

**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 constitute "the Group") and Standalone Unaudited Financial Results of the Company for the Quarter ended 30 June 2014 ("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 5 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 provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

The Statement includes the results of the following entities:

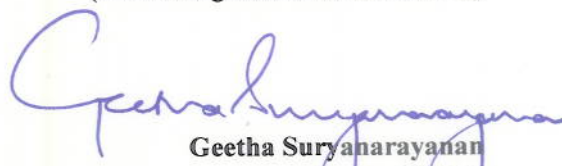
Company Name	Relationship
Cholamandalam Investment and Finance Company Limited	Company
Cholamandalam Distribution Services Limited	Subsidiary
Cholamandalam Securities Limited	Subsidiary

3. We did not review the interim financial results of one subsidiary included in the consolidated financial results, whose interim financial results reflect total revenue of Rs.343 lakhs for the Quarter ended 30 June 2014, and total profit after tax of Rs.93 lakhs for the Quarter ended 30 June 2014, as considered in the consolidated financial results. These interim financial results have been reviewed by other auditor 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 the subsidiary, is based solely on the report of the other auditor.



4. Based on our review conducted as stated above and based on the consideration of the reports of the other auditor referred to in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, 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.
5. 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 with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter ended 30 June 2014 of the Statement, from the details furnished by the Registrars.

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


Geetha Suryanarayanan
Partner
(Membership No. 29519)

CHENNAI, 31 July 2014

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

CIN - L65993TN1978PLC007576

Registered Office : DARE HOUSE, 2, NSC Bose Road, Chennai - 600 001.

**Statement of Standalone and Consolidated Unaudited Financial Results
for the Quarter ended June 30, 2014**

₹ 'lakhs

Part I :- Financial Information	Standalone								Consolidated			
	Audited (Refer Note 5)				Unaudited				Audited (Refer Note 5)			
	Unaudited Quarter ended 30.06.2014	Preceding Quarter ended 31.03.2014	Unaudited Corresponding Quarter ended 30.06.2013 in Previous Year	Audited Previous Year ended 31.03.2014	Unaudited Quarter ended 30.06.2014	Unaudited Corresponding Quarter ended 30.06.2013 in Previous Year	Audited Previous Year ended 31.03.2014	Unaudited Quarter ended 30.06.2014	Unaudited Corresponding Quarter ended 30.06.2013 in Previous Year	Audited Previous Year ended 31.03.2014	Unaudited Quarter ended 30.06.2013 in Previous Year	Audited Previous Year ended 31.03.2014
Particulars	1	2	3	4	5	6	7	8	9	10	11	12
1. a) Income from operations	85,997	83,896	75,866	323,163	86,598	84,403	76,300	324,899	8	324,899	7	3,032
b) Other operating income	918	814	309	3,015	920	817	315	3,032	8	3,032	7	3,032
2. Expenditure												
a) Interest (Financing Charges)	47,558	45,428	39,726	177,109	47,499	45,397	39,688	176,937	8	176,937	7	19,412
b) Employees benefits expense	4,798	4,374	4,576	18,750	4,994	4,545	4,746	19,412	8	19,412	7	20,063
c) Business origination outsourcing	4,912	5,520	4,778	19,732	5,002	5,607	4,855	20,063	8	20,063	7	25,373
d) Other operating expenses	6,853	6,481	6,971	24,977	6,948	6,573	7,083	25,373	8	25,373	7	2,464
e) Depreciation and amortisation expense	647	813	487	2,363	668	831	517	2,464	8	2,464	7	28,338
f) Provisions and loan losses	8,056	8,421	5,831	28,333	8,057	8,422	5,834	28,338	8	28,338	7	272,587
g) Total	72,824	71,037	62,369	271,264	73,168	71,375	62,723	272,587	8	272,587	7	55,344
3. Profit from Operations before Other Income & Exceptional Items (1-2)	14,091	13,673	13,806	54,914	14,350	13,845	13,892	55,344	8	55,344	7	104
4. Other income	12	85	7	106	9	77	8	104	8	104	7	55,448
5. Profit before Exceptional Items (3+4)	14,103	13,758	13,813	55,020	14,359	13,922	13,900	55,448	8	55,448	7	18,620
6. Exceptional items	-	-	-	-	-	-	-	-	8	-	7	36,828
7. Profit from Ordinary Activities before Tax (5+6)	14,103	13,758	13,813	55,020	14,359	13,922	13,900	55,448	8	55,448	7	18,620
8. Tax expense (including deferred tax)	4,793	4,685	4,695	18,619	4,794	4,686	4,695	18,620	8	18,620	7	36,828
9. Net Profit from Ordinary Activities after Tax (7-8)	9,310	9,073	9,118	36,401	9,565	9,236	9,205	36,828	8	36,828	7	14,326
10. Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-	-	8	-	7	214,350
11. Net Profit for the Period (9-10)	9,310	9,073	9,118	36,401	9,565	9,236	9,205	36,828	8	36,828	7	14,326
12. Paid-up equity share capital (Rs.10/- per share)	14,344	14,326	14,321	215,144	14,344	14,326	14,321	214,350	8	214,350	7	25.73
13. Reserves excluding revaluation reserves	-	-	-	-	-	-	-	-	8	-	7	25.68
14. Earnings per Share (EPS) - not annualised- before and after extraordinary items (in Rs.)	6.50	6.34	6.37	25.43	6.66	6.45	6.43	25.73	8	25.73	7	25.68
a) Basic	6.49	6.33	6.35	25.38	6.66	6.44	6.42	25.68	8	25.68	7	25.68
b) Diluted	-	-	-	-	-	-	-	-	8	-	7	-



CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

Part II :- Select information for the Quarter ended June 30, 2014

Particulars	Standalone				Consolidated			
	Quarter ended 30.06.2014	Preceding Quarter ended 31.03.2014	Corresponding Quarter ended 30.06.2013 in Previous Year	Previous Year ended 31.03.2014	Quarter ended 30.06.2014	Preceding Quarter ended 31.03.2014	Corresponding Quarter ended 30.06.2013 in Previous Year	Previous Year ended 31.03.2014
	1	2	3	4	5	6	7	8
A. Particulars of Shareholding								
1. Public Shareholding								
- Number of shares	60,571,611	60,383,966	60,517,256	60,383,966	60,571,611	60,383,966	60,517,256	60,383,966
- Percentage of shareholding	42.25	42.17	42.28	42.17	42.25	42.17	42.28	42.17
2. Promoters and Promoter group shareholding								
a) Pledged / Encumbered	-	-	-	-	-	-	-	-
- Number of shares	-	-	-	-	-	-	-	-
- Percentage of shares	-	-	-	-	-	-	-	-
as a% of the total shareholding of the promoter / promoter group								
as a% of the total share capital of the company								
b) Non encumbered	82,807,068	82,807,068	82,628,701	82,807,068	82,807,068	82,807,068	82,628,701	82,807,068
- Number of shares	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of shares	57.75	57.83	57.72	57.83	57.75	57.83	57.72	57.83
as a% of the total shareholding of the promoter / promoter group								
as a% of the total share capital of the company								

B. Investor Complaints	
Particulars	Quarter ended June 30, 2014
Pending at the beginning of the quarter	0
Received during the quarter	1
Disposed off during the quarter	0
Remaining unresolved at the end of the quarter	1



Notes

1. The above Statement of Standalone and Consolidated Unaudited Financial Results for the Quarter ended June 30, 2014 was reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on July 31, 2014. The same has also been subjected to a limited review by the Statutory Auditors.
2. The Board of Directors at their meeting held on 26 July 2014 approved an issue of 50,000,000 Compulsorily Convertible Preference Shares ("CCPS") of Rs 100 each aggregating to Rs 500 Crores to investors by way of a preferential issue in terms of Chapter VII of the SEBI (ICDR) Regulations subject to the approval of the members of the Company and other applicable regulatory approvals.
3. During the quarter ended June 30, 2014, 1,87,645 employee stock options were exercised. The total outstanding employee stock options as at June 30, 2014 is 7,60,222.
4. Segmental Reporting: The Company is primarily engaged in the business of financing. All the activities of the Company revolve around the main business in India. 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.
5. The figures of the quarter ended March 31, 2014, are the balancing figures between the audited figures of the financial year ended March 31, 2014 and the published year to date figures upto the quarter ended December 31, 2013.
6. Prior period figures have been regrouped wherever necessary to conform to the current period presentation.

On behalf of the Board of Directors



Vellayan Subbiah
Managing Director

Place : Chennai

Date : July 31, 2014

visit us at www.cholaifinance.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	₹ 'laks			
	Consolidated			
	Unaudited Quarter ended 30.06.2014	Audited (Refer Note 5) Preceding Quarter ended 31.03.2014	Unaudited Corresponding Quarter ended 30.06.2013 in Previous Year	Audited Previous Year ended 31.03.2014
	1	2	3	4
1. Segment Revenue				
Financing	86,915	84,710	76,175	326,178
Distribution	329	293	326	1,183
Stock Broking	353	267	163	797
Total	87,597	85,270	76,664	328,158
Less: Inter-Segment revenue	(79)	(50)	(49)	(227)
Net Revenue	87,518	85,220	76,615	327,931
2. Segment Results (Profit / (Loss) before tax)				
Financing	14,095	13,681	13,806	54,922
Distribution	163	122	129	468
Stock Broking	92	42	(43)	(46)
Total	14,350	13,845	13,892	55,344
Add: Other unallocable income net of unallocable expenditure	9	77	8	104
Net Profit before Tax	14,359	13,922	13,900	55,448
3. Capital Employed (Segment Assets - Segment Liabilities)				
Financing	217,937	206,719	191,416	206,719
Distribution	198	556	942	556
Stock Broking	1,377	1,595	1,303	1,595
Other Unallocable assets net of unallocable liabilities	19,104	19,807	13,177	19,807
Total	238,616	228,677	206,838	228,677

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 quarter presentation.

On behalf of the Board of Directors


Vellayan Subbiah
Managing Director

Place : Chennai
Date : July 31, 2014

visit us at www.cholafinance.com

