



Service



Discipline



Prudence



Fair play



Honesty

Scheme of Arrangement - Highlights



SUNDARAM FINANCE
Enduring values. New age thinking.



Integrity



Humility



Openness



Relationships

GLOSSARY

- BPO – Business Process Outsourcing
- CAGR – Compounded Annual Growth Rate
- CCI - Competition Commission of India
- Cr. - Crores
- CRAR - Capital Adequacy Ratio/ Capital to Risk (Weighted) Assets Ratio
- CV - Commercial Vehicle
- EBITDA – Earnings Before Interest Tax Depreciation and Amortisation
- EPS - Earnings per Share
- FS - Financial Services
- FY – Financial Year
- HCV – Heavy Commercial Vehicle
- IMPAL – India Motor Parts And Accessories Ltd
- JV – Joint Venture
- LCV – Light Commercial Vehicle
- LGF – Lakshmi General Finance
- M&HCV – Medium and Heavy Commercial Vehicle
- MUV – Multi Utility Vehicle
- NAV – Net Asset Value
- NCLT - National Company Law Tribunal
- NNPA - Net Non-Performing Assets
- P.a – Per Annum
- PAT – Profit After Tax
- RBI – Reserve Bank of India
- RoA - Return on Assets
- ROCE – Return on Capital Employed
- RoE - Return on Equity
- Rs. - Rupees
- SBIL – Sundaram BPO India Limited
- SBSL – Sundaram Business Services Limited
- SEBI - Securities and Exchange Board of India
- SFIL - Sundaram Finance Investments Limited
- SFL - Sundaram Finance Limited
- SIAM - Society of Indian Automobile Manufacturers
- SME - Small and Medium Enterprises

BUSINESS RESTRUCTURING SCHEME

- Sundaram Finance Ltd (“SFL”) proposes to demerge its non Financial Services (non-FS) investments into a separate listed entity, Sundaram Finance Investments Ltd (“SFIL”). This will provide an opportunity for all shareholders to participate directly in value creation in the non-FS investment portfolio and also ring-fence the financial services businesses of SFL.
- The demerger will take effect pursuant to a scheme of arrangement (“Scheme”) under section 230 – 232 of the Companies Act, 2013. All SFL shareholders will receive 1 share of SFIL for every 1 share held in SFL (1:1 ratio). Post the demerger, SFL will hold 26.47% of SFIL and the balance 73.53% will be held by the shareholders of SFL.
- The Scheme has been approved by the Board of Directors on February 17th 2017 and necessary disclosures have been made. The scheme will have an appointed date of 1 April 2016 for accounting and operational convenience. The scheme is subject to regulatory approvals, including those of SEBI, CCI, NCLT, creditors and shareholders.
- This detailed Scheme will be made available on the company website www.sundaramfinance.in

Snapshot of Sundaram Finance Limited

Details of Scheme

Details of Non Financial Services Investments

SNAPSHOT OF SUNDARAM FINANCE LIMITED

Overview

Incorporated in 1954, Sundaram Finance is a leading player in retail finance with presence across multiple facets of the financial services industry including vehicle finance, home finance, mutual funds, general insurance and financial services distribution. The company operates through 586 branches across the country and had 3,465 employees as of 31 March 2016. It has more than 65,000 Depositors and over 3 lakh commercial vehicle and car finance customers.

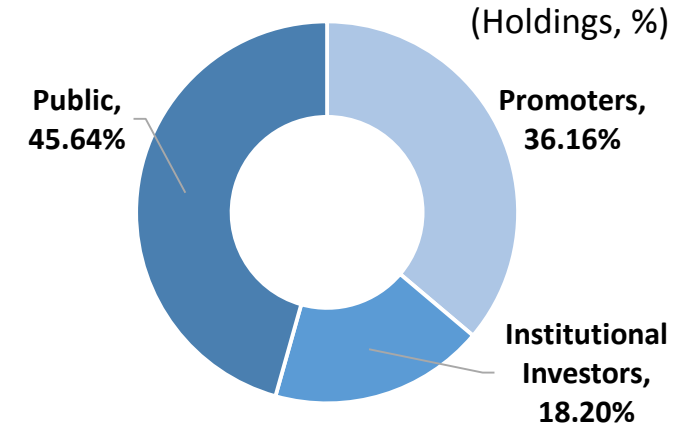
As on 31 March 2016, the total Assets under Management for SFL stood at Rs. 17,895 Cr., of which commercial vehicles accounted for 51.7%, cars accounted for 32.9% and the balance comprised of construction equipment, tractors and others.

Key Investments*

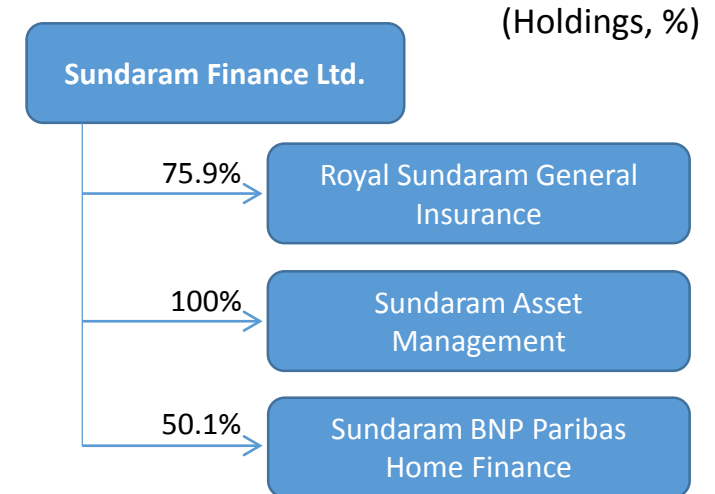
- Royal Sundaram General Insurance provides customised general insurance solutions to individuals, families and businesses and specially designed products to SMEs and rural customers. Its Gross Written Premium for FY2016 stood at Rs. 1703 Cr.
- Sundaram Asset Management is the investment manager to Sundaram Mutual Fund. The company is one of the pioneers in the Indian fund management industry with average assets under management (mutual fund) of Rs.23,664 Cr. for FY2016
- Sundaram BNP Paribas Home Finance, a joint venture between Sundaram Finance Ltd. and BNP Paribas Group, provides home loans and loans against property to salaried and self employed customers. As on 31 March 2016, it had a loan outstanding of Rs. 7,489 Cr.

*Top 3 investments by value as on 31 March, 2016

Shareholding Pattern



Key Investments



Shareholding Pattern as on 31 March, 2016

KEY FINANCIALS OF SUNDARAM FINANCE LIMITED

Consolidated Financials (Rs. in Cr.)	FY12	FY13	FY14	FY15	FY16	H1 FY17	3Yr CAGR	5Yr CAGR
Total Revenue	3,038	3,710	4,125	4,294	5,035	2,719	10.7%	15.6%
Profit after Tax	458	564	581	576	583	303	1.1%	8.4%
Net worth	2,165	2,614	3,080	3,750	4,195	4,499	17.1%	18.4%
Total Assets	18,210	22,046	23,914	25,785	28,027	29,515	8.3%	14.2%
EPS (Rs.)	41.21	50.76	52.30	51.83	52.49	27.28		
NNPA	0.08%	0.38%	0.46%	0.60%	0.94%	1.2%		
RoA	2.7%	2.8%	2.5%	2.3%	2.2%	2.1%		
RoE	23.1%	23.6%	20.4%	16.9%	14.7%	13.9%		
CRAR (Standalone)	16.3%	17.9%	18.2%	21.4%	18.4%	18.2%		

Note: Consolidated Financials for H1 FY17 are Unaudited

3 Year CAGR refers to growth between FY'13 and FY'16
 5 Year CAGR refers to growth between FY'11 and FY'16

SUNDARAM FINANCE LIMITED - INVESTMENT PORTFOLIO

Sundaram Finance Limited

Financial Services Investments (Rs. 1023.96 Cr.)

Royal Sundaram General Insurance (Rs. 641.48 Cr.)

Sundaram AMC (Rs. 184.87 Cr.)

Sundaram BNP Paribas Home Finance (Rs. 151.57 Cr.)

Sundaram BNP Paribas Fund Services (Rs. 17.85 Cr.)

Other FS investments (Rs. 28.19 Cr.)

Sundaram Trustee Company

Sundaram Finance Investments

Sundaram Insurance Broking

LGF Services

Equifax

Experian

Non FS Investments# (Rs. 149.74 Cr.)

Automotive Investments (Rs. 120.29 Cr.)

Flometallic

Dunes Oman

Sundaram Hydraulics

Sundaram Clayton

Axles India

Wheels India

IMPAL

Turbo Energy

Transenergy

Sundaram Dynacast

Vishnu Forge

Lucas TVS

Delphi TVS

Brakes India

BPO Investments (Rs. 26.3 Cr.)

SBSL

SBIL

Other Investments (Rs. 3.15 Cr.)

TVS Investments*

Techtran Polylenses

Figures in brackets indicate book value of investments on SFL balance sheet as on 31 March 2016

Non FS Investments proposed for demerger. Throughout this document, non-FS investments refer to investments in these 18 companies

* TVS Investments is the holding company for TVS Capital Funds, TVS Electronics

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Snapshot of Sundaram Finance Limited

Details of Scheme

Details of Non Financial Services Investments

RATIONALE FOR RESTRUCTURING

Participation in Value Creation

Over the years, SFL's investments in the manufacturing and automotive sectors have not only yielded significant returns but also demonstrated a strong track record of value creation. Several of these investments have been made as a co-promoter along with TVS Group companies. SFL's proportionate share of profits from these non-FS investments is Rs. 142.08 Cr. in FY2016

The Scheme envisages issuing shares to all SFL shareholders on a 1:1 ratio and provides an opportunity for all shareholders to participate directly in value creation in the non-FS investment portfolio.

Ring Fencing

The restructuring intends to ring-fence the financial services assets and businesses of the group. Non-FS investments, which have grown from Rs. 18.45 Cr. at the end of FY2006 to Rs. 149.74 Cr. at the end of FY2016 in book value terms, will be moved into SFIL pursuant to the Scheme.

