

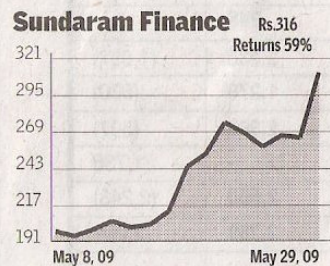
Sundaram Finance posts Rs 150-cr net; to pay 25% final

Our Bureau

Chennai, May 29

Sundaram Finance Ltd has reported a net profit of Rs 150.73 crore for 2008-09 compared with Rs 212.54 crore for the previous year. However, the net profit for the previous year included a one-time profit of Rs 77 crore.

At a press conference here today, Sundaram Finance's Managing Director, Mr T.T. Srinivasa Raghavan, said that the company's "net profit from continuing operations",



therefore, grew 11 per cent.

He said that it was a matter of satisfaction that the company was able to turn in a growth in a particularly difficult year.

The company's board of

directors today recommended a final dividend of Rs 2.5 a share (25 per cent), taking the dividend for the year to Rs 6.5 a share (65 per cent). Last year, the company had issued bonus shares, one for every share held.

Sundaram Finance is in the business of asset-financing, mainly commercial vehicles, passenger cars and construction equipment. Credit disbursements in 2008-09 were lower at Rs 4,540 crore (Rs 5,109 crore), reflecting the difficult mar-

ket conditions.

Net non-performing assets as at end March 2009 stood at 0.75 per cent compared with 0.49 per cent a year ago.

He said that the company expects the current year to be also difficult considering that there is an overcapacity of commercial vehicles in the market. He also does not expect interest rates to come down. On Friday, Sundaram Finance's share price on the NSE rose 10.23 per cent to Rs 304.35.