business **focused on the underserved but aspiring Indian entrepreneur** (road transport operator, infrastructure contractor, small farmer, MSME owner)



Legacy of deep deposit customer connect and loyalty with **80% renewal rate** across offerings



Technology-enabled and data-powered approach to a **high-touch** customer approach



Consistent **best-in-class asset quality** performance over decades



SUNDARAM FINANCE
Enduring values. New age thinking.

Asset Finance

- Cars
- Commercial vehicles
- Construction equipment
- Tractors and farm equipment
- Used vehicles

Commercial lending

- Leasing
- NBFC
- SME
- Supply chain financing

Working capital finance

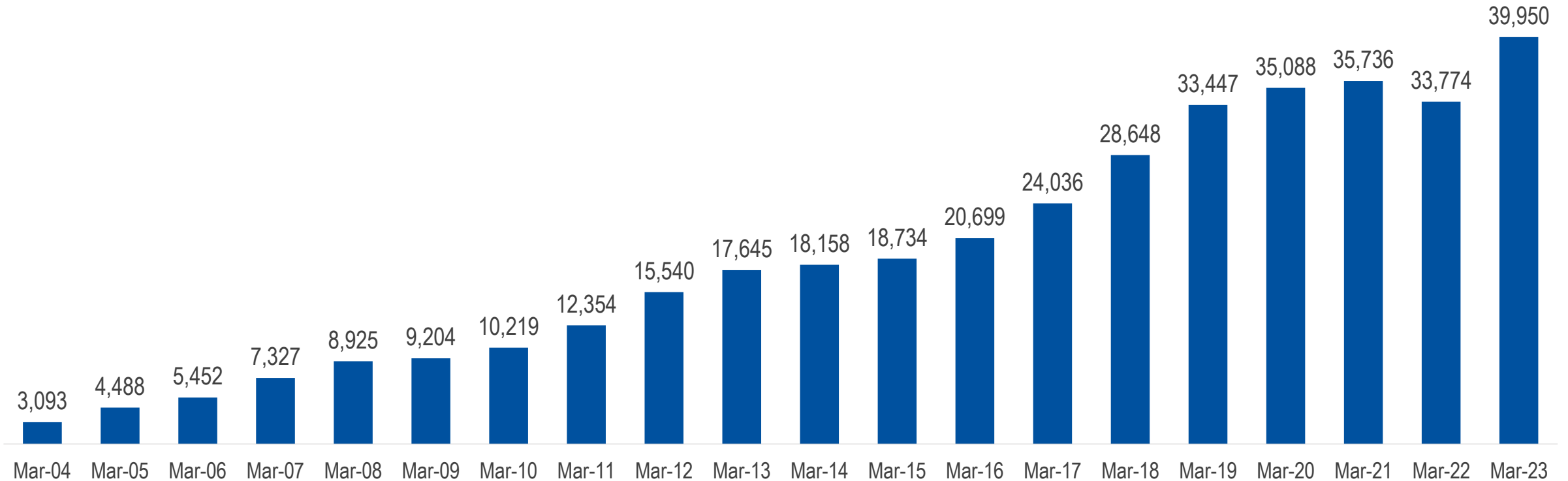
- Diesel
- Insurance
- Tyre
- Sundaram Credit Line

Distribution

- Fixed Deposits
- General insurance
- Home loans
- Investment services
- Life insurance
- Mutual funds

