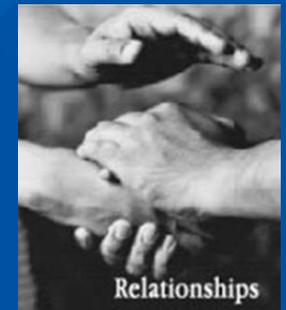
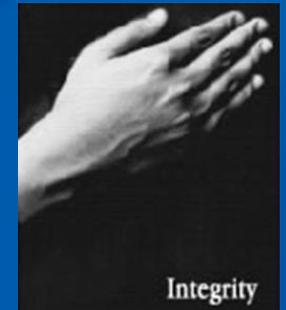
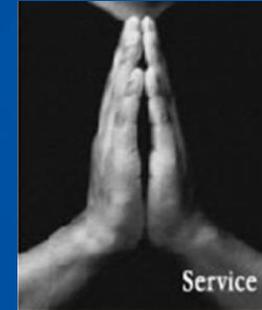




SUNDARAM FINANCE
Enduring values. New age thinking.

PERFORMANCE HIGHLIGHTS

H1FY24





01

Overview of
Sundaram Finance



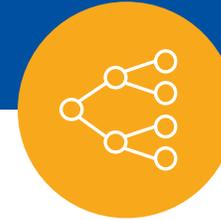
02

Financial results &
performance



03

Key trends in financial
performance



04

Consolidated results



05

More about
Sundaram Finance



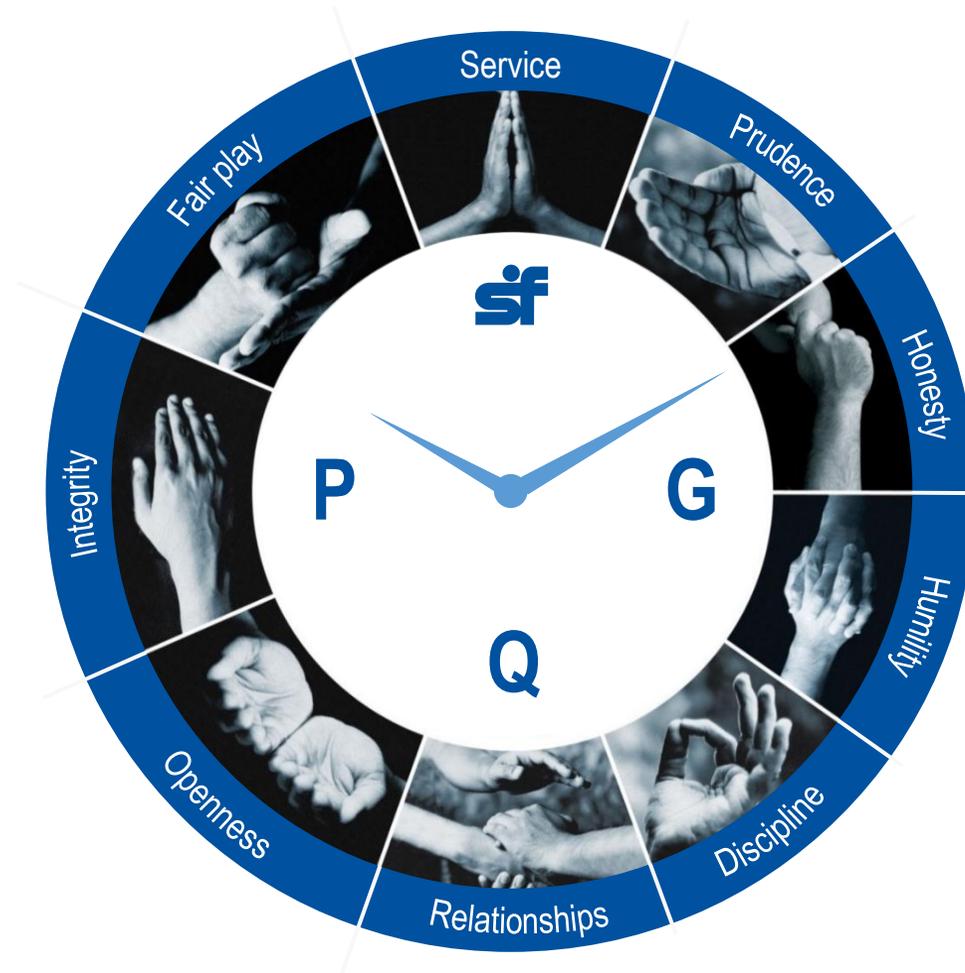
01 Overview of Sundaram Finance

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 Enduring values. New age thinking.	40,106	693	7,780	5,54,620
 Royal Sundaram General Insurance Joint Venture with Ageas Insurance International NV	8,140	161	2,923	33,25,031
 SUNDARAM HOME 100% subsidiary	12,332	132	1,363	59,148
 SUNDARAM MUTUAL UNEARTHING OPPORTUNITIES 100% subsidiary	61,883	85	522	12,89,560
 Group	1,22,461	1,071	12,588	52,28,359

* 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. 1,20,000 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

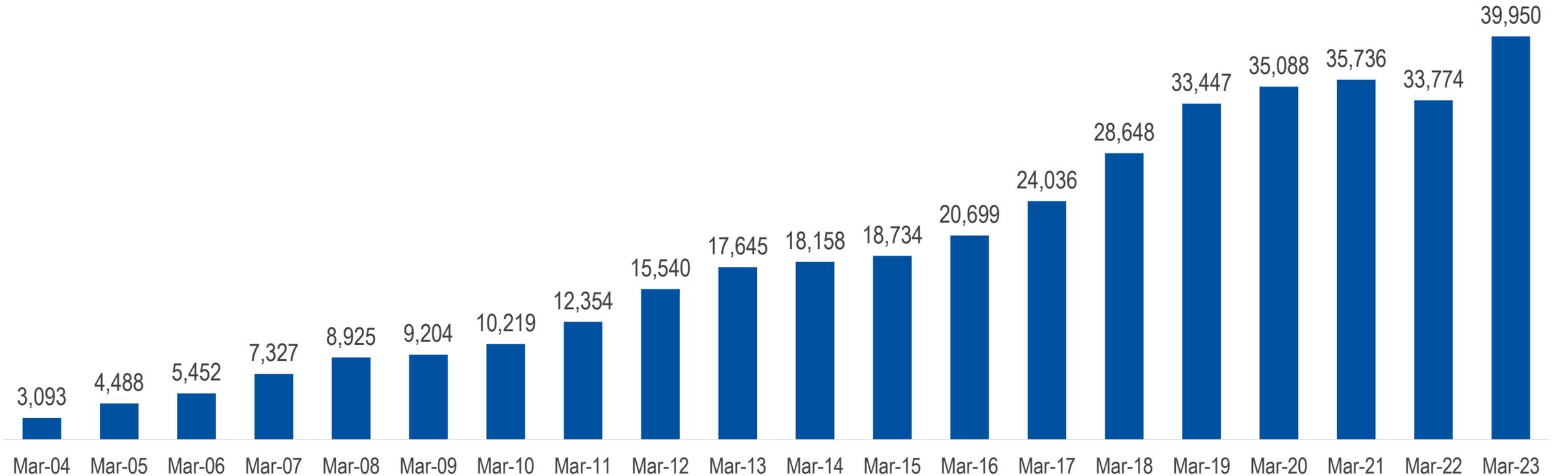
- Diesel
- Insurance
- Tyre
- Sundaram Credit Line