Other considerations

The current regulatory framework (RBI, SEBI, CCI, NCLT, Tax etc.) allows an opportunity to create a shareholder friendly transaction with an appointed date of 1 April 2016

NON-FS INVESTMENTS: 10 YEAR SNAPSHOT

Financial Year Ended	Book Value in SFL Balance Sheet (Rs. in Cr.)	Share of Net Worth* (Rs. in Cr.)	Dividend Received [§] (Rs. in Cr.)	Share of PAT** (Rs. in Cr.)
2006	18.45	165.98	6.76	40.86
2007	22.08	199.97	15.98	45.30
2008	38.45	227.45	7.44	37.03
2009	72.65	262.57	5.28	6.92 ^{&}
2010	94.26	331.26	11.00	37.47
2011	122.06	405.05	11.69	67.12
2012	127.50	510.29	22.17	109.41
2013	141.44	625.98	29.71	115.69
2014	144.43	708.19	41.89	108.11
2015	149.94	839.15	35.86	127.85
2016	149.74	919.97	69.23 [#]	142.08

* Share of Net Worth = SFL Holding % x Net Worth of underlying investee company

** Share of PAT = SFL Holding % x PAT of underlying investee company

[§] Dividend Received is dividend from investee company accounted on receipt basis

[&] Net of share of loss from Sundaram Clayton, Axles India and Dunes Oman

[#] Additional Interim Dividend in FY2016

SCHEME OBJECTIVES

PRIMARY OBJECTIVES

- To give all SFL shareholders an equal, direct, proportional right to ownership of SFIL, which will be the holding company of non-FS investments and consequently its dividends and value creation
- To ring-fence the Financial Services (FS) businesses of SFL
- To consolidate certain shared services businesses (in the area of training, accounting, reconciliation etc.) provided to SFL Group and select TVS Group companies and to move the shared services business (“Undertaking”) to SFIL pursuant to the scheme of arrangement

SECONDARY OBJECTIVES

- To reduce complexity of SFL balance sheet structure – all non financial services businesses will be subsumed into one entity and two subsidiaries (Infreight Logistics and Sundaram Insurance Broking Ltd) will be merged and closed pursuant to the scheme. The number of direct subsidiaries and associates on SFL balance sheet is expected to reduce from 13 and 7 respectively (FY16) to 7 and 1 (FY17)
- To create a structure that will maintain SFLs primary role/obligation as a co-promoter (wherever applicable) in its non-financial services investments

SCHEME MECHANICS

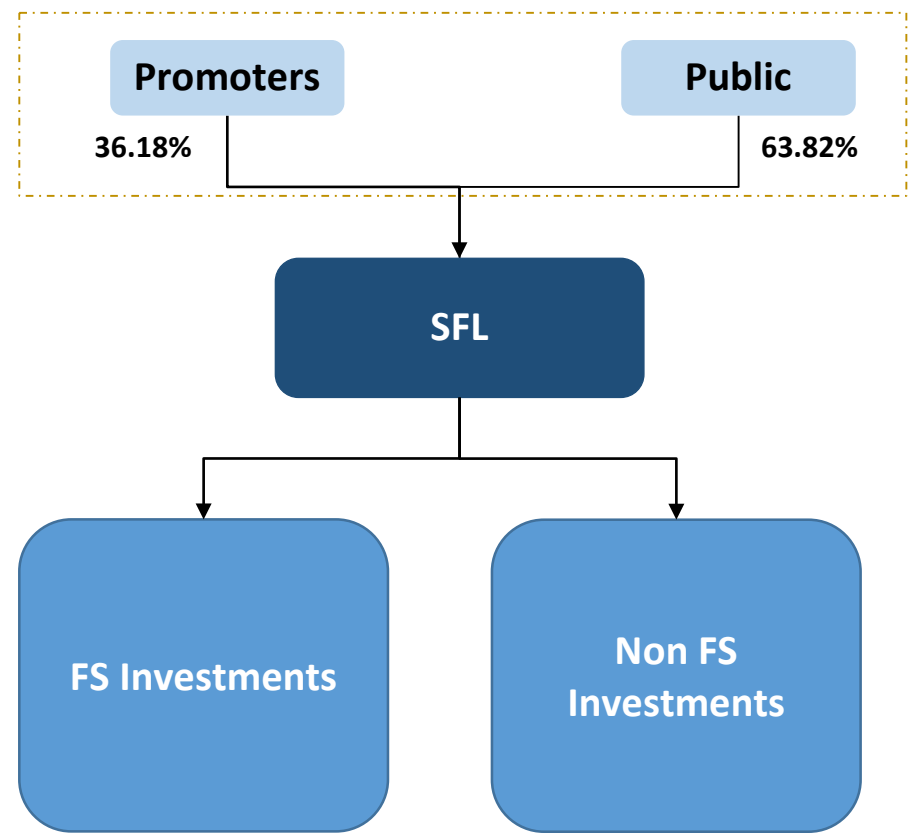
- The Board of Directors of SFL have approved and recommended a composite scheme of arrangement under sections 230 – 232 of the Companies Act, 2013. Following are the key steps involved in the process*:
 - **Step 1:** Sundaram Insurance Broking Services Limited and Infreight Logistics Solutions Limited to merge with SFL
 - **Step 2:** Sundaram BPO India Limited comprises of 2 divisions: (i) shared services division i.e. division catering to companies in SFL group; (ii) Third Party division. The shared services division of Sundaram BPO to be demerged into SFL
 - **Step 3:** SFL will demerge select shared service businesses, non-FS investments, along with select real estate assets to Sundaram Finance Investments Limited
- **Other Key Scheme Details**

Parameter	Detail
Swap ratio	1:1 to all shareholders of SFL
Appointed date	April 1, 2016
Shareholding pattern post demerger	26.47% - SFL (as promoter) 73.53% - All shareholders of SFL as per the swap ratio
Regulatory approvals required	SEBI, Competition Commission of India (CCI), National Company Law Tribunal (NCLT) and other regulators/ authorities as applicable

* All steps pursuant to the scheme of arrangement; Detailed information available in the Scheme

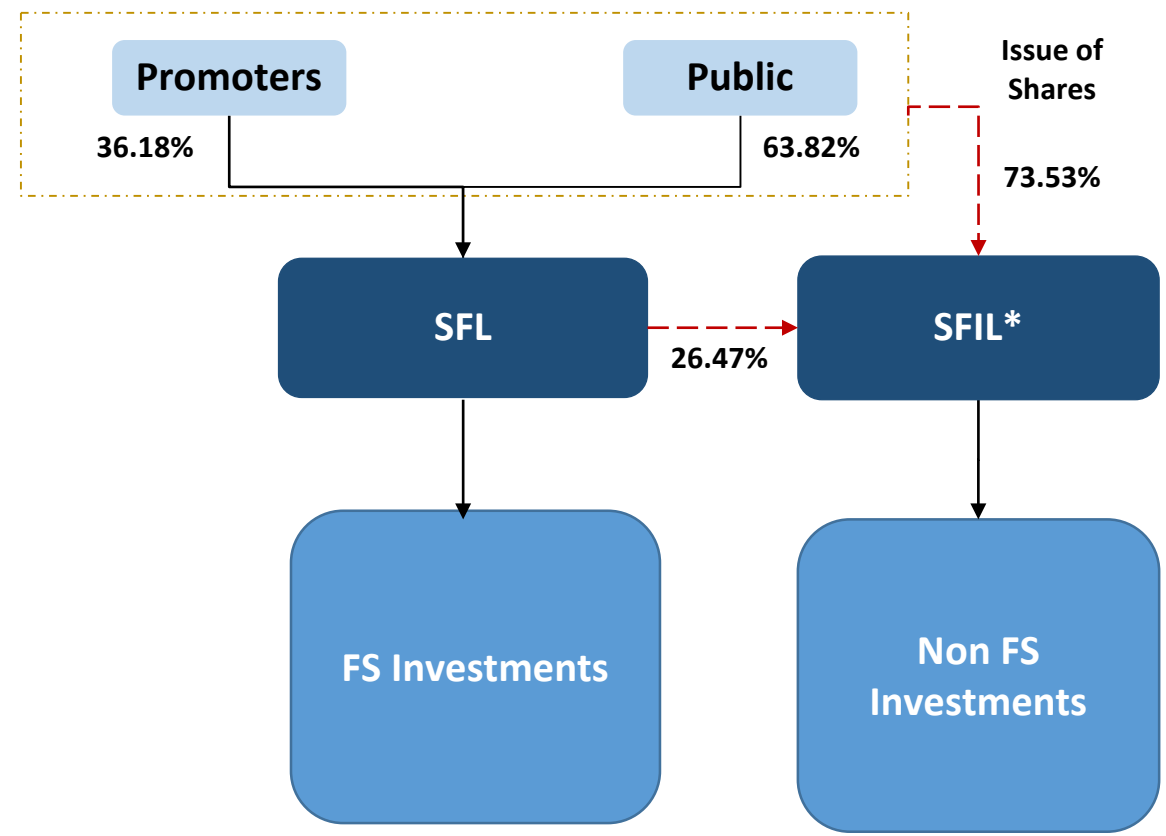
SCHEME MECHANICS – ENTITY STRUCTURE

Before Demerger



Shareholding pattern as on 31 December 2016

After Demerger



* Select shared services businesses and select real estate assets will also be demerged into SFIL
Proposed Shareholding pattern of SFIL post demerger

KEY METRICS OF SFL WITH AND WITHOUT NON-FS INVESTMENTS

Pursuant to the scheme of arrangement, SFL assets are to be demerged into SFIL at book value (holding cost). Since the book value of investments is small relative to SFLs net worth (Rs. 150 Cr. vs Rs. 3313 Cr.), the demerger does not materially affect the balance sheet strength of SFL.

