



Service



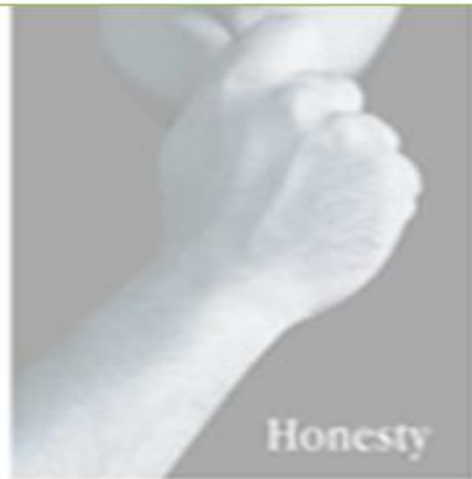
Discipline



Prudence



Fair play



Honesty

PERFORMANCE HIGHLIGHTS 2020-21



SUNDARAM FINANCE
Enduring values. New age thinking.



Integrity



Humility

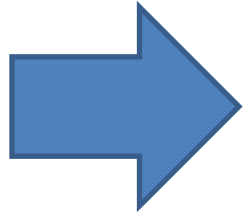


Openness



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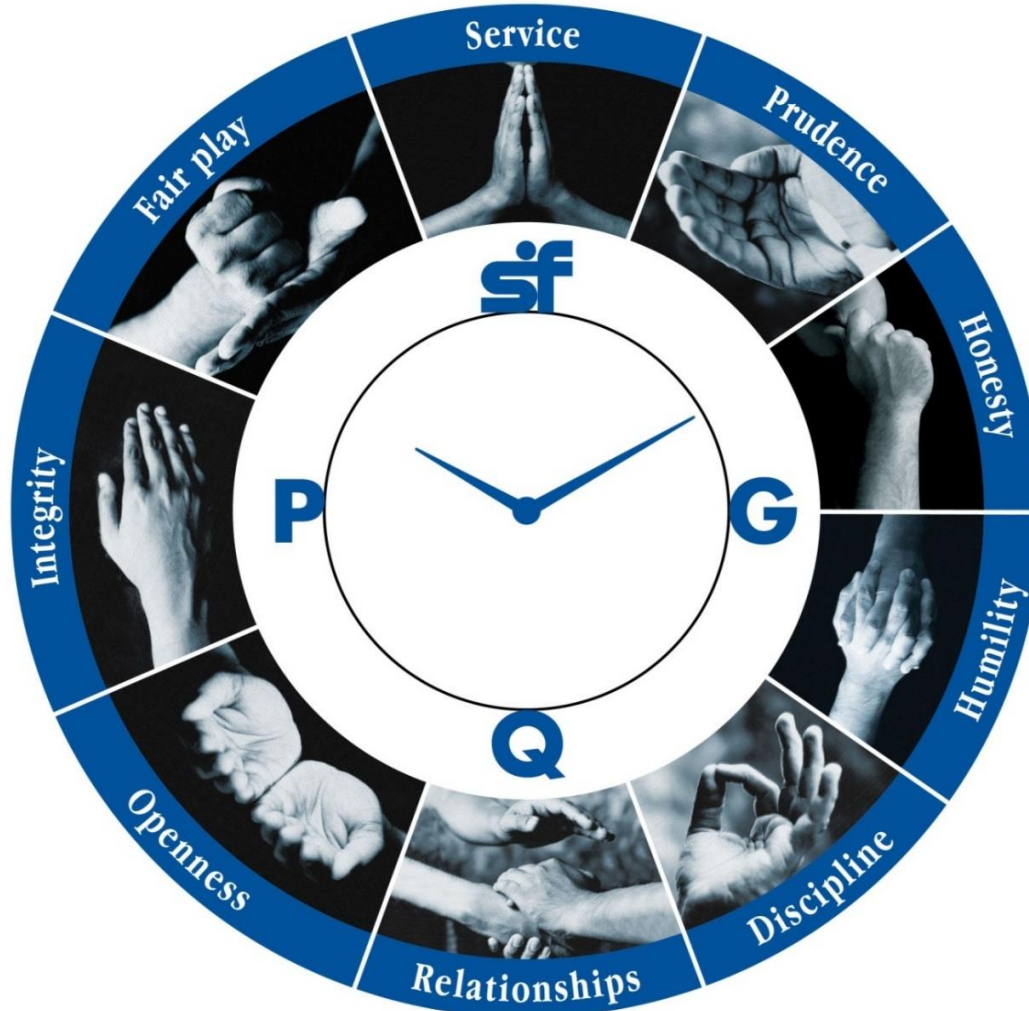


About the company

The Sundaram Way



Vision:
To be the most respected NBFC in the country








Growth **Q**uality **P**rofitability

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

Overall highlights of financial performance

As of 31st March 2021

AUM	Rs. 30,882 crores		3% growth over FY20
Gross Stage 3	1.84%		2.47% in FY20
Cost-to-income	30.6%		34.2% in FY20
ROA	2.3%		2.2% in FY20
ROE	13.8%*		13.7% in FY20

** Core ROE (excluding investments in subsidiaries) at 19.3% vs. 16.3%*

Highlights - Growth

Growth was significantly hit by to the Covid pandemic and consequent national lockdown. The related impact to the automotive sector and commercial vehicle, already on a 3-year downcycle

- Disbursements for Q4 FY 2020-21 recorded a growth of 13% to Rs. 3,305 crores as compared to Rs.2,930 crores registered in the corresponding quarter of the previous year. Disbursements of Rs.11,742 crores for FY21 as compared to Rs.15,175 crores in FY20.
- The assets under the management stood at Rs.30,882 crores as on 31st March 2021 as against Rs.29,936 crores as on 31st March 2020, representing a growth of 3%
- Pursuant to RBI's notification on restructuring of advances to MSME customers, restructured assets totaled Rs.1,307 crores, about 4.42% of principal outstanding.
- The restructuring has been targeted at sectors and segments severely impacted by the Covid-19 pandemic: education (school bus operators), transportation (staff and route bus operators), travel/tourism (tour operators, taxi operators) and market-load operators amongst commercial vehicles who have been hit by lack of demand for their services as well as rising fuel prices.