₹ in Crore

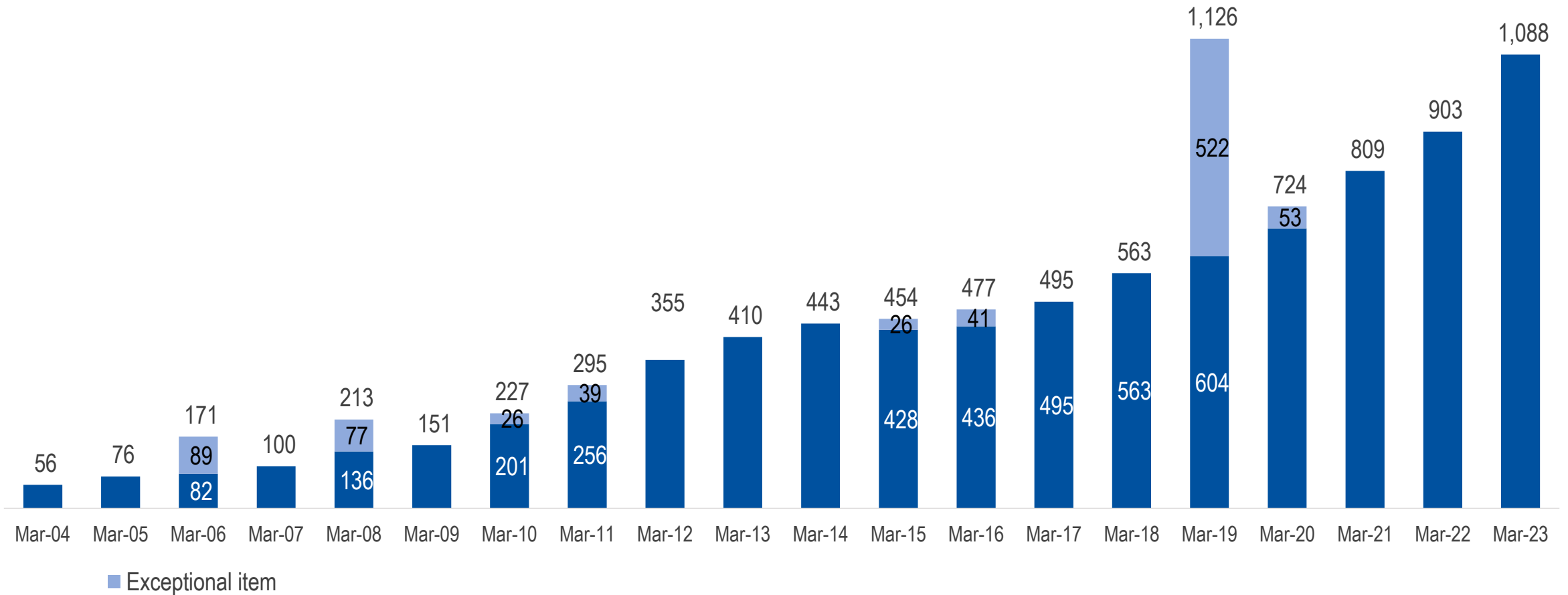
Receivables Under Management



SUNDARAM FINANCE – PERFORMANCE OVER LAST TWENTY YEARS

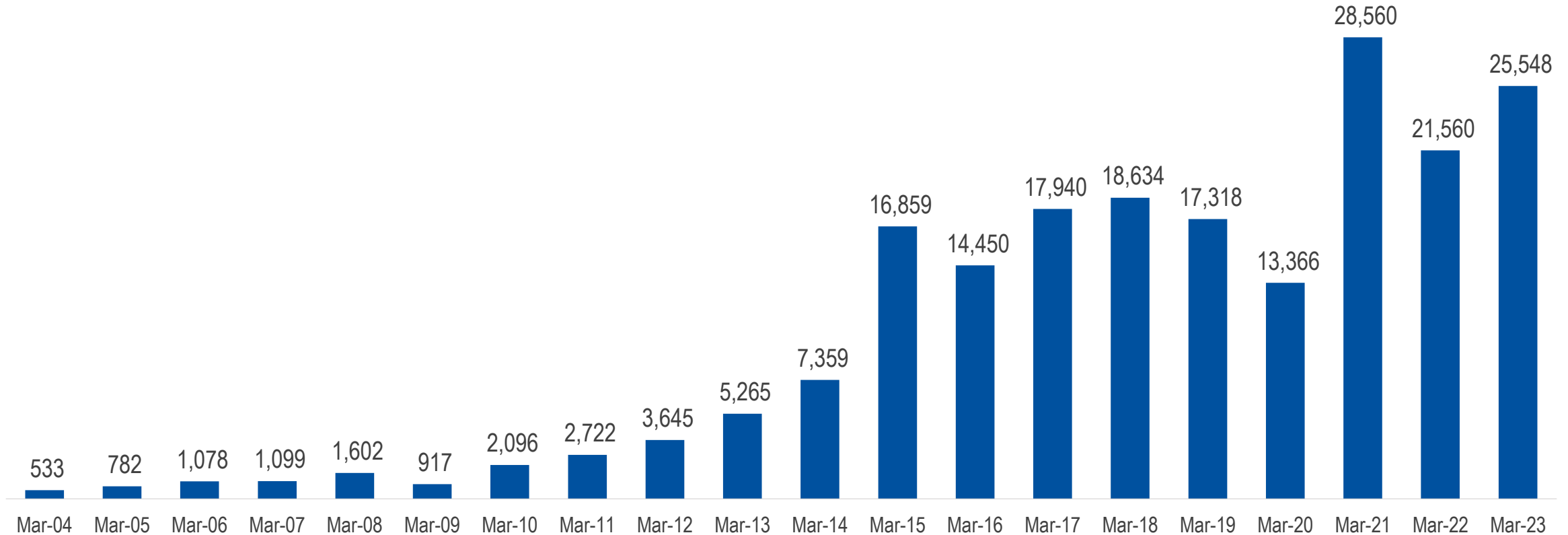
₹ in Crore

PAT



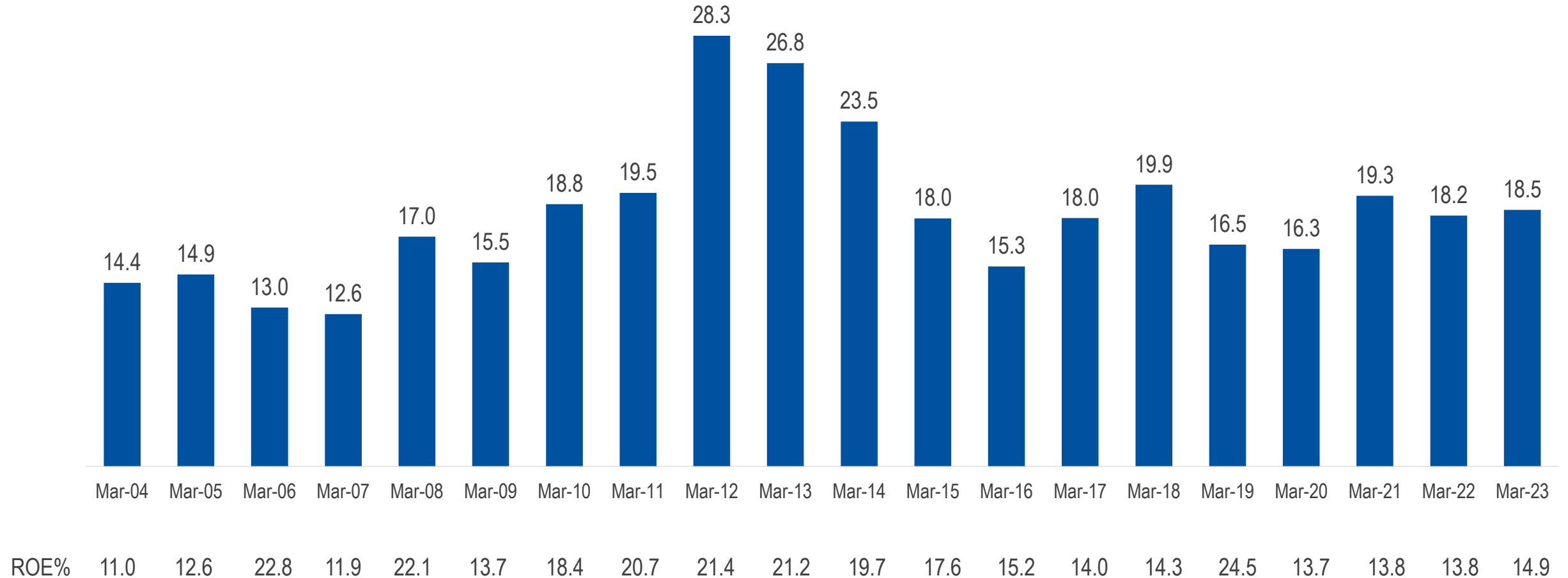
₹ in Crore

Market Capitalization



SUNDARAM FINANCE – PERFORMANCE OVER LAST TWENTY YEARS

Core Return on Equity %*



* Core ROE (excluding investments in subsidiaries)



02

Financial results & performance

OVERALL HIGHLIGHTS OF FINANCIAL PERFORMANCE

As of 30th June 2023



AUM

₹37,255 Crores



21.9% up
from Jun 22



Gross Stage 3

1.90%



2.51%
in Jun 22



Cost-to-income

35.27%



36.02%
in Q1FY23



ROA

2.7%



2.5%
in Q1FY23



ROE

14.3%*



12.9%
in Q1FY23

*Core ROE (excluding investments in subsidiaries) at 16.2% vs. 15.5%

HIGHLIGHTS – GROWTH OF 32% IN CORE BUSINESS



Economic activity remained robust in Q1FY24 across all regions. Automotive sector growth was muted in the commercial vehicle and tractor segments but remained strong in passenger vehicles and construction equipment. Growth in disbursements was driven by sharp focus on ensuring rightful market share in all asset classes and geographies of operations. Q1FY24 disbursements are highest-ever and grew 32% over Q1FY23.

Disbursements for Q1FY24 recorded a growth of 32% to ₹6,489 crores as compared to ₹4,915 crores registered in the corresponding period of the previous year.

Commercial vehicles, especially medium and heavy commercial vehicles, remained flat in Q1 FY24. Passenger vehicles, particularly Utility Vehicles and Construction Equipment as well as Commercial Lending continue to remain bright.

The assets under the management stood at ₹37,255 crores as on 30th June 2023 as against ₹ 30,552 crores as on 30th June 2022, **registering a 22% increase year-on-year.**

The total restructured assets under Covid package were ₹ 538 crores, about 1.5% of outstanding loans as on 30th June 2023.



Our asset quality continued to remain best-in-class with continuing improvement in collections & recovery activity. Current collections are back to pre-Covid levels and Gross Stage 3 assets continued to improve.

Gross stage 3 assets as on 30th June 2023 stood at 1.90% with provision cover of 48% when compared to 2.51% with 49% provision cover as of 30th June 2022.

Net stage 3 assets as on 30th June 2023 closed at 1.00% as against 1.30% as on 30th June 2022.

The Gross and Net NPA, as per RBI's norms on asset classification, are 2.96% and 2.00% respectively as against 2.66% and 1.41% as of 30th June 2022 (based on old norms).

HIGHLIGHTS – PROFITABILITY IMPROVED CONSISTENTLY



Profits after tax grew 25% over Q1FY23 due to continuing improvements in asset quality, tight control on costs, meticulous management of our cost of borrowing in a rising interest rate regime consistent with our “AAA” rating and ensuring prudent focus on asset class mix as well as customer segment mix to optimize our margin while ensuring growth and profitability.

Cost to income closed at 35.27% in Q1FY24 as against 36.02% in Q1FY23.

Return on assets (ROA) for Q1FY24 closed at 2.7% as against 2.5% for Q1FY23.

Profit after tax at ₹ 281 crores in Q1FY24 crores as against ₹ 226 crores in Q1FY23, up by 25%

Return of equity (ROE) was at 14.3% for Q1FY24 as against 12.9% for Q1FY23. If we exclude investments in subsidiaries and group companies, core ROE was at 16.2% for Q1FY24 as against 15.5% for Q1FY23

PROFIT & LOSS STATEMENT

₹ in Crore

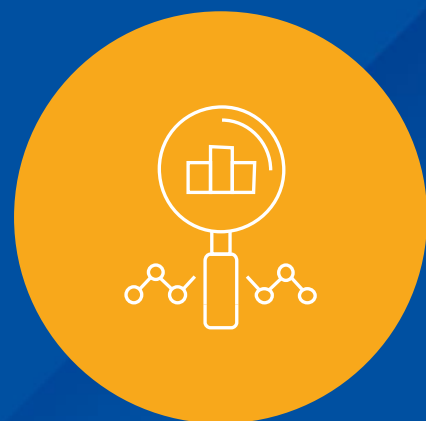
FY23	Particulars	Q1FY24	Q4FY23	Q1FY23
3,984	Revenue From Operations*	1,169	1,035	924
64	Other Income	7	51	7
4,048	Total Revenue	1,176	1,086	931
1,777	Finance cost	544	490	404
717	Operating expenses	203	174	177
134	Impairment	64	17	53
2,628	Total Expenses	811	681	634
1,420	Profit Before Tax	365	405	297
1,088	Profit After Tax	281	316	226

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

BALANCE SHEET

₹ in Crore

31-Mar-23	Particulars	30-Jun-22	30-Jun-23
	Equity and Liabilities		
33,255	Financial Liabilities	29,027	34,752
67	Non-Financial Liabilities	60	64
7,737	Equity	7,122	8,019
41,059	Total – Equity and Liabilities	36,209	42,835
	Assets		
39,938	Financial Assets	35,307	41,789
1,121	Non-Financial Assets	902	1,046
41,059	Total – Assets	36,209	42,835



03

Key trends in financial performance

FINANCIAL SUMMARY

Year	Paid-up Capital	Networth	Disbursements	Receivables Under Management	PAT	Dividend %	Market Capitalisation
Mar-13	*111	2,087	9,991	17,645	410	90	5,265
Mar-14	111	2,405	9,719	18,158	443	100	7,359
Mar-15	111	2,978	10,012	18,734	454	105	16,859
Mar-16	111	3,313	11,444	20,699	477	110	14,450
Mar-17	111	3,746	13,218	24,036	**495	115	17,940
Mar-18	111	4,134	15,712	28,648	563	120	18,634
Mar-19	111	5,044	17,170	33,447	@604	#175	17,318
Mar-20	111	5,547	15,175	35,088	724	130	13,366
Mar-21	111	6,179	11,742	35,736	809	180	28,560
Mar-22	111	6,893	13,275	33,774	903	200	21,560
Mar-23	111	7,737	20,966	39,950	1,088	270	25,548
Jun-22	111	7,122	4,915	34,962	226	-	19,573
Jun-23	111	8,019	6,489	43,239	281	-	28,998

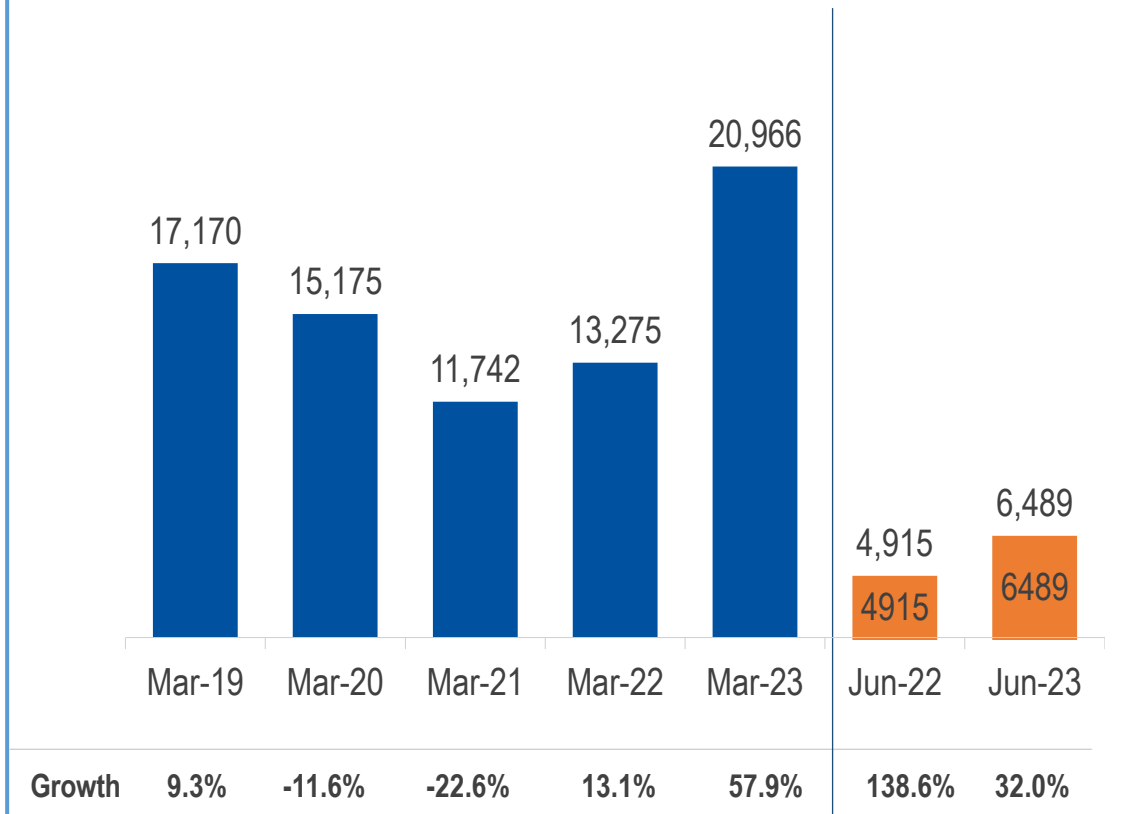
* Increase in Capital by way of 1:1 bonus issue, ** Adjusted for demerger ₹460.57 Cr, # Includes special dividend of 50%.