Distribution

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

₹ in Crore

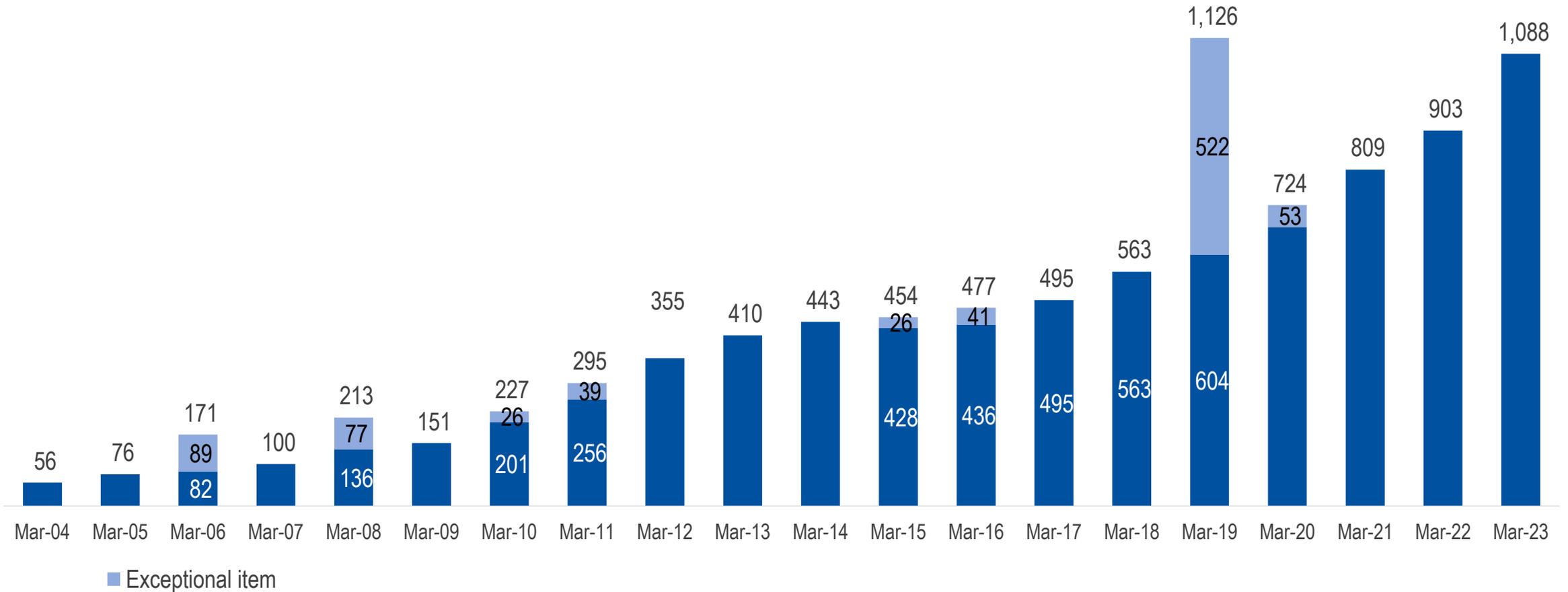
Receivables Under Management



SUNDARAM FINANCE – PERFORMANCE OVER LAST TWENTY YEARS

₹ in Crore

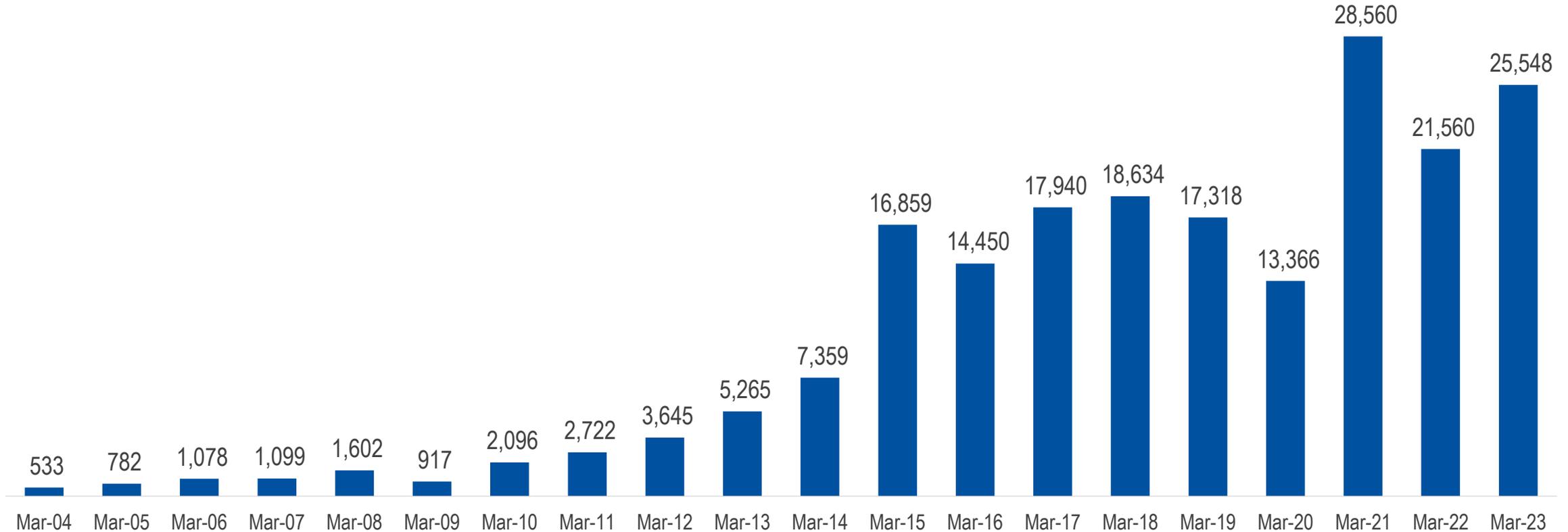
PAT



SUNDARAM FINANCE – PERFORMANCE OVER LAST TWENTY YEARS

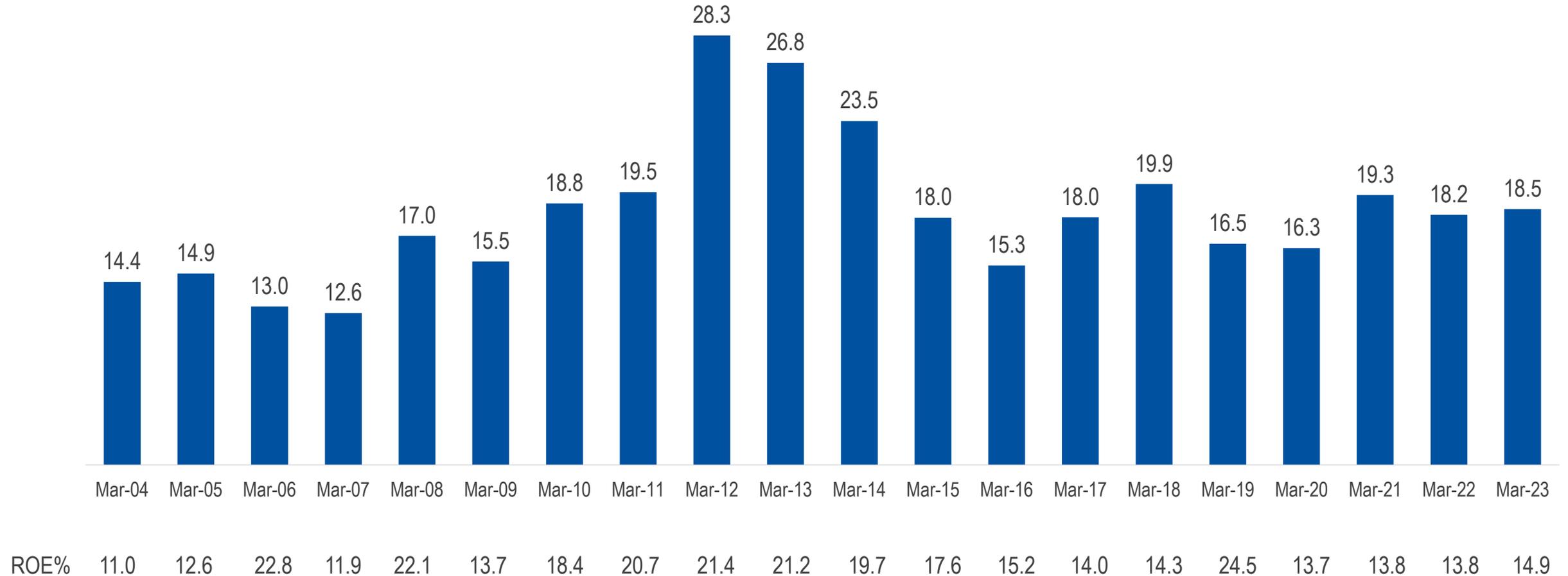
₹ in Crore

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 September 2023



AUM

₹40,106 Crores



25.4% up
from Sep 22



Gross Stage 3

1.86%



2.54%
in Sep 22



Cost-to-income

35.27%



35.68%
in H1FY23



ROA

2.95%



2.94%
in H1FY23



ROE

16.2%*



14.9%
in H1FY23

*Core ROE (excluding investments in subsidiaries) at 16.2% vs. 16.4%

HIGHLIGHTS – GROWTH OF 34% IN CORE BUSINESS



Economic activity remained robust in H1FY24 across all regions. Automotive sector growth was strong in Q2 FY24 with commercial vehicles growing 20-25% across segments and passenger cars logging double digit growth. Tractor sales remained muted. Growth in disbursements was driven by sharp focus on ensuring rightful market share in all asset classes and geographies of operations. **H1FY24 disbursements are highest-ever and grew 34% over H1FY23.**

Disbursements for H1FY24 recorded a growth of 34% to ₹13,430 crores as compared to ₹10,054 crores registered in the corresponding period of the previous year. The Company gained market share across nearly all asset classes and geographies of operations.

The assets under the management stood at ₹40,106 crores as on 30th September 2023 as against ₹ 31,980 crores as on 30th September 2022, **registering a 25% increase year-on-year.**

Net interest income rose 16% in H1FY24 compared to H1FY23. For the quarter ending September 30, 2023, net interest income rose 19% over the corresponding quarter in FY23.

The total restructured assets under Covid package were ₹ 425 crores, about 1.1% of outstanding loans as on 30th September 2023.

Automotive industry performed strongly. Medium, Heavy & Intermediate Commercial vehicles grew by more than 20% in Q2 FY24 driven by robust tipper and bus sales. Light and Small Commercial Vehicles grew 13% for the period. Passenger vehicles, particularly Utility Vehicles and Construction Equipment grew strongly in this quarter. Tractor sales declined about 9% in this quarter over last year.



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.

Collections performance has reverted to pre-Covid levels with current collections of current demand at 92%.

Gross stage 3 assets as on 30th September 2023 stood at 1.86% with provision cover of 42% when compared to 2.54% with 47% provision cover as of 30th September 2022.

Net stage 3 assets as on 30th September 2023 closed at 1.08% as against 1.37% as on 30th September 2022.

The Gross and Net NPA, as per RBI's new asset classification norms, are 2.89% and 2.06% respectively as against 4.29% and 2.97% as of 30th September 2022.

HIGHLIGHTS – PROFITABILITY IMPROVED CONSISTENTLY



Profits after tax grew 22% over H1FY23 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 H1FY24 as against 35.68% in H1FY23.

Return on assets (ROA) for H1FY24 closed at 2.95% as against 2.94% for H1FY23.

Profit after tax at ₹ 648 crores in H1FY24 crores as against ₹ 529 crores in H1FY23, up by 22%; Profit after tax for Q2 FY24 up by 21% to Rs. 366 crores from Rs. 303 crores in Q2 FY23

Return of equity (ROE) was at 16.2% for H1FY24 as against 14.9% for H1FY23. If we exclude investments in subsidiaries and group companies, core ROE was at 16.2% for H1FY24 as against 16.4% for H1FY23.

