

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED** ("the Company") and its subsidiaries (the Company and its subsidiaries "the Group") and the Standalone Financial Results of the Company for the Quarter and Nine Months ended 31 December 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 6 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the following entities:

Company Name	Relationship
Cholamandalam Investment and Finance Company Limited	Company
Cholamandalam Distribution Services Limited	Subsidiary
Cholamandalam Securities Limited	Subsidiary

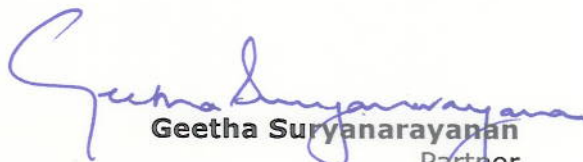
4. We did not review the interim financial results of one subsidiary included in the consolidated financial results, whose interim financial results reflect total revenues of Rs. 186 Lakhs and Rs. 511 Lakhs for the Quarter and Nine Months ended 31 December 2013 respectively, and total loss after tax of Rs. 13 Lakhs and Rs. 82 Lakhs for the Quarter and Nine Months ended 31 December 2013, respectively, as considered in the consolidated financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditors.



5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged / encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Nine Months ended 31 December 2013 of the Statement, from the details furnished by the Registrars.



For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. : 008072S)


Geetha Suryanarayanan
Partner
(Membership No. : 29519)

CHENNAI, 29 January 2014

(Rupees in lakhs)

Particulars	Standalone						Consolidated					
	Unaudited			Audited			Unaudited			Audited		
	Three months ended 31.12.2013	Preceding three months ended 30.09.2013	Corresponding three months ended 31.12.2012 in Previous Year	Nine months ended 31.12.2013	Nine months ended 31.12.2012 in Previous Year	Audited Previous Year ended 31.03.2013	Three months ended 31.12.2013	Preceding three months ended 30.09.2013	Corresponding three months ended 31.12.2012 in Previous Year	Nine months ended 31.12.2013	Nine months ended 31.12.2012 in Previous Year	Audited Previous Year ended 31.03.2013
1. a) Income from operations	82,715	78,172	65,380	235,675	177,685	248,815	83,102	78,526	65,737	236,822	178,717	250,255
b) Other operating income	1,599	2,285	1,156	5,200	5,094	6,522	1,603	2,289	1,160	5,213	5,106	6,537
2. Expenditure												
a) Interest (Financing Charges)	47,005	44,950	37,402	131,881	103,110	141,201	46,943	44,909	37,358	131,540	103,054	141,000
b) Employees cost	5,138	4,662	3,817	14,376	10,719	15,309	5,313	4,808	4,003	14,867	11,313	16,081
c) Business origination outsourcing	5,196	4,238	4,275	14,212	12,447	17,437	5,286	4,315	4,384	14,456	12,572	17,848
d) Other operating expenses	5,611	5,914	5,257	18,496	15,810	22,181	5,721	5,996	5,352	18,800	16,075	22,541
e) Depreciation	541	522	498	1,550	1,328	2,031	564	552	530	1,633	1,424	2,157
f) Provisions and loan losses	6,991	7,090	3,091	19,912	6,958	12,429	6,989	7,093	3,068	19,916	6,868	12,334
g) Total	70,482	67,376	54,340	200,227	150,172	210,488	70,816	67,673	54,695	201,212	151,306	211,961
3. Profit from Operations before Other Income & Exceptional Items (1-2)	13,832	13,081	12,196	40,648	32,607	44,849	13,889	13,142	12,202	40,823	32,517	44,831
4. Other income	124	412	46	614	226	231	157	438	49	703	289	389
5. Profit before Exceptional Items (3+4)	13,956	13,493	12,242	41,262	32,833	45,080	14,046	13,580	12,251	41,526	32,806	45,220
6. Exceptional items	-	-	-	-	-	-	-	-	-	-	-	-
7. Profit from Ordinary Activities before Tax (5+6)	13,956	13,493	12,242	41,262	32,833	45,080	14,046	13,580	12,251	41,526	32,806	45,220
8. Tax expense (including deferred tax)	4,740	4,999	4,098	13,934	10,754	14,425	4,740	4,499	4,100	13,934	10,756	14,429
9. Net Profit from Ordinary Activities after Tax (7-8)	9,216	8,494	8,144	27,328	22,079	30,655	9,306	9,081	8,151	27,592	22,050	30,791
10. Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-	-	-	-	-	-
11. Net Profit for the Period (9-10)	9,216	8,494	8,144	27,328	22,079	30,655	9,306	9,081	8,151	27,592	22,050	30,791
12. Paid-up equity share capital (Rs.10/- per share)	14,322	14,322	13,263	14,322	13,263	14,317	14,322	14,322	13,263	14,322	13,263	14,317
13. Reserves excluding revaluation reserves	-	-	-	-	-	182,160	-	-	-	-	-	180,939
14. Earnings per Share (EPS) - not annualised- before and after extraordinary items (in Rs.)												
a) Basic	6.44	5.28	6.14	19.09	16.66	22.89	6.50	6.34	6.15	19.28	16.63	22.99
b) Diluted	6.43	5.27	6.13	19.06	16.63	22.83	6.49	6.33	6.14	19.24	16.60	22.93