Highlights - Quality

Our asset quality remained best-in-class in the industry on account of our traditionally tight credit filters and our thrust on digital payments

- **Gross stage III assets as on 31st March 2021 stood at 1.84% with 46% provision cover as against 2.47% with provision cover of 34% as on 31st March 2020**
- **Net stage III assets as of 31st March 2021 closed at 1.01% against 1.65% as on 31st March 2020**
- **Gross NPA as on 31st March 2021 stood at 2.28% when compared to 2.77% as on 31st March 2020**
- **Net NPA as on 31st March 2021 stood at 1.35% when compared to 1.92% as on 31st March 2020**

Highlights - Profitability

Profit growth was robust, enabled by our asset quality and tight control of costs

- **Cost to income closed at 31.8% in Q4FY21 as against 34.9% in Q4FY20. For FY21, cost to income closed at 30.6% as against 34.2% for FY20**
- **Profit after tax registered a 60% rise in Q4 FY21, with net profit at Rs. 209 crores as against Rs.131 crores in Q4FY20**
- **For FY21, the company registered a net profit of Rs.809 crores compared to Rs. 671 crores in the year ago period (excluding one-time gain of Rs. 53 crores), a growth of 21%.**
- **Return on assets (ROA) for Q4FY21 closed at 2.3% against 1.5% for Q4FY20. For the year ending March 31, 2021, ROA was at 2.3% against 2.2% for FY20.**
- **Return of equity (ROE) was at 13.8% for the year ending March 31, 2021 as against 13.7% for the year ending March 31, 2020. If we exclude investments in subsidiaries and group companies, core ROE was at 19.3% for FY21 against 16.3% for FY20.**

Profit & Loss Statement

₹ in Crore

Particulars	Quarter Ended March 2020	Quarter Ended March 2021	2019-20	2020-21
Revenue From Operations *	931.41	957.12	3,804.55	3,917.00
Other Income	11.61	50.43	84.85	60.46
Total Revenue	943.02	1,007.55	3,889.40	3,977.46
Finance cost	515.64	484.72	2,072.03	2,030.73
Operating expenses	146.13	153.98	585.85	574.37
Impairment on financial instruments	115.69	105.53	286.40	316.06
