

**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED (CHOLA)  
ANNOUNCES AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> JUNE 2015**

**Chennai, July 31 2015:** The Board of Directors of Cholamandalam Investment and Finance Company Limited today approved and adopted its Financial Results for the first quarter ended 30<sup>th</sup> June 2015.

**Results at a glance**

- Q1 FY16 profit before tax is ₹ 171 Cr, a growth of 21% compared to Q1 last year.
- 25% growth in Net Income Margin (NIM).
- Healthy growth in closing assets of 13%.
- Rs. 3508 Cr of disbursements, representing a growth of 10 %.
- Increase in Gross NPA (on 5 months' overdue basis) from 3.12% in Mar-15 to 3.33%.
- Profit after tax for Q1 FY16 at ₹ 110 Cr, growth of 18% over Q1 FY15.
- In June 2015, CRISIL upgraded its rating on our long-term debt instruments from AA-/Positive to AA/Stable.

**Performance Highlights**

Particulars	Q1 FY 16	Q1 FY 15	Growth (%)
Net Income Margin (Rs. In Cr.)	490.23	393.69	25% ↑
Net Income Margin (as % of assets)	8.5	7.6	
Total Expenses (as % of assets)	-3.7	-3.3	
Net Credit Losses (as % of assets)*	-1.8	-1.6	
PBT (Rs. In Cr.)	170.52	141.03	21% ↑
PBT (as % of assets)	2.9	2.7	
PAT (Rs. In Cr.)	110.25	93.10	18% ↑
EPS - in Rs.	7.57	6.50	16% ↑
ROE - in % <sup>#</sup>	13.7	16.0	

\*Q1 FY16 on 5 months' overdue basis; Q1 FY15 on 6 months' overdue basis

# Drop in RoE on account of infusion of capital of Rs. 500 Cr in Sep-14

We disbursed ₹ 2588 Cr in our Vehicle Finance business as against ₹ 2320 Cr. in Q1 of FY15. This was a growth of 12%. Home Equity disbursements grew by 16%, from ₹ 716 Cr in Q1 FY15 to ₹ 831 Cr in Q1 FY16. Chola's aggregate disbursements for the quarter were ₹ 3508 Cr as against ₹ 3188 Cr in Q1 of FY15.

Chola's Net Income Margin (NIM) was 8.5% for the quarter, compared to 7.6% in the same quarter of last year.

We continue to have a laser-sharp focus on collections. The company was able to ride out the traditionally difficult first quarter, with a small increase in GNPA. The GNPA is 3.33% (at 5 months' overdue) and NNPA is 2.08%.

Chola's PBT-ROTA for Q1 FY16 improved to 2.9% as against 2.7% in Q1 FY15.

**Capital Adequacy:**

The capital adequacy ratio (CAR) of the company was at 20.56% as against the regulatory requirement of 15%.

**Rating Upgrade:**

In June 2015, CRISIL upgraded the rating on our long term debt instruments from CRISIL AA-/Positive to CRISIL AA/Stable.

**Subsidiaries Performance:**

The subsidiaries Cholamandalam Securities Limited (CSEC) and Cholamandalam Distribution Services Limited (CDSL) together made a profit before tax of ₹ 0.86 Cr in Q1 FY16, as against ₹ 2.56 Cr in the same quarter last year.

**Consolidated Results:**

The consolidated profit after tax for Q1 is ₹ 111 Cr. as against ₹ 96 Cr. in Q1 of FY15, registering a growth of 16%.

### **About Cholamandalam Investment and Finance Company Limited**

Cholamandalam Investment and Finance Company Limited was incorporated in 1978 as the financial services arm of the Murugappa Group. Chola commenced business as an equipment financing company and has today emerged as a comprehensive financial services provider offering vehicle finance, home loans, home equity loans, SME loans, investment advisory services, stock broking and a variety of other financial services to customers.

Chola operates from over 534 branches across India with assets under management above INR 25,000 Crores. The subsidiaries of Cholamandalam include Cholamandalam Securities Limited (CSEC) and Cholamandalam Distribution Services Limited (CDSL). The vision of Chola is to enable customers enter a better life. Chola has a growing clientele of over 7.5 lakh happy customers across the nation. Ever since its inception and all through its growth, the company has kept a clear sight of its values. The basic tenet of these values is a strict adherence to ethics and a responsibility to all those who come within its corporate ambit - customers, shareholders, employees and society.

### **About Murugappa Group**

Founded in 1900, the INR 269 Billion Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including nine listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Parry Sugar industries Ltd, Shanthi Gears Ltd., Tube Investments of India Ltd., and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Transmission systems, Cycles, Sugar, Farm Inputs, Fertilisers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Sociedad Química y Minera de Chile (SQM), Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Ballmaster, Ajax, Parry's, Chola, Gromor, Shanthi Gears and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 32,000 employees. For more details , visit [www.murugappa.com](http://www.murugappa.com) .

**For more details on this release, please contact:**

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A presentation for investors is being separately placed on our website: [www.cholamandalam.com](http://www.cholamandalam.com)