

**SUNDARAM FINANCE LIMITED**  
**21, PATULLOS ROAD, CHENNAI – 600 002**

**MINUTES OF THE PROCEEDINGS OF THE 72<sup>nd</sup> ANNUAL GENERAL MEETING OF THE  
SHAREHOLDERS OF SUNDARAM FINANCE LIMITED HELD THROUGH VIDEO  
CONFERENCING ON WEDNESDAY, THE 23<sup>rd</sup> DAY OF JULY 2025 BETWEEN 10.00  
A.M. AND 10.50 A.M.**

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**PRESENT:**

MEMBERS\* : 113

\* includes Directors and Key Management Personnel who were present in person at a central location

<b>Chairman</b>	Mr. S. Viji
<b>Directors</b>	Mr. T.T. Srinivasaraghavan
	Mr. Srivats Ram*
	Mr. R. Raghuttama Rao*
	Mr. L. Ganesh*
	Mrs. Bhavani Balasubramanian
	Dr. Kshama Fernandes*
	Mr. R. Venkatraman*
	Mrs. Anuradha Rao*
<b>Executive Vice Chairman</b>	Mr. Harsha Viji
<b>Managing Director</b>	Mr. Rajiv C. Lochan
<b>Deputy Managing Director</b>	Mr. A.N. Raju
<b>Chief Financial Officer</b>	Mr. M. Ramaswamy
<b>CCO &amp; Company Secretary</b>	Mr. P.N. Srikant
<b>Statutory Auditors</b>	Mr. P. Babu, Brahmayya & Co*.
	Mr. L. Ravi Shankar, Brahmayya & Co*.
	Mr. K. Venkatakrishnan, R.G.N. Price & Co*.
	Mr. Vinay M Kothari, R.G.N. Price & Co*.
<b>Secretarial Auditor</b>	Mr. M. Damodaran, Damodaran & Associates LLP*
<b>Scrutinizer</b>	Mr. T. K. Bhaskar, Partner, H&B Partners*

\*attended through video conference mode

Mr. S. Viji occupied the Chair and called the meeting to order.

He informed the members that a certificate had been obtained from the practising Company Secretary regarding compliance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

With the permission of the members, Notice of the Meeting was taken as read.

The Secretary informed the shareholders that the Auditors' Report on the accounts for the year ended 31<sup>st</sup> March 2025, being an unqualified one, was not required to be read out at the Annual General Meeting as per the provisions of Section 145 of the Companies Act, 2013.

Mr. S. Viji, Chairman, then delivered his Speech, highlighting the following points:

- During the financial year 2024–25, the global economy demonstrated modest growth amid ongoing geopolitical tensions, persistent inflationary pressures, and monetary policy adjustments. Advanced economies like the U.S. and the Eurozone experienced slower growth due to high interest rates and weakened consumer spending.
- Emerging markets, particularly in Asia, maintained better economic momentum, largely driven by domestic demand. Inflationary pressures eased in most economies through the course of the year.
- In response to the fluidity and complexity unleashed by the global trade and tariff related uncertainty, and increased geopolitical complications, the World Economic Outlook released in April 2025 by International Monetary Fund replaced its usual baseline forecast with a “reference forecast”, which projects a sharp downgrade in global economic activity.
- World GDP growth is expected to fall to 2.8 per cent in calendar year 2025 and modestly improve to 3.0 per cent in calendar year 2026. This is expected to be considerably lower than the historical average of 3.7 per cent recorded between calendar year 2000 and calendar year 2019.
- The global economic outlook is fraught with downside risks. The continuation or escalation of geopolitical tensions, combined with the elevated uncertainty around trade and economic policies, could suppress growth further and undermine investor



confidence. Additional risks stem from the erosion of policy buffers, which limits the capacity of governments to respond effectively to future shocks.