Total Expenses	777.46	744.23	2,944.28	2,921.16
Profit Before Tax	165.56	263.32	945.12	1,056.30
Profit After Tax	130.89	209.20	723.95	809.05
Other Comprehensive Income (net of taxes)	4.65	(1.08)	63.17	(4.83)
Total Comprehensive Income	135.54	208.12	787.12	804.22

* Revenue from operations is net of depreciation on operating lease

During the year 2019-20, the Company has divested its entire holdings in Equifax Credit Information Services Pvt Ltd., resulting in a gain of ₹62.07Cr. (net of tax) accounted under other comprehensive income, as the said investment was measured at fair value through other comprehensive income.

Balance Sheet

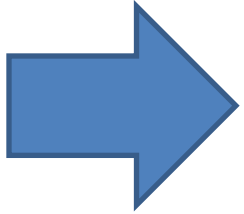
₹ in Crore

Particulars	31-Mar-20	31-Mar-21
EQUITY AND LIABILITIES		
Financial Liabilities	27,824.60	28,724.24
Non Financial Liabilities	47.54	48.77
Equity	5,547.37	6,179.45
Total - EQUITY AND LIABILITIES	33,419.51	34,952.46
ASSETS		
Financial Assets	32,725.79	34,182.51
Non Financial Assets	693.72	769.95
Total - ASSETS	33,419.51	34,952.46

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Financial Summary

₹ in Crore

Year	Paid-up Capital	Networth	Disbursements	Receivables Under Management	PAT	Dividend %	Market Capitalisation
2010-11	55.55	1,530	7,592	12,354	295.23	140	2,722
2011-12	55.55	1,789	9,433	15,540	355.45	155	3,645
2012-13	* 111.10	2,087	9,991	17,645	410.11	90	5,265
2013-14	111.10	2,405	9,719	18,158	442.51	100	7,359
2014-15	111.10	2,978	10,012	18,734	454.14	105	16,859
2015-16	111.10	3,313	11,444	20,699	477.28	110	14,450
2016-17	111.10	3,746	13,218	24,036	** 495.35	115	17,940
2017-18	111.10	4,134	15,712	28,648	563.44	120	18,634
2018-19	111.10	5,044	17,170	33,447	@ 604.04	# 175	17,318
2019-20	111.10	5,547	15,175	35,088	723.95	130	13,366
2020-21	111.10	6,179	11,742	35,736	809.05	180	28,560

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

** Adjusted for demerger ₹ 460.57 Cr.

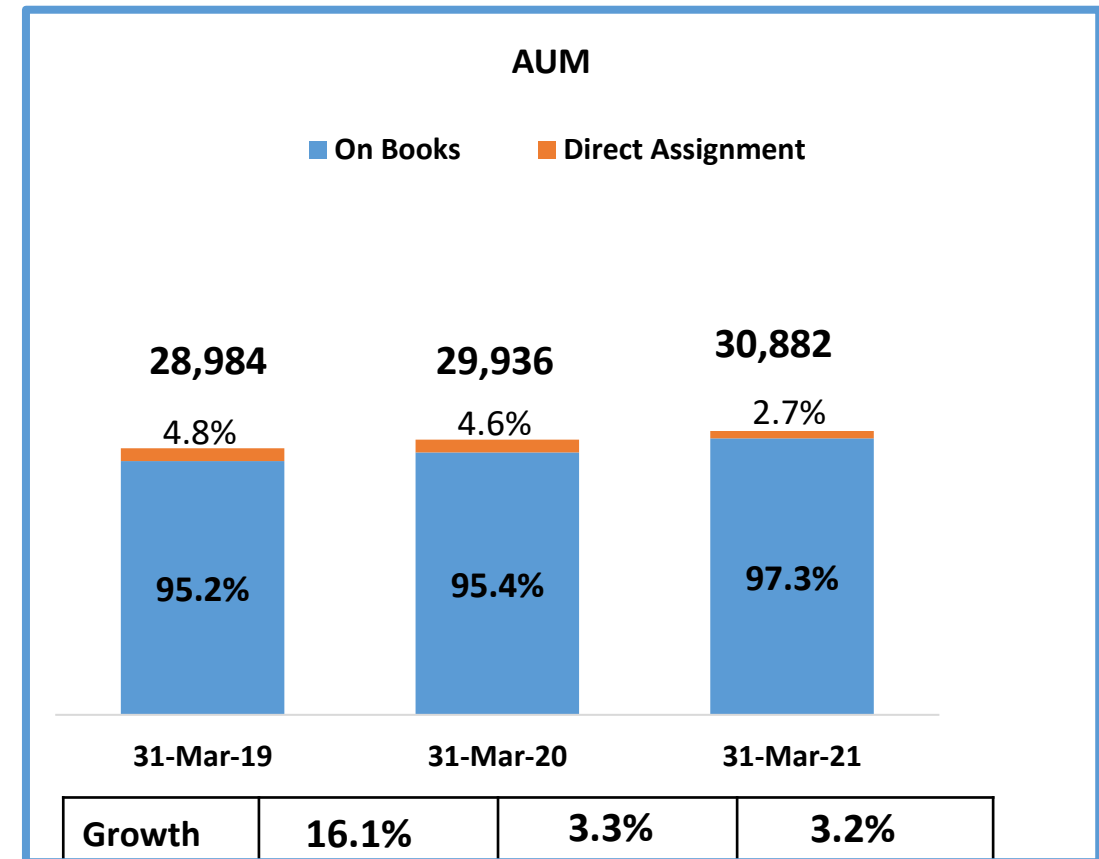
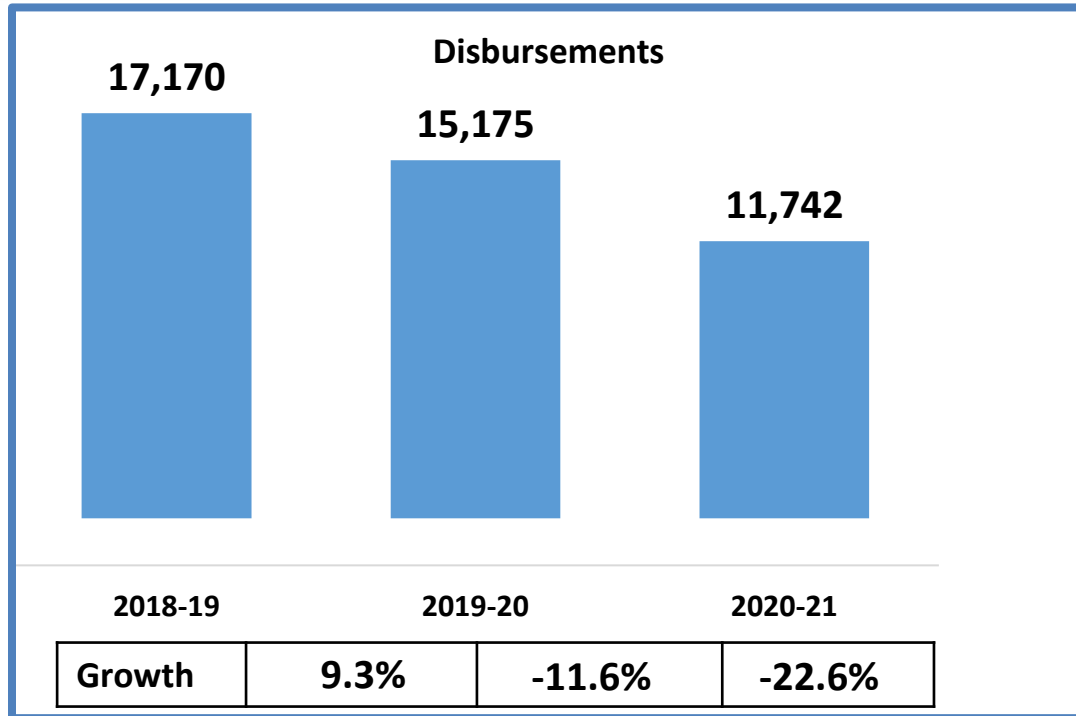
Includes special dividend of 50%.

