

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 six months ended September 30, 2011

(Rupees in lakhs)

Particulars	Standalone					Consolidated				
	Unaudited				Audited	Unaudited				Audited
	Three months ended		Six months ended		Previous Year ended	Three months ended		Six months ended		Previous Year ended
	30.09.2011	30.09.2010	30.09.2011	30.09.2010		30.09.2011	30.09.2010	30.09.2011	30.09.2010	
1. a) Income from operations	40,112	28,157	75,022	52,995	113,775	40,456	28,663	75,646	53,957	115,609
b) Other operating income	1,162	1,028	2,233	2,307	5,018	1,245	1,061	2,395	2,380	5,193
2. Expenditure										
a) Interest (Financing Charges)	24,347	13,715	44,469	27,194	58,569	24,351	13,881	44,644	27,540	59,215
b) Employees cost	2,751	2,323	5,157	4,585	8,969	3,001	2,511	5,609	4,929	9,655
c) Business origination outsourcing	3,020	2,076	5,347	4,168	8,677	3,176	2,118	5,589	4,242	8,822
d) Other operating expenses	2,198	1,675	4,194	2,988	6,161	2,306	1,770	4,429	3,176	6,537
e) Depreciation	217	175	382	459	851	253	211	452	533	1,005
f) Provisions, loan losses and other charges	2,009	5,198	2,508	10,673	24,546	2,024	5,286	8,036	10,783	24,716
g) Total	34,542	25,162	62,057	50,067	107,773	35,111	25,777	68,759	51,203	109,950
3. Profit from Operations before Other Income & Exceptional Items (1-2)	6,732	4,023	15,198	5,235	11,020	6,590	3,947	9,282	5,134	10,852
4. Other income	6	-	6	1,127	1,390	8	-	13	1,130	1,422
5. Profit before Exceptional Items (3+4)	6,738	4,023	15,204	6,362	12,410	6,598	3,947	9,295	6,264	12,274
6. Exceptional items (Refer Note 3 below)	-	-	(2,196)	-	(2,399)	-	-	3,000	-	-
7. Profit / (Loss) from Ordinary Activities before Tax (5+6)	6,738	4,023	13,008	6,362	10,011	6,598	3,947	12,295	6,264	12,274
8. Tax expense (net of deferred tax)	2,765	1,398	5,247	2,159	3,793	3,068	1,397	5,529	2,168	3,816
9. Net Profit / (Loss) from Ordinary Activities after Tax (7 - 8)	3,973	2,625	7,761	4,203	6,218	3,530	2,550	6,766	4,096	8,458
10. Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-	-	-	-
11. Net Profit / (Loss) for the Period (9 - 10)	3,973	2,625	7,761	4,203	6,218	3,530	2,550	6,766	4,096	8,458
12. Paid-up equity share capital (Rs.10/- per share) (Refer Note 4 below)	11,936	10,997	11,936	10,997	11,935	11,936	10,997	11,936	10,997	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	3.33	2.39	6.51	4.20	5.67	2.96	2.32	5.67	4.09	7.73
b) Diluted	3.33	2.39	6.50	4.20	5.67	2.96	2.32	5.67	4.09	7.73
15. Public shareholding										
- Number of shares	36,801,593	27,523,230	36,801,593	27,523,230	36,898,230	36,801,593	27,523,230	36,801,593	27,523,230	36,898,230
- Percentage of shareholding	30.85	25.04	30.85	25.04	30.93	30.85	25.04	30.85	25.04	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	82,490,204	82,385,651	82,490,204	82,385,651	82,385,651	82,490,204	82,385,651	82,490,204	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%
as a% of the total share capital of the company	69.15%	74.96%	69.15%	74.96%	69.07%	69.15%	74.96%	69.15%	74.96%	69.07%