@ Excludes exceptional item, Market Capitalisation is on the last day of respective period ends.

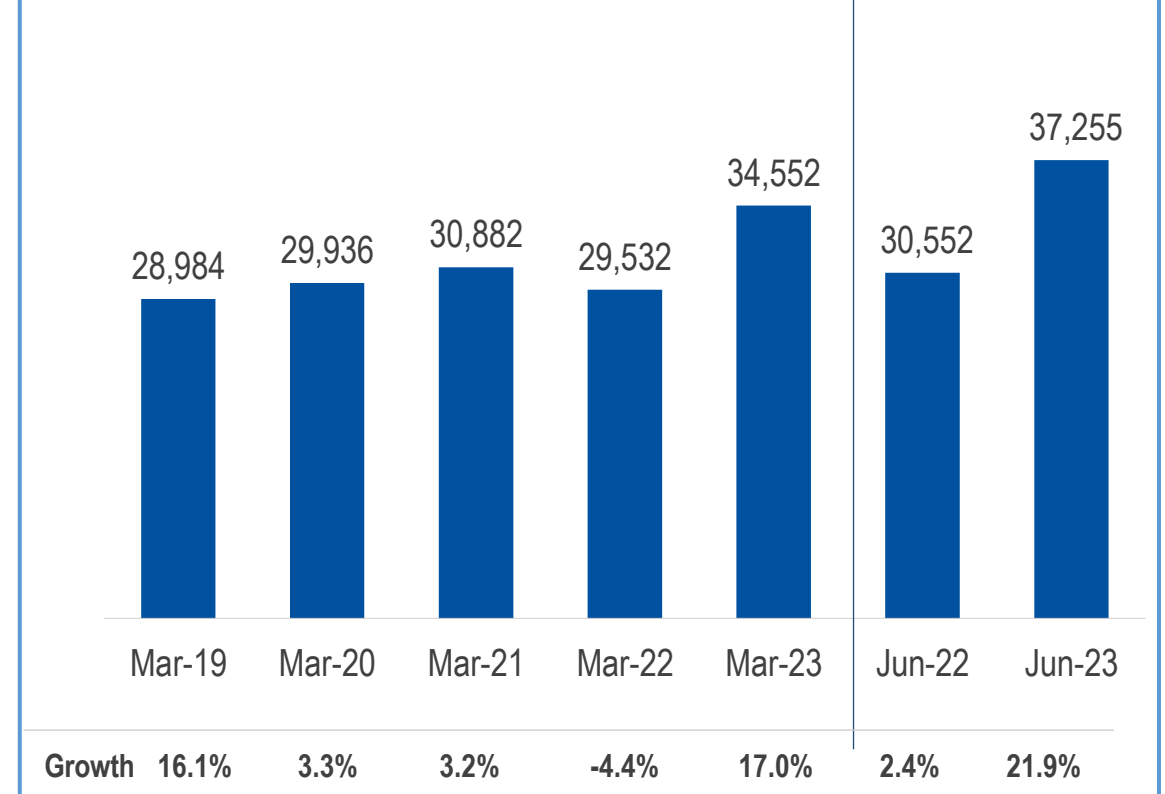
DISBURSEMENTS AND AUM

₹ in Crore

Disbursements



AUM

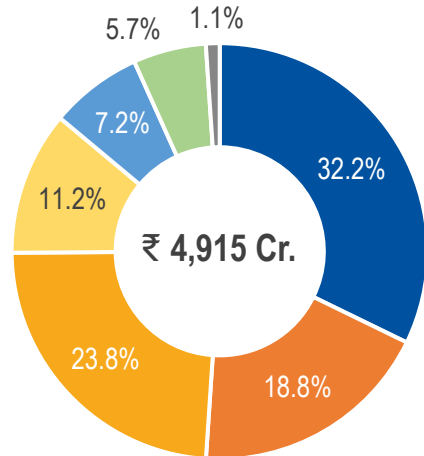


DISBURSEMENTS



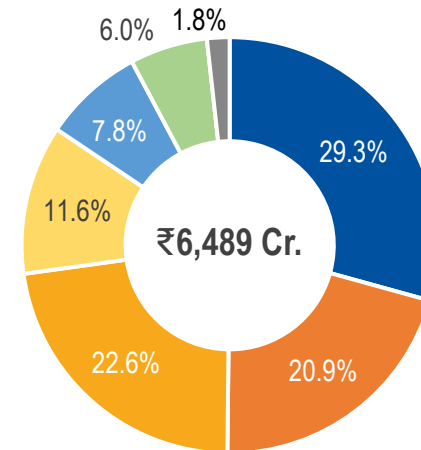
Asset wise

Jun-22



Used Assets – 22.1%

Jun-23

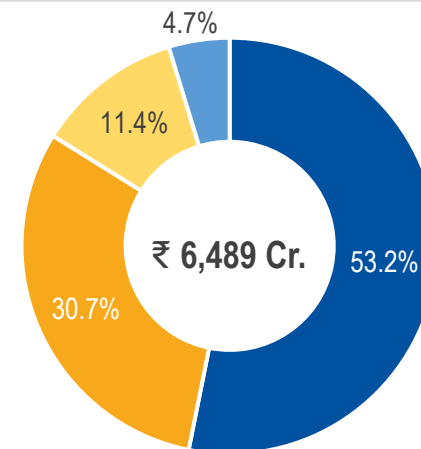
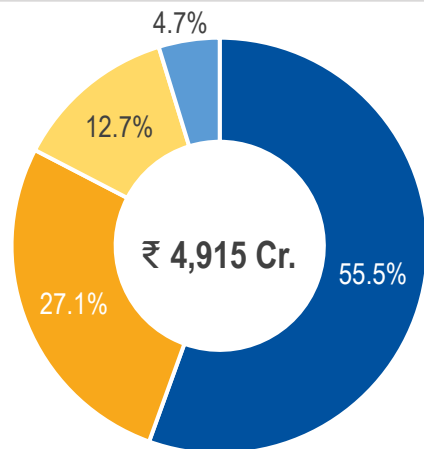


Used Assets – 20.1%

- MHCV
- Retail CV
- Cars
- Construction Equipment
- Tractors
- Commercial Lending
- Others



Region wise



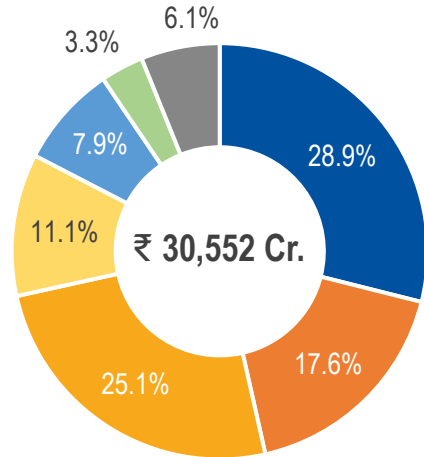
- South
- North
- West
- East

ICV, LCV and SCV as Retail CV



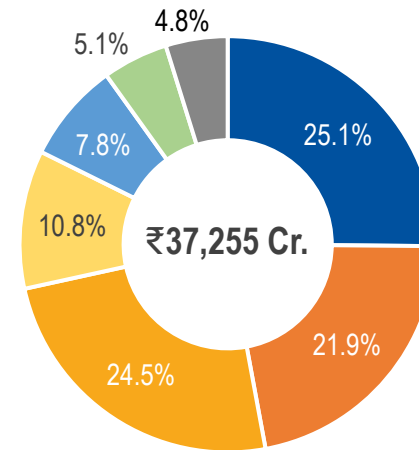
Asset wise

Jun-22



Used Assets – 17.7%

Jun-23

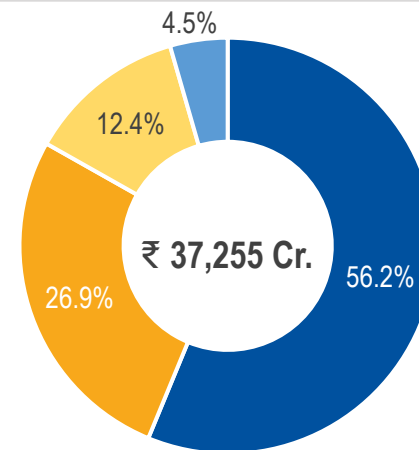
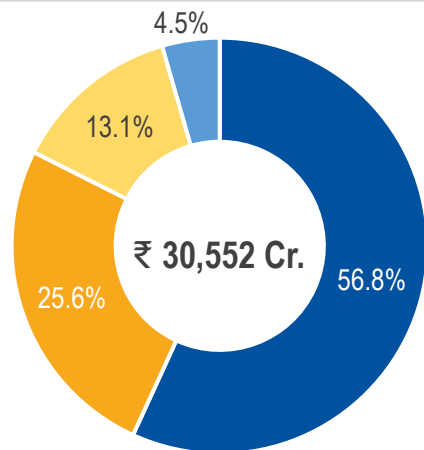