@ Excludes exceptional item

Market Capitalisation is as on 31st March of the respective years.

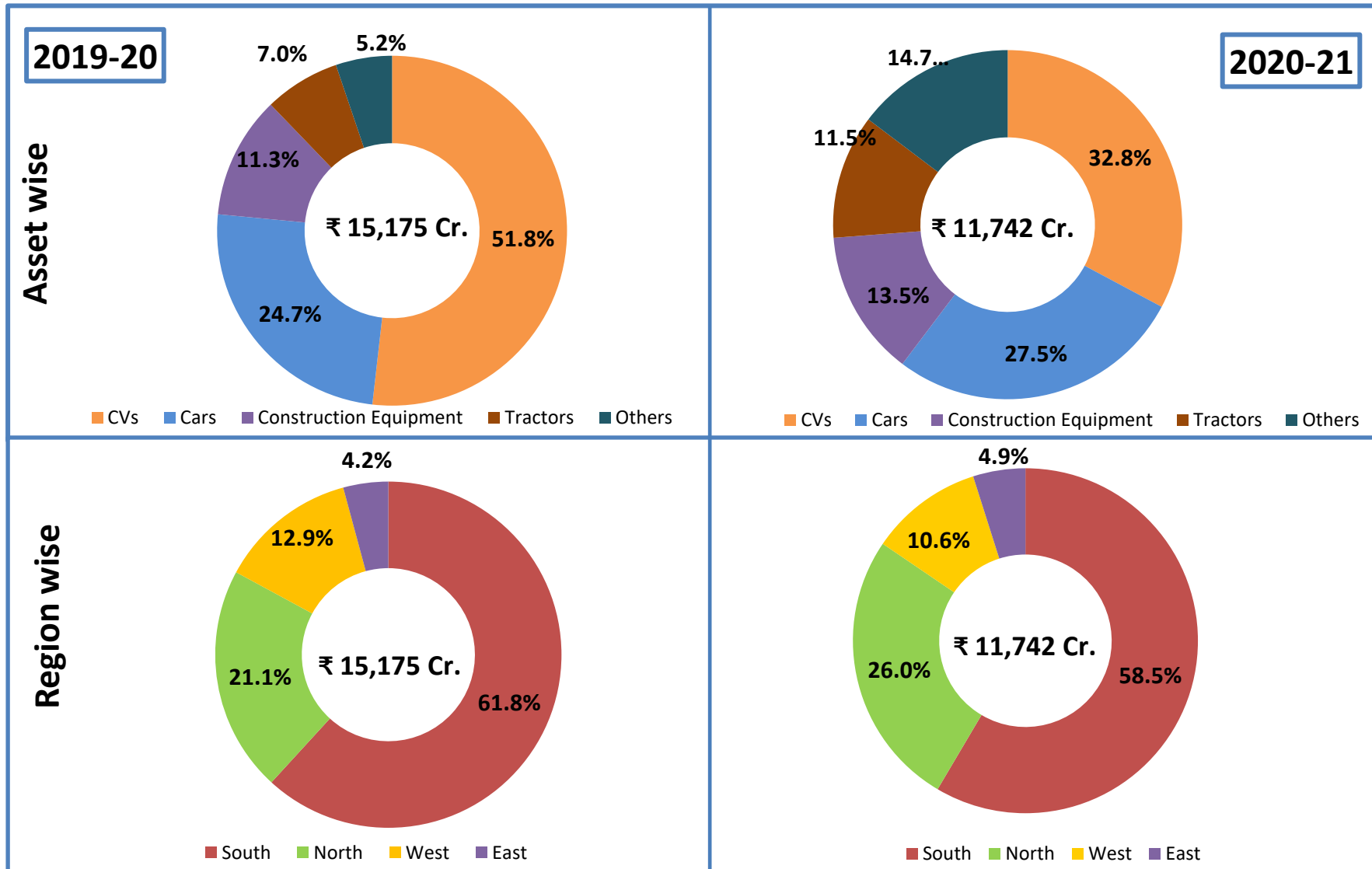
Disbursements and AUM

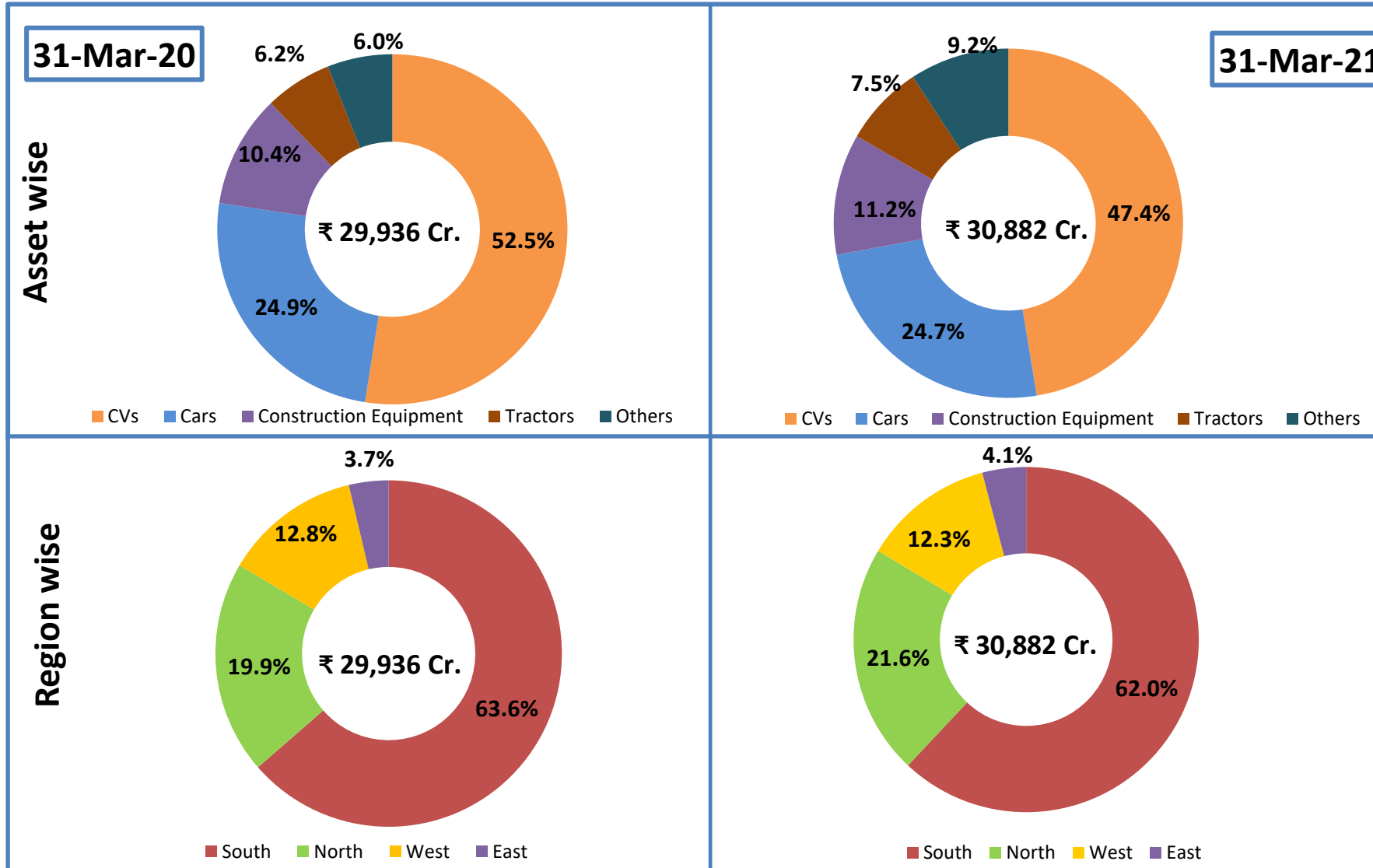
₹ in Crore



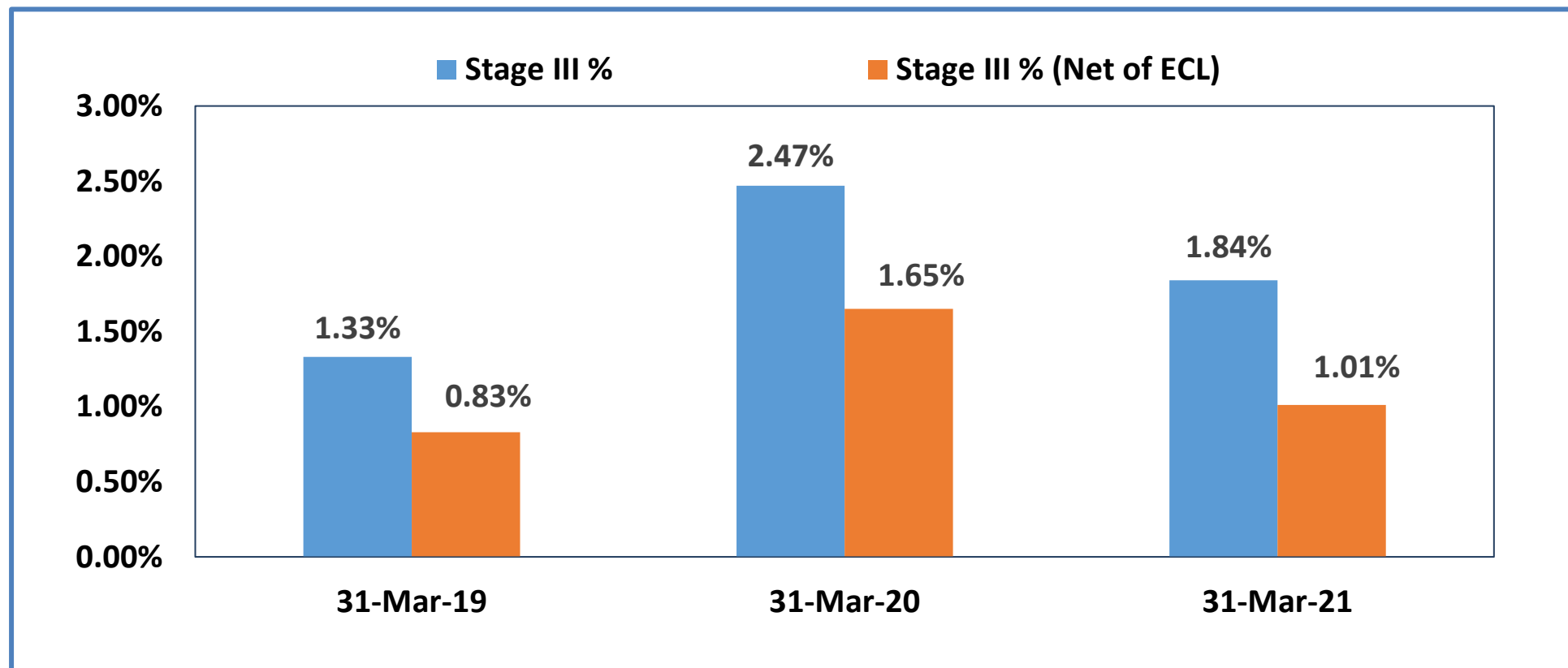