PROFIT & LOSS STATEMENT

₹ in Crore

FY23	Particulars	Q2FY23	Q2FY24	Q1FY24	H1FY23	H1FY24
3,984	Revenue From Operations*	1,034	1,353	1,169	1,957	2,522
64	Other Income	4	3	7	11	10
4,048	Total Revenue	1,038	1,356	1,176	1,968	2,532
1,777	Finance cost	426	612	544	830	1,156
717	Operating expenses	186	217	203	362	420
134	Impairment	27	51	64	80	115
2,628	Total Expenses	639	880	811	1,272	1,691
1,420	Profit Before Tax	399	476	365	696	841
1,088	Profit After Tax	303	366	282	529	648

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

BALANCE SHEET

₹ in Crore

31-Mar-23	Particulars	30-Sep-22	30-Sep-23
	Equity and Liabilities		
33,255	Financial Liabilities	28,759	38,405
67	Non-Financial Liabilities	59	60
7,737	Equity	7,315	8,219
41,059	Total – Equity and Liabilities	36,133	46,684
	Assets		
39,938	Financial Assets	35,162	45,586
1,121	Non-Financial Assets	971	1,098
41,059	Total – Assets	36,133	46,684



03

Key trends in financial performance

FINANCIAL SUMMARY

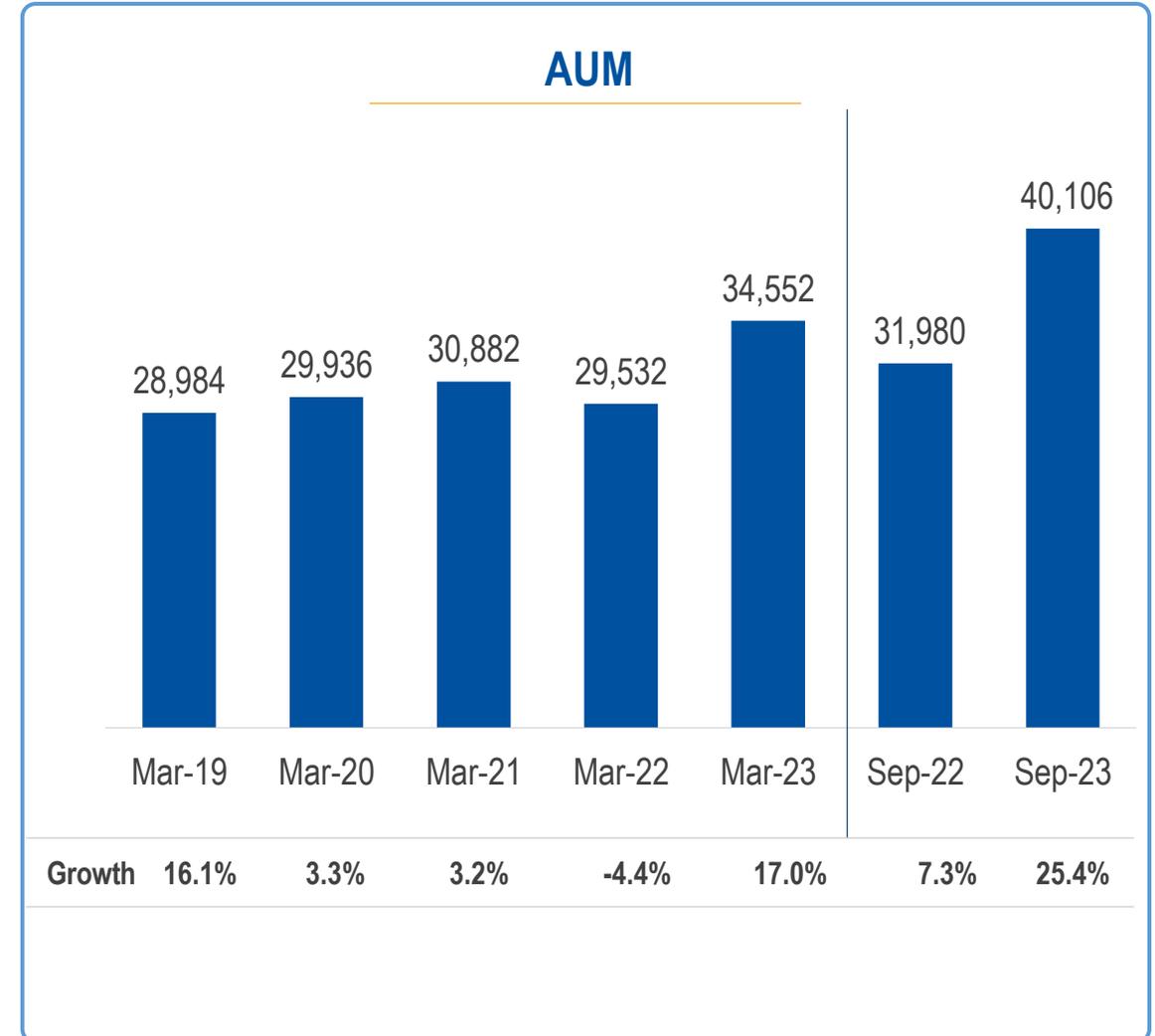
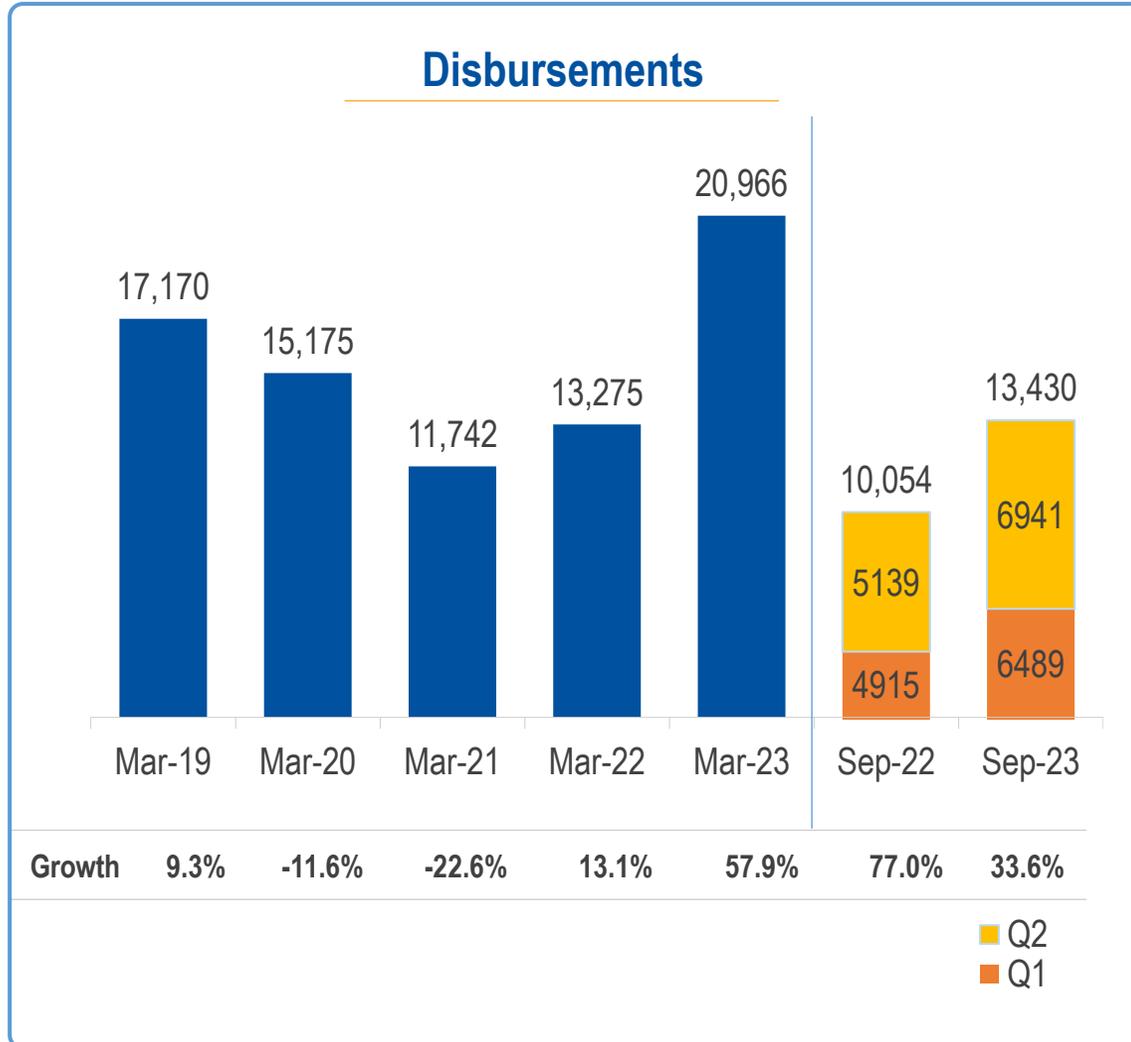
Year	Paid-up Capital	Networth	Disbursements	Receivables Under Management	PAT	Dividend %	Market Capitalisation
Mar-13	*111	2,087	9,991	17,645	410	90	5,265
Mar-14	111	2,405	9,719	18,158	443	100	7,359
Mar-15	111	2,978	10,012	18,734	454	105	16,859
Mar-16	111	3,313	11,444	20,699	477	110	14,450
Mar-17	111	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
Sep-22	111	7,315	10,054	36,700	529	-	25,132
Sep-23	111	8,219	13,430	46,734	648	-	34,119

* 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.

