



SUNDARAM FINANCE
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Sundaram Finance FY14 Net Profit up 8% at Rs. 443cr

Recommends dividend of Rs. 10 per share

Focus on Asset Quality keeps Net NPA at 0.45%

Chennai 26 May 2014: Leading NBFC Sundaram Finance Ltd. has registered an 8% growth in Net Profit for the year ended 31st March 2014 at Rs. 443cr as compared to Rs. 410cr in the previous year ended 31st March 2013. The Board has recommended a dividend of Rs. 10 per share.

Despite testing market conditions, Gross NPA and Net NPA as on 31st March 2014 stood at 1.23% and 0.45% respectively.

Gross Receivables managed by the Company stood at Rs.18158cr as on 31st March 2014 as against Rs. 17645cr as on 31st March 2013. Networth increased to Rs. 2405cr as on 31st March 2014 from Rs. 2087cr as on 31st March 2013.

Disbursements for the year ended 31st March 2014 stood at Rs. 9606cr as against Rs. 9991cr registered in the same period the previous year.

Deposits crossed Rs. 1600cr and stood at Rs. 1666cr as on 31st March 2014.

Commenting on the FY14 performance, TT Srinivasaraghavan, MD, Sundaram Finance Ltd., said, "This was perhaps the most challenging year for the CV industry since the slowdown we witnessed in 1997-98, with sales of Medium and Heavy commercial vehicles plummeting 25% or more in two successive years, 2012-13 and 2013-14. With dwindling freight offerings and spiralling operating costs, transport operators have been experiencing severe cash flow strains. Viewed against this backdrop, the Company has been able to maintain a tight leash on its asset quality, thereby enabling it to report a reasonable growth in profits. While overall disbursements were down 3% over the previous year, the Company maintained or marginally improved its market share in all its key asset segments. The growth in tractor business was a bright spot for us as we continued to improve our market share in that segment."

Financial Highlights

Particulars	2013-14	2012-13	%age growth
Disbursements	Rs. 9606cr	Rs.9991cr	(3)%
Net Profit	Rs. 443cr	Rs.410cr	8%

On the growth opportunities, Srinivasaraghavan said, "The CV industry is witnessing a transformation and we are gearing ourselves to both adapt to the changes and take advantage of the emerging opportunities. While CVs and Cars will continue to remain the backbone of our business, there is enormous headroom to expand our presence in the Tractor and the Construction Equipment segments, both of which are poised for strong growth in the days ahead."

On the outlook for the year, Srinivasaraghavan said, "While the overall sentiment is upbeat with a stable Government in place, it could take up to 6months before we see any actual recovery on the ground in the automotive sector. The mood is one of cautious optimism."