Disbursements

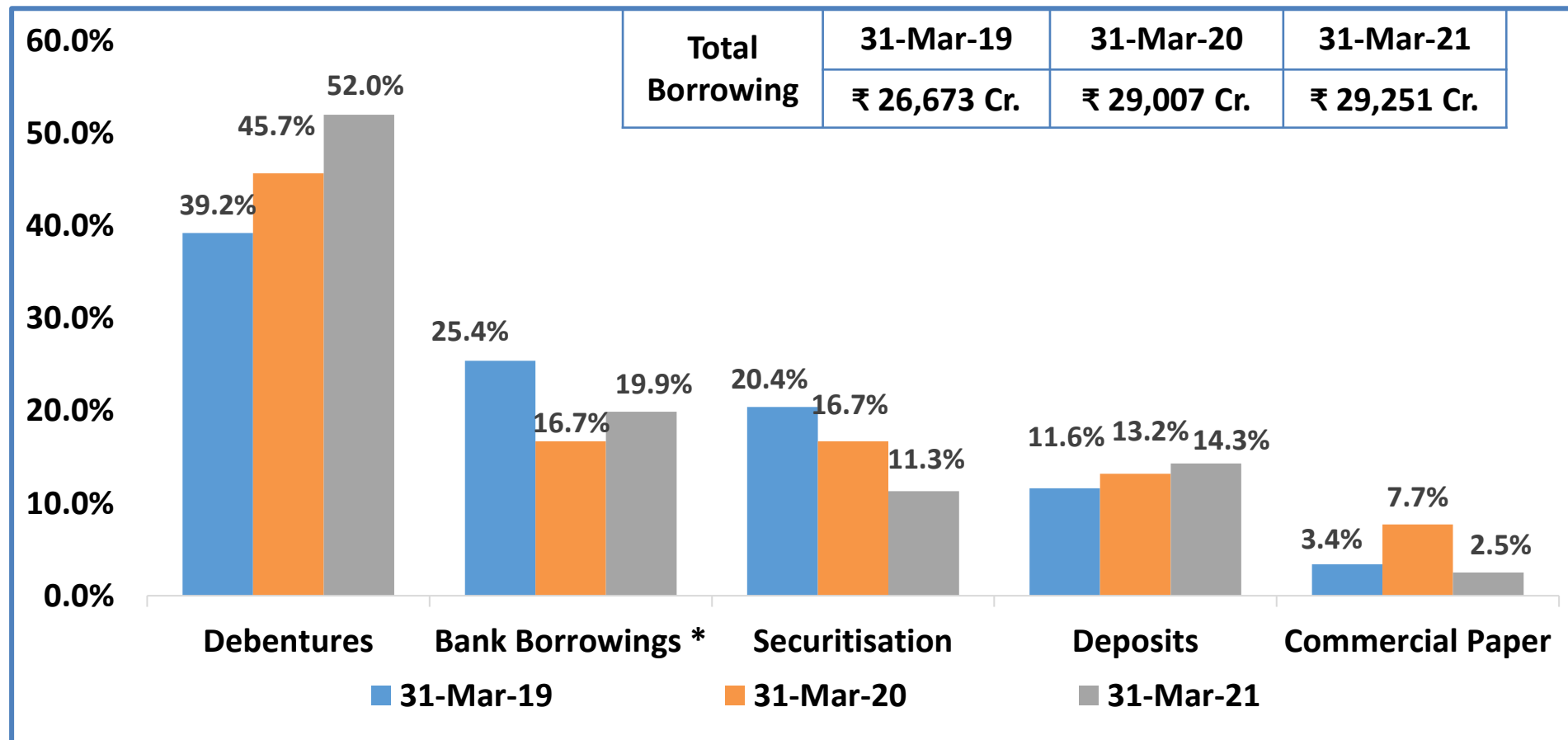




Portfolio Quality



Funding Mix

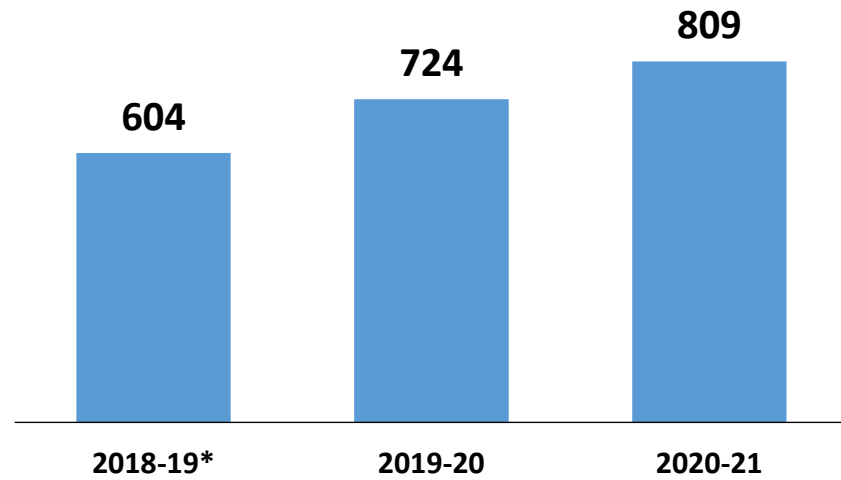


* Includes a) Term loans b) Commercial Papers and demand loans availed against the sanctioned limits.