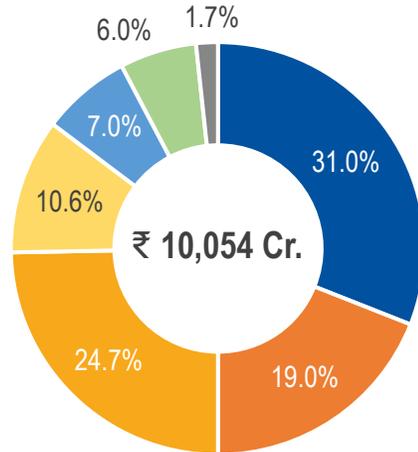
DISBURSEMENTS AND AUM

₹ in Crore



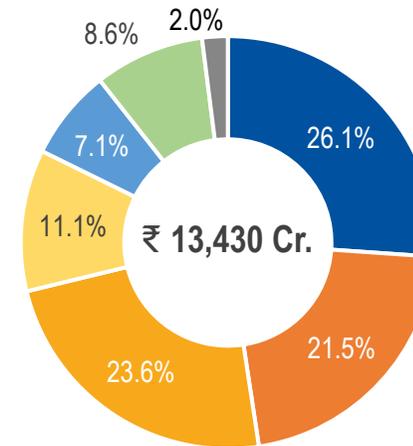


Sep-22



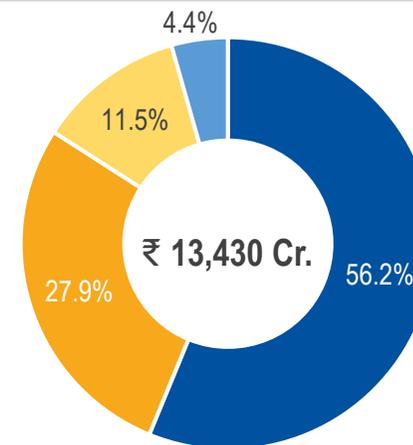
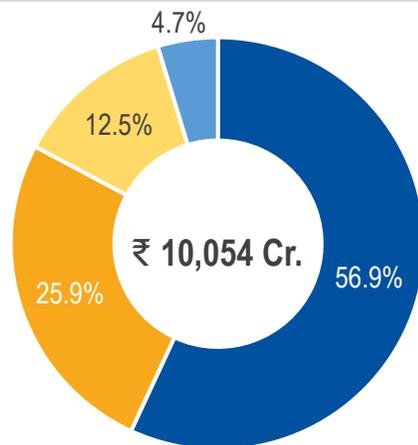
Used Assets – 22.8%

Sep-23



Used Assets – 21.7%

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



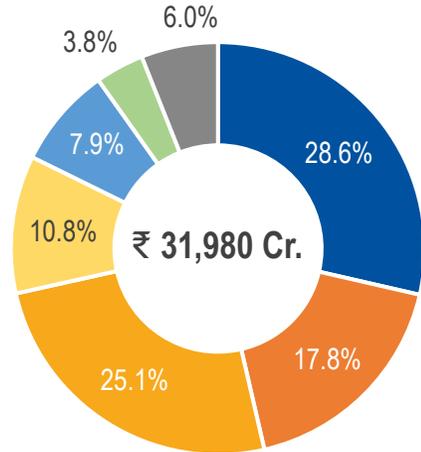
- South
- North
- West
- East

ICV, LCV and SCV as Retail CV



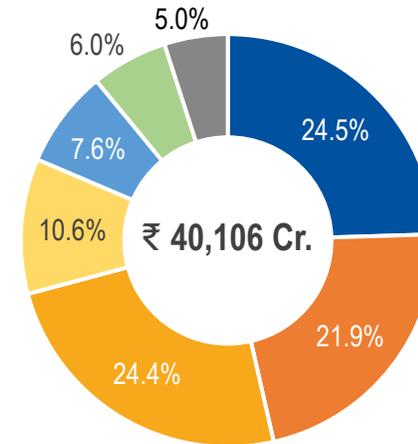
Asset wise

Sep-22



Used Assets – 17.8%

Sep-23

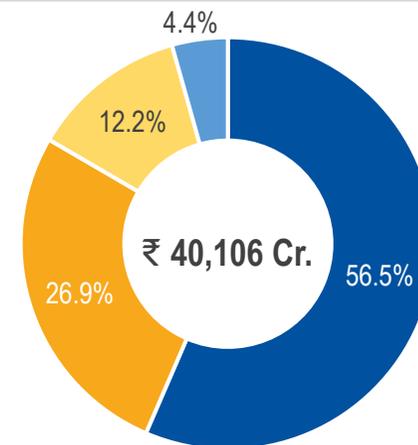
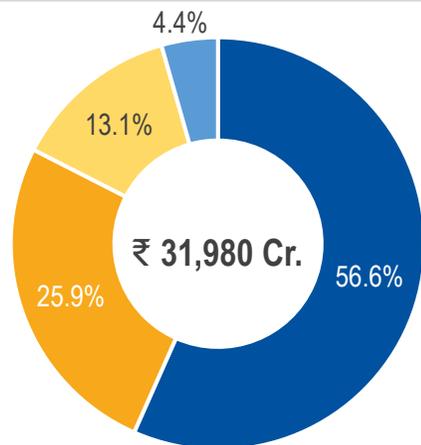


