



SEC:033:2024-25/SM
May 24, 2024

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: Submission of Press Release

We have pleasure in enclosing the press release relating to Audited Financial Results for the financial year ended 31st March 2024.

Thanking you,

Yours truly,
For Sundaram Finance Limited

P.N. Srikant
CCO & Company Secretary

Encl:

CC: The Corporate Relationship
Dept. of Corporate Services
Bombay Stock Exchange Limited
Floor 25, P J Towers
Dalal Street
Mumbai 400 001

Sundaram Finance Limited

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PRESS RELEASE

Audited standalone & consolidated financial results for the quarter and year ended

March 31, 2024

Sundaram Finance logs highest-ever disbursements of Rs. 26,163 crores, 25% over FY23; AUM grows 27% to Rs. 43,987 crores

Net profit for FY24 up by 23% at Rs. 1,334 crores (excluding exceptional item); Q4FY24 PAT up by 22% at Rs. 386 crores (excluding exceptional item)

Continued improvement in asset quality with Gross Stage 3 assets at 1.26% (1.66% as of March 31, 2023) and Net Stage 3 assets at 0.63% (0.86% as of March 31, 2023)

Disbursements for Q4FY24 up by 18% over Q4FY23

ROA at 3.18% for FY24 (2.84% for FY23)

Capital Adequacy Ratio at 20.5% (22.8% for FY23)

160% final dividend (Rs. 16/- per share) declared

The Board of Directors of Sundaram Finance Ltd. (SFL) approved the audited standalone and consolidated financial results for the year ended March 31, 2024, at its meeting held on May 24, 2024, in Chennai.

"Team Sundaram has delivered a strong FY24 despite lower-than-expected economic activity in the quarter. Assets under management grew by 27% to a new high of Rs. 43,987 crores, net stage 3 assets closed at 0.63% and profit after tax recorded a 23% growth to Rs. 1,334 crores (excluding exceptional item) over the prior year period. Our Group companies in asset management, general insurance and home finance have continued their trajectory from FY23 and recorded strong results. We continue to rely on our time-tested approach of steady and sustainable growth with best-in-class asset quality and consistent profitability," said Harsha Viji, Executive Vice Chairman.

Disbursements for FY24 recorded a growth of 25% over FY23 with all asset classes and geographies witnessing significant growth. Gross stage 3 assets improved substantially over the previous year. Gross stage 3 assets as on March 31, 2024, stood at 1.26% with provision cover of 50% as against 1.66% as on March 31, 2023, with provision cover of 49%. Profit after tax at Rs. 1,334 crores registered an increase of 23% (excluding exceptional item) in FY24 as against Rs. 1,088 crores in FY23. Return on assets at 3.18% as against 2.84% for FY23 and capital adequacy at 20.5% remains quite comfortable to support planned growth.

Sundaram Finance Limited



“Q4 witnessed sluggish demand in the automotive sector although pre-election impetus boosted infrastructure and construction activity. We improved market share and ensured best-in-class asset quality in a tough operating environment. Looking ahead, while medium term prospects for the Indian economy look promising, we expect FY25 to be a tale of two halves - H1 impacted by the general elections currently underway and normal monsoons forecasted and H2 witnessing a revival in demand and private investment. Team Sundaram will continue to take a through-cycle view and sharply focus on delivering the Sundaram experience to our customers, our people and all stakeholders,” said Rajiv Lochan, Managing Director.

STANDALONE PERFORMANCE HIGHLIGHTS FOR FY24

- Disbursements for FY24 recorded a growth of 25% to Rs. 26,163 crores as compared to Rs. 20,966 crores registered in FY23. Disbursements for Q4FY24 recorded a growth of 18% to Rs. 6,209 crores as compared to Rs. 5,259 crores in Q4FY23.
- The assets under management grew by 27% to Rs. 43,987 crores as on 31st March 2024 as against Rs.34,552 crores as on 31st March 2023.
- Net interest income rose 17% in FY24 as compared to FY23. For the quarter ending March 31, 2024, net interest income rose 21% over the corresponding quarter in FY23.
- The total restructured assets under Covid relief measures enabled by the Reserve Bank of India were at Rs. 260 crores, about 0.6% of loan outstanding, as on 31st March 2024.
- Gross stage 3 as on 31st March 2024 stood at 1.26% with 50% provision cover as against 1.66% with provision cover of 49% as on 31st March 2023. Net stage 3 as on 31st March 2024 closed at 0.63% as against 0.86% as on 31st March 2023.
- The Gross and Net NPA, as per RBI’s new asset classification norms for NBFCs, are 1.98% and 1.25% respectively as against 3.00% and 2.10% as of 31st March 2023.
- Cost to income ratio closed at 34.69% in FY24 as against 34.26% in FY23. Cost to income ratio for Q4FY24 closed at 33.46% as against 33.02% for Q4FY23.
- Profit after tax registered a 23% rise in FY24, with net profit at Rs. 1,334 crores (excluding exceptional item). The company had registered a net profit of Rs. 1,088 crores in FY23. Profit after tax registered a 22% increase in Q4FY24 (excluding exceptional item), with net profit at Rs. 386 crores as compared to Rs. 316 crores in Q4FY23.
- During the year, the Company transferred 79,73,529 equity shares of Rs. 5/- each held in Sundaram Finance Holdings Limited (SFHL), representing 3.59% stake, resulting in a profit of Rs. 134 crores. SFHL has ceased to be a subsidiary of the company. The Company has decided to recognise this investment at Fair Value through Other Comprehensive Income as per IND AS 109.