Used Assets – 17.8%

- MHCV
- Retail CV
- Cars
- Construction Equipment
- Tractors
- Commercial Lending
- Others

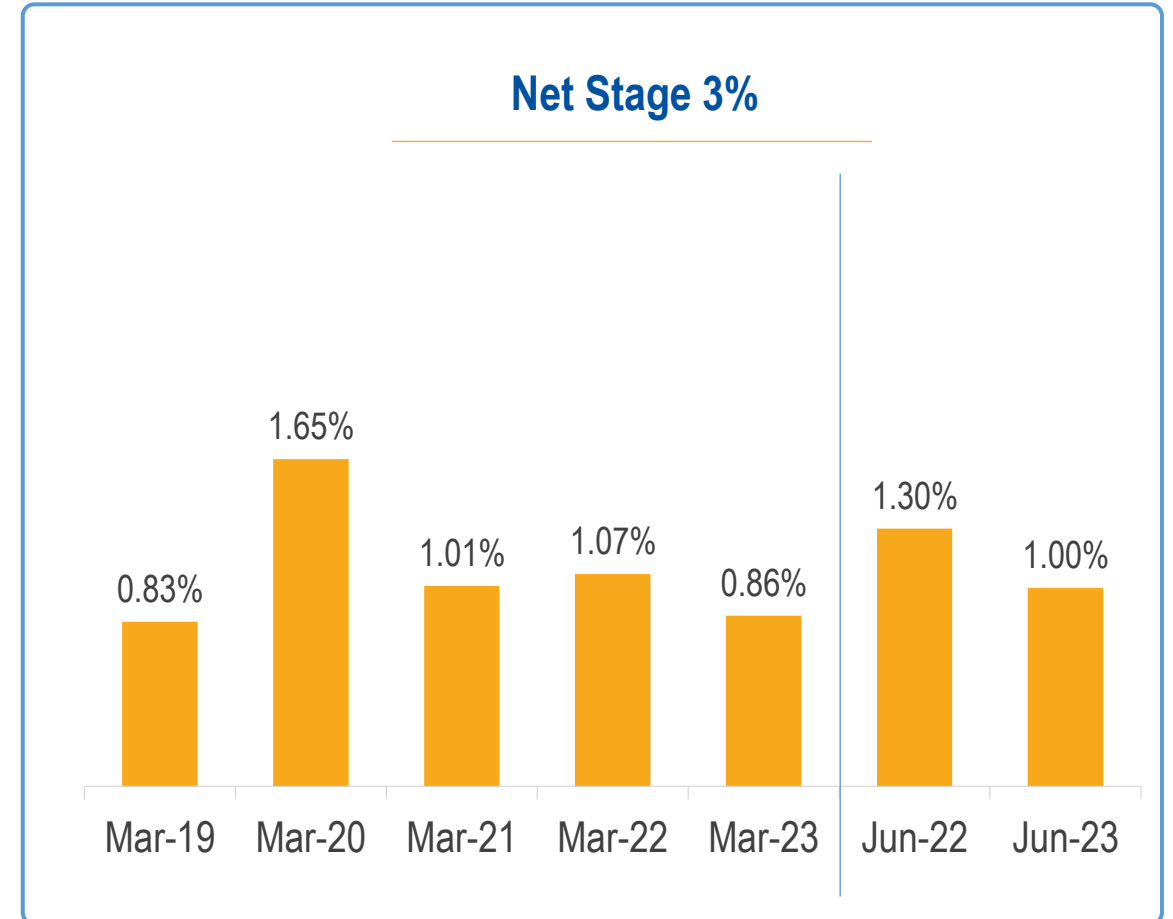
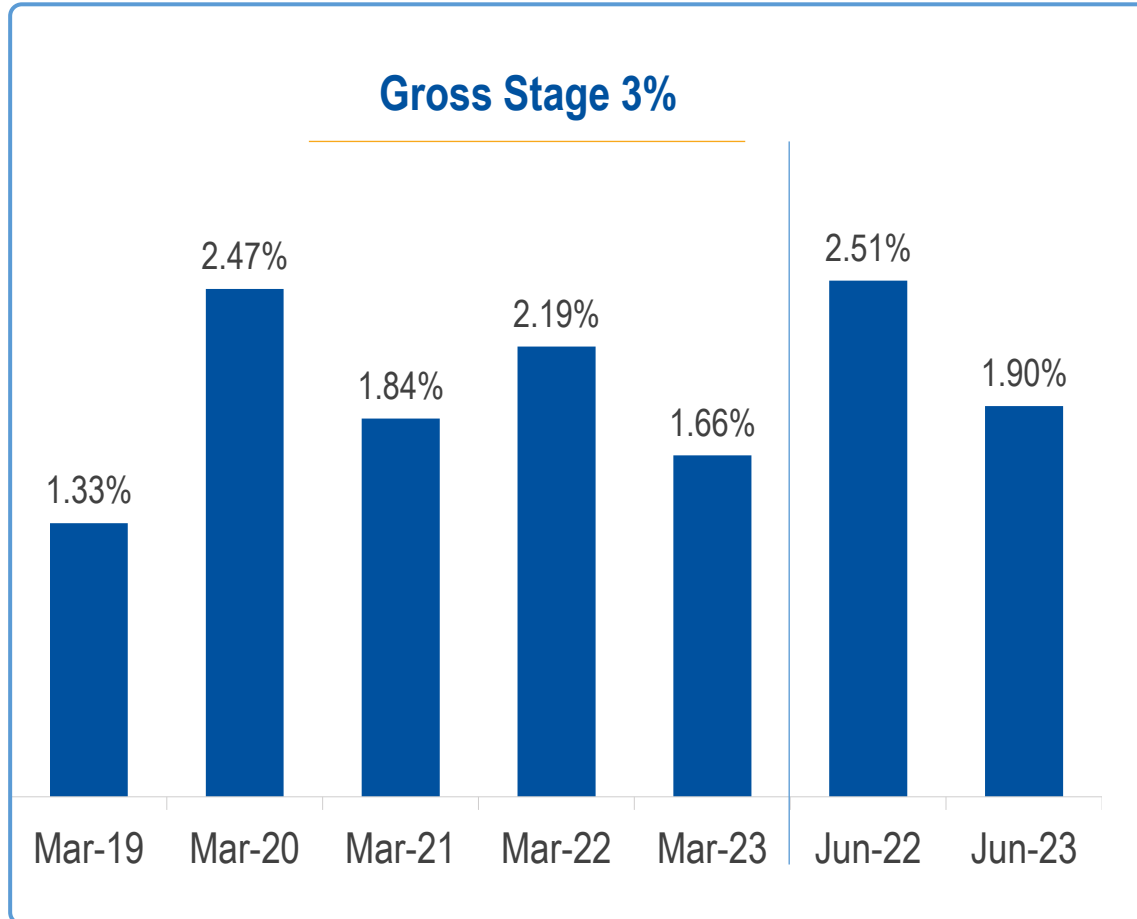