- Despite these headwinds, there are potential upside opportunities. A de-escalation of tariffs and greater clarity on trade policies could restore investor confidence and lift global growth above the current projections. Structural reforms will play a pivotal role in reinvigorating growth and reducing cross-country disparities.
- Despite the global uncertainties, the Indian economy registered a healthy growth in financial year 2024-25 relative to the global economy.
- According to the Second Advance Estimates by the National Statistics Office, real Gross Domestic Product is estimated to have grown at 6.5% in financial year 2024-25, on top of a 9.2% growth in financial year 2023-24. Agriculture and allied activities witnessed an improvement to register a growth of 4.6 per cent, and services grew by 7.5 per cent, even as industrial growth was low at 4.3 per cent.
- On the inflation front, there has been significant recovery, thanks to the Government's efforts to curtail retail inflation through reduction in duties and restriction of exports in select commodities and products, combined with decisive and timely monetary policy actions of the Reserve Bank of India. CPI headline inflation declined from 5.2% in December 2024 to 3.6% in February 2025. This was driven largely by a stable monsoon, steep seasonal correction in vegetable prices and a general easing in food inflation, which dropped to a 21-month low of 3.8%. Core inflation remained stable, inching up marginally to 4.1% due to a spike in gold prices. CPI headline inflation continued its declining trajectory in March and April, with headline CPI inflation moderating to a nearly six-year low of 3.2 per cent (year-on-year) in April 2025 and continuing further down to 2.8% in May.
- Due, in large part, to the significant improvement in inflation, the Monetary Policy Committee of the Reserve Bank of India has reduced the Policy Repo Rate during February and April 2025 by 25 basis points each and delivered a further reduction of 50-basis points in the Policy Repo Rate to 5.5% in its June 2025 meeting. The June meeting also announced a liquidity boosting, staggered Cash Reserve Ratio reduction of 100 basis points. These measures are expected to bolster private consumption and support a revival in private corporate investment activity.

- Fiscal deficit moderated further from 5.5% in 2023-24 to 4.7% in 2024-25. It has been estimated to improve further to 4.4% of GDP in financial year 2025-26, thanks to prudent fiscal management by the Government and supported by appreciable increase in revenue collection over the last few years.
- During financial year 2024-25, the Indian Rupee remained steady within the range of ₹83-88 per US\$, positioning it as one of the least volatile major currencies among both emerging markets and a few advanced economies.
- The performance of the Indian automobile industry in financial year 2024–25 was satisfactory. According to the Society of Indian Automobile Manufacturers, wholesale despatches by the industry grew by 7.3% in domestic sales and exports grew by 19.2%.
- The first quarter of the year witnessed general elections and a particularly hot summer. Government spending on infrastructure was lower than expected and demand for commercial and passenger vehicles was weak. While the second half witnessed some improvement in sentiment, global events and geopolitical tensions had an overhang on overall demand.
- The passenger vehicle segment posted its highest ever domestic sales in financial year 2024-25 of 4.3 million units, albeit with a moderate growth of 2% as compared to financial year 2023-24. Utility vehicles continued to drive growth, contributing 65% of total passenger vehicle sales, as compared to about 60% in financial year 2023-24. The growth was supported primarily by attractive discounts and promotional offers.
- Electric Vehicle adoption saw relatively strong growth in financial year 2024–25 with a 17% increase supported by growth across Electric Passenger Vehicles, e-Two-Wheeler and e-Three-Wheeler segments.
- The commercial vehicle segment witnessed a decline of 1.2% in financial year 2024-25, compared to the previous year. However, the segment posted a growth of 1.5% in the last quarter of financial year 2024-25.
- The performance of this segment has been supported effectively by the expanding highways and expressway network, which is playing a crucial role in reducing logistics costs and enhancing regional connectivity. Equally, the infrastructure



development has helped this segment in driving sales of buses for inter-city travels and increasing focus on mass-mobility in intra-city routes.