Sundaram Finance Limited



- Provision of Rs. 70 crores was made in respect of investments in Alternate Investment Funds (AIF) pursuant to RBI circular dated 27th March 2024.
- Return on assets (ROA) for FY24 closed at 3.18% as against 2.84% for FY23. Return on equity (ROE) was at 17.5% for FY24 as against 14.9% for FY23.
- Capital Adequacy Ratio stood at 20.5% (Tier I –16.8%) as of 31st March 2024 compared to 22.8% (Tier I – 17.7%) as of 31st March 2023.
- The Company has declared a final dividend of Rs. 16/- per share (160%).

CONSOLIDATED PERFORMANCE HIGHLIGHTS FOR FY24

The consolidated results of SFL include the results of its standalone subsidiaries Sundaram Home Finance, Sundaram Asset Management and joint venture company Royal Sundaram General Insurance.

- The assets under management (AUM) in our lending and general insurance businesses stood at Rs. 66,472 crores as on 31st March 2024 as against Rs. 53,406 crores as on 31st March 2023. The assets under management of our asset management business stood at Rs. 70,883 crores as on 31st March 2024 as against Rs. 54,719 crores as on 31st March 2023.
- Profit after tax for FY24 grew by 8% to Rs. 1,436 crores as compared to Rs. 1,328 crores in FY23.

GROUP COMPANY PERFORMANCE HIGHLIGHTS

Our group companies continued to perform well.

- The asset management business closed the year ended 31st March 2024 with assets under management of Rs. 70,883 crores (over 85% in equity) and consolidated profits from the asset management businesses was at Rs. 112 crores as against Rs. 85 crores in FY23.
- Royal Sundaram reported a Gross Written Premium (GWP) of Rs. 3,825 crores as compared to Rs. 3,517 crores in the previous year, representing a growth of 9%. The Company reported a profit after tax of Rs. 169 crores for FY24 as against a profit of Rs. 44 crores in FY23. Profit after tax during FY24 includes net gain of Rs. 71 crores on Fair Value of Equity investments as against net loss on Fair Value of equity investments of Rs. 105 crores in FY23.
- Sundaram Home Finance continued to grow strongly with disbursements up by 29% to Rs.5,029 crores in FY24. The profit for FY24 was Rs. 236 crores, up by 9% as against Rs.215 crores in FY23.

Sundaram Finance Limited



ABOUT SUNDARAM FINANCE

Sundaram Finance was established in 1954 and the company has today grown into one of the most trusted and diversified financial services groups in India providing financing for commercial vehicles, cars & utility vehicles, tractors and farm equipment, construction equipment, SME finance and a range of working capital products for financing diesel, tyres, insurance as well as working capital for SMEs. Through its subsidiaries and group companies, the company offers home finance, loans against property, mutual funds and investment management solutions and the full range of general insurance products and services. It has a nationwide presence of over 700 branches, nearly 1.2 lakh depositors and over 4.5 lakh lending customers.

Sundaram Finance's vision is to be the most respected NBFC in the country and its mission is to deliver the Sundaram experience to all customers, big and small, in keeping with the ethos of the Company. Sundaram Finance embraces a philosophy that balances Growth with Quality and Profitability and remains rooted to its ideal of protecting and enhancing shareholder value. The founding philosophy of the company is that everything begins with the customer. Our founder, Late Sri T S Santhanam, enshrined in the company its core values - The Sundaram Way - that have been the company's guiding light over the decades. The company is deeply rooted in its values and proud of its heritage, also constantly innovating in terms of technology and processes to deliver the unique Sundaram experience to its customers and stakeholders.

ABOUT TSF GROUP

With a legacy spanning a century, the TSF Group's interests span the automotive and financial services sectors. Companies promoted by the TSF Group have combined revenue of more than Rs. 21,000 crores, 42,000 employees, 1,200 branches, and 36 factories. In the automotive industry, the TSF group operates across segments from component manufacturing, parts distribution, vehicle dealership and vehicle financing. The Group serves marquee customers across the globe and is known for high quality design-led manufacturing. The TSF Group companies are market leaders in their segments and include Brakes India, Wheels India, Axles India, Turbo Energy, IMPAL, Madras Auto Service, and Sundaram Motors. In financial services, the TSF Group promoted Sundaram Finance (founded 1954), one of the most respected names in the NBFC sector, with interests in automotive lending, general insurance, housing loans, and asset management. The financial services business has more than Rs. 66,000 crores in assets and a further Rs. 70,000 crores in assets managed. The TSF Group comprises the T.S. Santhanam branch of the erstwhile TVS group and continues the tradition of Trust, Value and Service that the group has been known for this past century.

For more information, please visit: <https://www.sundaramfinance.in/>

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Sundaram Finance Limited