Key Metrics	FY2016 Reported	FY2016 Adjusted*	FY2015 Reported	FY2015 Adjusted*
Net Worth (Rs. in Cr.)	3313	3112	2978	2773
Balance Sheet Size (Rs. in Cr.)	17,393	17,190	16,761	16,555
PAT (Rs. in Cr.)	477	418	454	424
Debt to Equity Ratio	3.8	4.1	4.2	4.5
Return on Equity	15.2%	14.2%	16.9%	16.5%

* Estimated figures after excluding non-financial services investments being demerged

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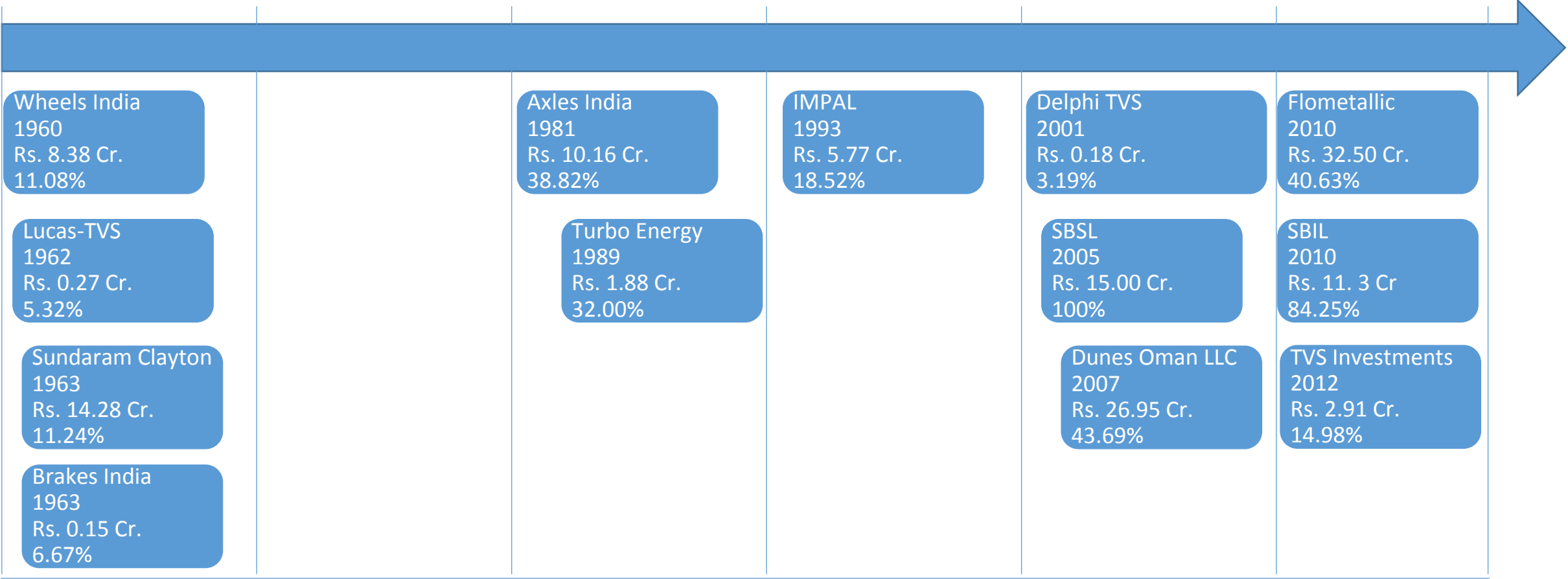
Snapshot of Sundaram Finance Limited

Details of Scheme

Details of Non Financial Services Investments

KEY NON-FS INVESTMENTS OVER THE YEARS

1960 1970 1980 1990 2000 2010 2016



- Company Name
- Year of First Investment
- Book Value of Investment as on 31 March, 2016
- SFL Holding % as on 31 March, 2016

NON-FS INVESTMENTS SNAPSHOT

Company Name, Book Value	SF Share of Net Worth	Net Worth
Turbo Energy, 1.88	287.40	898.14
Sundaram Clayton, 14.28	157.60	1402.12
Brakes India, 0.15	118.04	1770.72
Dunes Oman LLC (FZC), 26.95	92.64	212.05
Lucas-TVS, 0.27	47.91	900.48
Wheels India, 8.38	45.22	408.16
IMPAL, 5.77	43.10	232.71
Flometallic, 32.5	41.21	101.43
Axles India, 10.16	31.91	82.20
Delphi TVS Diesel Systems, 0.18	9.03	282.92
BPO Business*, 26.3	15.06	16.63
TVS Investments, 2.91	18.78	125.34
Others, 20.00	12.08	44.34
Total, 149.74	919.97	6477.25

Book Value in SFL Balance Sheet as on 31 March 2016

SF Share of Net Worth = SFL Holding % x Net Worth of underlying investee company as on 31 March 2016

Figures for Sundaram Clayton, Brakes India, Lucas-TVS, and IMPAL are as per consolidated accounts

All Amounts in Rs. Cr.
BPO business includes SBSL and SBIL

NON-FS INVESTMENTS SNAPSHOT

Company Name, Dividend Received	SF Share of PAT	PAT
Turbo Energy, 5.76	39.92	124.76
Sundaram Clayton, 10.68	27.37	243.50
Brakes India, 7.57	22.57	338.63
Dunes Oman LLC (FZC), 37.45	26.82	61.38
Lucas-TVS, 0.95	2.36	44.45
Wheels India, 1.07	4.43	39.99
IMPAL, 2.93	4.95	26.73
Flometallic, 1.63	6.60	16.24
Axles India, -	4.86	12.51
Delphi TVS Diesel Systems, -	-0.02	-0.49
BPO Business*, -	0.04	0.05
TVS Investments, -	1.42	9.45
Others, 1.19	0.75	3.96
Total, 69.23	142.08	921.17

Dividend Received is dividend from investee company accounted on receipt basis for year ended 31 March 2016
 SF Share of PAT = SFL Holding % x PAT of the underlying investee company for the year ended 31 March 2016
 Figures for Sundaram Clayton, Brakes India, Lucas-TVS, and IMPAL are as per consolidated accounts

All Amounts in Rs. Cr.
 * BPO business includes SBSL and SBIL



TURBO ENERGY PRIVATE LIMITED

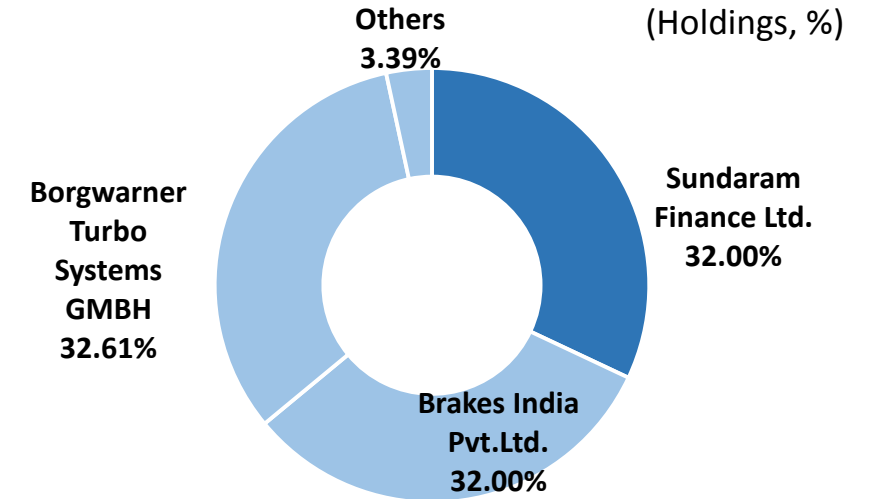
Overview:

Setup in 1982, Turbo Energy is a joint venture between Brakes India, Sundaram Finance and Borgwarner Turbo systems GmbH. It is engaged in manufacture of turbocharger and turbocharger parts that are used in automobile, industrial and marine segments and is currently the market leader in India.

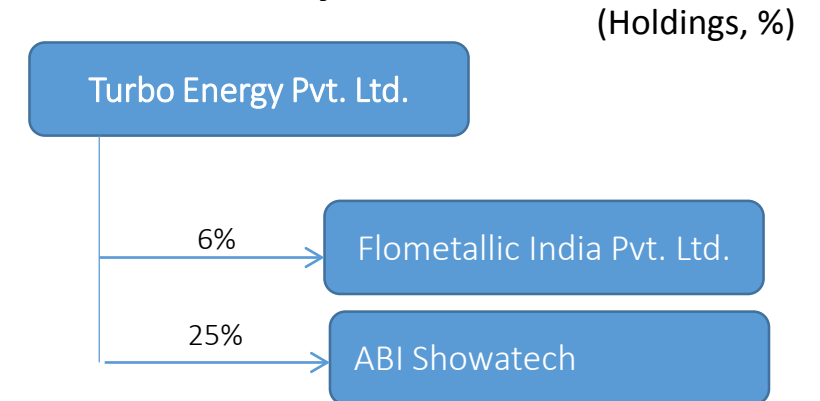
Key Highlights:

- Product portfolio : Turbochargers (80.1%), Turbocharger parts (18.3%)
- Volume: 1.23 million turbochargers produced in FY2016 (increase of 9.8% over FY2015)
- Manufacturing locations: Two locations in Tamil Nadu and one in Uttarakhand
- Foreign exchange earnings of Rs. 135.65 Cr. in FY2016 representing 14.7% of operating income
- Key Investments:
 - 6% in Flometallic India Pvt. Ltd. (automotive industry – foundry)
 - 25% in ABI Showatech (automotive components)
- Company website: www.turboenergy.co.in

