

**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED (CHOLA)
ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER 2016**

Chennai, October 27 2016: The Board of Directors of Cholamandalam Investment and Finance Company Limited today approved its audited financial results for the half year ended 30th September, 2016 and unaudited financial results for the quarter ended 30th September 2016.

Highlights

- Profit after tax for Q2 FY17 at ₹ 171 Cr, a growth of 42% over Q2 FY16. For the half year, PAT is reported at ₹ 337 Cr, a growth of 46% over same period last year.
- Q2 FY17 disbursements Rs. 4,444 Cr, representing a growth of 21 % over Q2 FY16.
- Net Income Margin (NIM) is maintained at 8.4%.
- Managed closing assets is ₹ 31,892 Cr - growth of 19% over Q2 of FY16.
- Gross NPA (on 4 months' overdue basis) improved to 3.5% in Sep-16 compared to 3.6% in Jun-16

Financial Performance

Particulars	Q2 FY 17	Q2 FY 16	Growth (%)		YTD Sep 16	YTD Sep 15	Growth (%)	
Net Income Margin (Rs. In Cr.)	593.25	506.41	17%	↑	1,153.67	996.65	16%	↑
PBT (Rs. In Cr.)	263.36	183.15	44%	↑	517.06	353.67	46%	↑
PAT (Rs. In Cr.)	170.94	120.47	42%	↑	336.67	230.72	46%	↑
EPS - in Rs.	10.94	8.09	35%	↑	21.56	15.66	38%	↑
Net Income Margin (as % of assets)	8.4 %	8.5 %			8.4 %	8.5 %		
Total Expenses (as % of assets)	-3.6 %	-3.5 %			-3.5 %	-3.6 %		
Net Credit Losses (as % of assets)*	-1.1 %	-1.9 %			-1.1 %	-1.9 %		
PBT (as % of assets)	3.7%	3.1 %			3.8%	3.0 %		
ROE - in %	17.8%	14.8 %			17.6%	14.0 %		

*Q2 FY17 and Q2 FY16 is on 4 months' overdue basis

The one-time provision created in Mar'16, on a prudent basis, to meet the provisioning norms to be complied by Mar'18, has been retained as standard assets provision.

Chola disbursed ₹ 3,247 Cr in our Vehicle Finance business as against ₹ 2790 Cr. in Q2 of FY17. This was a growth of 16%. This was possible on account of strong growth in our Light Commercial Vehicle Volumes, as also healthy growth in Used Vehicles. Home Equity disbursements grew by 17%, from ₹ 770 Cr in Q2 FY16 to ₹ 901 Cr in Q2 FY17. Chola's aggregate disbursements for the quarter were ₹ 4444 Cr as against ₹ 3672 Cr in Q2 of FY15, a growth of 21%.

Chola's Net Income Margin (NIM) was 8.4% for the quarter and the half year period.

Chola was able to close the quarter at a GNPA level of 3.5% on 4 months' overdue, which is better than the GNPA at the end of Jun 16 (3.6%).

Chola's PBT-ROTA for Q2 FY17 improved to 3.7% as against 3.1% in Q2 FY16. On a half year basis, ROTA was at 3.8%, compared to 3.0% in the previous year.

Capital Adequacy:

The Capital Adequacy Ratio (CAR) of the company was at 18.69% as against the regulatory requirement of 15%.

Subsidiaries Performance:

The subsidiaries Cholamandalam Securities Limited (CSEC), Cholamandalam Distribution Services Limited (CDSL) and White Data System India Private Limited (WDSI) together made a profit before tax of ₹ 2.17 Cr in Q2 FY17, as against ₹ 1.78 Cr in the same quarter last year. On a half year basis, the subsidiaries made a profit before tax of ₹ 4.21 Cr, as against Rs. 3.03 Cr in H1 FY16.

Consolidated Results:

The consolidated profit after tax for Q2 FY17 is ₹ 168 Cr. as against ₹ 122 Cr. in Q2 of FY16, registering a growth of 37%.



About Cholamandalam Investment and Finance Company Limited

[Cholamandalam Investment and Finance Company Limited](#), 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 637 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, visit 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, Foscok, 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 www.murugappa.com

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