- The Tractor & Farm Equipment segment rebounded with a year-on-year growth of 8.4% in financial year 2024-25 despite adverse erratic rainfall and an unusually hot summer in the first half of the year. The segment experienced a recovery in the latter part of the year, aided by favourable monsoon conditions, robust procurement along with increased minimum support prices and higher rural income.
- Company's disbursements at ₹28,405 crores have registered a moderate growth of 8.6% during the year under review, amidst the uncertainties in external demand. While the Company has recorded growth across all geographies, growth has been muted in some asset classes. Gross receivables managed by your Company as of 31<sup>st</sup> March 2025, stood at ₹60,290 crores recording a growth of 17.3% over the previous year. During the year, margins continued to be under pressure. The Company's ability to price risk well, its AAA credit rating and the treasury team's ability to raise resources at competitive rates enabled it to maintain its margins at a reasonably healthy level.
- The Company's superior credit standards, strong customer relationships and systematic collection efforts have ensured best-in-class performance on asset quality. Gross Stage III assets stood at 1.44% and Net Stage III assets closed at 0.75% as at 31<sup>st</sup> March, 2025.
- The Company has been maintaining comfortable liquidity in the form of liquid investments and undrawn bank limits, to meet its maturing liabilities.
- The Company registered a net profit of ₹1,543 cr. compared to ₹1,454 cr. in the previous year, a growth of 6%. The Company's net worth stood at ₹11,139 cr., as on 31<sup>st</sup> March 2025. Capital adequacy at 20.42% was comfortably higher than the statutory requirement of 15%.
- The Directors were pleased to recommend a final dividend of ₹21/- per share. The interim dividend of ₹14/- per share was paid during March 2025. In aggregate, the total dividend adds up to ₹35/- per share for the financial year ended 31<sup>st</sup> March 2025 on the paid-up capital of ₹111.10 cr. The final dividend, if approved by the shareholders, would be recognised as a liability in financial year 2025-26.

- India is well-positioned to remain one of the fast-growing major economies in the world in financial year 2025–26. While global headwinds persist, India's domestic fundamentals and focus on infrastructure provide a good foundation for sustained economic momentum.
- India's economic outlook for the fiscal year 2025-26 presents a cautiously optimistic picture, underpinned by robust domestic drivers, improving inflationary trends, an accommodative monetary policy stance, and focused fiscal consolidation efforts.
- The Government's continued investment in infrastructure is expected to provide support to economic activity. Inflation outlook has turned positive with substantial moderation in food prices.
- The outlook for India's agriculture sector in financial year 2025-26 appears promising, supported by healthy reservoir levels and strong crop yields. Manufacturing activity is showing signs of recovery, underpinned by positive business sentiment, while the services sector continues to display resilience.
- Both rural and urban consumption demand are poised for take-off. Rural sentiments are expected to improve on account of normal monsoons predicted and the prospects of robust procurement. On the urban front, due to the resumption in government spending on infrastructure and the introduction of personal income tax benefits announced in the Union Budget, there is an expectation of an increase in demand.
- However, persistent global uncertainties, including the recent escalation in trade protectionism, pose downside risks resulting from global growth slowdown, elevated volatility in the financial markets, and low customer and investor confidence. While India could be in a better position to manage and mitigate such risks, the global disturbances can have some impact on the domestic economy.
- Given these uncertainties, the RBI Monetary Policy Committee has revised its financial year 2025-26 GDP growth estimates downwards to 6.5% and has projected the CPI inflation for financial year 2025-26 at 4%.
- The prospects of the automotive sector will largely mirror the balanced set of risks that the broader macro economy is faced with. Financial year 2025-26 is expected to



reflect the cautious optimism for the automotive sector that India's economy is faced with.

