





CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED (CIFCL)

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH 2019

PAT @ ₹ 1,186 Cr Up by 29%

Board recommends Stock Split

Key Financial results (Q4 & FY 18-19):

-  **Disbursements was up at ₹ 30,451 Cr for the year (Up by 21% YoY) & ₹ 8,893 Cr for Q4.**
-  **Total Income was up at ₹ 6,993 Cr for the year (Up by 28% YoY) & ₹ 1,894 Cr for Q4.**
-  **PAT was up at ₹ 1,186 Cr for the year (Up by 29% YoY) & ₹ 292 Cr for Q4.**
-  **Business AUM was up at ₹ 54,279 Cr (Up by 26% YoY)**

Chennai, April 27, 2019: The Board of Directors of CIFCL today approved the audited financial results for the quarter and year ended 31st March 2019.

Highlights:

The Company transitioned from IGAAP to INDAS during this year. Financial results for the year is prepared as per INDAS and correspondingly for comparable purposes previous year figures has also been reinstated as per INDAS.

During the year, the industry faced liquidity constraints due to restrictive supply of market funds. Despite market constraints, with effective banking relationships, we were able to tap the banking lines and deploy it optimally. Further the company has been maintaining cash cover at around Rs.3000 Cr, to manage funds position for next 3 months.

FY 18-19 Performance:

(Rs. In Cr)			
Particulars	FY18	FY19	Growth (Y-o-Y)
Disbursements	25,114	30,451	21%
Vehicle Finance	20,540	24,807	21%
Home Equity	3,174	3,837	21%
Others	1,399	1,808	29%
Total Income	5,480	6,993	28%
PAT	918	1,186	29%
EPS - in Rs	58.75	75.87	29%
ROTA - PBT**	3.7%	3.7%	
ROE - in %	19.6%	20.9%	

**As % of average assets

Disbursements grew by 21%# ↑ AUM grew by 26%# ↑ PAT grew by 29% ↑

#Year-on-year figures

Performance Highlights:

- Aggregate disbursements for the year ended March 19 were at ₹ 30,451 Cr as against ₹ 25,114 Cr in the previous year registering a growth of 21%.
- Vehicle Finance (VF) business has clocked a volume of ₹ 24,807 Cr for the year ended March 2019 as against ₹ 20,540 Cr in the previous year, reporting a growth of 21% Y-o-Y.
- Home Equity (HE) business disbursed ₹ 3,837 Cr as against ₹ 3,174 Cr for FY18, marking a growth of 21% YoY.
- Assets under management grew by 26% at ₹ 54,279 Cr as compared to ₹ 42,924 Cr in FY18.
- Profits after Tax (PAT) for the year ended March 2019 were at ₹ 1,186 Cr as against ₹ 918 Cr last year registering a growth of 29%.
- The PBT-ROTA for YTD FY19 is retained at 3.7% as in FY18.

Final Dividend:

The Board of Directors of the Company have recommended a final dividend of 20% being ₹ 2.00 per share on the equity shares of the Company, for the year ending March 31, 2019. This along with the interim dividend takes the dividend to 65% being Rs.6.50 per share for the year ending March 31, 2019.

Stock Split

The Board of Directors of the Company have recommended sub-division of equity shares of ₹ 10/- each to five shares of ₹ 2/- each. Approval of the shareholders is being sought through a postal ballot for the proposal.

Asset Quality

CIFCL continues to demonstrate strong asset quality and been able to reduce the Stage 3 receivables from 3.4% in Mar'18 to 2.7% in Mar'19 (under IND AS). As per the traditional IGAAP approach also the GNPA levels reduced from 3.0% in Mar'18 to 2.3% in Mar'19. A brief comparison under both IGAAP and IND AS is also given.

Rs in Crore

Particulars	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
As per IGAAP					
GNPA	1,325	1,448	1,428	1,450	1,245
NNPA	740	812	792	790	626
Provision	585	636	636	659	620
GNPA%	3.0%	3.1%	3.0%	2.8%	2.3%
NNPA%	1.7%	1.8%	1.6%	1.5%	1.1%
Provision Coverage%	44.2%	43.9%	44.6%	45.5%	49.8%
Standard Assets Provn	145	156	161	172	187
Standard Assets Provn %	0.40%	0.40%	0.40%	0.40%	0.40%
Total Provision	730	792	797	831	806

Rs in Crore

Particulars	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
As per IND AS					
Gross Asset - Stage 3	1,476	1,617	1,623	1,648	1,439
Stage 3 Assets to Total Gross Assets	3.4%	3.6%	3.4%	3.3%	2.7%
ECL provision - Stage 3	507	555	566	576	546
Coverage Ratio (%) - Stage 3	34.3%	34.3%	34.8%	35.0%	38.0%
Gross Asset - Stage 1&2	41,602	43,624	46,083	48,261	52,102
ECL provision - Stage 1&2	355	367	348	371	384
Coverage Ratio (%) - Stage 1&2	0.9%	0.8%	0.8%	0.8%	0.7%
Total ECL Provision	862	922	913	947	931

Capital Adequacy:

The Capital Adequacy Ratio (CAR) of the company as on 31st March 2019, was at 17.56% (As per IGAAP) as against the regulatory requirement of 15%.

Executive Director's Comments:

Commenting on the results, Arun Alagappan, Executive Director, stated "We have been consistent in delivering growth over 25% in AUM, total income and PAT for the past few years and the growth has been phenomenal even during the current year across all major parameters. The Asset quality has improved further this year and is at an all-time low of 1.1% Net NPA.

During the year, the industry faced an adverse impact due to tightening of financing following the liquidity crunch. However, at Chola we did not have any impact having built credible relationships with banks and financial institutions, which resulted in more than adequate funds for the company to disburse".



About Chola

Cholamandalam Investment and Finance Company Limited (Chola), 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 900 branches across India with assets under management above INR 54,000 Crores. The subsidiaries of Chola are Cholamandalam Securities Limited (CSEC), Cholamandalam Distribution Services Limited (CDSL).

The mission of Chola is to enable customers enter a better life. Chola has a growing clientele of over 8 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, please visit www.cholamandalam.com

About Murugappa Group

Founded in 1900, the INR 329 Billion (32,893 Crores) 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., Shanthi Gears Ltd., Tube Investments of India Ltd., Cholamandalam Financial Holdings 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, Foskor, 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, 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 35,000 employees.

For more details, visit www.murugappa.com

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