

Cholamandalam Investment and Finance Company Limited

Q 1 - Performance Highlights:

Chennai - July 31, 2014

The Company disbursed Rs.2320 Cr. in Vehicle Finance as against Rs. 2609 Cr. in Q 1 of 2013-14 and disbursed Rs.716 Cr. in Home Equity loans as against Rs. 662 Cr. in Q 1 of 2013-14. Disbursements from new businesses were Rs. 153 Cr. The aggregate disbursements of the Company for the quarter are Rs.3188 Cr. as against Rs. 3278 Cr. in Q 1 of 2013-14.

Total Income is Rs.869 Cr. compared to Rs.762 Cr. in Q 1 of 2013-14 registering a growth of 14%.

With continuing stress witnessed in the Commercial vehicles segment, the Company's overall GNPA has risen to 2.4% and the NNPA to 1.1% as on 30th June 2014. The company continues to follow a stringent credit selection approach which is reflected in the disbursement growth being relatively lower as compared to the previous year in the vehicle finance business.

Profit before tax is Rs.141 Cr. as against Rs.138 Cr. in Q 1 of 2013-14 registering a growth of 2%.

Profit after tax is Rs.93 Cr. as against Rs. 91 Cr. in Q 1 of 2013-14 registering a growth of 2%.

Financial Performance – Summary

Rs in Cr.			
2013-14	Particulars	2014-15	Q-o-Q
Q - I		Q - I	Growth
3,278.35	Disbursements	3,188.39	-3%
761.82	Total Income	869.27	14%
138.13	Profit Before Tax	141.03	2%
91.18	Profit After Tax	93.10	2%

The Company has expanded its presence in 3 additional locations taking the total number of branches to 577 as on 30th June 2014.

The Company raised Tier II capital of Rs.270 Cr. by way of subordinated debt and perpetual debt instruments to strengthen its capital adequacy ratio.

The capital adequacy ratio (CAR) of the company was at 18.05% as against the regulatory requirement of 15%.

Subsidiaries Performance:

The subsidiaries Cholamandalam Securities Limited and Cholamandalam Distribution Services Limited had together made a profit of Rs. 2.56 Cr. as against Rs. 0.87 Cr. in Q1 of 2013-14.

Consolidated Results:

The consolidated profit after tax is Rs. 96 Cr. as against Rs. 92 Cr. in Q1 of 2013-14 registering a growth of 4%.

Equity Issuance:

The Board of Directors at their meeting held on 26 July, 2014 considered and approved an issue of 50,000,000 Compulsorily Convertible Preference Shares ("CCPS") of Rs 100 each aggregating to Rs 500 Crores (Rupees Five Hundred Crores only) on a preferential basis .This capital infusion will help the Company to meet the business growth and augment the Tier 1 capital.