Key Ratios

₹ in Crore

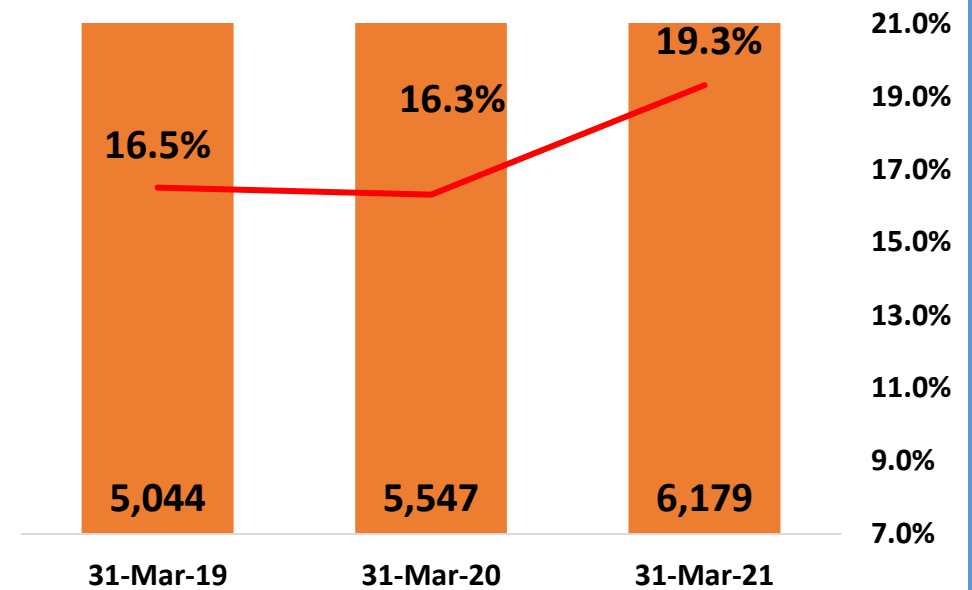
Profit after Tax



EPS (₹)	54.37	65.16	72.82

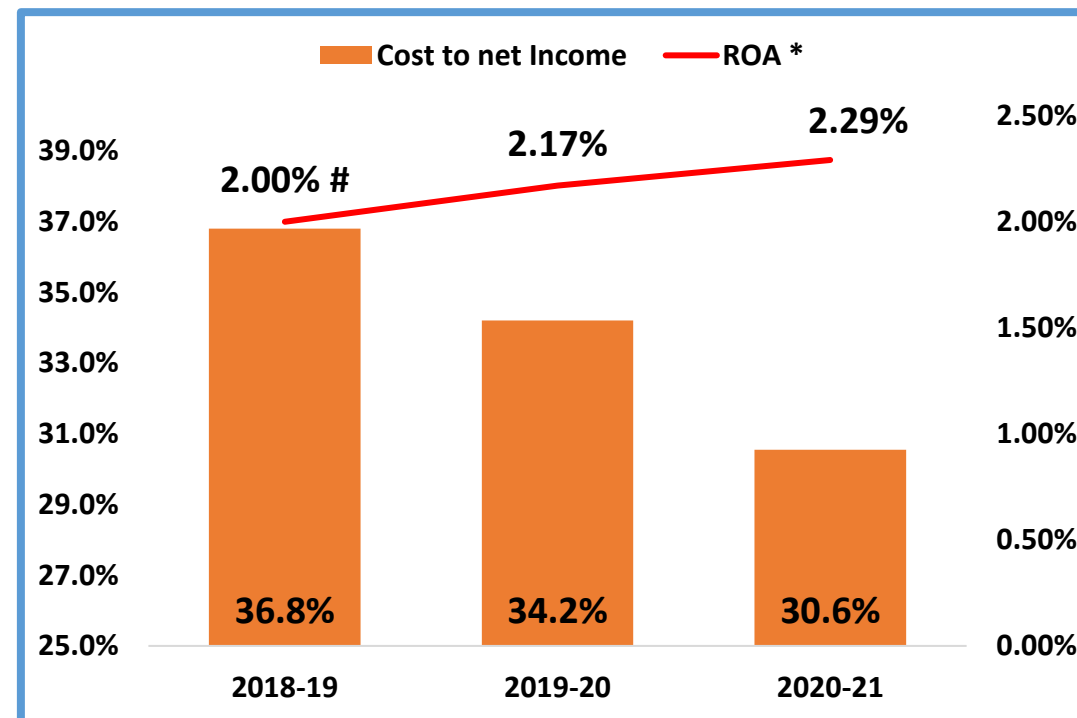
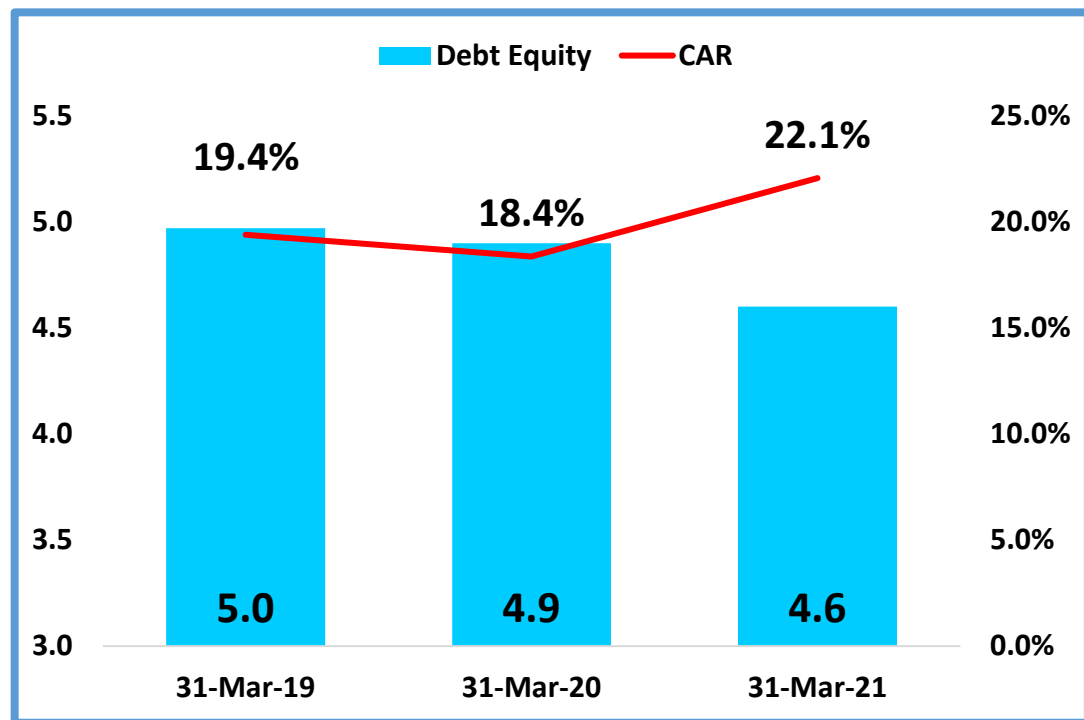
* Adjusted for exceptional item

Net worth and Return on Core Equity



Book Value (₹)	453.97	499.30	556.19

Key Ratios



* Assets includes portfolio of Direct assignment

Adjusted for exceptional item

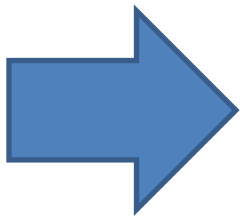
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Consolidated Results

₹ in Crore

Profit after Tax

1,161



791.54



1,165



2018-19

2019-20

2020-21

EPS (₹)	105.40	71.85	105.74
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Net Worth

6,259



6,677



7,730



31-Mar-19

31-Mar-20

31-Mar-21

Book Value (₹)	568.29	606.09	701.60
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Consolidated Results

₹ in Crore

Particulars	Share of Net Worth		Share in Profit	
	31-Mar-20	31-Mar-21	2019-20	2020-21
Sundaram Finance Ltd.	5,547.37	6,179.45	723.95	809.05
Subsidiaries:				
Sundaram Finance Holdings Ltd. (Consolidated)	401.31	474.29	18.45	15.96
Sundaram Asset Management Company Ltd. (Consolidated)	212.55	253.74	32.69	55.13
Sundaram Home Finance Ltd	1,421.07	1,558.70	165.89	191.64
Sundaram Fund Services Ltd	36.72	36.84	18.07	0.11
Sundaram Trustee Company Ltd.	1.88	1.89	0.80	0.72
LGF Services Ltd	3.61	3.52	0.11	0.06
Sundaram Finance Employees Welfare Trust	16.16	16.95	2.30	0.79
Non-Controlling Interests in Subsidiaries	1,455.47	1,720.25	53.86	57.92
Joint Control Entities				
Royal Sundaram General Insurance Co. Ltd	544.96	714.36	(38.17)	156.74
	9,641.10	10,959.99	977.95	1,288.12
Adjustment arising out of Consolidation	(1,508.80)	(1,509.50)	(132.54)	(65.12)
Total	8,132.30	9,450.49	845.41	1,223.00

Sundaram Home Finance

Particulars	31-Mar-2020	31-Mar-2021
Disbursements (₹ in Crore)	2,113	1,254
-Housing	71.4%	76.1%
-Non-Housing	28.6%	23.9%
AUM (₹ in Crore)	9,638	9,173
-Housing	69.8%	70.0%
-Non-Housing	30.2%	30.0%
PAT (₹ in Crore) *	218	192
EPS (₹)	21.54	18.93
Net worth (₹ in Crore)	1,421	1,559
Book Value (₹)	140.35	153.94
Stage III assets %	4.72%	4.48%
Stage III assets % (net of ECL)	1.63%	1.09%
CAR – As per Regulation	23.0%	24.9%
Branches	115	108
Employees	826	784

*PAT for FY 20-21 is not comparable with that of the previous year, which included a onetime exceptional item of ₹.60.25 Cr on account of write back of deferred tax liability on special reserve.



