

**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**

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

**Unaudited Financial Results (Provisional)**

for the quarter and nine months ended December 31, 2011

(Rupees in lakhs)

Particulars	Standalone						Consolidated							
	Unaudited			Audited			Unaudited			Audited				
	Three months ended			Nine months ended			Previous Year ended	Three months ended			Nine months ended			Previous Year ended
	31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010	31.03.2011		31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010	31.03.2011	
1. a) Income from operations	45,771	40,112	28,169	120,793	81,164	113,775	46,106	40,456	28,693	121,752	82,650	115,609		
b) Other operating income	1,374	1,162	1,369	3,607	3,676	5,018	1,456	1,245	1,410	3,851	3,790	5,193		
2. Expenditure														
a) Interest (Financing Charges)	27,414	24,347	14,741	71,883	41,935	58,569	27,419	24,351	14,893	72,063	42,433	59,215		
b) Employees cost	2,966	2,751	2,318	8,123	6,903	8,969	3,191	3,001	2,497	8,800	7,426	9,655		
c) Business origination outsourcing	3,450	3,020	2,217	8,797	6,385	8,677	3,597	3,176	2,256	9,186	6,498	8,822		
d) Other operating expenses	3,120	2,198	1,528	7,314	4,516	6,161	3,209	2,306	1,622	7,638	4,798	6,537		
e) Depreciation	193	217	181	575	640	851	231	253	218	683	751	1,005		
f) Provisions, loan losses and other charges	3,140	2,009	7,550	5,648	18,223	24,546	3,155	2,024	7,551	11,191	18,334	24,716		
g) Total	40,283	34,542	28,535	102,340	78,602	107,773	40,802	35,111	29,037	109,561	80,240	109,950		
3. Profit from Operations before Other Income & Exceptional Items (1-2)	6,862	6,732	1,003	22,060	6,238	11,020	6,760	6,590	1,066	16,042	6,200	10,852		
4. Other income	3	6	-	9	1,127	1,390	50	8	5	63	1,135	1,422		
5. Profit before Exceptional Items (3+4)	6,865	6,738	1,003	22,069	7,365	12,410	6,810	6,598	1,071	16,105	7,335	12,274		
6. Exceptional items	-	-	-	(2,196)	-	(2,399)	-	-	-	3,000	-	-		
7. Profit / (Loss) from Ordinary Activities before Tax (5+6)	6,865	6,738	1,003	19,873	7,365	10,011	6,810	6,598	1,071	19,105	7,335	12,274		
8. Tax expense (net of deferred tax)	2,758	2,765	336	8,005	2,495	3,793	2,754	3,068	358	8,283	2,526	3,816		
9. Net Profit / (Loss) from Ordinary Activities after Tax (7 - 8)	4,107	3,973	667	11,868	4,870	6,218	4,056	3,530	713	10,822	4,809	8,458		
10. Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-	-	-	-	-	-		
11. Net Profit / (Loss) for the Period (9 - 10)	4,107	3,973	667	11,868	4,870	6,218	4,056	3,530	713	10,822	4,809	8,458		
12. Paid-up equity share capital (Rs.10/- per share)	11,936	11,936	11,935	11,936	11,935	11,935	11,936	11,936	11,935	11,936	11,935	11,935		
13. Reserves excluding revaluation reserves						95,264						94,264		
14. Earnings per Share (EPS) - not annualised- before and after extraordinary items (in Rs.)														
a) Basic	3.44	3.33	0.56	9.95	4.58	5.67	3.40	2.96	0.60	9.07	4.52	7.73		
b) Diluted	3.44	3.33	0.56	9.95	4.58	5.67	3.40	2.96	0.60	9.07	4.52	7.73		
15. Public shareholding														
- Number of shares	36,783,717	36,801,593	36,898,230	36,783,717	36,898,230	36,898,230	36,783,717	36,801,593	36,898,230	36,783,717	36,898,230	36,898,230		
- Percentage of shareholding	30.83	30.85	30.93	30.83	30.93	30.93	30.83	30.85	30.93	30.83	30.93	30.93		
16. 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														
- Number of shares	82,510,704	82,490,204	82,385,651	82,510,704	82,385,651	82,385,651	82,510,704	82,490,204	82,385,651	82,510,704	82,385,651	82,385,651		
- Percentage of shares														
as a% of the total shareholding of the promoter / promoter group	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 a% of the total share capital of the company	69.17%	69.15%	69.07%	69.17%	69.07%	69.07%	69.17%	69.15%	69.07%	69.17%	69.07%	69.07%		