Used Assets – 17.8%

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



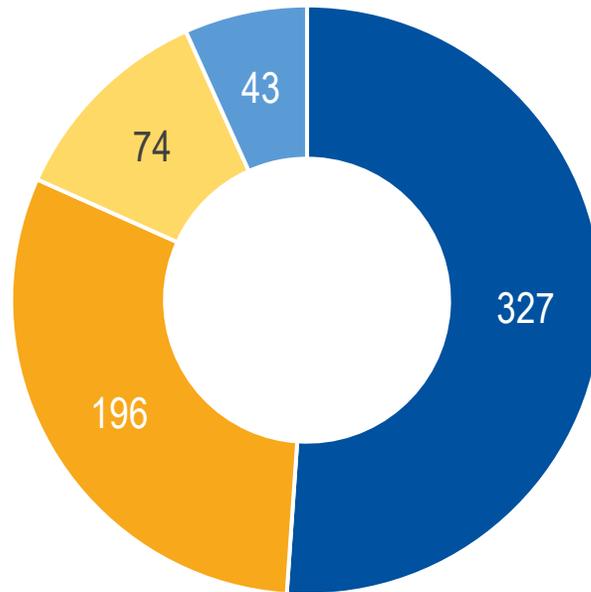
Region wise



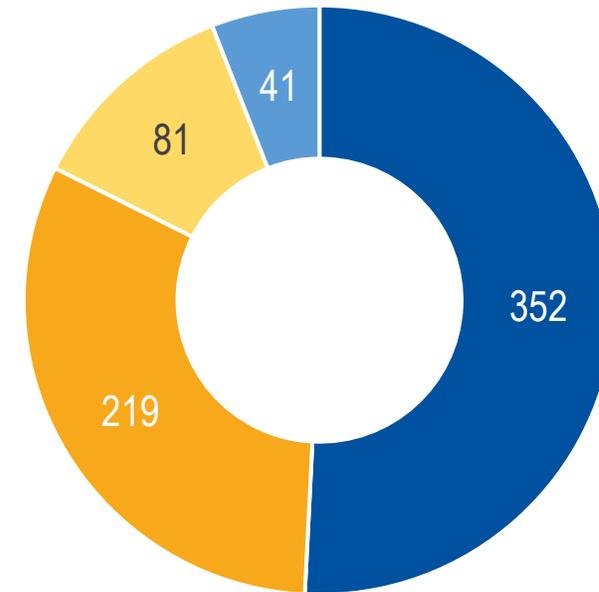
- South
- North
- West
- East

ICV, LCV and SCV as Retail CV

Sep-22



Sep-23



No. of Branches: **640**



No. of Staffs: **6,676**

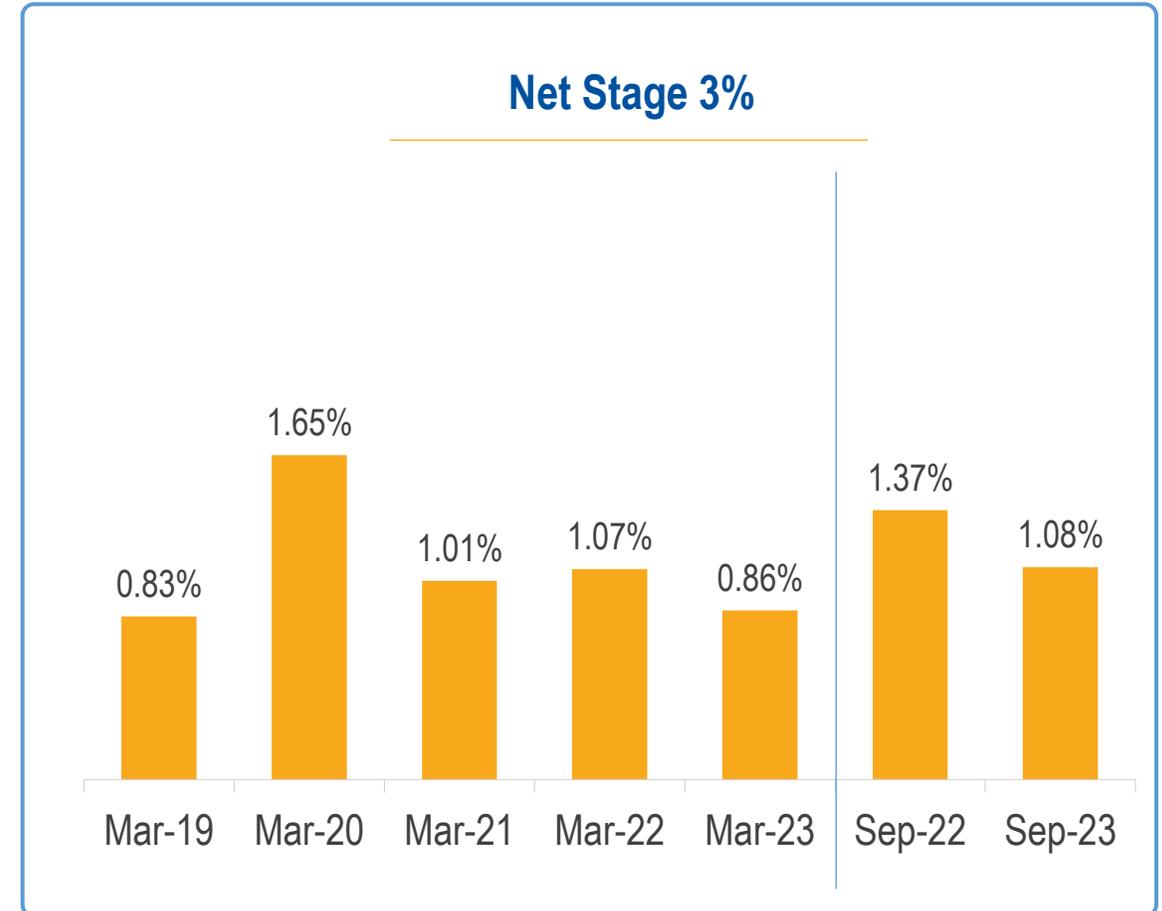
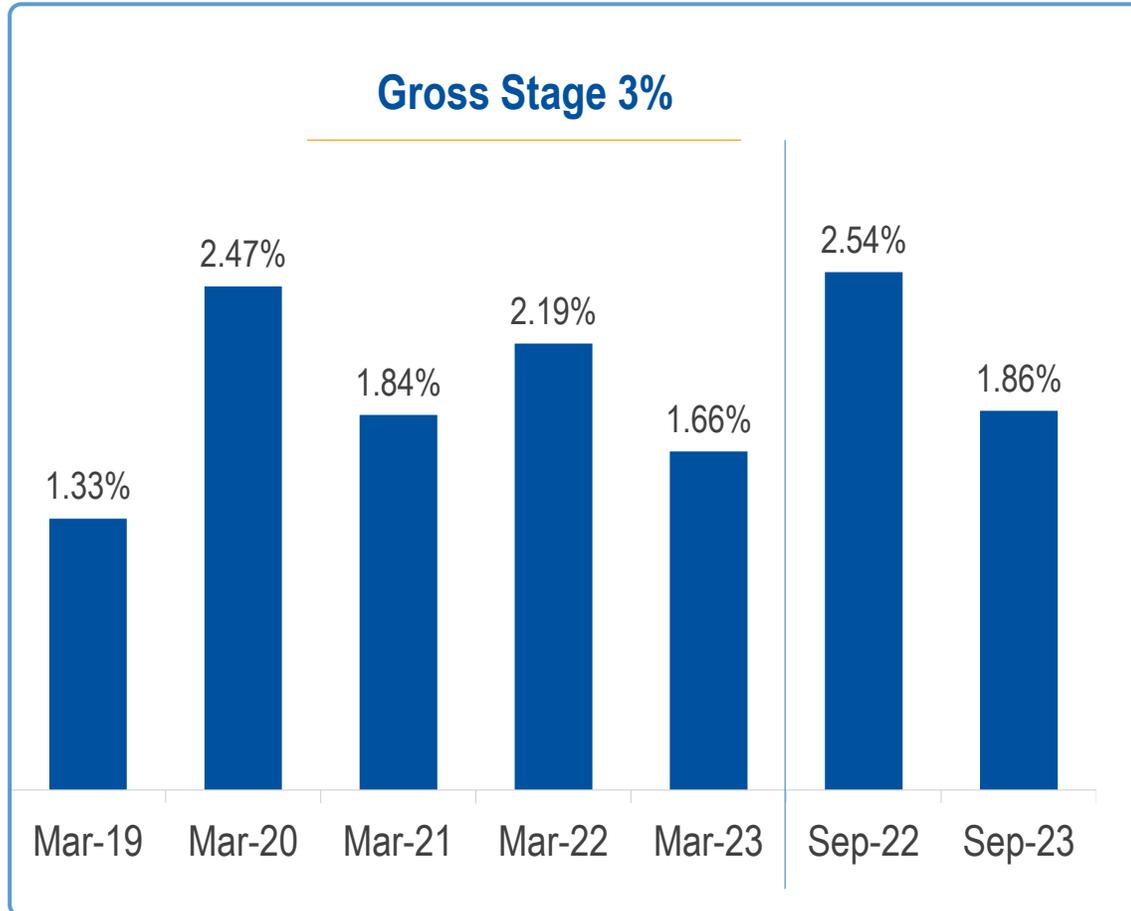