1. Statement of Assets and Liabilities as on September 30, 2011 is given below.

(Rs.in lakhs)				
Particulars	Standalone		Consolidated	
	As at 30.09.2011 Unaudited	As at 30.09.2010 Unaudited	As at 30.09.2011 Unaudited	As at 30.09.2010 Unaudited
SOURCES OF FUNDS				
Share Capital	11,937	10,997	11,937	10,997
Reserves & Surplus	103,028	81,543	100,729	78,196
Loan Funds	998,696	635,516	998,696	641,143
Total	1,113,661	728,056	1,111,362	730,336
APPLICATION OF FUNDS				
Fixed Assets (Net)	3,820	2,767	4,178	3,272
Goodwill on Consolidation	-	-	-	59
Investments	6,824	24,427	844	17,576
Deferred Tax Asset (Net)	10,573	14,291	10,573	14,587
Current Assets, Loans and Advances				
Receivables under Financing Activity	1,071,356	670,208	1,078,489	678,362
Stock in Trade	-	-	-	-
Sundry Debtors	-	-	464	891
Cash and Bank Balances	35,392	50,602	38,304	51,645
Other Current Assets	17,881	13,454	17,938	13,512
Other Loans and Advances	18,824	26,521	19,073	27,362
Less: Current Liabilities and Provisions				
Current Liabilities	(26,703)	(31,483)	(27,647)	(33,162)
Provisions	(24,306)	(42,731)	(30,854)	(43,768)
Total	1,113,661	728,056	1,111,362	730,336

2. The above statement of Unaudited Financial Results (Provisional) for the quarter and six months ended September 30, 2011 was reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 27, 2011. The same has also been subjected to a limited review by the Statutory Auditors. The limited review of the financial results of two subsidiaries for the quarter and six months ended September 30, 2011, has been carried out by the statutory auditors of the respective companies.
3. a) Exceptional Item for the six months ended September 30, 2011, 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.
- b) Exceptional Item for the year ended March 31, 2011 for standalone results represent provision for diminution in value of investment in and intercorporate deposit placed with subsidiary - Rs 2,399 lakhs.
4. During the current quarter, the Compensation and Nomination Committee at its meeting held on July 28, 2011, approved a grant of 61,800 options to certain employees of the Company and its Subsidiaries at a price of Rs.175.35 per share. All these options vest over a period of 4 years. 2,788 options were exercised during the quarter. The total outstanding employee stock options (net of exercised / lapsed / cancellation) as at September 30, 2011 is 10,66,197
5. 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.
6. During the quarter ended September 30, 2011, no investor complaint was received. There were no unresolved investor complaints pending either at the beginning or at the end of the quarter.
7. Prior period figures have been regrouped wherever necessary to conform to the current period presentation.

On behalf of the Board

Place : Chennai
Date : October 27, 2011

Vellayan Subbiah
Managing Director

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		Six months ended		Previous Year Ended
	30.09.2011	30.09.2010	30.09.2011	30.09.2010	31.03.2011
1. Segment Revenue					
Financing	41,275	29,187	77,256	55,303	118,795
Distribution	277	311	502	585	1,126
Stock Broking	166	255	318	503	1,007
Total	41,718	29,753	78,076	56,391	120,928
Less: Inter-Segment revenue	(17)	(29)	(35)	(54)	(126)
Net Revenue	41,701	29,724	78,041	56,337	120,802
2. Segment Results (Profit / (Loss) before tax)					
Financing	6,737	3,748	7,309	5,876	9,194
Distribution	(77)	193	(86)	363	691
Stock Broking	(62)	6	(124)	25	49
Total	6,598	3,947	7,099	6,264	9,934
Add: Other unallocable income net of unallocable expenditure	-	-	5,196	-	2,340
Net Profit / (Loss) before Tax	6,598	3,947	12,295	6,264	12,274
3. Capital Employed (Segment Assets - Segment Liabilities)					
Financing			96,362	67,813	85,320
Distribution			2,201	2,032	2,303
Stock Broking			1,135	1,246	1,251
Other Unallocable assets net of unallocable liabilities			12,968	18,102	17,327
Total			112,666	89,193	106,201

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 : October 27, 2011

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Vellayan Subbiah
Managing Director