1. The above statement of Unaudited Financial Results (Provisional) for the quarter and nine months ended December 31, 2011 was reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 31, 2012. The same has also been subjected to a limited review by the Statutory Auditors. The limited review of the financial results of the subsidiaries for the quarter and nine months ended December 31, 2011, has been carried out by the statutory auditors of the respective companies.
2. Exceptional Item in standalone accounts represent the impairment of investments in one of the subsidiaries net of provisions available, the impact of which is reflected in the consolidated accounts after adjustments on consolidation.
3. During the quarter ended December 31, 2011, the Company has, by way of bilateral assignment, sold loan receivables aggregating to Rs 300.62 crores. The interest spread arising therefrom is accounted over the residual tenor of the receivables sold as against upfront recognition of such interest spread in earlier years. Income from operations & Profit before tax would have been higher by Rs.1,526.01 lakhs and Profit after Tax would have been higher by Rs.922.01 lakhs for the quarter and nine months ended December 31, 2011 had the company recognised the said interest spread upfront as in previous years. This change is also in line with the draft revised guidelines on Securitisation transaction issued by Reserve Bank of India in Sep 2011.
4. During the current quarter, the Compensation and Nomination Committee at its meeting held on October 27, 2011, approved a grant of 1,95,680 options to certain employees of the Company and its Subsidiaries at a price of Rs.154.55 per share. All these options vest over a period of 4 years. 2,624 options were exercised during the quarter. The total outstanding employee stock options (net of exercised / lapsed / cancellation) as at December 31, 2011 is 12,42,835.
5. Subject to the approval of the shareholders, the company proposes to offer, issue and allot 1,32,55,456 equity shares of Rs 10/- each at Rs 160/- per share aggregating to Rs 212 crores on a preferential basis.
6. The Board of directors have declared an interim dividend of 15% being Rs 1.50 per share on the equity shares of the Company for the year ending March 31, 2012 out of the profits of the Company
7. 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 Accounts is given in Appendix 1.
8. During the quarter ended December 31, 2011, no investor complaint was received. There were no unresolved investor complaints pending either at the beginning or end of the quarter.
9. Prior period figures have been regrouped wherever necessary to conform to the current period presentation.

On behalf of the Board

Place : Chennai  
Date : January 31, 2012

**Vellayan Subbiah**  
**Managing Director**

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# 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

(Rupees in lakhs)

Particulars	Consolidated					
	Unaudited			Unaudited		Audited
	Three months ended			Nine months ended		Previous Year Ended
	31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010	31.03.2011
<b>1. Segment Revenue</b>						
Financing	47,145	41,275	29,538	124,401	84,841	118,795
Distribution	303	277	283	805	868	1,126
Stock Broking	129	166	323	447	826	1,007
<b>Total</b>	<b>47,577</b>	<b>41,718</b>	<b>30,144</b>	<b>125,653</b>	<b>86,535</b>	<b>120,928</b>
Less: Inter-Segment revenue	(15)	(17)	(41)	(50)	(95)	(126)
<b>Net Revenue</b>	<b>47,562</b>	<b>41,701</b>	<b>30,103</b>	<b>125,603</b>	<b>86,440</b>	<b>120,802</b>
<b>2. Segment Results (Profit / (Loss) before tax)</b>						
Financing	6,865	6,737	831	14,174	6,707	9,194
Distribution	27	(77)	168	(59)	531	691
Stock Broking	(82)	(62)	72	(206)	97	49
<b>Total</b>	<b>6,810</b>	<b>6,598</b>	<b>1,071</b>	<b>13,909</b>	<b>7,335</b>	<b>9,934</b>
<b>Add: Other unallocable income net of unallocable expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,196</b>	<b>-</b>	<b>2,340</b>
<b>Net Profit / (Loss) before Tax</b>	<b>6,810</b>	<b>6,598</b>	<b>1,071</b>	<b>19,105</b>	<b>7,335</b>	<b>12,274</b>
<b>3. Capital Employed (Segment Assets - Segment Liabilities)</b>						
Financing				102,008	82,997	85,320
Distribution				2,483	2,167	2,303
Stock Broking				1,068	1,303	1,251
Other Unallocable assets net of unallocable liabilities				11,163	18,166	17,327
<b>Total</b>				<b>116,722</b>	<b>104,633</b>	<b>106,201</b>

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

Place : Chennai  
Date : January 31, 2012

**Vellayan Subbiah**  
Managing Director

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