No. of Branches: **693**

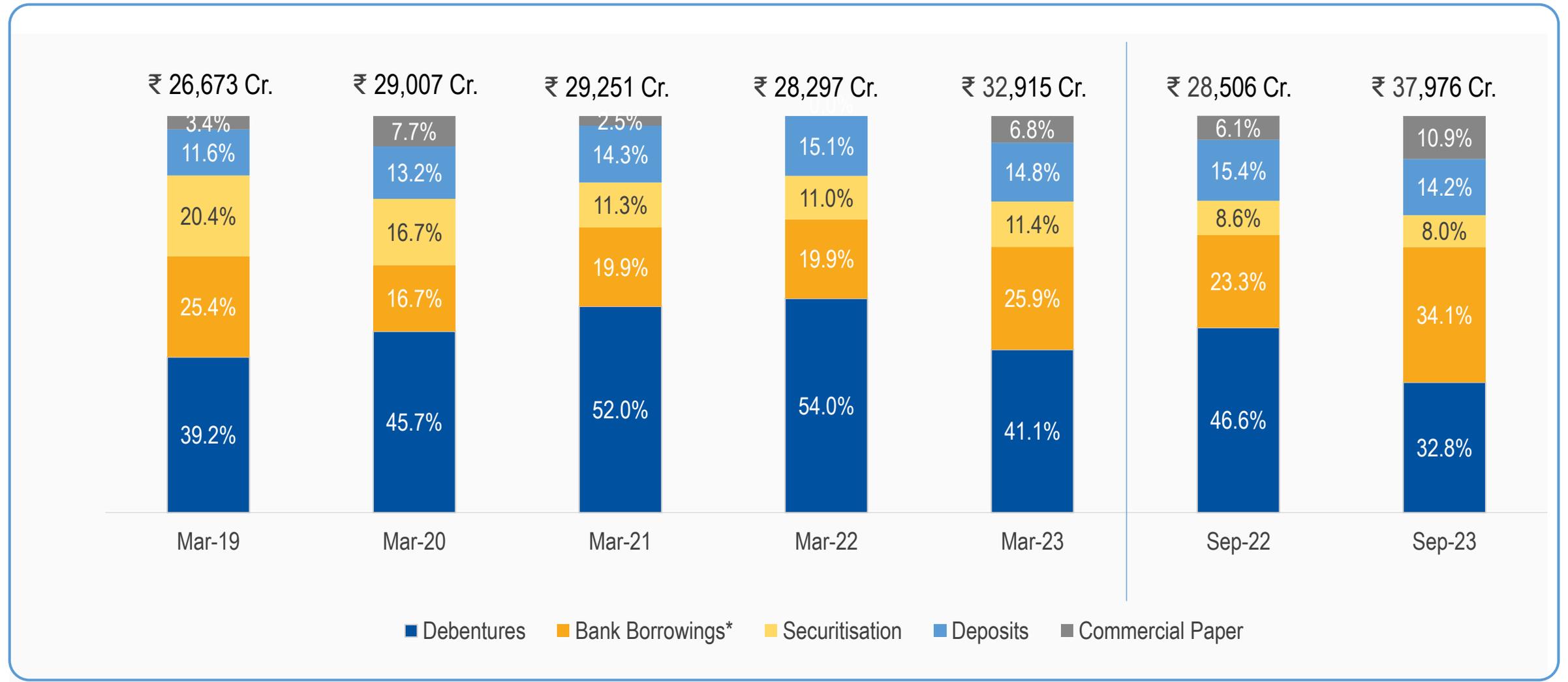


No. of Staffs: **7,780**

■ South ■ North ■ West ■ East



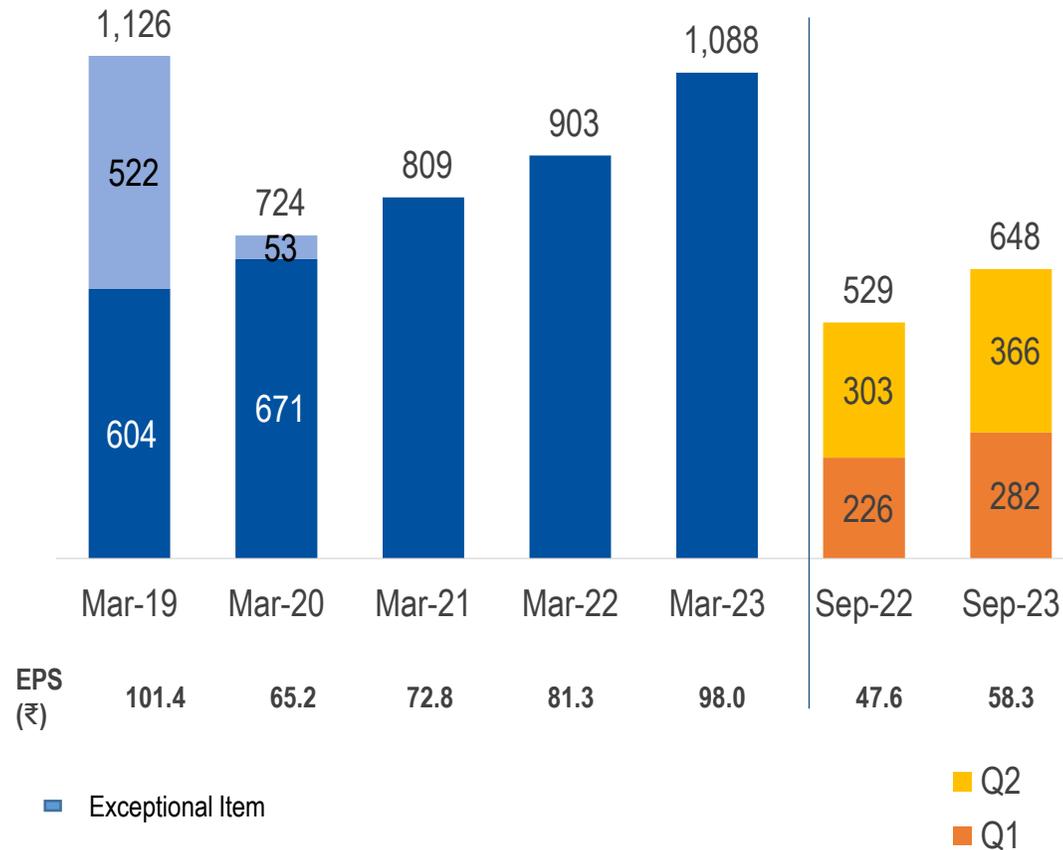
FUNDING MIX



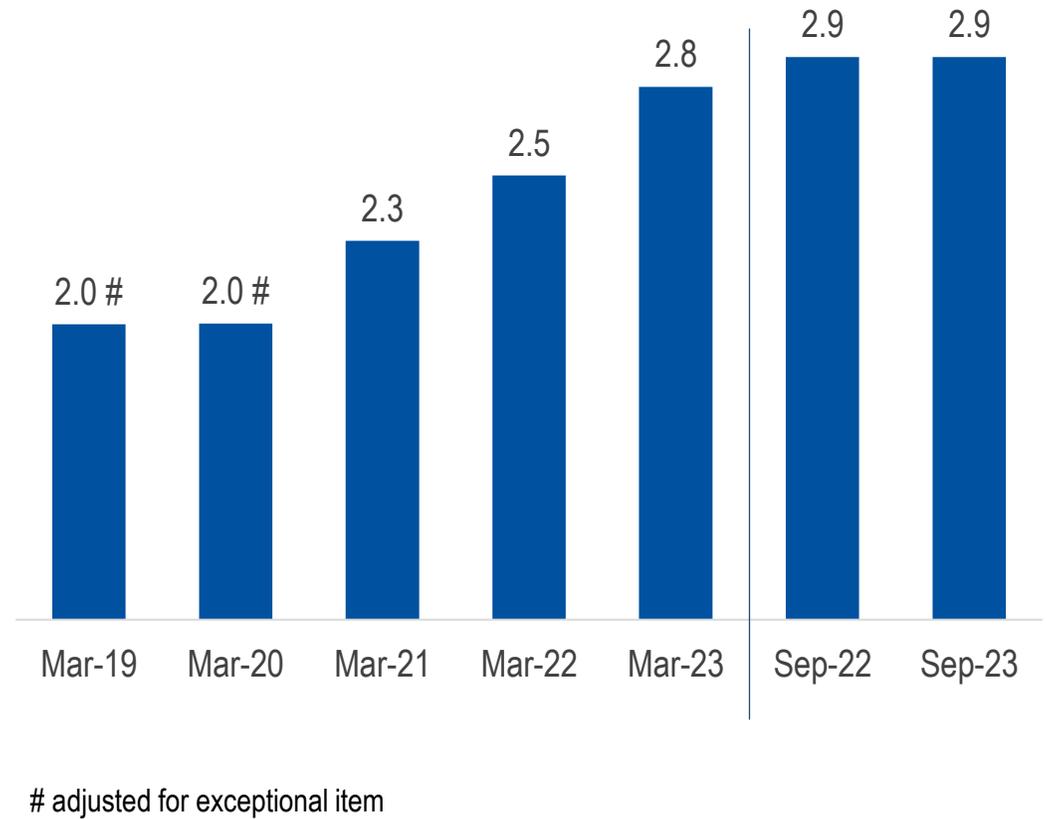
* Includes a) Term loans b) Commercial Papers and demand loans availed against the sanctioned limits.