Shareholding Pattern



Key Investments



Shareholding Pattern as on 31 March, 2016



TURBO ENERGY PRIVATE LIMITED

Standalone Financials (Rs.Crores)	FY12	FY13	FY14	FY15	FY16	3Yr CAGR	5Yr CAGR
Sales	769	915	781	844	923	0.3%	6.6%
EBITDA	183	197	156	173	178	-3.4%	2.9%
Reported PAT	124	149	109	112	125	-5.8%	4.7%
Adjusted PAT	124	149	109	112	125	-5.8%	4.7%
Net Worth	472	593	681	783	896	14.7%	19.3%
Capital Employed	472	593	690	793	906	15.2%	19.6%
Debt to Equity ratio	-	-	0.01	0.01	0.01		
ROCE	29.6%	28.1%	17.3%	15.1%	14.7%		
ROE	29.5%	28%	17.1%	15.3%	14.9%		

3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16

SUNDARAM CLAYTON LIMITED (LISTED)

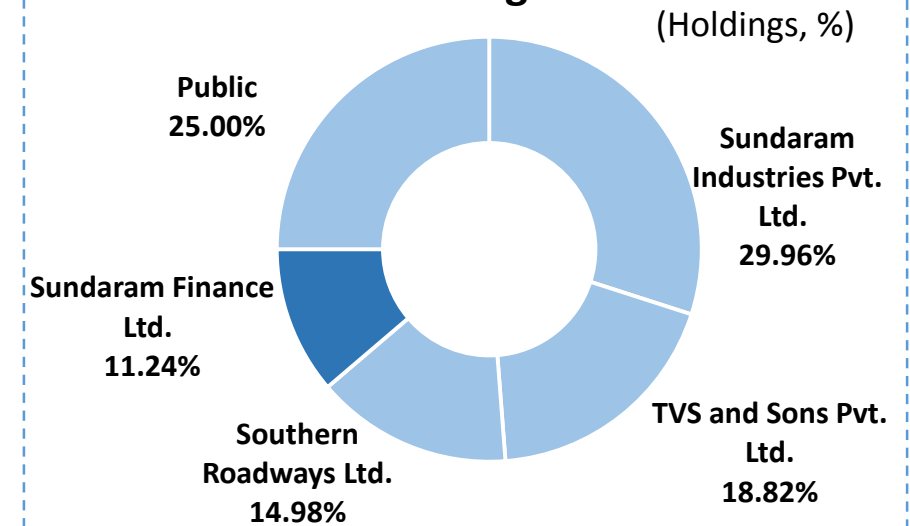
Overview

Founded in 1968, Sundaram Clayton is a world class manufacturer of precision aluminum cast products for automotive and non automotive industry. It is a Tier-1 manufacturer, fully integrated from early stage design to the finished machined product.

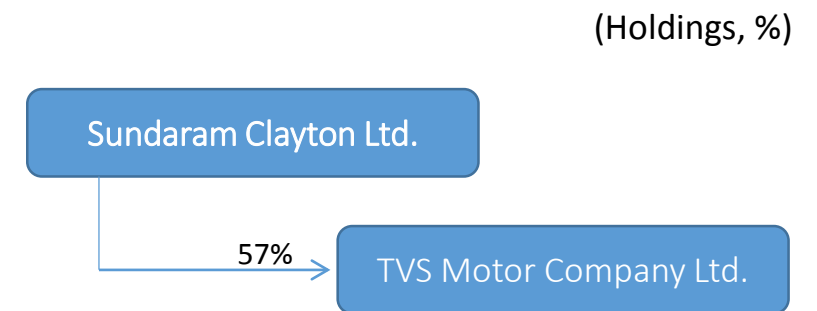
Key Highlights

- Diverse product portfolio: Castings weight ranging from 250 gms to 25 kgs
- Segment-wise sales: M&HCV (50%), Cars (26%), 2 Wheelers (24%)
- Foreign exchange earnings of Rs. 573.24 Cr. in FY2016 representing 40.5% of operating income
- Market value of investment in TVS Motors as on 31 March 2016 was Rs. 8,798 Cr. Company website: www.tvsmotor.com
- Market capitalisation of Sundaram Clayton as on 31 March 2016 was Rs. 4,248 Cr.
- Company website: www.sundaram-clayton.com

Shareholding Pattern



Key Investments



Shareholding Pattern as on 31 March, 2016

SUNDARAM CLAYTON LIMITED (LISTED)

Consolidated Financials (Rs. in Cr.)	FY12	FY13	FY14	FY15	FY16	3Yr CAGR	5Yr CAGR
Sales	8,297	8,226	9,344	11,340	12,600	15.3%	11.3%
EBITDA	560	522	581	717	890	19.5%	14.9%
Reported PAT	108	186	141	212	244	9.4%	30.5%
Adjusted PAT	93*	113#	117@	168&	239\$	28.5%	29.8%
Net Worth	699	894	1,121	1,289	1,402	16.2%	19.2%
Capital Employed	2,707	2,704	2,608	3,224	3,441	8.4%	9.9%
Debt to Equity ratio	2.40	1.66	0.97	1.16	1.04		
ROCE	9%	8.2%	9%	12.6%	14.1%		
ROE	14.5%	14.2%	11.6%	14%	17.8%		

* Profit on sale of long term investment

Profit on sale of land and division; Insurance recovery

@ Profit on sale of long term investment & land

& Profit on sale of land & building

\$ Profit on sale of land & building; Insurance claim

3 Year CAGR refers to growth between FY'13 and FY'16

5 Year CAGR refers to growth between FY'11 and FY'16



BRAKES INDIA PRIVATE LIMITED

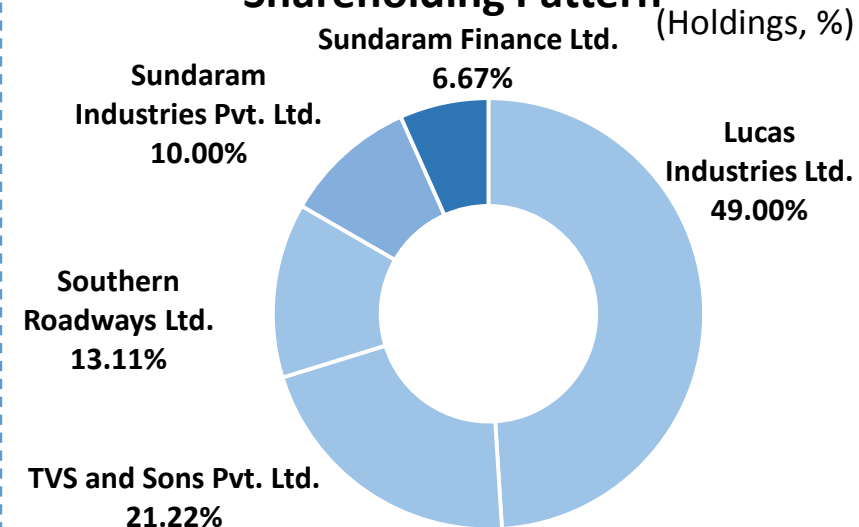
Overview

Founded in 1962, Brakes India Private Limited is a joint venture between the TVS Group and Lucas Industries Limited UK (a 100% subsidiary of ZF TRW). The company is the market leader in automotive braking systems in India

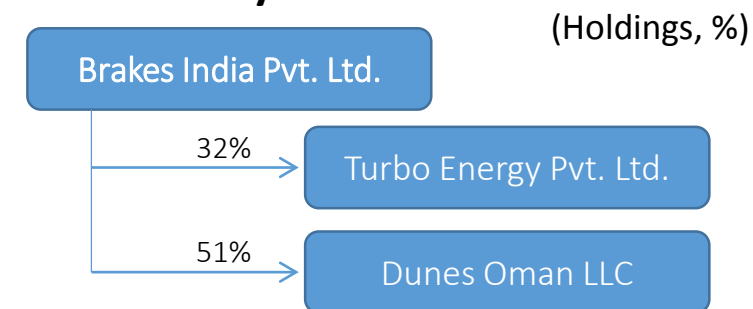
Key Highlights

- Two main divisions – Brakes and parts (74%), and castings (18%)
- 14 manufacturing facilities in India with product applications for Passenger car, Commercial vehicle , Off-road vehicle and Tractor segments
- Geography wise sales: 79.7% Domestic, 20.3% Exports
- Key investments:
 - Turbo Energy: Automotive components - turbochargers
 - Dunes Oman LLC.: Automotive components – foundry
- Company website: www.brakesindia.com

Shareholding Pattern



Key Investments



BRAKES INDIA PRIVATE LIMITED

Standalone Financials (Rs. in Cr.)	FY12	FY13	FY14	FY15	FY16	3Yr CAGR	5Yr CAGR
Sales	3,164	3,119	3,172	3,296	3,496	3.9%	6.0%
EBITDA	340	321	366	403	451	12.0%	10.6%
Reported PAT	184	170	222	248	315	22.7%	13.1%
Adjusted PAT	184	170	222	248	298*	20.5%	13.7%
Net Worth	774	889	1,035	1,200	1,402	16.4%	16.7%
Capital Employed	1,206	1,158	1,243	1,327	1,460	8%	7.7%
Debt to Equity ratio	0.56	0.30	0.20	0.11	0.04		
ROCE	19.2%	16.2%	19.4%	19.8%	21.6%		
ROE	25.8%	20.5%	23.1%	22.2%	22.9%		

* Insurance claim received

3 Year CAGR refers to growth between FY'13 and FY'16
 5 Year CAGR refers to growth between FY'11 and FY'16

THE DUNES OMAN LLC (FZC)

Overview

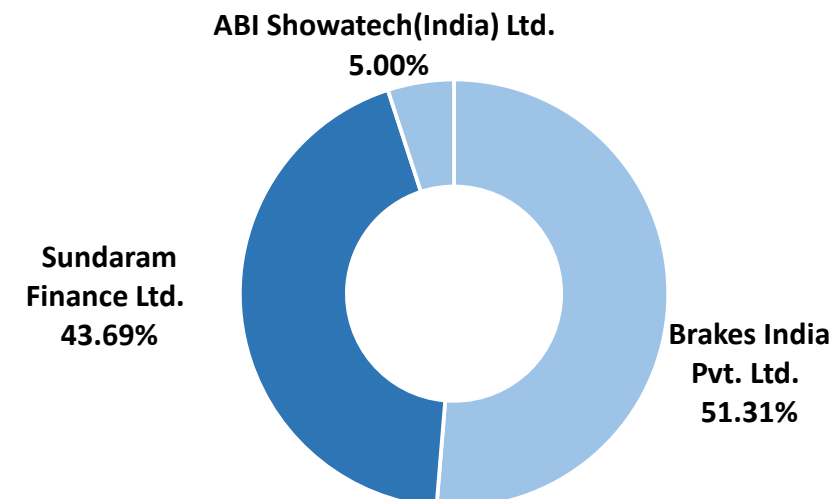
Established in the year 2013, Dunes Oman LLC is headquartered in Sultanate of Oman in a free trade zone and is a Tier II manufacturer engaged in the business of manufacture of iron and steel castings for brakes, bearings etc.