Particulars	31-Mar-2020	31-Mar-2021
Gross Written Premium (₹ in Crores)	3,718	2,883
PAT (₹ in Crores)	(76)	313
Other Comprehensive Income (Net of Taxes)	67	26
Total Comprehensive Income	(9)	339
Net worth (₹ in Crores)	1,090	1,429
Combined Operating Ratio	111%	110%
Employees	2,390	2,323

* For the year ended 31st March 2020, the company has provided ₹ 164.11 Cr. (net of tax) towards impairment in respect of debt exposure and MTM on equity investments (PY ₹ 7.17 Cr).

Sundaram Asset Management



Particulars	31-Mar-2020	31-Mar-2021
AUM (₹ in Crores)	30,288	41,196
-Equity (₹ in Crores)	20,824	31,709
-Debt (₹ in Crores)	9,464	9,487
PAT (₹ in Crores)	33	55
Net worth (₹ in Crores)	213	254
Employees	367	359
Retail Investors	10,87,296	10,24,674

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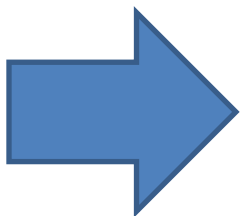
Financial results & performance



Key trends in financial performance

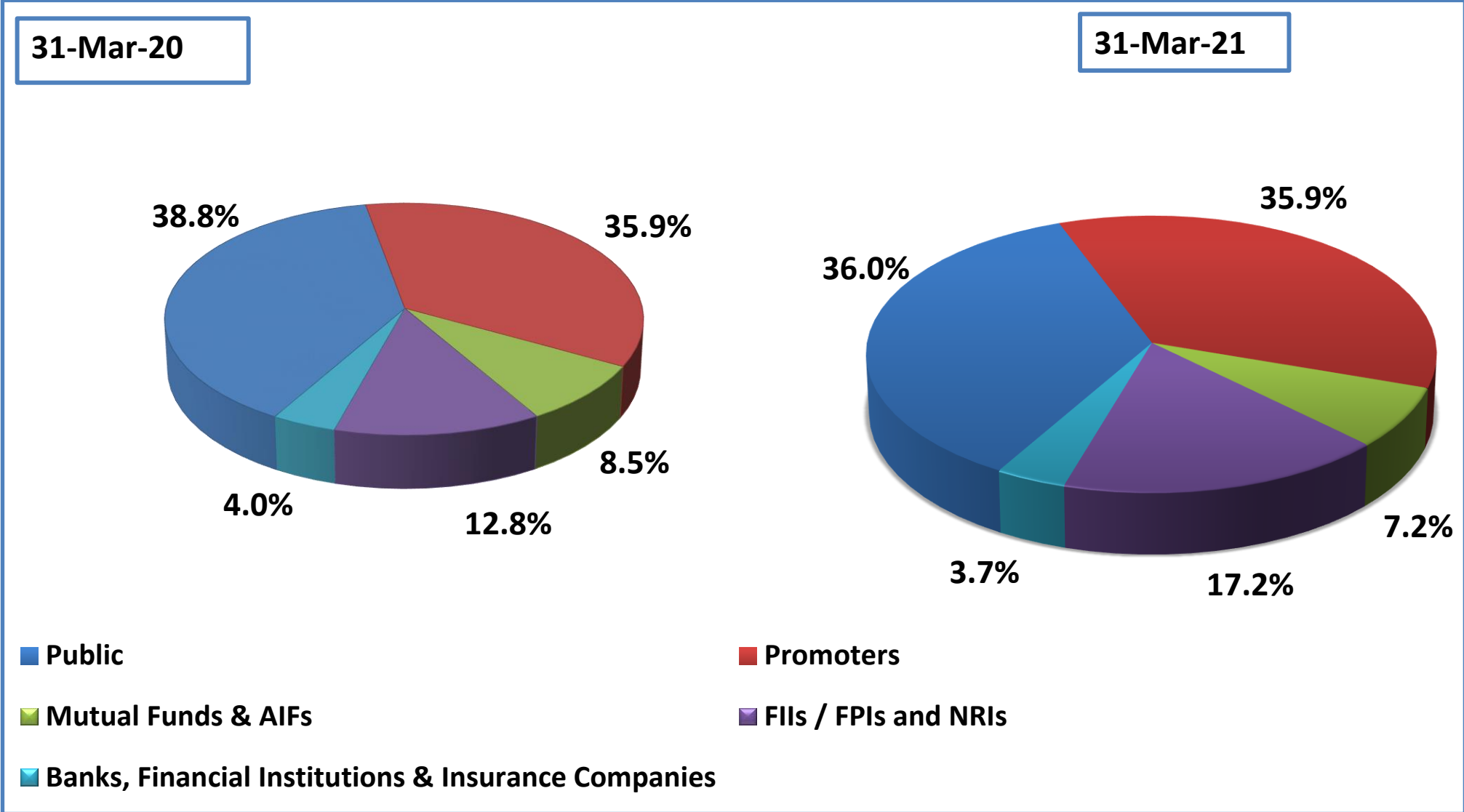


Consolidated results



About the company

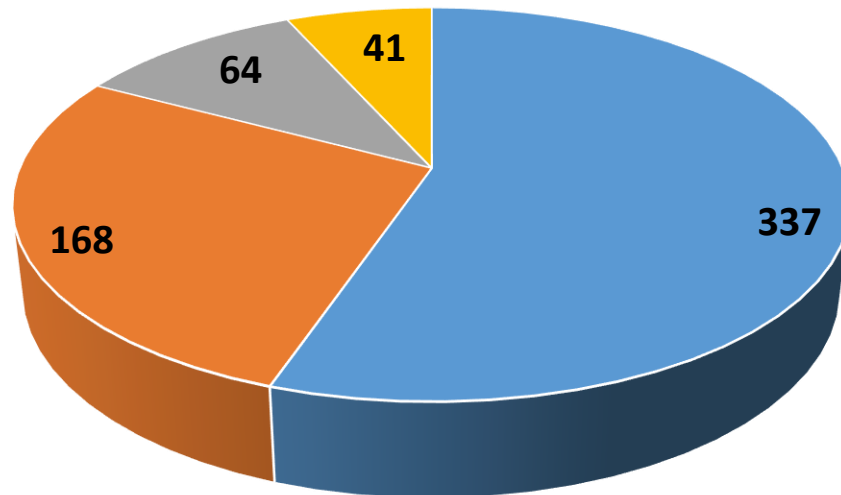
Shareholding Pattern



Branch Network

31-Mar-20

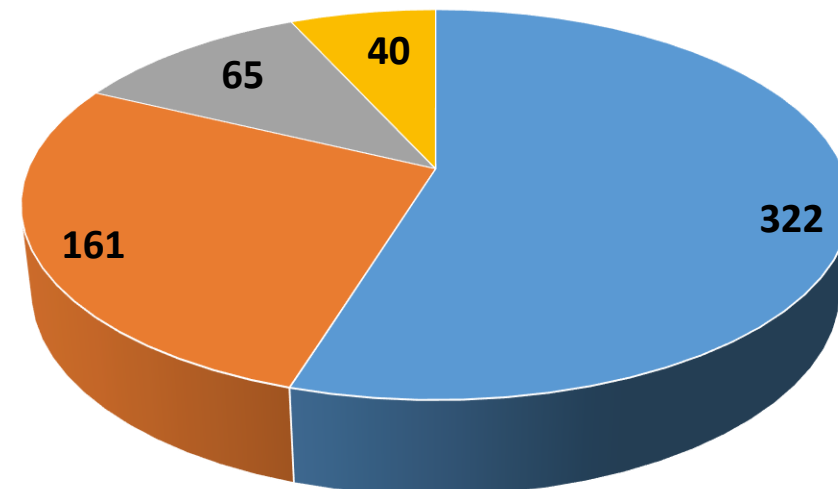
No. of Branches : 610



No. of Employees : 4,213

31-Mar-21

No. of Branches : 588



No. of Employees : 4,211

■ South ■ North ■ West ■ East

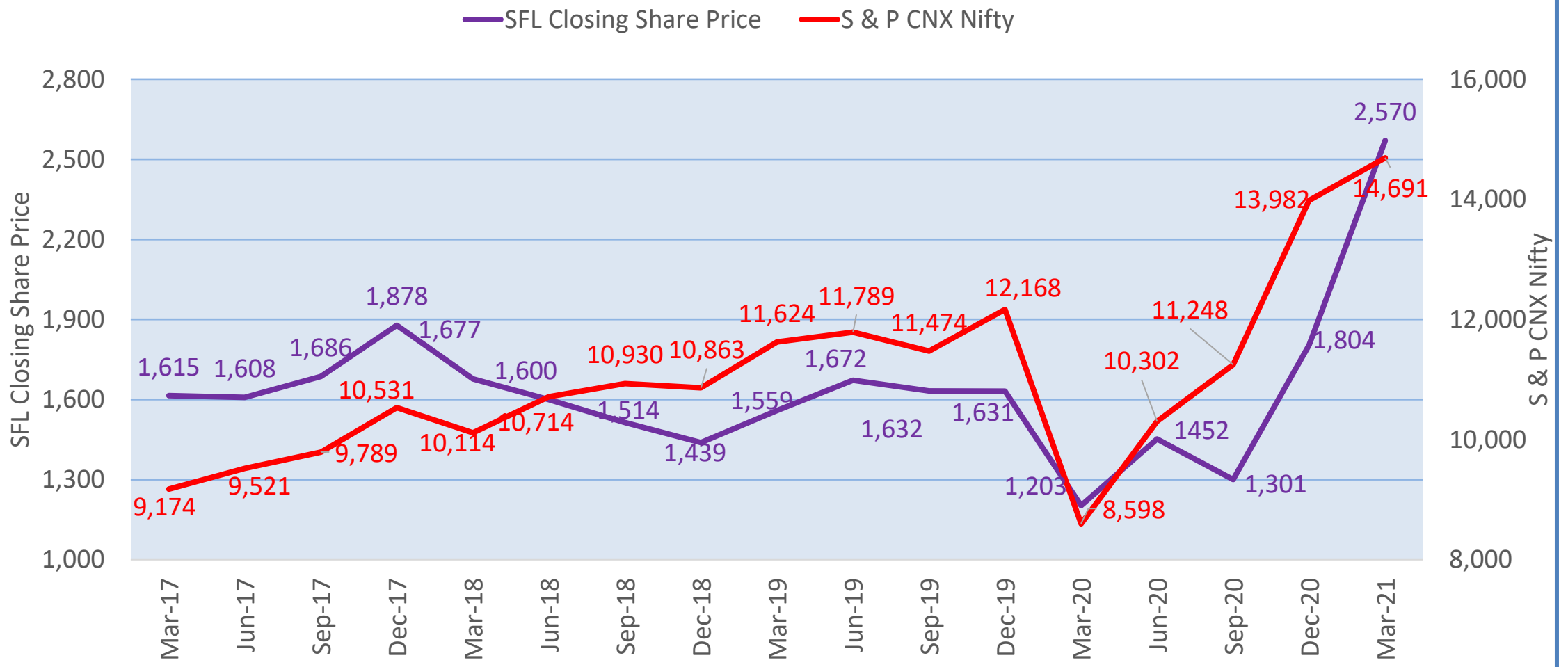
Credit Ratings



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+	

Share Price Movement

In ₹



Share price movement after 1st Feb 2018 is post demerger

Subsidiaries, Joint Ventures & Associates

Subsidiaries

Sundaram Home Finance Limited

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

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

Transenergy Limited

Sundaram Dynacast Private Limited

Sundaram Hydraulics Limited

Flometallic India Private Limited

Dunes Oman LLC (FZC)

Mind S.r.l.



Board of Directors as on 28.05.2021

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 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 Independent Director	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 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