₹ in Crore

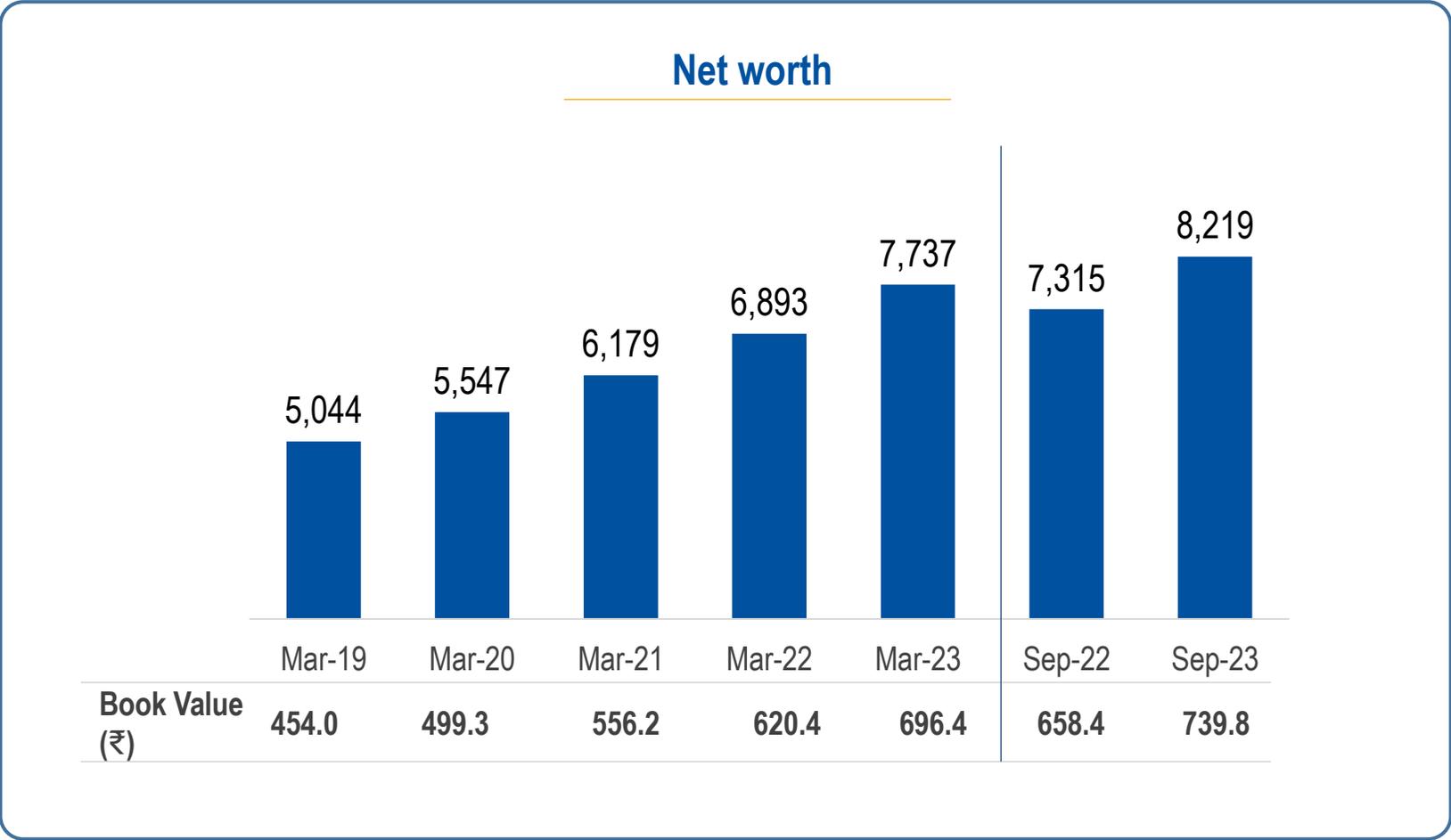
Profit after Tax



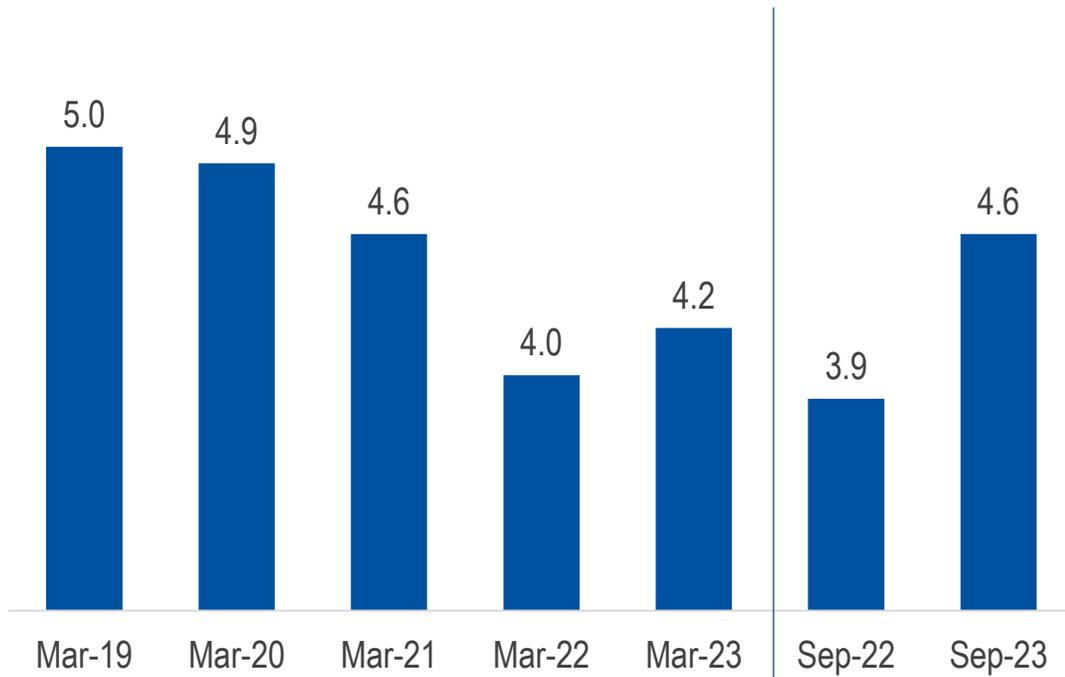
Return on Assets - %



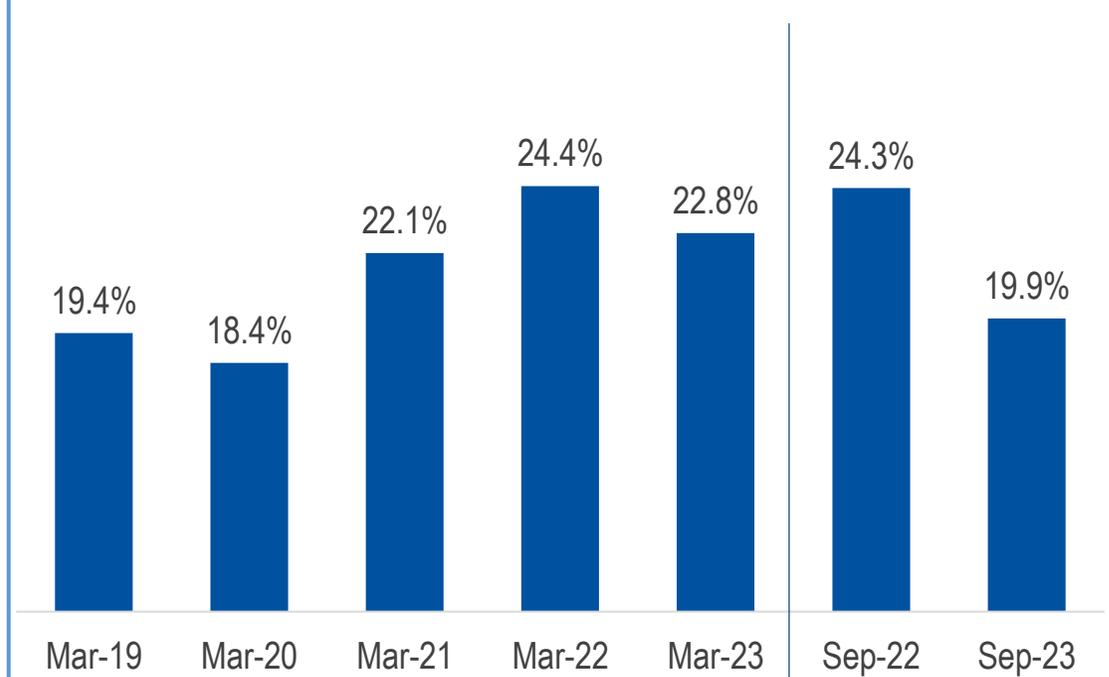
₹ in Crore



Leverage



Capital adequacy



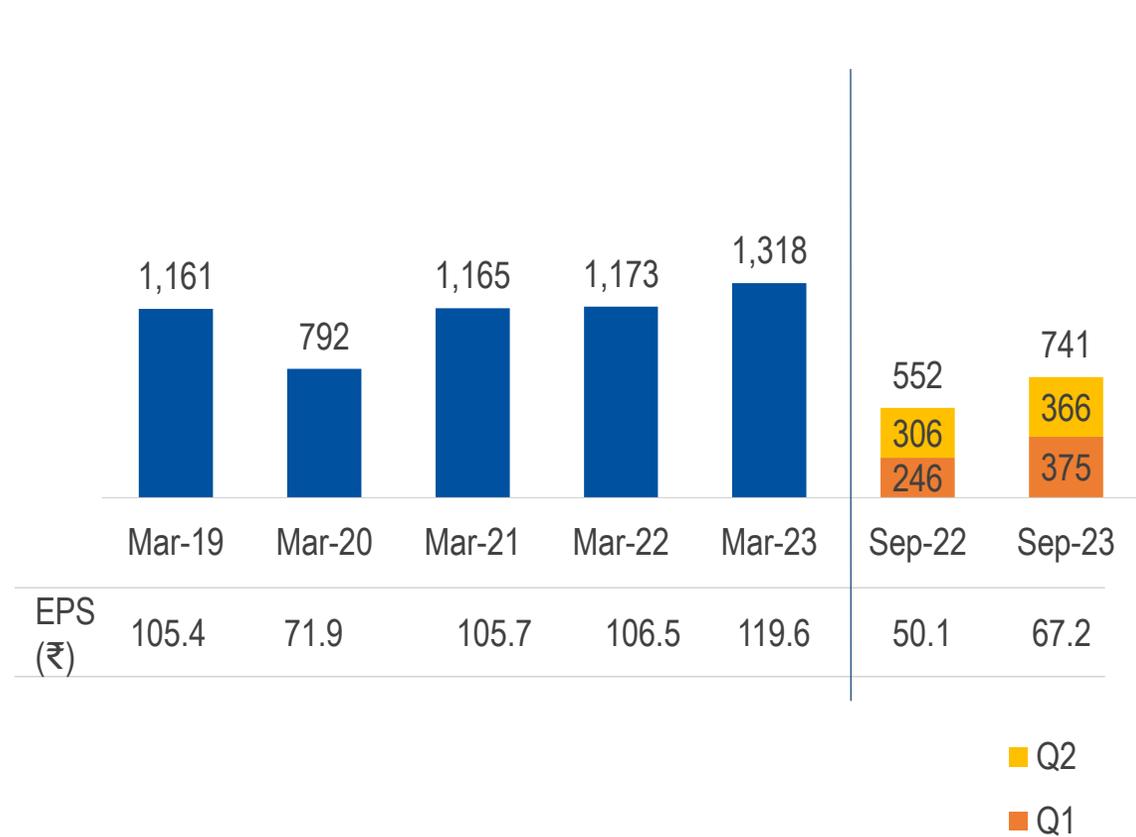


04

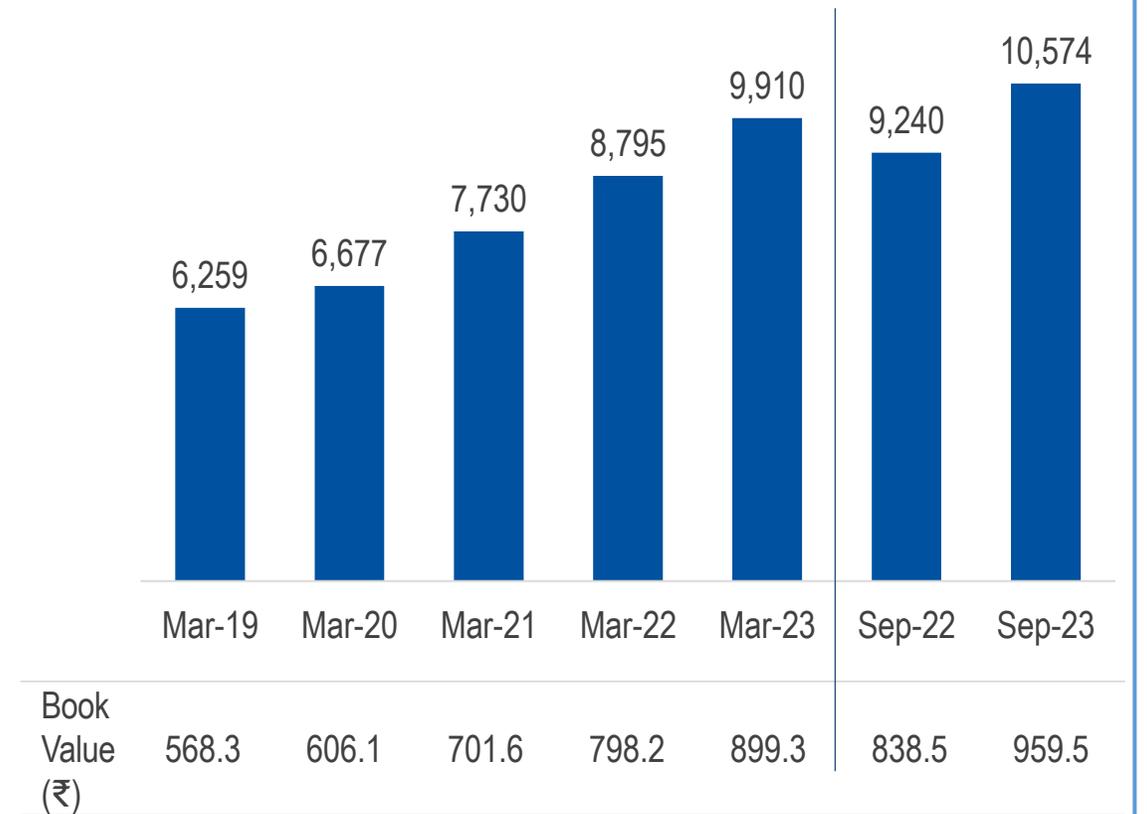
Consolidated results

₹ in Crore

Profit after Tax



Net Worth



CONSOLIDATED RESULTS

₹ in Crore

Particulars	Share of Net Worth		Share in Profit	
	30-Sep-22	30-Sep-23	H1FY23	H1FY24
Sundaram Finance Ltd.	7,315	8,219	529	648
Subsidiaries:				
Sundaram Home Finance Ltd.	1,686	1,820	98	117
Sundaram Finance Holdings Ltd. (Consolidated)	778	935	18	38
Sundaram Asset Management Company Ltd. (Consolidated)	362	408	34	48
Sundaram Fund Services Ltd.	40	42	1	1
Sundaram Finance Employees Welfare Trust	19	21	1	1
Sundaram Trustee Company Ltd.	3	3	1	1
LGF Services Ltd.	3	3	-	-
Joint Control Entities:				
Royal Sundaram General Insurance Co. Ltd.	695	790	-	72
Adjustment arising out of Consolidation	(1661)	(1,667)	(130)	(185)
Total	9,240	10,574	552	741

