

CHOLA INKS STRATEGIC ALLIANCE WITH HUDCO

Chennai, May 9th, 2017: Cholamandalam Investment and Finance Company Limited (Chola), the financial services arm of Murugappa Group, today announced a strategic partnership with **Housing & Urban Development Corporation Limited (HUDCO)**, a Government-owned Corporation mandated with offering techno-financial solutions for affordable housing and urban development.

The tie up will enable Chola to extend benefits under the Credit Linked Subsidy Scheme (CLSS) which is part of the Pradhan Mantri Awas Yojana (URBAN)-Housing to its eligible customers.

Aligning with the initiative of the Government of India, Chola has been offering home loans focusing on the self-employed non-professional customers and this tie up will further strengthen its position by helping first time home buyers in realizing their dream of owning a house.

*“The largest gap between supply and demand for housing lies in the affordable housing space. A further underserved market are the small entrepreneurs who do not have sufficient access to credit. Our tie up with HUDCO will provide the required boost to this segment and shall encourage more people from EWS (economically weaker section) and LIG (Low Income Group) to buy their own home, said **Mr. Vellayan Subbiah, Managing Director, Chola**. This partnership will also help us extend the CLSS scheme to our customers and take formal credit to the underserved markets thereby helping our customers **enter a better life.**”*

Confirming the development, **Smt. Rekha V. Sarathy, Executive Director - Chennai Regional Office, HUDCO** said, *“The MoU between HUDCO and Cholamandalam Investment and Finance Company Limited (Chola) would mark a new beginning in the home loan market. The tie up would facilitate channelizing the Government of India’s interest subsidy to the home loan seekers. This arrangement would encompass and benefit the most deserving housing loan segment thereby translating the vision of ‘Housing for All’ into a reality.”*

HUDCO has the mandate of providing long-term finance for housing projects in the country, especially for the Economically Weaker Sections (EWS) and Low-Income Groups (LIG) segments of the society. With a pan-India presence, HUDCO has emerged as a major player in housing finance over the last 46 years offering a wide range of financing options and services. In the light of the significant deficit for housing in the country and need for massive efforts to achieve the objective of ‘Housing for All’ by 2022, HUDCO is fully geared up to take up the challenge of providing affordable housing in the country through taking care of financing need of these projects

With over 700 branches across the country, Chola supports customers who are underserved by the formal banking system. Chola commenced its housing finance in 2012 and currently offers housing finance for self-construction properties, purchase of homes and balance transfer of existing home loan.

About Chola:

Cholamandalam Investment and Finance Company Limited (Chola), 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 700 branches across India with assets under management above INR 30,000 Crores. The subsidiaries of Chola are Cholamandalam Securities Limited (CSEC), Cholamandalam Distribution Services Limited (CDSL) and White Data Systems India Private Limited (WDSI).

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. For more details, <http://www.cholamandalam.com>

About Murugappa Group:

Founded in 1900, the INR 295 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, Montra, Ladybird, Mach City, 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 <http://www.murugappa.com>

About HUDCO:

HUDCO (A Government of India Enterprise) is a leading Techno-financial institution providing long term finance to Housing and Urban Infrastructure projects across the country with a motto of "Profitability with Social Justice". HUDCO has made a significant contribution in increasing the housing stock in the country by serving the 'unserved', thus bridging the 'housing divide' in the country. For more details visit <http://www.hudco.org>

For further information on the press release, please contact:

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