- Under these circumstances, the Company continues to rely on its time-tested Growth with Quality and Profitability or GQP philosophy. Key priorities include:
  - Delivering growth across all asset classes and geographies to ensure a healthy and sustainable momentum,
  - Ensuring that the asset quality remains best-in-class,
  - Maintaining traditional levels of net interest margin, and operating expense ratio,
  - Expanding the Company's geographic footprint in its regions of operations and accelerating growth in its new areas of focus.
- The Reserve Bank of India has been continuously emphasising the importance of sound business practices, efficient customer grievance redressal mechanisms, effective procedures for prevention of money laundering & terrorism financing and robustness of the information security and cyber security framework. With a view to achieving this end, the regulator has been taking a number of initiatives to strengthen the regulatory framework applicable to banks and NBFCs.
- The Company is adequately geared up to manage and mitigate various types of risks that are likely to emanate from various quarters. The Management has taken appropriate steps to ensure that the operations, treasury, compliance, risk management, internal audit and information technology teams are well prepared to comply with the regulatory requirements both in letter and spirit.
- Sundaram Asset Management Company Limited: On a consolidated basis, the assets under management for financial year 2024-25 were ₹76,008 crores as against ₹64,072 crores for the previous year. The total revenues amounted to ₹515.31 crores against ₹456.85 crores for the previous year. Profit after tax was ₹153.53 crores as against ₹111.91 crores in the previous year.
- Sundaram Home Finance Limited reported 30% growth in disbursements to ₹6,534 cr. and a profit after tax of ₹244.66 cr. in the year under review. The loan portfolio stood at ₹17,408 cr. as at 31st March 2025 as against ₹13,812 cr. in the previous year, a growth of 26.03%. Stage 3 assets, gross and net of ECL provisions, stood at



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1.02% and 0.53% respectively, as at 31st March 2025. The company paid a total dividend of ₹6.04 per share (60.42%) for the year.

- Royal Sundaram General Insurance Co. Limited, the joint venture with Ageas Insurance, reported a Gross Written Premium of ₹4,065 cr. in financial year 2025. The Company reported a profit after tax as per IND AS of ₹133 cr. for the current year as against ₹169 cr. in the previous year. The current year's profit as per IND AS was lower than the previous year mainly due to mark to market loss. The company paid an interim of Rs. 0.60/- per share during the year and recommended a final dividend of Rs. 0.30/- per share for the year ended 31<sup>st</sup> March 2025.

The Chairman advised the shareholders that they could seek clarifications, if any, on the audited accounts and on all other subjects, as well.

Queries raised by 3 shareholders were replied to by the Executive Vice Chairman and Managing Director.

The Chairman announced that those members who had not exercised their votes through remote e-voting could do so through e-voting upto the conclusion of the meeting.

After conclusion of e-voting, the Chairman stated that the final results of the voting (after consolidating the results of remote e-voting and e-voting at the time of the meeting) would be announced to the Stock Exchange and on the website of the Company within two working days of the conclusion of the AGM.

The final results of the voting and the resolutions passed are as under:

**1. ADOPTION OF ACCOUNTS – ORDINARY RESOLUTION**

	Total
Number of valid votes received	7,12,79,185
Votes in favour of the Resolution	7,12,64,281
Votes against the Resolution	14,904
Votes in favour (%)	99.9790%

**RESOLVED** that the Audited Financial Statements, including the Consolidated Financial Statements of the Company, for the year ended 31<sup>st</sup> March 2025 and the Board's and Auditors' Reports thereon, be and are hereby approved and adopted.



**2. DECLARATION OF FINAL DIVIDEND – ORDINARY RESOLUTION**

	Total
Number of valid votes received	7,13,14,691
Votes in favour of the Resolution	7,13,14,589
Votes against the Resolution	102
Votes in favour (%)	99.9998%

**RESOLVED** that a final dividend of ₹21/- per share (210% on the face value of ₹10/-), as recommended by the Directors, be and is hereby declared for the financial year ended 31st March 2025 on the paid-up capital of ₹111.10 cr. and the same be paid to the shareholders, whose names appear on the Register of Members of the Company on 9<sup>th</sup> July 2025, making with the interim dividend of ₹14/- per share (140% on the face value of ₹10/-), a total dividend of ₹35/- per share (350% on the face value of ₹10/-) for the year 2024-25 and that the total dividend amount of ₹388.86 cr. representing the said total dividend of ₹35/- per share (350% on the face value of ₹10/-) be paid out of the profits for the year 2024-25.

