

# Sundaram Finance to acquire BNP stake in two JVs for Rs 1,000 crore

Chennai, June 21:

Non-banking finance company Sundaram Finance Ltd said it has reached agreements with its partner BNP Paribas for acquiring stakes held by the latter in their two joint venture companies for a total consideration of around Rs 1,000 crore.

Subject to necessary regulatory approvals, the entire 49 per cent equity stake held by BNP Paribas Securities Services in Sundaram BNP Paribas Fund Services Ltd would be acquired for Rs 15 million (Rs 1.5 crore).

Similarly, the 49.9 per cent stake of BNP Paribas Personal Finance in Sundaram BNP Paribas Home Finance Limited would be acquired for about Rs 999.66 crore, according to NSE filings by the city-based Sundaram Finance Ltd.

The sum of total acquisitions is around Rs 1,000 crore.

Following the acquisitions, the two joint ventures would become wholly owned subsidiary of



**TT Srinivasaraghavan, MD,  
Sundaram Finance**

Sundaram Finance.

The acquisitions were subject to approval by the Securities and Exchange Board of India and likely to be completed by next month.

Sundaram BNP Paribas Fund Services had registered turn over of Rs 35.25 crore in 2018-19 while it was Rs 41.14 crore in 2017-18.

Sundaram BNP Paribas Home Finance had clocked revenues of Rs 1,006 crore in FY18-19 while it was Rs 935 crore 2017-18.

Commenting on the transaction, Sundaram Finance, Managing Director, TT Srinivasaraghavan said, "Sundaram Finance and BNP Paribas Personal Finance have enjoyed an excellent relationship over the past 15 years and built up a successful and respected brand in the housing finance sector in India".

BNP Paribas Personal Finance has added a lot of value to the technical aspects of the business and been a valued business partner, he said.

"Given the strong synergy with the parent's auto lending and related business, this (acquisition) will further strengthen our footprint in the retail financial services space", he said.

Shares of Sundaram Finance ended at Rs 1,532.80 apiece up by 0.37 per cent Thursday over previous close in stock exchanges.