Sri S Mahalingam Independent Director	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 Independent Director	Has more than a decade experience in industry as finance professional and 38 years as a practicing Chartered Accountant.	FCA



Board of Directors as on 28.05.2021

Name of the Director	Expertise	Qualification
Sri L Ganesh Independent Director	Has over 44 years 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 Shobhana Ramachandhran Independent Director	3 decades of experience in General Management and automobile industry. She is the Managing Director of TVS Srichakra Limited.	MA (English Literature)
Sri T T Srinivasaraghavan	Has nearly 4 decades of experience in Banking and Financial Services. He was the Managing Director of the company for 18 years and laid down his office recently in Mar 21.	B.Com, MBA (Gannon University, Pennsylvania)
Sri Harsha Viji Executive Vice Chairman	Has more than 2 decades experience in areas of specialisation particularly, strategy formulation, joint venture negotiations, new business development.	B.Com, ACA MBA (Ann Arbor, Michigan)
Sri Rajiv C. Lochan Managing Director	Has 2.5 decades of experience in the field of management especially in the areas of finance, social sector, and public health.	B.Tech. (IIT), MS (MIT), MBA (Columbia Business School)
Sri A N Raju Deputy Managing Director	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 35 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 45 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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Shri M Ramaswamy
Chief Financial Officer
Sundaram Finance Limited
21, Patullos Road
Chennai – 600002
Phone(D) : 044 – 28881341
Mail : m.ramaswamy@sundaramfinance.in

Shri P Viswanathan
Secretary & Compliance Officer
Sundaram Finance Limited
21, Patullos Road
Chennai – 600002
Phone(D) : 044 – 28881207
Mail : pv@sundaramfinance.in