Region wise

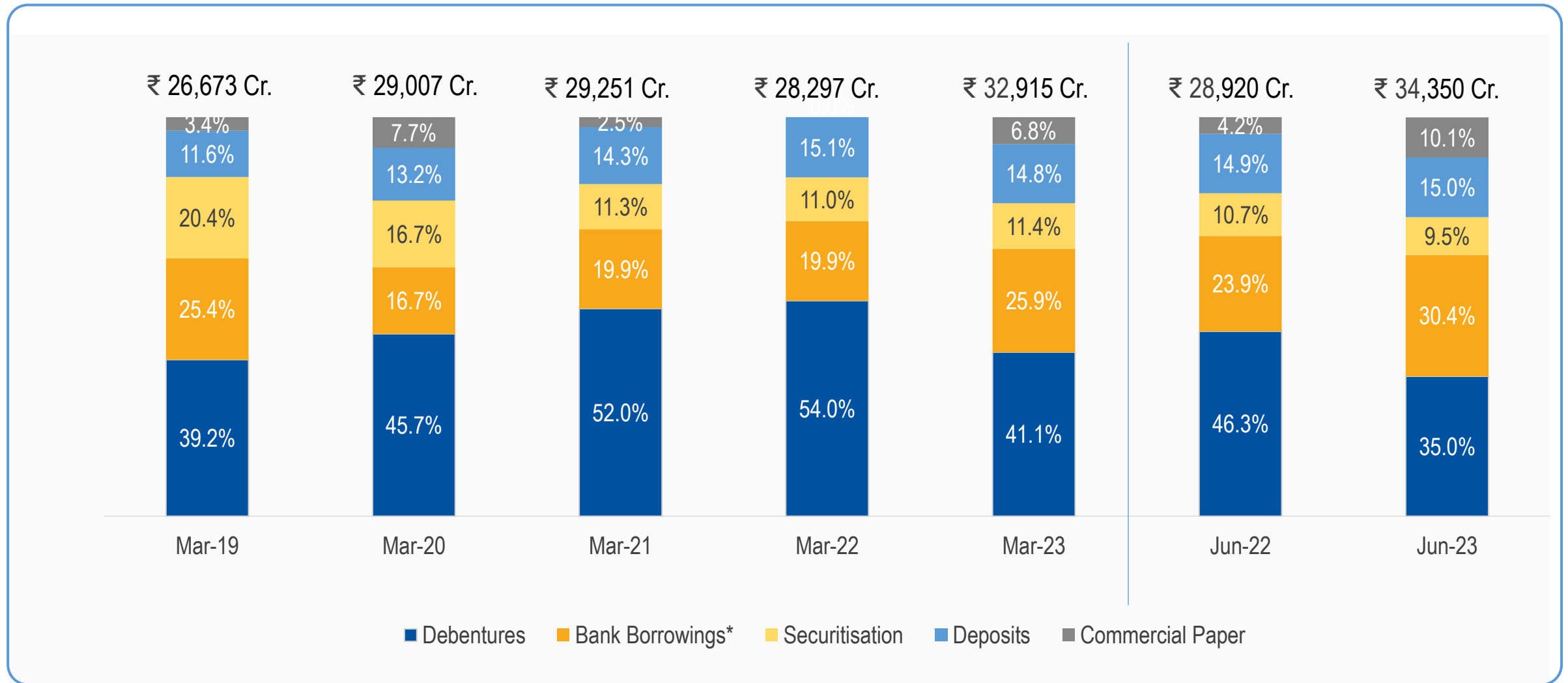


- South
- North
- West
- East

ICV, LCV and SCV as Retail CV



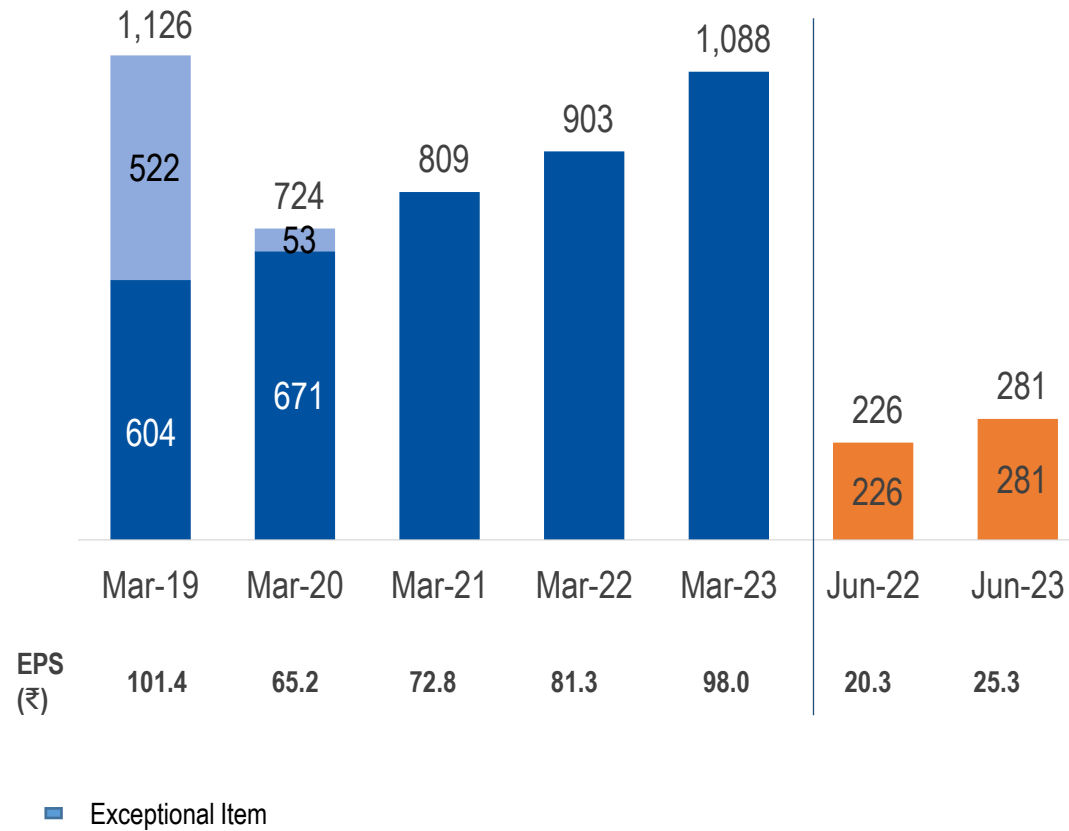
FUNDING MIX



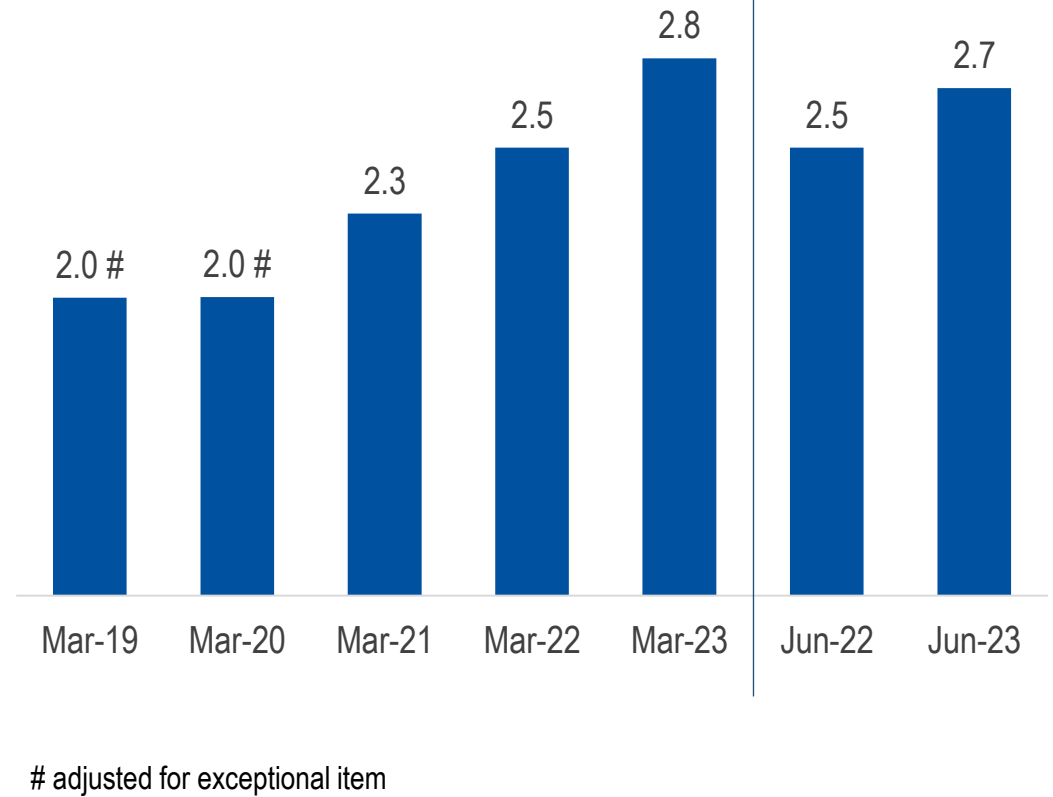
* Includes a) Term loans b) Commercial Papers and demand loans availed against the sanctioned limits.