Key Highlights

- Foundry with a manufacturing capacity of 36,000 MT p.a serving multiple end markets including GCC and Europe
- Manufacturing facilities are located within the Salalah Free Zone in Oman
- Select product portfolio : Caliper body, Caliper bracket, Pump housing, Bearing housing and Bearing cap

Shareholding Pattern

(Holdings, %)



Shareholding Pattern as on 31 March, 2016

THE DUNES OMAN LLC (FZC)

Standalone Financials (Rs. in Cr.)	FY12	FY13	FY14	FY15	FY16	3Yr CAGR	5Yr CAGR
Sales	257	301	340	366	342	4.4%	23.9%
EBITDA	49	67	87	94	88	9.4%	29.9%
Reported PAT	37	48	70	70	61	8.3%	41.0%
Adjusted PAT	37	48	70	70	61	8.3%	41.0%
Net Worth	118	146	177	221	212	13.3%	23.3%
Capital Employed	243	229	261	253	260	4.4%	9.5%
Debt to Equity ratio	1.07	0.57	0.47	0.15	0.23		
ROCE	18.7%	23.6%	30.9%	28%	24.7%		
ROE	38.8%	36.7%	43.3%	34.9%	28.4%		

3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16

LUCAS-TVS LIMITED

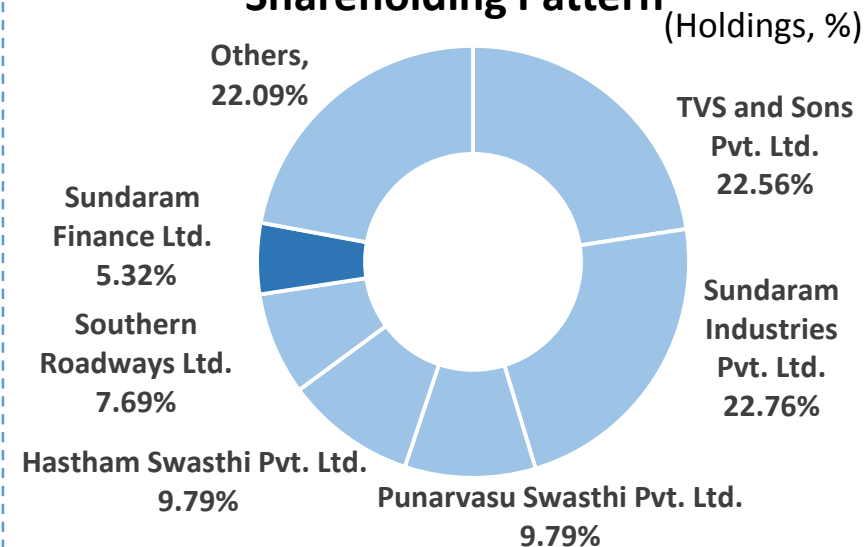
Overview:

Lucas-TVS was setup in 1962 as a joint venture between Lucas Plc. UK and the TVS Group and is a leading player in Auto Electrical equipment. Its product portfolio caters to OEM, after market and non automotive customers

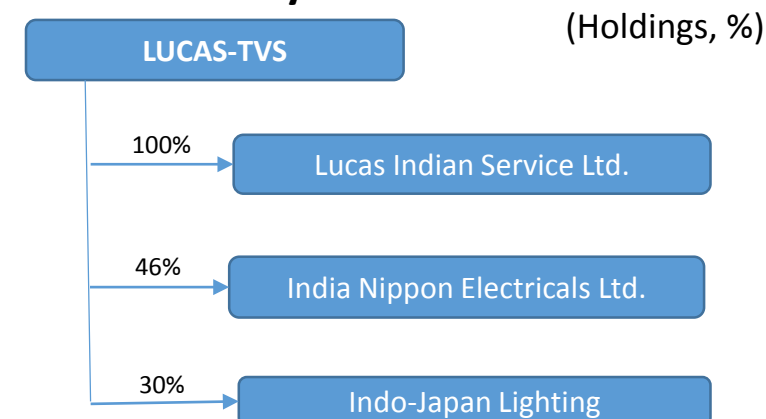
Key Highlights:

- Select Product portfolio : Starters, Alternators, Small Motors
- 7 plants across Uttarakhand, Haryana, Maharashtra ,Tamil Nadu and Pondicherry
- Foreign exchange earnings of Rs. 165.66 Cr. in FY2016, representing 9.6% of operating income
- Key Investments:
 - Lucas Indian Service Ltd. – Sales and service of - ignition coils and solenoid switches
 - India Nippon Electricals Ltd. (listed) – Manufacturer of ignition system parts for auto OEMs. Market Cap as on 31st March, 2016 was Rs. 414 Cr.
 - India Japan Lighting (held jointly with Lucas Indian Services) – Manufacturer of auto electrical products and special purpose machines
- Company website: www.lucas-tvs.com

Shareholding Pattern



Key Investments



Shareholding Pattern as on 31 March, 2016

LUCAS-TVS LIMITED

Consolidated Financials (Rs. in Cr.)	FY12	FY13	FY14	FY15	FY16	3Yr CAGR	5Yr CAGR
Sales	1717	1703	1609	2141	2280	10.2%	9.2%
EBITDA	127	122	81	107	116	-1.8%	-0.4%
Reported PAT	82	56	35	45	44	-7.3%	-10.1%
Adjusted PAT	82	56	35	45	44	-7.3%	-10.1%
Net Worth	591	625	648	876	900	13.0%	11.1%
Capital Employed	860	944	955	1130	1104	5.4%	8.2%
Debt to Equity ratio	0.46	0.51	0.47	0.29	0.23		
ROCE	12.6%	9.1%	5.3%	6.8%	5.7%		
ROE	14.7%	9.2%	5.5%	5.9%	5.0%		

3 Year CAGR refers to growth between FY'13 and FY'16
 5 Year CAGR refers to growth between FY'11 and FY'16

WHEELS INDIA LIMITED (LISTED)

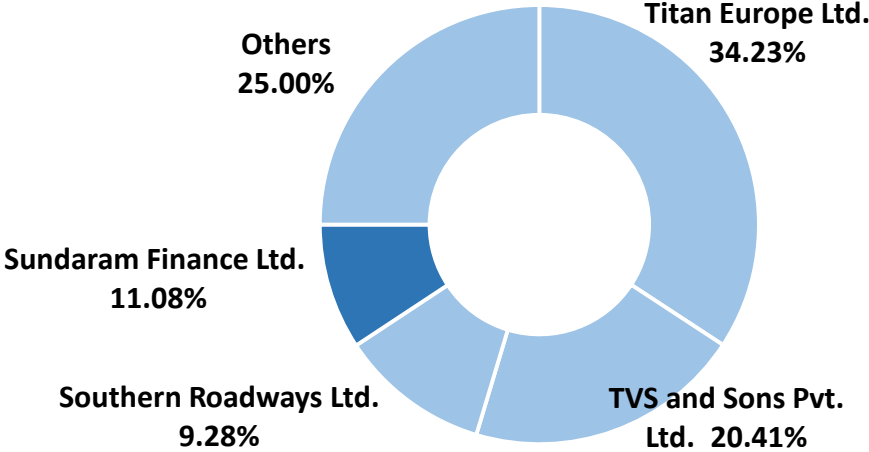
Overview

Set up in 1960, Wheels India Ltd. is a joint venture between the TVS Group and Titan Europe Ltd. It is one of the largest steel wheel manufacturers in the world and is a leading supplier to automotive OEMs across CVs, Cars, Tractors and Construction Equipment segments

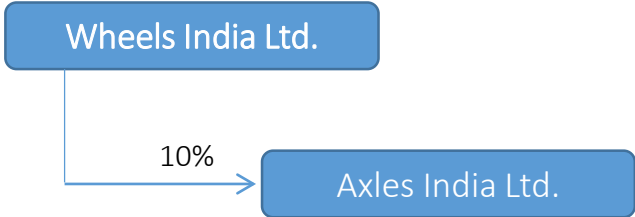
Key Highlights

- Product portfolio : Road wheels, Parts and Accessories of construction and mining machinery
- Locations: 10 manufacturing plants spread across Tamil Nadu, Uttar Pradesh, Maharashtra, Haryana, Uttarakhand
- Key customers: Hyundai, Mahindra & Mahindra, Caterpillar, Toyota, Leyland
- Foreign exchange earnings of Rs. 390.45 Cr. in FY2016, representing 19.6% of operating income
- Key Investments: Axles India – Manufacturer of axle housings
- Market capitalisation of Wheels India Ltd. as on 31 March 2016 was Rs. 1160 Cr.
- Company website: www.wheelsindia.com

Shareholding Pattern (Holdings, %)



Key Investments (Holdings, %)



Shareholding Pattern as on 31 March, 2016

WHEELS INDIA LIMITED (LISTED)