**3. RE-ELECTION OF MR. T. T. SRINIVASARAGHAVAN AS DIRECTOR – ORDINARY RESOLUTION**

	Total
Number of valid votes received	7,08,14,785
Votes in favour of the Resolution	7,03,69,812
Votes against the Resolution	4,44,973
Votes in favour (%)	99.3716%

**RESOLVED** that Mr. T. T. Srinivasaraghavan (holding DIN: 00018247), the retiring Director, be and is hereby re-elected as Director of the Company, liable for retirement by rotation.

**4. RE-ELECTION OF MR. A. N. RAJU AS DIRECTOR – ORDINARY RESOLUTION**

	Total
Number of valid votes received	7,12,51,303
Votes in favour of the Resolution	7,11,12,536
Votes against the Resolution	1,38,767
Votes in favour (%)	99.8052%

**RESOLVED** that Mr. A. N. Raju (holding DIN: 00036201), the retiring Director, be and is hereby re-elected as Director of the Company, liable for retirement by rotation.



**5. RE-APPOINTMENT OF MR. GANESH LAKSHMINARAYAN AS INDEPENDENT DIRECTOR – SPECIAL RESOLUTION**

	Total
Number of valid votes received	7,12,92,241
Votes in favour of the Resolution	7,02,58,734
Votes against the Resolution	10,33,507
Votes in favour (%)	98.5503%

**RESOLVED** that pursuant to (a) Sections 149,152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013, (b) Reg. 16(1)(b), 17(1A) and (1C), 25(2A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and (c) Master Direction – Reserve Bank of India (NBFC – Scale Based Regulation) Directions, 2023, and all other applicable regulatory provisions, Mr. Ganesh Lakshminarayan (holding DIN: 00012583), Independent Director, whose first term of office as Independent Director of the Company will be coming to a close on 11<sup>th</sup> August 2025, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the re-appointment of Mr. Ganesh Lakshminarayan as an Independent Director of the Company, be and is hereby re-appointed as an Independent Director for a further term of five (5) consecutive years from 12<sup>th</sup> August 2025 to 11<sup>th</sup> August 2030, not liable to retire by rotation, notwithstanding that he would be attaining the age of seventy five years during the continuity of his term.

**6. APPOINTMENT OF SECRETARIAL AUDITOR – ORDINARY RESOLUTION**

	Total
Number of valid votes received	7,12,91,663
Votes in favour of the Resolution	7,12,91,556
Votes against the Resolution	107
Votes in favour (%)	99.9998%

**RESOLVED** that pursuant to (a) Regulation 24A the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (b) Section 204 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder, and all other applicable regulatory provisions, the consent of the Company be and is hereby accorded for the appointment of M/s M Damodaran & Associates LLP, Practising Company Secretaries,





Chennai (Regn. No. L2019TN006000), as the Secretarial Auditor of the Company, to hold office for a term of five (5) consecutive years from 1st April 2025 to 31st March 2030.

**FURTHER RESOLVED** that the Board of Directors of the Company be and are hereby severally authorised to finalise the remuneration payable to the Secretarial Auditor from time to time, apart from certification fee, GST, and reimbursement of travelling and other out-of-pocket expenses, if any, to be incurred by the Secretarial Auditor, in connection with the audit.

**7. BORROWING IN EXCESS OF PAID-UP CAPITAL AND FREE RESERVES – SPECIAL RESOLUTION**

	Total
Number of valid votes received	7,12,82,855
Votes in favour of the Resolution	7,05,74,199
Votes against the Resolution	7,08,656
Votes in favour (%)	99.0058%

**RESOLVED** that pursuant to Section 180(1)(c) of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company, for borrowing moneys, including foreign currency loans, for the purposes of the Company, from time to time, notwithstanding that the moneys to be borrowed together with the moneys already borrowed, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, provided however, that the aggregate of the amounts so borrowed and to be borrowed and outstanding at any time (excluding exchange fluctuations in respect of foreign currency loans), apart from temporary loans obtained from the Company's bankers in the ordinary course of business, shall not exceed ₹70,000 cr. (Rupees Seventy Thousand Crores only).

With a vote of thanks, the meeting concluded.

Place: Chennai

Date: 23.07.2025

  
**CHAIRMAN**