₹ in Crore

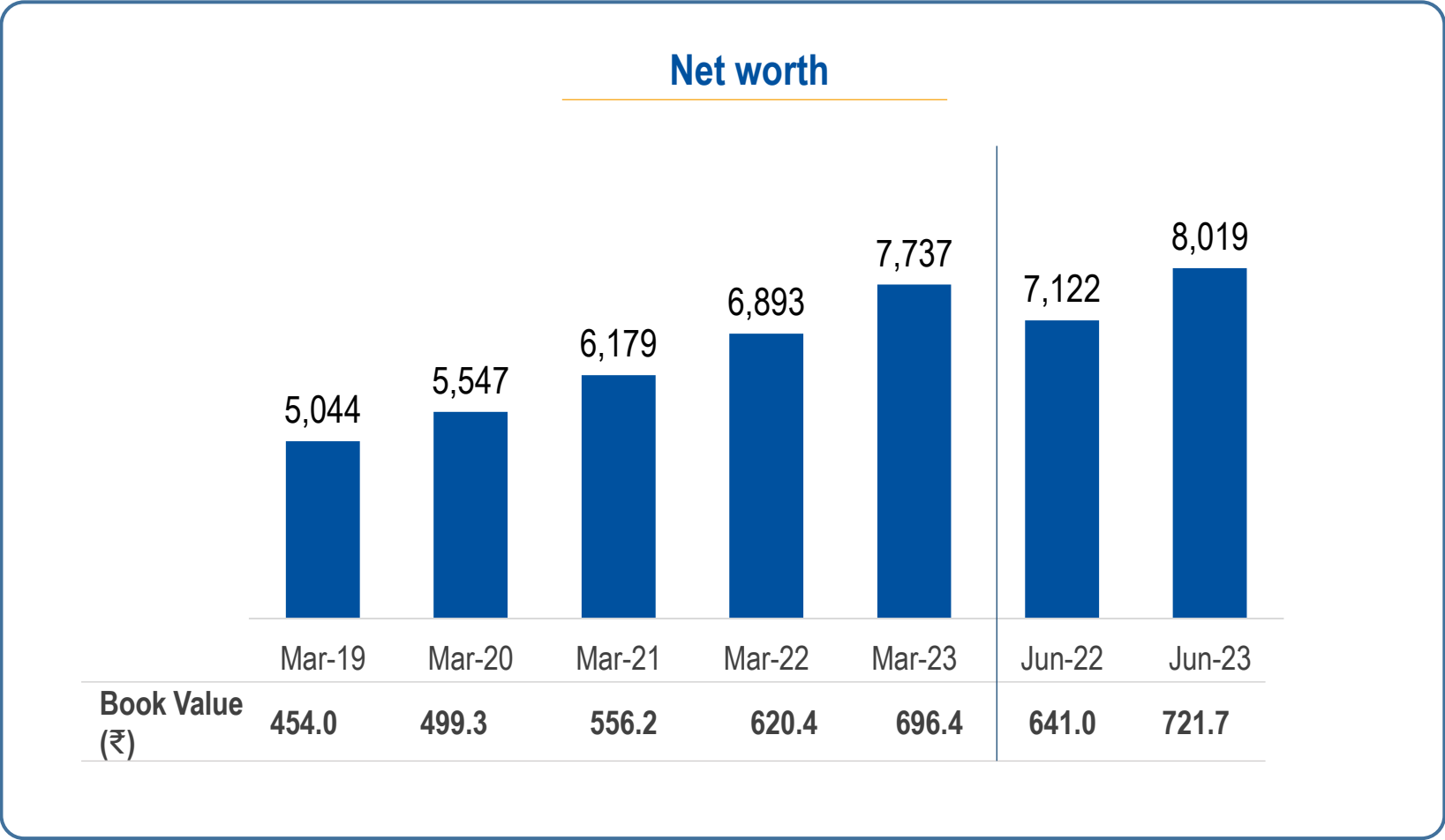
Profit after Tax



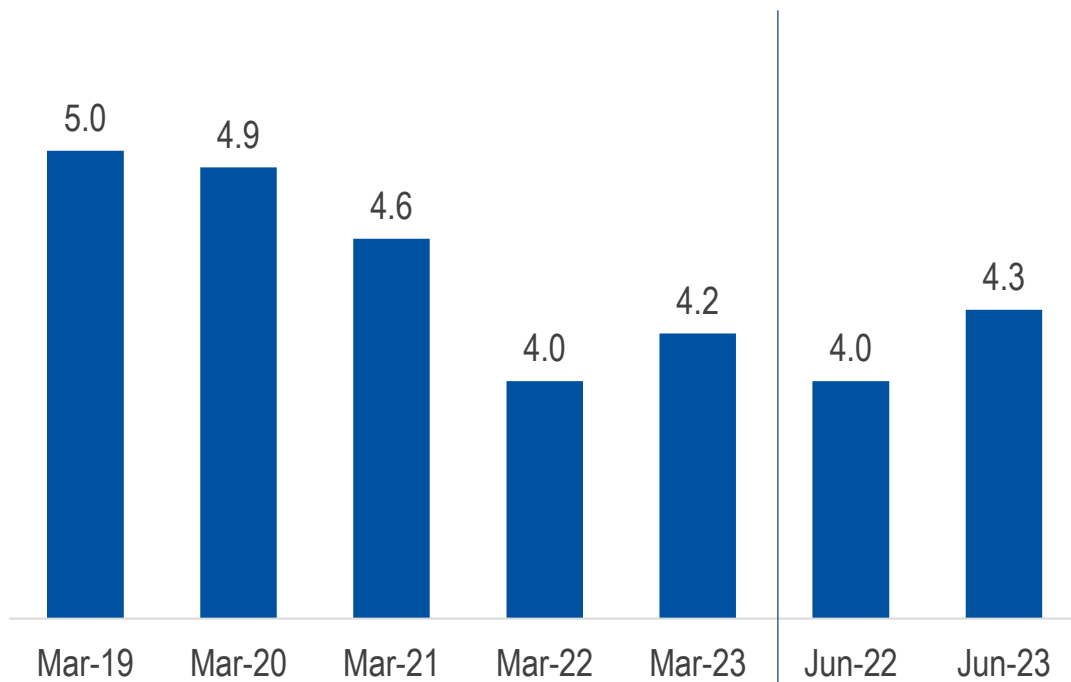
Return on Assets - %



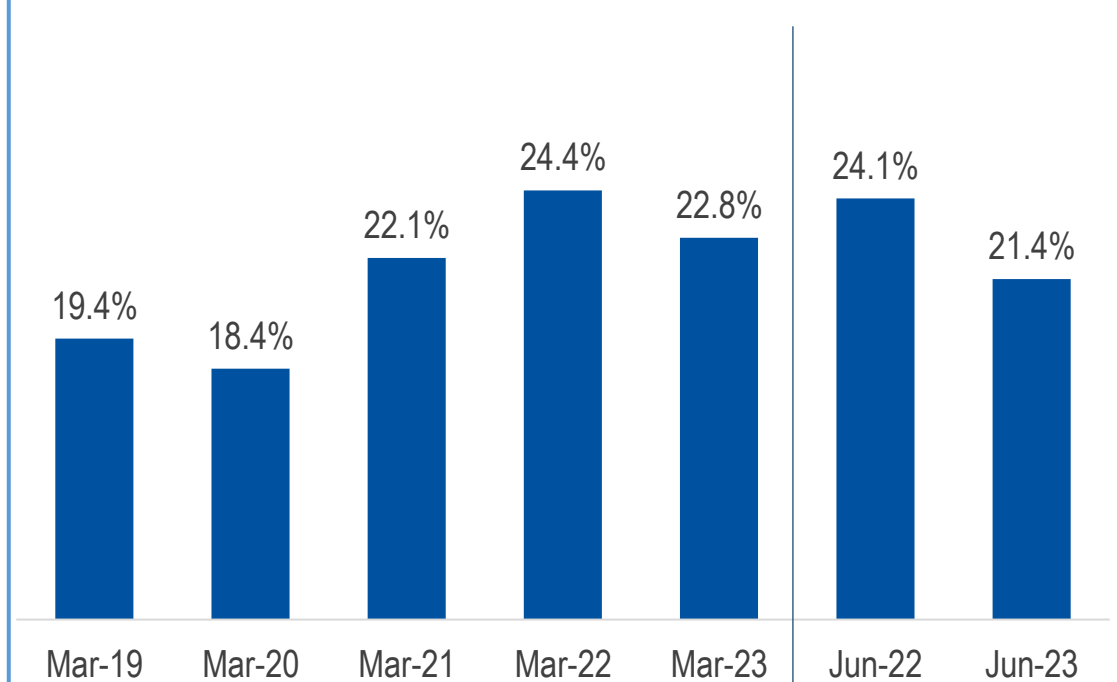
₹ in Crore



Leverage



Capital adequacy



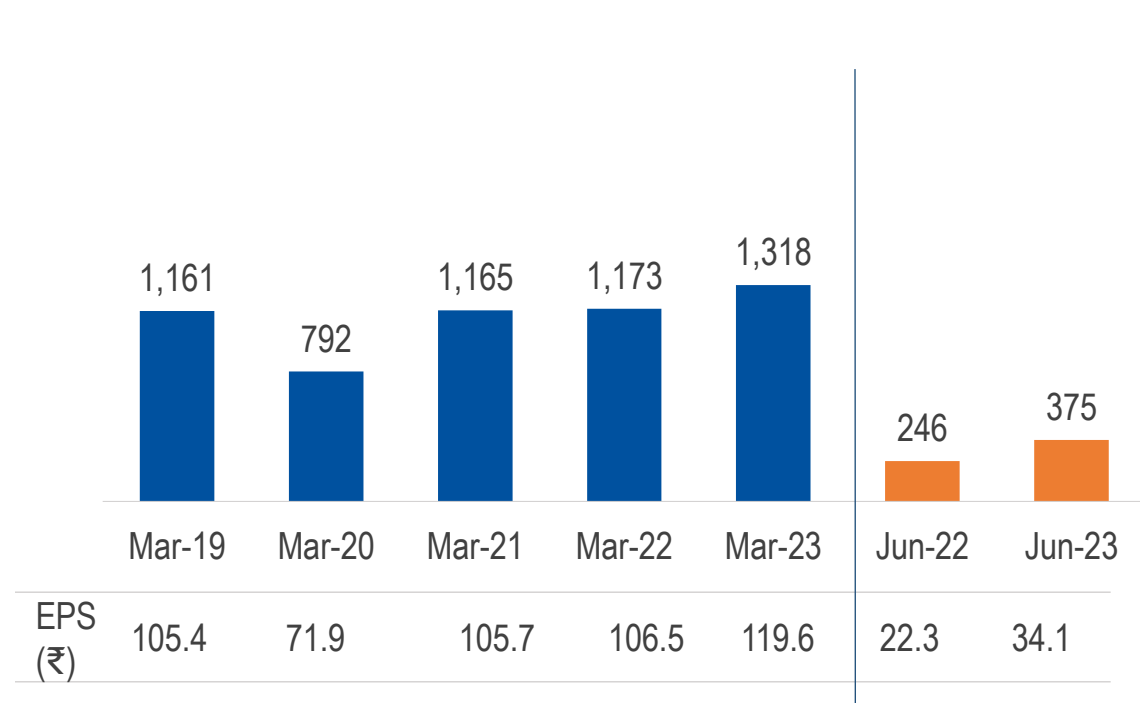


04

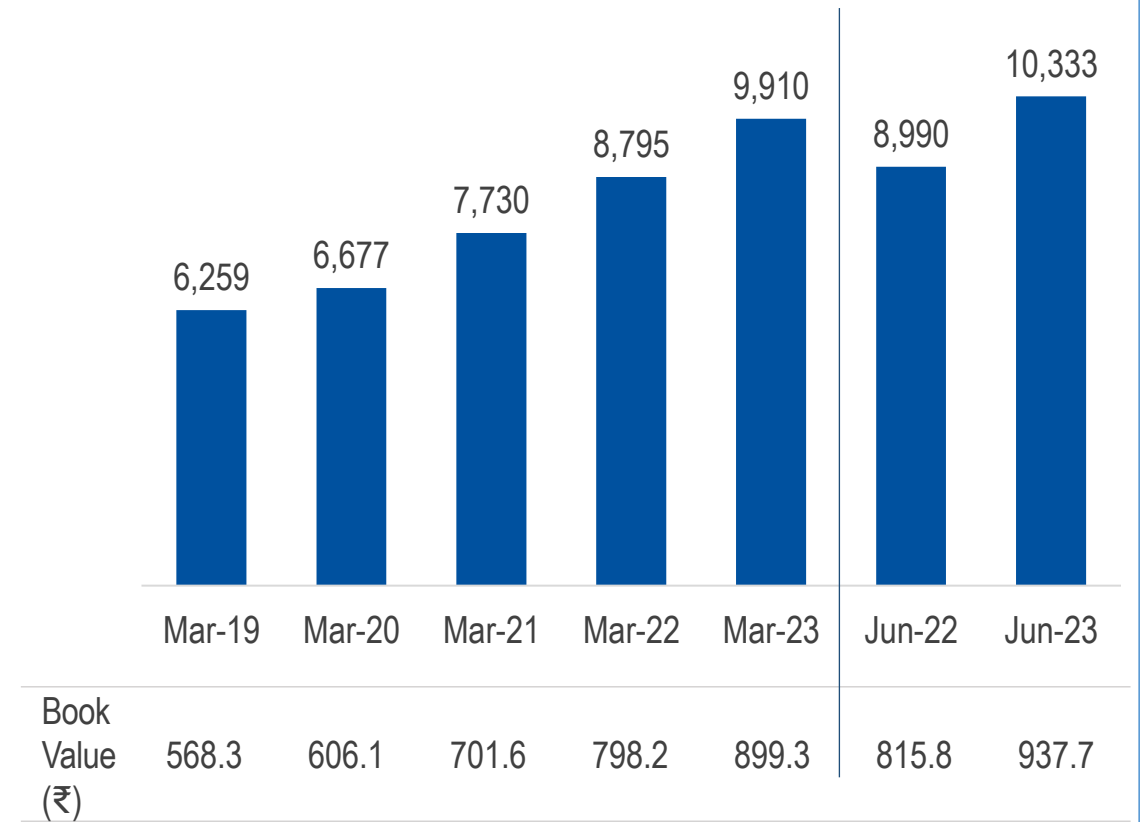
Consolidated results

₹ in Crore

Profit after Tax



Net Worth



CONSOLIDATED RESULTS

₹ in Crore

Particulars	Share of Net Worth		Share in Profit	
	30-Jun-22	30-Jun-23	Q1FY23	Q1FY24
Sundaram Finance Ltd.	7,122	8,019	226	281
Subsidiaries:				
Sundaram Home Finance Ltd.	1,702	1,863	47	57
Sundaram Finance Holdings Ltd. (Consolidated)	732	884	10	17
Sundaram Asset Management Company Ltd. (Consolidated)	343	381	18	24
Sundaram Fund Services Ltd.	40	42	-	1
Sundaram Finance Employees Welfare Trust	18	20	-	-
Sundaram Trustee Company Ltd.	3	3	-	-
LGF Services Ltd.	3	4	-	-
Joint Control Entities:				
Royal Sundaram General Insurance Co. Ltd.	687	785	(17)	48
Adjustment arising out of Consolidation	(1,660)	(1,668)	(38)	(53)
Total	8,990	10,333	246	375

FY23	Particulars	Q1FY24	Q4FY23	Q1FY23
3,901	Disbursements (₹ in Crore)	1,094	1,204	796
55.6%	Housing	51.3%	54.5%	60.6%
44.4%	Non-Housing	48.7%	45.5%	39.4%
11,181	AUM (₹ in Crore)	11,699	11,181	9,730
64.9%	Housing	63.9%	64.9%	68.1%
35.1%	Non-Housing	36.1%	35.1%	31.9%
215.4	PAT (₹ in Crore)	57.4	65.3	47.3
21.27	EPS (₹)	5.67	6.45	4.67
1,805	Net worth (₹ in Crore)	1,863	1,805	1,702
178.27	Book Value (₹)	183.95	178.27	168.11