SUNDARAM HOME FINANCE

FY23	Particulars	Q2 FY24	Q1 FY24	Q2 FY23	H1 FY24	H1 FY23
3,901	Disbursements (₹ in Crore)	1,213	1,094	940	2,307	1,736
55.6%	Housing	46.8%	51.3%	57.5%	48.9%	58.9%
44.4%	Non-Housing	53.2%	48.7%	42.5%	51.1%	41.1%
11,181	AUM (₹ in Crore)	12,332	11,699	10,177	12,332	10,177
64.9%	Housing	62.4%	63.9%	73.3%	62.4%	73.3%
35.1%	Non-Housing	37.6%	36.1%	26.7%	37.6%	26.7%
215.4	PAT (₹ in Crore)	59.3	57.4	50.3	116.7	97.6
21.27	EPS (₹)	23.44	22.68	19.87	23.06	19.27
1,805	Net worth (₹ in Crore)	1,821	1,863	1,687	1,821	1,687
178.27	Book Value (₹)	179.82	183.95	166.56	179.82	166.56
2.3%	Gross Stage 3%	1.7%	2.0%	2.8%	1.7%	2.8%
1.1%	Net Stage 3%	0.8%	1.1%	1.6%	0.8%	1.6%
23.5%	CAR	21.0%	22.0%	24.4%	21.0%	24.4%
117	Branches	132	125	105	132	105
1,127	Staffs	1,363	1,265	953	1,363	953
57,377	Customers	59,148	58,048	56,488	59,148	56,488

FY23	Particulars	Q2 FY24	Q1 FY24	Q2 FY23	H1 FY24	H1 FY23
3,517	Gross Written Premium (₹ in Crore)	910	908	847	1,818	1,645
7,673	AUM (₹ in Crore)	8,140	8,196	7,444	8,140	7,444
44	PAT (₹ in Crore)	50	95	34	145	1
(121)	Other Comprehensive Income (Net of Taxes)	(10)	32	7	23	(132)
(77)	Total Comprehensive Income	40	128	41	168	(131)
1,443	Net worth (₹ in Crore)	1,579	1,570	1,389	1,579	1,389
111%	Combined Operating Ratio	109.2%	115.4%	117.4%	112.1%	117.1%
164	Branches	161	164	159	161	159
2,910	Staffs	2,923	2,982	2,922	2,923	2,922
32,53,364	Customers	33,25,031	33,17,970	32,21,556	33,25,031	32,21,556

Profit after tax during H1FY24 includes net gain of ₹ 37 crores on Fair Value of Equity investments as against net loss on Fair Value of equity investments of ₹ 62 crores accounted in H1FY23.

FY23	Particulars	Q2 FY24	Q1 FY24	Q2 FY23	H1 FY24	H1 FY23
54,804	AUM (₹ in Crores)	61,883	59,862	55,167	61,883	55,167
45,742	Equity (₹ in Crores)	52,532	50,238	47,855	52,532	47,855
9,062	Debt (₹ in Crores)	9,351	9,624	7,313	9,351	7,313
73	PAT (₹ in Crores)	24	24	16	48	34
404	Net worth (₹ in Crores)	407	381	362	407	362
506	Staffs	522	527	501	522	501
13,19,288	Retail Investors	12,89,560	12,94,892	15,68,549	12,89,560	15,68,549
85	Branches	85	85	85	85	85

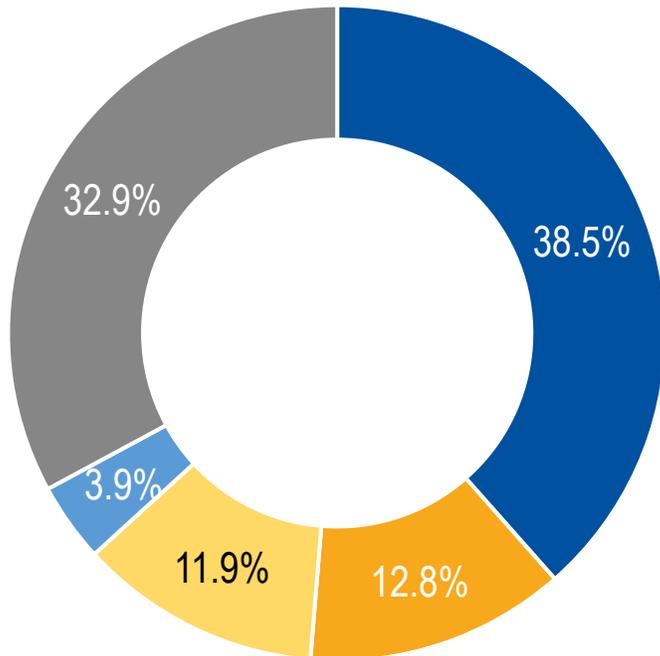


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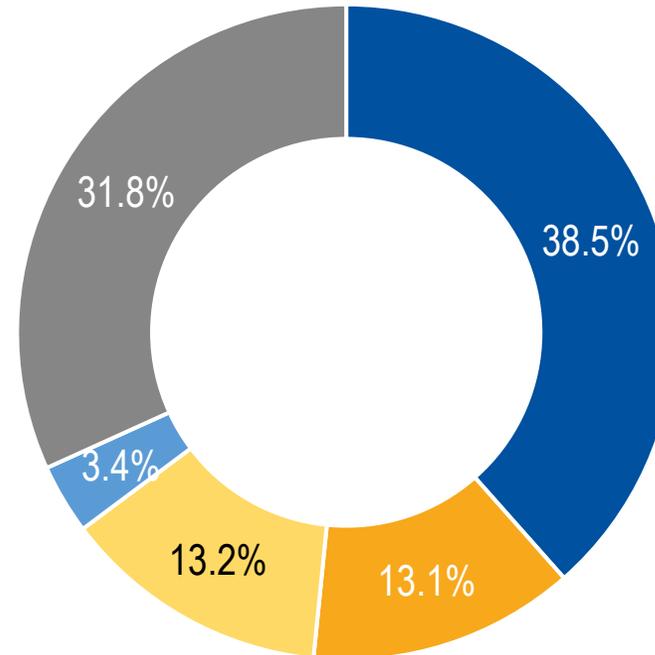
More about Sundaram Finance

SHAREHOLDING PATTERN

30-Sep-22



30-Sep-23



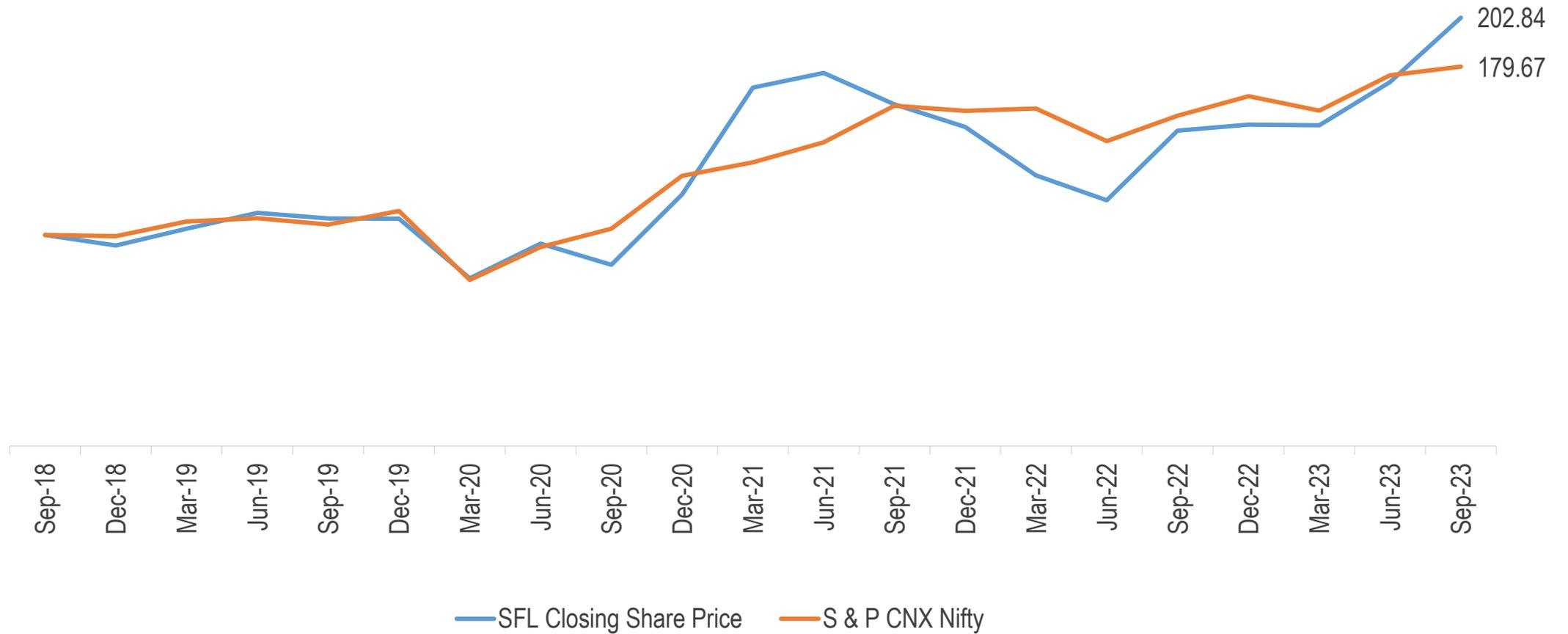
Top institutional shareholders As of 30th September 2023

Name of Shareholder	Share %
Axis Mutual Fund	4.77
Nalanda India Equity Fund Limited	3.78
Kotak Mutual Fund	2.57
Bright Star Investments Pvt Ltd	2.37
HDFC Life Insurance Company Limited	1.79
SBI Mutual Fund	1.35
United India Insurance Company Limited	1.17
Pari Washington India Master Fund Ltd.	1.09
Damani Estate and Finance Pvt Ltd.	0.93
ICICI Prudential Mutual Fund	0.85

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 September 2018





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
- SAMC Services Private Limited
- LGF Services Limited



Joint Venture

- Royal Sundaram General Insurance Company Limited



Associates of a Subsidiary Company

- Axles India Limited
- Wheels India Limited
- Turbo Energy Private Limited
- Trans Energy Private Limited
- Sundaram Dynacast Private 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 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 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 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 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)

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 **3 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 Committee 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 is the Chief Compliance Officer & Company Secretary and 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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