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## Funds advised by Apax Partners to invest INR 5 billion (USD 84 million) in Cholamandalam

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Chennai, India and London, UK - On 26 July, 2014, the Board of Directors of Cholamandalam Investment and Finance Company Limited ("Chola") approved a preferential issue of INR 5 Billion of Compulsorily Convertible Preference Shares ("CCPS") to Dynasty Acquisition (FDI) Ltd, a company backed by funds advised by Apax Partners ("Apax Funds"). The CCPS will carry a dividend coupon of 1% per annum payable from the date of allotment of CCPS until the date of conversion into equity shares. The CCPS shall be converted into equity shares at the expiry of 12 months from the date of allotment or earlier, at the discretion of the Board.

Chola was 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 and a variety of other financial services to customers. Chola operates from over 575 branches across India with assets under management above INR 250 Billion.

This capital infusion will enable Chola to continue to grow its business rapidly in a recovering macroeconomic environment in India and to augment its Tier 1 capital adequacy ratio (CAR).

Commenting on the occasion, Mr. S. Vellayan, Managing Director of Chola said, "We are glad to have the opportunity to work with Apax, a leading global private equity firm in this round of capital infusion."

Mr. Shashank Singh, Managing Director and Head of Apax Partners, India said, "Apax Funds are delighted and proud to be to partnering with the Murugappa Group, one of India's leading and most-respected groups. We believe in the