Consolidated Financials (Rs. in Cr.)	FY12	FY13	FY14	FY15	FY16	H1 FY17*	3Yr CAGR	5Yr CAGR
Sales	2,078	1,924	1,823	1,980	2,016	1,080	1.6%	3.5%
EBITDA	173	151	148	150	173	93	4.6%	5.9%
Reported PAT	34	32	28	30	40	28	7.9%	10.2%
Adjusted PAT	34	32	28	30	40	28	7.9%	10.2%
Net Worth	240	259	364	381	408	436	16.4%	13.4%
Capital Employed	628	678	695	770	794	786	5.4%	7.7%
Debt to Equity ratio	1.61	1.62	0.91	1.02	0.95	0.80		
ROCE	13.4%	11%	10%	10.1%	10.3%	11.3%		
ROE	15%	12.8%	9.1%	8%	10.1%	13.1%		

* H1 FY17 figures are Standalone financials

3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16

IMPAL (LISTED)

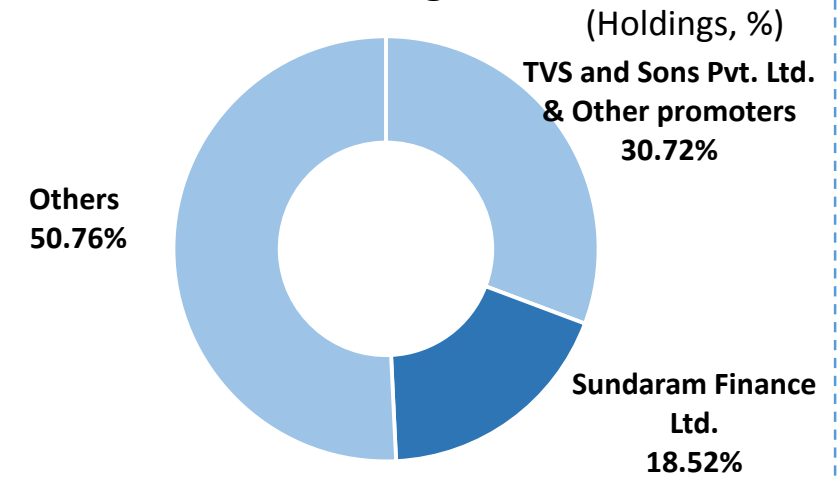
Overview

Incorporated in 1954, India Motor Parts and Accessories Ltd. (IMPAL) is engaged in the distribution of automobile spare parts and accessories of over 50 manufacturers. It is one of the leading third party wholesale distributors of auto components in India

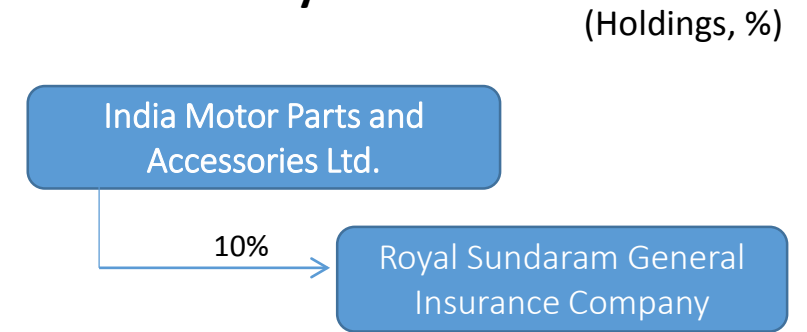
Key Highlights

- Product portfolio : engine components, brake systems, fasteners, radiators, suspensions, axles, auto electrical, wheels, steering linkages and instrument clusters among others
- IMPAL caters to over 35,000 dealers across India
- Key lines distributed: Wabco TVS, Sundaram Fasteners, Brakes India, Rane Steering, Banco Products (India) Limited, Delphi TVS Diesel Systems, Finolex Cables Limited, Pricol, SKF Bearings
- Market capitalisation of IMPAL as on 31 March 2016 was Rs. 559.53 Cr.
- Company website: www.impal.net

Shareholding Pattern



Key Investments



Shareholding Pattern as on 31 March, 2016

IMPAL (LISTED)

Consolidated Financials (Rs. in Cr.)	FY12	FY13	FY14	FY15	FY16	H1 FY17*	3Yr CAGR	5Yr CAGR
Sales	501	495	512	512	502	263	0.4%	3.2%
EBITDA	42	36	37	35	31	17	-5.0%	-4.4%
Reported PAT	32	27	30	31	27	13	-0.6%	-1.3%
Adjusted PAT	32	27	30	31	27	13	-0.6%	-1.3%
Net Worth	158	176	197	214	232	245	9.6%	11.5%
Capital Employed	174	203	212	230	245	247	6.5%	12.6%
Debt to Equity ratio	0.10	0.15	0.07	0.07	0.06	0.01		
ROCE	20.9%	14.4%	14.3%	14.0%	11.2%	10.7%		
ROE	22.1%	16.3%	15.8%	15.1%	12.0%	11.0%		

* H1 FY17 figures are Standalone financials

3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16

FLOMETALLIC INDIA PRIVATE LIMITED

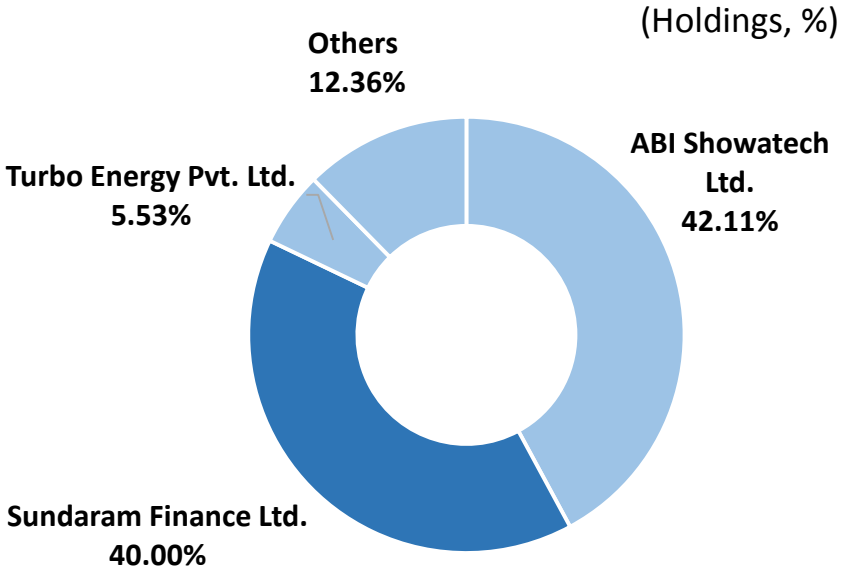
Overview

Incorporated in 2010, Flometallic India is a manufacturer of castings for the automotive industry.

Key Highlights

- Volume: Production of 22,573 tons of castings in FY2016 (growth of 34% over FY2015 due to capacity addition)
- Sales: 20,538 tons in FY2016 (growth of 30% over FY2015)
- Key clients : Brakes India, TRW Automotive, Robert Bosch GMBH
- Geography-wise sales : 59.44% Exports, 40.66% Domestic
- Foreign exchange earnings of Rs. 113.43 Cr. in FY2016, representing 57.3% of operating income

Shareholding Pattern



Shareholding Pattern as on 31 March, 2016

FLOMETALLIC INDIA PRIVATE LIMITED

Standalone Financials (Rs. in Cr.)	FY13	FY14	FY15	FY16	3Yr CAGR
Sales	76	126	155	198	37.7%
EBITDA	2	18	25	35	160.4%
Reported PAT	-6	6	10	16	NA
Adjusted PAT	-6	6	10	16	NA
Net Worth	59	65	90	101	19.7%
Capital Employed	134	129	160	187	11.7%
Debt to Equity ratio	1.27	0.98	0.78	0.85	
ROCE		8.1%	9%	12%	
ROE		9.9%	12.6%	17%	

3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16

AXLES INDIA LIMITED

Overview

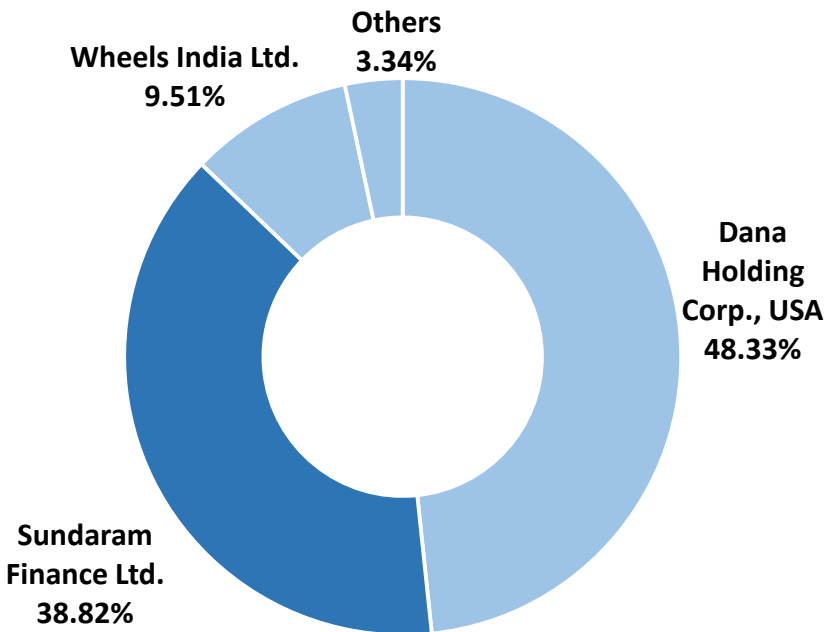
Founded in 1982, Axles India is a joint venture between Wheels India, Sundaram Finance and Dana Holding Corp., USA. Axles India is a leading manufacturer of Axle Housings for medium and heavy commercial vehicles.