Part II - Select information for the Nine months ended December 31, 2013

Particulars	Standalone						Consolidated					
	Unaudited			Audited			Unaudited			Audited		
	Three months ended 31.12.2013	Preceding three months ended 30.09.2013	Corresponding three months ended 31.12.2012 in Previous Year	Nine months ended 31.12.2013	Nine months ended 31.12.2012 in Previous Year	Audited Previous Year ended 31.03.2013	Three months ended 31.12.2013	Preceding three months ended 30.09.2013	Corresponding three months ended 31.12.2012 in Previous Year	Nine months ended 31.12.2013	Nine months ended 31.12.2012 in Previous Year	Audited Previous Year ended 31.03.2013
	1	2	3	4	5	6	7	8	9	10	11	12
1. Public shareholding												
- Number of shares	60,353,349	60,427,815	49,986,912	60,353,349	49,986,912	60,517,451	60,353,349	60,427,815	49,986,912	60,353,349	49,986,912	60,517,451
- Percentage of shareholding	42.16%	42.21%	37.71%	42.16%	37.71%	42.29%	42.16%	42.21%	37.71%	42.16%	37.71%	42.29%
2. Promoters and Promoter group shareholding												
a) Pledged / encumbered	-	-	-	-	-	-	-	-	-	-	-	-
- Number of shares	-	-	-	-	-	-	-	-	-	-	-	-
- Percentage of shares	-	-	-	-	-	-	-	-	-	-	-	-
as % of the total shareholding of the promoter / promoter group	-	-	-	-	-	-	-	-	-	-	-	-
as % of the total share capital of the company	-	-	-	-	-	-	-	-	-	-	-	-
b) Non encumbered												
- Number of shares	82,801,718	82,727,252	82,579,656	82,801,718	82,579,656	82,590,290	82,801,718	82,727,252	82,579,656	82,801,718	82,579,656	82,590,290
- Percentage of shares	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
as % of the total shareholding of the promoter / promoter group	57.84%	57.79%	62.29%	57.84%	62.29%	57.71%	57.84%	57.79%	62.29%	57.84%	62.29%	57.71%
as % of the total share capital of the company												

Particulars		Three months ended December 31, 2013	
B. Investor Complaints			
Pending at the beginning of the quarter		0	
Received during the quarter		0	
Disposed off during the quarter		0	
Remaining unresolved at the end of the quarter		0	



1. The above Statement of Standalone and Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2013 was reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on January 29, 2014. The same has also been subjected to a limited review by the Statutory Auditors.
2. The Scheme of Amalgamation of the Company's wholly owned subsidiary M/s. Cholamandalam Factoring Limited (CFACT) with the Company was sanctioned by The Hon'ble High Court of Judicature at Madras with an appointed date of April 1, 2012 and the Scheme is effective from May 24, 2013. Accordingly, the Company has given effect to the above Scheme, in the nine months period ended December 31, 2013.
3. The total outstanding employee stock options as at December 31, 2013 is 10,23,564.
4. The Board of Directors have declared an interim dividend of 25% being Rs 2.50 per share on the equity shares of the Company, for the year ending March 31, 2014 .
5. Segmental Reporting: The Company is primarily engaged in the business of financing, in India. All the activities of the Company revolve around the main business. As such there are no separate reportable segments as per Accounting Standard (AS) 17 "Segment Reporting" in respect of the Company. The Segmental Reporting in respect of the Consolidated results is given in Appendix 1.
6. Prior period/year figures have been regrouped wherever necessary to conform to the current period presentation.

Place : Chennai

Date : January 29, 2014

On behalf of the Board of Directors


Vellayan Subbiah
Managing Director

visit us at www.cholafinance.com



CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

Appendix 1

Segment wise Revenue, Results and Capital Employed for consolidated results under clause 41 of the listing agreement

Particulars	Consolidated					
	Unaudited			Audited		
	Three months ended 31.12.2013	Preceding three months ended 30.09.2013	Corresponding three months ended 31.12.2012 in Previous Year	Nine months ended 31.12.2013	Nine months ended 31.12.2012 in Previous Year	Previous Year ended 31.03.2013
	1	2	3	4	5	6
1. Segment Revenue						
Financing	84,314	80,457	66,536	240,875	182,779	255,338
Distribution	227	213	205	709	624	875
Stock Broking	186	157	165	494	480	648
Total	84,727	80,827	66,906	242,078	183,883	256,661
Less: Inter-Segment revenue	(22)	(12)	(9)	(43)	(60)	(69)
Net Revenue	84,705	80,815	66,897	242,035	183,823	256,792
2. Segment Results (Profit / (Loss) before tax)						
Financing	13,956	13,493	12,274	41,262	32,958	45,224
Distribution	103	114	35	346	67	200
Stock Broking	(13)	(27)	(24)	(82)	(80)	(97)
Total	14,046	13,580	12,285	41,526	32,945	45,327
Add: Other unallocable income net of unallocable expenditure	-	-	(34)	-	(139)	(107)
Net Profit / (Loss) before Tax	14,046	13,580	12,251	41,526	32,806	45,220
3. Capital Employed (Segment Assets - Segment Liabilities)						
Financing	206,567	199,970	104,903	206,567	104,903	181,262
Distribution	952	1,227	1,003	952	1,008	1,123
Stock Broking	895	1,011	1,091	895	1,091	963
Other Unallocable assets net of unallocable liabilities	16,823	13,723	55,440	16,823	55,440	11,908
Total	275,237	215,931	162,442	225,237	162,442	195,256

Note:
Management of the Company has identified the above reportable segments. Segment data for the previous periods, has been restated, wherever necessary, to conform to the current period presentation.

On behalf of the Board of Directors


Vellayan Subbiah
Managing Director

Place : Chennai
Date : January 29, 2014

visit us at www.cholafinance.com