2.3%	Gross Stage 3%	2.0%	2.3%	3.3%
1.1%	Net Stage 3%	1.1%*	1.1%	1.9%
23.5%	CAR	22.0%	23.5%	24.0%
117	Branches	125	117	105
1,127	Staffs	1,265	1,127	907
41,431	Customers	42,193	41,431	40,459

* Net Stage 3 excluding restructured accounts is 0.66%.

FY23	Particulars	Q1FY24	Q4FY23	Q1FY23
3,517	Gross Written Premium (₹ in Crore)	908	938	798
7,673	AUM (₹ in Crore)	8,196	7,673	7,150
44	PAT (₹ in Crore)	95	38	(34)
(121)	Other Comprehensive Income (Net of Taxes)	32	1	(139)
(77)	Total Comprehensive Income	127	39	(173)
1,443	Net worth (₹ in Crore)	1,570	1,443	1,375
111%	Combined Operating Ratio	115.4%	101%	116.5%
164	Branches	164	164	158
2,910	Staffs	2,982	2,910	2,944
32,53,364	Customers	33,17,970	32,53,364	30,85,835

Profit after tax during Q1FY24 includes net gain of Rs. 41 crores on Fair Value of Equity investments as against net loss on Fair Value of equity investments of Rs. 79 crores accounted in Q1FY23.

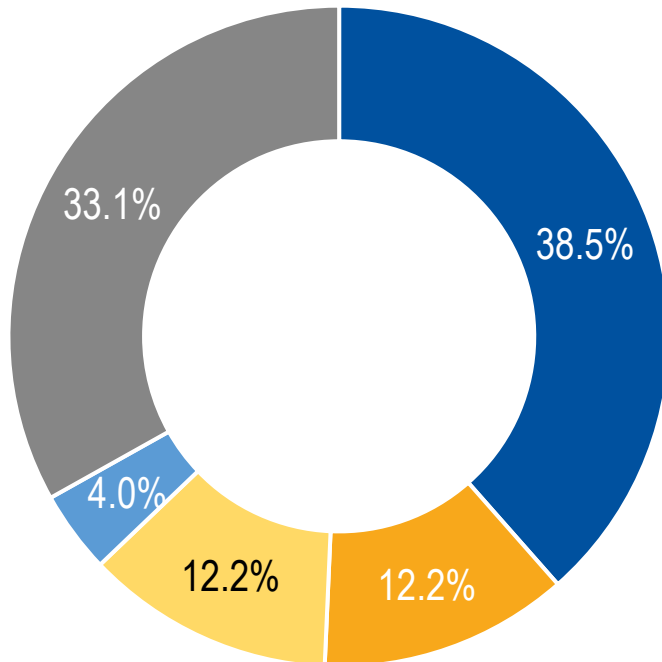
FY23	Particulars	Q1FY24	Q4FY23	Q1FY23
54,804	AUM (₹ in Crores)	59,862	54,804	48,810
45,742	Equity (₹ in Crores)	50,238	45,742	41,653
9,062	Debt (₹ in Crores)	9,624	9,062	7,157
73	PAT (₹ in Crores)	24	19	18
404	Net worth (₹ in Crores)	381	404	343
506	Staffs	527	506	504
13,19,288	Retail Investors	12,94,892	13,19,288	13,02,529
85	Branches	85	85	85



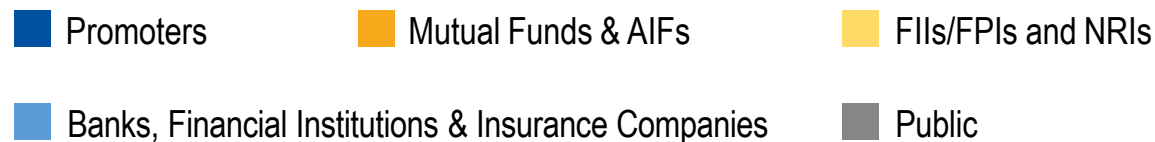
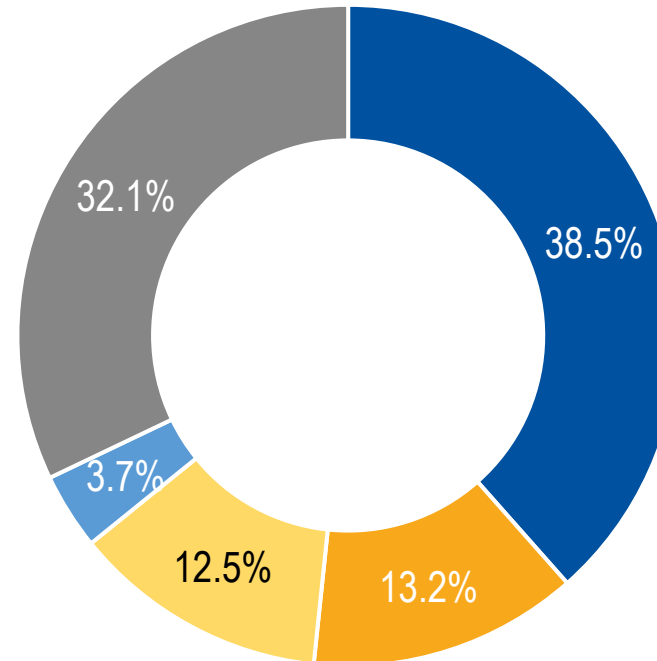
05

More about Sundaram Finance

30-Jun-22

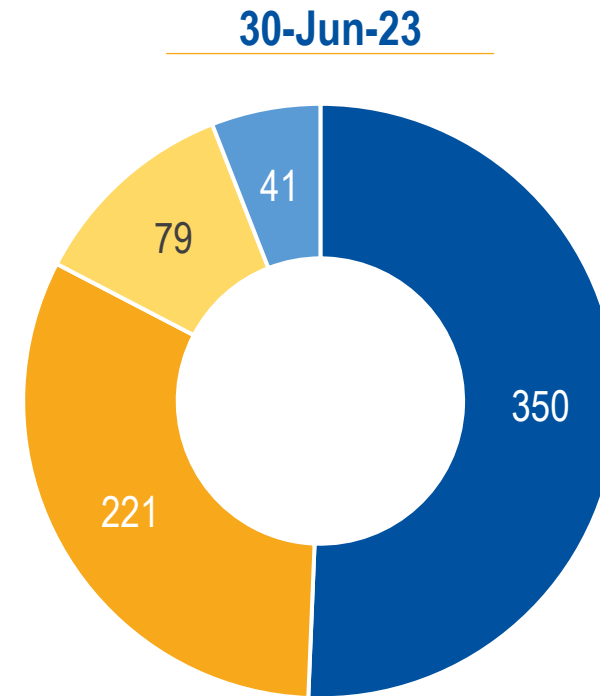
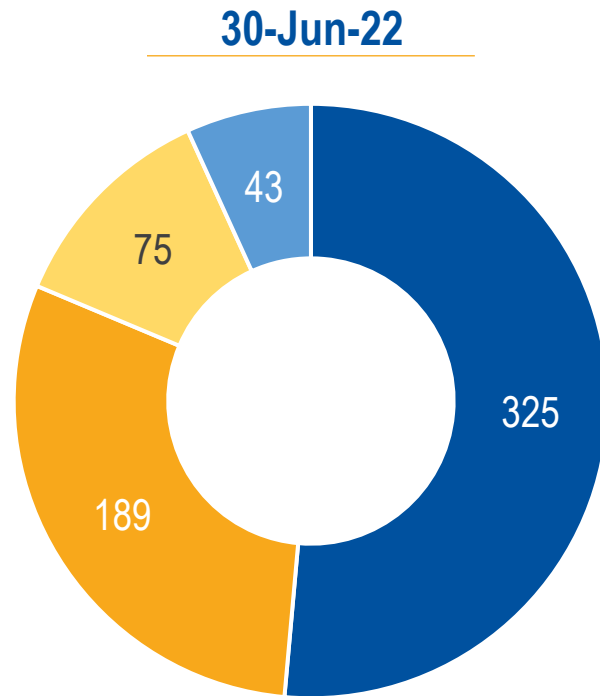