Key Highlights

- Product Segments: Axle Housings for MCV and HCV
- Manufacturing Locations: Sriperumbudur and Cheyyar in Tamil Nadu
- Geography-wise Sales:
 - Domestic Market: 205,000 units in FY2016 (growth of 25.77% over FY2015)
 - Export Market: 100,000 units in FY 2016 (growth of 2.04% over FY2015)
- Foreign exchange earnings of Rs. 158.67 Cr. in FY2016, representing 32.1% of operating income
- Company website: www.axlesindia.com

Shareholding Pattern

(Holdings, %)



Standalone Financials (Rs. in Cr.)	FY12	FY13	FY14	FY15	FY16	3Yr CAGR	5Yr CAGR
Sales	515	410	330	430	494	6.4%	0.3%
EBITDA	32	22	20	24	32	12.3%	0.4%
Reported PAT	40	2	2	6	13	87.1%	24.4%
Adjusted PAT	9 [#]	2	2	6	13	87.1%	24.4%
Net Worth	66	67	67	70	82	7.2%	18%
Capital Employed	118	105	93	88	96	-2.9%	-3.5%
Debt to Equity ratio	0.78	0.57	0.38	0.26	0.17		
ROCE	15.9%	6.5%	7%	9.3%	16.7%		
ROE	16.9%	2.9%	2.9%	8.7%	16.5%		

Profit on sale of drive head division

*3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16*

DELPHI-TVS DIESEL SYSTEMS LIMITED

Overview

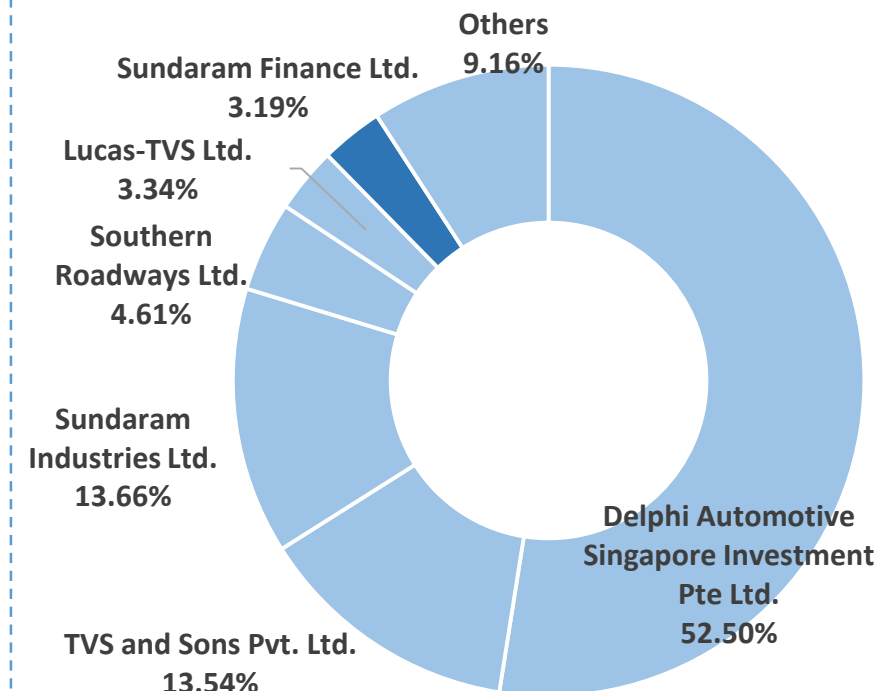
Delphi-TVS is a joint venture between Delphi Corporation, USA and the TVS Group. It manufactures diesel fuel injection equipment for Cars, Sports Utility and Multi Utility Vehicles, Light Commercial Vehicles, Tractors

Key Highlights

- Main Product portfolio: Rotary Fuel Injection Equipment (39.32%), Common Rail Fuel Injection Equipment (60.50%)
- Manufacturing locations: Tamil Nadu and Uttarakhand
- Foreign exchange earnings of Rs. 28.28 Cr. in FY2016, representing 3.7% of operating income
- Company website: www.delphitvs.com

Shareholding Pattern

(Holdings, %)



Shareholding Pattern as on 31 March, 2016



DELPHI-TVS DIESEL SYSTEMS LIMITED

Standalone Financials (Rs. in Cr.)	FY12	FY13	FY14	FY15	FY16	3Yr CAGR	5Yr CAGR
Sales	1034	1177	1001	887	769	-13.2%	1.8%
EBITDA	145	135	106	113	96	-10.7%	-4.3%
Reported PAT	35	15	4	-1	0	-132.1%	-146.1%
Adjusted PAT	35	15	4	-1	0	-132.1%	-146.1%
Net Worth	269	280	285	283	283	0.3%	3.0%
Capital Employed	611	856	838	753	676	-7.6%	5.2%
Debt to Equity ratio	1.27	2.06	1.94	1.66	1.39		
ROCE	12.2%	6.5%	3.8%	4.9%	3.6%		
ROE	13.6%	5.4%	1.6%	-0.5%	-0.2%		

3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16

BPO BUSINESSES

Overview

The BPO business of SFL, which was setup in 2005, is conducted through two entities – Sundaram Business Services Ltd. (SBSL) and Sundaram BPO India Ltd. (SBIL). Both the companies are owned 100% by SFL and its subsidiary

- SBSL focuses on the International market with clients across Australia and United Kingdom (UK)
- SBIL focuses on the Indian market and also has a shared services division which offers services to SFL Group and select companies in the TVS Group
- SBIL has grown organically and through acquisitions in the domestic BPO space - Professional Management Consultants Ltd (2007)., Caltec Servicez Pvt. Ltd. (2012)

Key Highlights

- Geography: India, Australia, UK.
 - Two delivery centers in India: Chennai and Mumbai
 - International sales offices in Australia and UK
- Services Offered: Select list of services offered in key geographies:
 - India: Finance and Accounting services, Sales and marketing support, Customer support, Finance and Accounting
 - Australia: Superannuation Fund Administration, Mortgage Process Services, Portfolio Management Support, Accounting back-office, Finance back-office for Hospitality
- Foreign Exchange earnings of Rs. 23.77 Cr. in FY2016 (Rs. 23.35 Cr. in FY2015)
- Company website: www.sundarambizserv.com



SUNDARAM BUSINESS SERVICES LIMITED

Standalone Financials (Rs. in Cr.)	FY12	FY13	FY14	FY15	FY16	3Yr CAGR	5Yr CAGR
Sales	27	25	21	24	24	-1.2%	1.5%
EBITDA	1.3	-0.2	-2.4	-1.0	0.6	NA	NA
Reported PAT	1.0	-0.6	-2.9	-1.7	0.0	NA	NA
Adjusted PAT	1.0	-0.6	-2.9	-1.7	0.0	NA	NA
Net Worth	12	11	8	7	7	-16.1%	-9.3%
Capital Employed	12	11	10	9	10	-3.6%	-3.6%
Debt to Equity ratio	-	-	0.25	0.38	0.51		

3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16

SUNDARAM BPO INDIA LIMITED

Standalone Financials (Rs. in Cr.)	FY13	FY14	FY15	FY16	3Yr CAGR
Sales	11	21	20	16	13.5%
EBITDA	0.5	0.7	0.9	0.4	-3.8%
Reported PAT	0.1	0.1	0.7	0.05	-29.1%
Adjusted PAT	0.1	0.1	0.7	0.05	-29.1%
Net Worth	9	9	10	10	3.2%
Capital Employed	10	9	10	11	3.6%
Debt to Equity ratio	0.05	-	-	0.07	
ROCE	2.1%	1.6%	3.7%	-	
ROE	3.1%	1.4%	7.6%	0.5%	

3 Year CAGR refers to growth between FY'13 and FY'16

TVS INVESTMENTS LIMITED

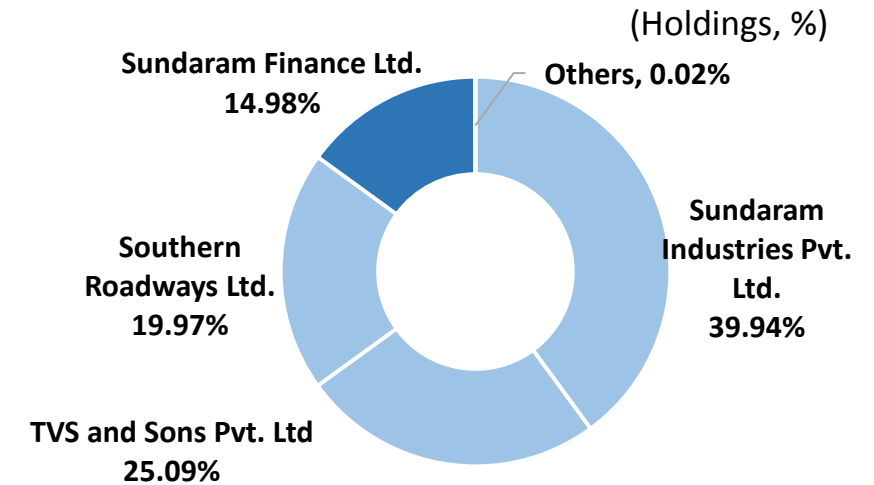
Overview

TVS Investments Ltd. is a holding company with subsidiaries including TVS Capital Funds Ltd. and TVS Electronics Ltd.

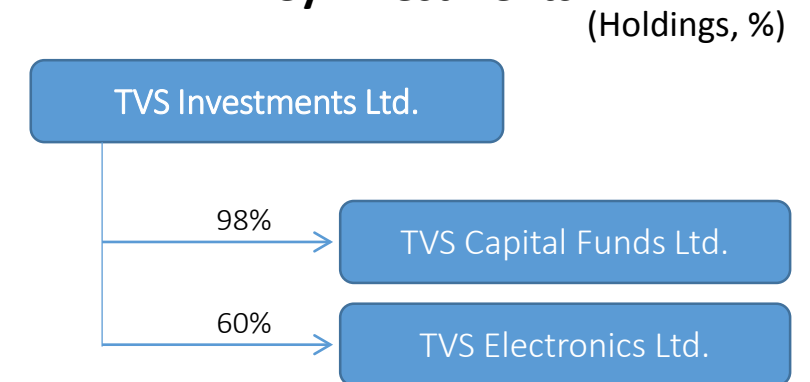
Key Highlights

- Revenue split: 62% through interest and dividend income from underlying investments, 38% from management consultancy services
- Key investments:
 - TVS Capital Funds Ltd. – Asset Management company managing Venture Capital and Private Equity Funds. It earned revenues of Rs. 24.5 Cr. during FY2016
 - TVS Electronics Ltd. (Listed) – Manufacturer of transaction automation products, provision of warranty and repair management services to leading brand owners in Information Technology, telecom and other transaction products.
 - Market capitalisation of TVS Electronics Ltd. was Rs. 189.61 Cr. as on 31 March, 2016.
 - Company Website: www.tvs-e.in

Shareholding Pattern



Key Investments



Shareholding Pattern as at 31 March, 2016

TVS INVESTMENTS LIMITED

Consolidated Financials (Rs. Cr.)	FY13	FY14	FY15	FY16	3Yr CAGR
Sales	303	275	295	617	26.7%
EBITDA	61	20	16	16	-35.7%
Reported PAT	33	5	4	9	-33.9%
Adjusted PAT	33	5	3	8	-37.9%
Net Worth	141	133	128	125	-3.9%
Capital Employed	223	210	201	184	-6.3%
Debt to Equity ratio	0.46	0.43	0.42	0.28	
ROCE		5.2%	4.5%	7.5%	
ROE		3.6%	2.6%	6.2%	

Figures in brackets indicate negative growth

3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16

SCHEME ROADMAP



Regulatory bodies from whom approvals are required	Process
Stock Exchange/ Securities and Exchange Board of India (SEBI)	<ul style="list-style-type: none"> • Application Filing • Receive public comments on Draft Scheme
Competition Commission of India (CCI)	<ul style="list-style-type: none"> • Application Filing
National Company Law Tribunal (NCLT)	<ul style="list-style-type: none"> • Application filing upon receipt of in-principle approval from Stock Exchange/ SEBI • Approval from shareholders, creditors, unsecured creditors, other relevant regulatory bodies

DISCLAIMER

Presentation date: 20 Feb 2017

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Service



Discipline



Prudence



Fair play

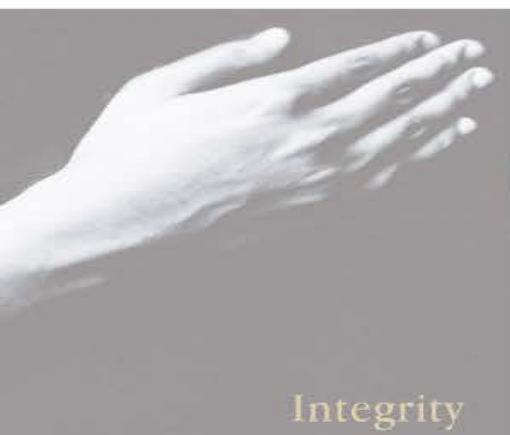


Honesty

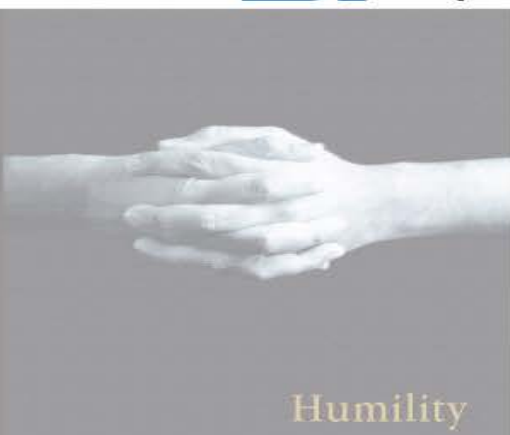
THANK YOU



SUNDARAM FINANCE
Enduring values. New age thinking.



Integrity



Humility



Openness



Relationships



Service



Discipline



Prudence



Fair play

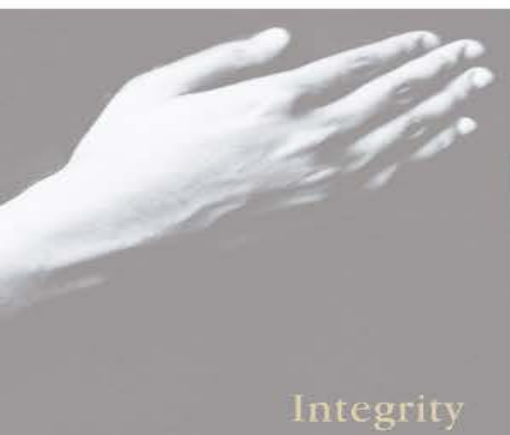


Honesty

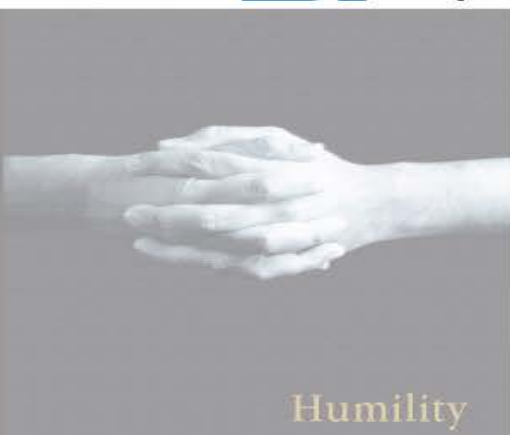
ANNEXURE – INDIA AUTOMOTIVE INDUSTRY STATISTICS



SUNDARAM FINANCE
Enduring values. New age thinking.



Integrity



Humility



Openness



Relationships

MARKET INFORMATION – COMMERCIAL VEHICLE SALES

Commercial Vehicles	2011-12	2012 - 13	2013 -14	2014 -15	2015 - 16	Apr-Jan 2017	3Yr CAGR	5Yr CAGR
M & HCVs	3,76,618	2,88,213	2,24,440	2,63,407	3,37,565	2,68,530		
% YoY	7%	-23%	-22%	17%	28%	2%	5%	-1%
Domestic	3,48,701	2,68,689	2,00,627	2,32,755	3,02,373	2,32,589		
% YoY	8%	-23%	-25%	16%	30%	-2%	4%	-1%
Export	27,917	19,524	23,813	30,652	35,192	35,941		
% YoY	-2%	-30%	22%	29%	15%	29%	22%	4%
LCVs	5,25,577	5,85,025	4,85,354	4,38,480	4,49,828	3,82,692		
% YoY	29%	11%	-17%	-10%	3%	5%	-8%	2%
Domestic	4,60,831	5,24,522	4,32,111	3,82,193	3,83,331	3,27,383		
% YoY	27%	14%	-18%	-12%	0%	7%	-10%	1%
Export	64,746	60,503	53,243	56,287	66,497	55,309		
% YoY	42%	-7%	-12%	6%	18%	-2%	3%	8%
Total CVs	9,02,195	8,73,238	7,09,794	7,01,887	7,87,393	6,51,222		
% YoY	19%	-3%	-19%	-1%	12%	4%	-3%	1%

Source: SIAM data

3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16

MARKET INFORMATION – PASSENGER VEHICLE SALES

Cars	2011-12	2012 - 13	2013 -14	2014 -15	2015 - 16	Apr-Jan 2017	3Yr CAGR	5Yr CAGR
Total Cars & MUVs	31,25,390	32,24,429	30,97,192	32,20,888	34,43,567	31,33,784		
<i>% YoY</i>	<i>6%</i>	<i>3%</i>	<i>-4%</i>	<i>4%</i>	<i>7%</i>	<i>11%</i>	<i>2%</i>	<i>3%</i>
Domestic	26,18,072	26,65,015	25,03,685	25,99,547	27,89,678	25,08,845		
<i>% YoY</i>	<i>5%</i>	<i>2%</i>	<i>-6%</i>	<i>4%</i>	<i>7%</i>	<i>9%</i>	<i>2%</i>	<i>2%</i>
Export	5,07,318	5,59,414	5,93,507	6,21,341	6,53,889	6,24,939		
<i>% YoY</i>	<i>14%</i>	<i>10%</i>	<i>6%</i>	<i>5%</i>	<i>5%</i>	<i>17%</i>	<i>5%</i>	<i>8%</i>

Source: SIAM data

3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16

MARKET INFORMATION – TRACTORS & 2 WHEELER SALES

Tractors	2011-12	2012 - 13	2013 -14	2014 -15	2015 - 16	Apr-Jan 2017	3Yr CAGR	5Yr CAGR
Domestic	5,36,891	5,27,768	6,34,151	5,51,463	4,93,764	4,59,597		
<i>% YoY</i>	<i>11%</i>	<i>-2%</i>	<i>20%</i>	<i>-13%</i>	<i>-10%</i>	<i>18%</i>	<i>-2%</i>	<i>0.5%</i>

Total 2 Wheelers	2011-12	2012 - 13	2013 -14	2014 -15	2015 - 16	Apr-Jan 2017	3Yr CAGR	5Yr CAGR
Total 2 Wheelers	1,53,82,967	1,57,54,126	1,68,89,419	1,84,37,636	1,89,37,104	1,66,90,672		
<i>% YoY</i>	<i>16%</i>	<i>2%</i>	<i>7%</i>	<i>9%</i>	<i>3%</i>	<i>6%</i>	<i>6%</i>	<i>7%</i>
Domestic	1,34,35,769	1,37,97,748	1,48,05,481	1,59,80,170	1,64,55,911	1,47,55,890		
<i>% YoY</i>	<i>14%</i>	<i>3%</i>	<i>7%</i>	<i>8%</i>	<i>3%</i>	<i>8%</i>	<i>6%</i>	<i>7%</i>
Export	19,47,198	19,56,378	20,83,938	24,57,466	24,81,193	19,34,782		
<i>% YoY</i>	<i>27%</i>	<i>0%</i>	<i>7%</i>	<i>18%</i>	<i>1%</i>	<i>-10%</i>	<i>8%</i>	<i>10%</i>

Source: SIAM data

3 Year CAGR refers to growth between FY'13 and FY'16
5 Year CAGR refers to growth between FY'11 and FY'16