30-Jun-23



Top institutional shareholders As of 30th June 2023

Name of Shareholder	Share %
Axis Mutual Fund	5.35
Nalanda India Equity Fund Limited	3.78
Bright Star Investments Pvt Ltd.	2.37
Kotak Mutual Fund	2.29
HDFC Life Insurance Company Limited	1.89
ICICI Prudential Mutual Fund	1.47
United India Insurance Company Limited	1.24
Pari Washington India Master Fund Ltd.	1.09
Damani Estate and Finance Pvt Ltd.	0.93
Sundaram Finance Employees Welfare Trust	0.81



No. of Branches: **632**



No. of Staffs: **6,550**



No. of Branches: **691**



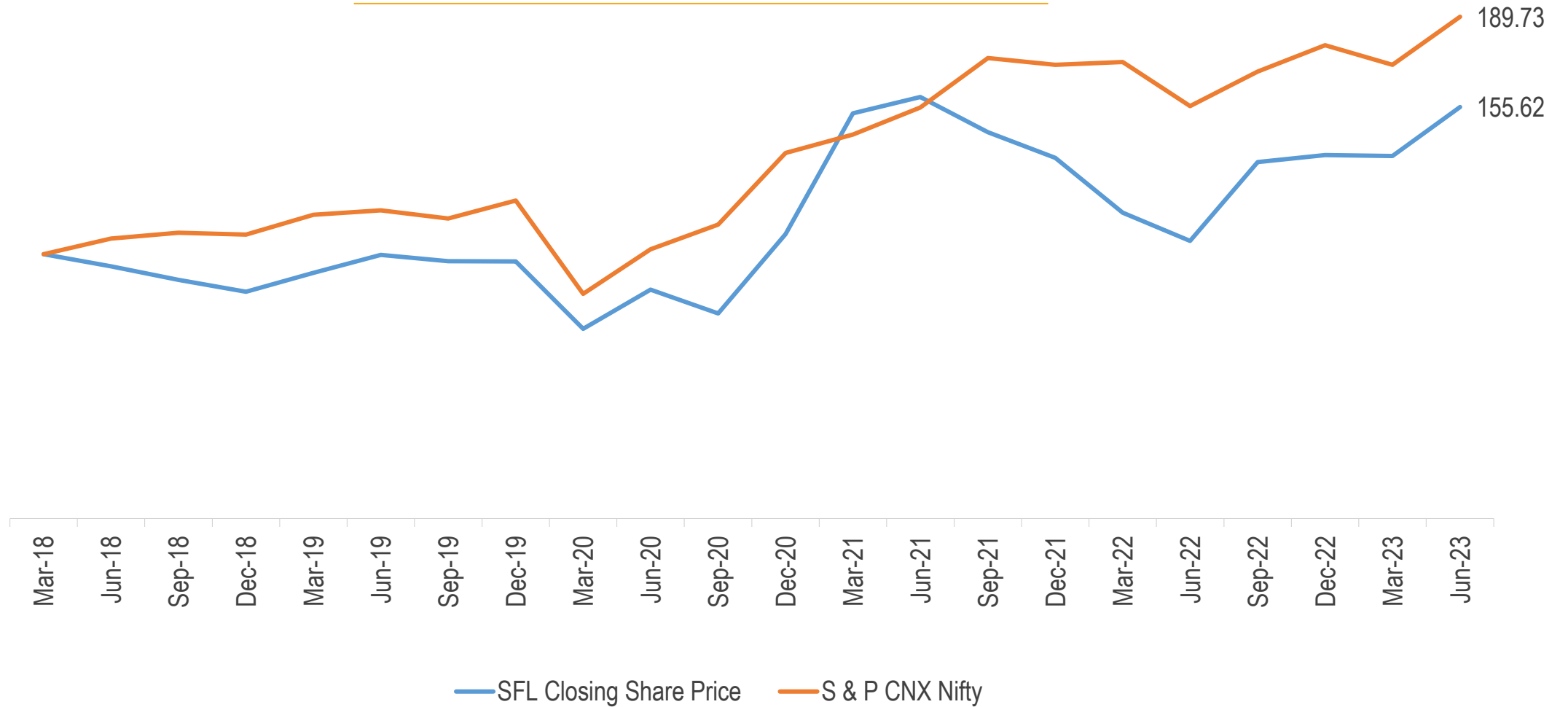
No. of Staffs: **7,846**

■ South ■ North ■ West ■ East

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+	

SHARE PRICE MOVEMENT

Indexed share price and Nifty from March 2018





Subsidiaries

- Sundaram Home Finance Limited
- Sundaram Finance Holdings Limited
- Sundaram Business Services Limited
- Sundaram Asset Management Company Limited
- SAMC Support Services Private Limited
- SAMC Services Private Limited
- Sundaram Asset Management Singapore Pte. Limited
- Sundaram Trustee Company Limited
- Sundaram Alternate Assets Limited
- Sundaram Fund Services Limited
- LGF Services Limited



Joint Venture

- Royal Sundaram General Insurance Co. Limited




Associates of a Subsidiary Company

- Axles India Limited
- Wheels India Limited
- Turbo Energy Private Limited
- Trans Energy Private Limited
- Sundaram Dynacast Private Limited
- Sundaram Hydraulics Limited
- Brakes India Private Limited
- The Dunes Oman LLC (FZC)
- Mind S.r.l.
- Sundaram Composite Structures Private Limited
- India Motor Parts & Accessories Limited

Sri S Viji

Chairman

Has over **5 decades of experience** in Banking, Finance, Insurance and Automotive Component Manufacturing Industry. He is the Executive Vice Chairman of Brakes India Private Limited.



B.Com.
ACA
MBA (University of Michigan, USA)

Sri T T Srinivasaraghavan

Non-executive Director

Has over **4 decades of experience** in Banking and Financial Services. He served as the Managing Director of the company for a period of 18 years.



B.Com.
MBA (Gannon University, Pennsylvania)

Sri Srivats Ram

Non-executive Director

Has more than **2 decades of rich experience** in auto component manufacturing industry. He is the Managing Director of Wheels India Limited.



BA (Economics)
MBA (Case Western Reserve University, USA)

Sri S Prasad

Independent Director

Has more than a **decade of experience** in industry as finance professional and over **4 decades** as a practicing Chartered Accountant.



FCA

Sri P N Venkatachalam

Independent Director

Has nearly **4 decades of experience** in Banking, Finance and Capital Markets. Formerly Managing Director of State Bank of India.




MA (Economics), CAIIB

Ms Shobhana Ramachandhran

Independent Director

Has **3 decades of experience** in General Management and automobile industry. She is the Managing Director of TVS Srichakra Limited.



MA (English Literature)

Sri S Mahalingam

Independent Director

Has over **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 Raghuttama Rao Raghavendra

Independent Director

Has over **3 decades of work experience** spanning Manufacturing, Financial Markets, Public Policy and Management Consulting. Currently CEO of GDC at IIT Madras. Formerly, MD of IMaCS and Joint Managing Director of ICRA.



B.Tech. (Mech. Engg.) – IIT Madras
CMA – ICWAI
P.G.D.M. – IIM Ahmedabad

Sri L Ganesh

Independent Director

Has over **4 decades of Industrial experience** in and overall management of the companies. He is the Chairman of the Rane Group, one of the acknowledged leaders in the auto component industry since 2006.



MBA((Pennsylvania State University, USA)
ACA

Ms Bhavani Balasubramanian

Independent Director

Has over **4 decades of audit experience** including overseas experience. Formerly a partner of Fraser & Ross and Deloitte Haskins & Sells, with extensive experience in auditing a variety of clients, including listed companies and multinationals in different industries in India and abroad.



FCA
ACS

Dr. Kshama Fernandes

Independent Director

Has over **2 decades of experience** spanning across management, risk advisory and academia. She is the Non-executive Vice Chairperson of the Northern Arc Group and Executive Chairperson of Northern Arc Investment Managers



PhD Finance

Sri Harsha Viji

Executive Vice Chairman

Has more than **2 decades of experience** in areas of specialisation particularly, strategy formulation, joint venture negotiations, new business development. Formerly with McKinsey & Company and PriceWaterhouse



B.Com.
ACA
MBA (Ann Arbor, Michigan)

Sri Rajiv C. Lochan

Managing Director

Has nearly **3 decades of experience** in the field of management especially in the areas of finance, social sector, and public health. Formerly MD & CEO of The Hindu Group and Partner at McKinsey & Company.



B.Tech. (IIT, Madras)
MS (MIT)
MBA (Columbia Business School)

Sri A N Raju

Deputy Managing Director

Has nearly **4 decades of experience** in the Automobile, Engineering, Finance and General Management. Formerly with GE Capital & SRF Group.



BSc (Engineering)
MBA

Sri M. Ramaswamy

Chief Financial Officer

He has nearly **4 decades of experience** in the Company. He is the Chief Financial Officer of the Company from September 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 N Srikant

Chief Compliance Officer & Company Secretary

He has nearly **3 decades of experience** in the Company/Group. He became the Secretary and Compliance Officer of the Company from June 2022. He is responsible for statutory compliance in respect of all laws and regulations applicable to the Company, including Company Law, SEBI and RBI. He liaises with the Board Members in connection with all Board related actions in the Company.



B.Com (H)
ACS
PGDFM



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Enduring values. New age thinking.

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Sri P N Srikant

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