

July 30, 2020

**The Secretary**  
**National Stock Exchange of India Limited**  
**Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound**  
**Senapati Bapat Marg, Lower Parel,**  
**Mumbai 400 013**

**The Secretary**  
**BSE Ltd.**  
**1<sup>st</sup> Floor, P.J. Towers**  
**Dalal Street, Fort,**  
**Mumbai 400 001**

**NSE SCRIP CODE: CHOLAFIN EQ**

**BSE SCRIP CODE: 511243**

**NSDL / CDSL / NSE-WDM / BSE-F Class**

Dear Sirs,

**Sub: Intimation on the outcome of the Board Meeting held on July 30, 2020 and disclosure under Regulation 30 of SEBI Listing Regulations.**

Kindly refer our letter dated 2<sup>nd</sup> July, 2020, intimating you of the convening of the meeting of the Board of Directors to *inter alia* consider unaudited financial results for the quarter ended 30<sup>th</sup> June, 2020.

In this regard, we wish to inform you that the Board of Directors at their meeting held today have approved the following:

**1. Unaudited financial results:**

Unaudited financial results (Standalone and Consolidated) for the quarter ended 30<sup>th</sup> June, 2020. In this regard, we enclose copies of the following as prescribed under Regulation 33 of the Listing Regulations:

- The detailed format of the unaudited financial results being submitted as per the listing regulations. The said results will be uploaded on the stock exchange website. The financial results will also be published as per the format prescribed in the listing regulations;
- Limited Review report from the statutory auditors, M/s. S.R.Batliboi and Associates LLP;
- Press release with regard to the above financial results being released for publication.

**2. Issuance of Non-convertible Debentures:**

Issue of secured / unsecured redeemable Non-Convertible Debentures of a face value of Rs.10 lakhs each at par aggregating to Rs.28,000 crores in one or more tranches on private placement basis.

**Schedule of Analysts / Investors call:**

Pursuant to Regulation 30(2) of the Listing Regulations, details of the schedule of Analyst / Investors call in connection with the unaudited financial results (Standalone and Consolidated) for the quarter ended 30<sup>th</sup> June, 2020 is given below:

<b>Date</b>	<b>Organised by</b>	<b>Place</b>
31-Jul-2020	Kotak Institutional Equities	Earnings Call at 10 a.m.

The meeting of Board of Directors commenced at 11 a.m. and concluded at 2.25 p.m.

Kindly take the above information on record and acknowledge receipt.

Thanking you,

Yours faithfully,  
For Cholamandalam Investment and Finance Company Limited



P Sujatha  
Company Secretary

Encl.: as above

**Independent Auditor’s Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Cholamandalam Investment and Finance Company Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Cholamandalam Investment and Finance Company Limited (the “Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its associate for the quarter ended June 30, 2020 (the “Statement”) attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”).
2. This Statement, which is the responsibility of the Holding Company’s Management and approved by the Holding Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) “Interim Financial Reporting” prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
  - (i) Cholamandalam Securities Limited – Subsidiary
  - (ii) Cholamandalam Home Finance Limited – Subsidiary
  - (iii) White Data Systems India Private Limited - Associate
5. Based on our review conducted and procedures performed as stated in Paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards (‘Ind AS’) specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 4 to the accompanying statement, which describes the impact of COVID-19 pandemic, and its possible consequential implications on the Company’s operations and financial metrics, including the Company’s estimates of impairment of loans and that such estimates may be affected by the severity and duration of the pandemic. Our conclusion is not modified in respect of this matter.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

7. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of one associate and, whose interim financial results includes the Group's share of net loss of Rs. 12 Lakhs and Group's share of total comprehensive loss of Rs. 12 Lakhs for the quarter ended June 30, 2020, as considered in the Statement whose interim financial results and other financial information have not been reviewed.

These unaudited interim financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of the associate, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group. Our conclusion on the Statement in respect of this matter is not modified.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**ICAI Firm registration number: 101049W/E300004**

*Aravind K*

**per Aravind K**  
Partner

Membership No.: 221268



UDIN: 20221268AAAABX8825

Place: Chennai

Date: July 30, 2020



**Independent Auditor’s Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Cholamandalam Investment and Finance Company Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Cholamandalam Investment and Finance Company Limited (the “Company”) for the quarter ended June 30, 2020 (the “Statement”) attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”).
2. This Statement, which is the responsibility of the Company’s Management and approved by the Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) “Interim Financial Reporting” prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards (“Ind AS”) specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 4 to the accompanying statement, which describes the impact of COVID-19 pandemic, and its possible consequential implications on the Company’s operations and financial metrics, including the Company’s estimates of impairment of loans and that such estimates may be affected by the severity and duration of the pandemic. Our conclusion is not modified in respect of this matter.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

  
per Aravind K

Partner

Membership No.: 221268

UDIN: 20221268AAAABW8674

Place: Chennai

Date: July 30, 2020



**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**

CIN - L65993TN1978PLC007576

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

Statement of Un- Audited Standalone Financial Results for the quarter ended June 2020

₹ Lakhs

	Three months ended			Year ended
	30.06.2020 Un-audited	31.03.2020 Audited (Refer Note 8)	30.06.2019 Un-audited	31.03.2020 Audited
	1	2	3	4
<b>1. Revenue from operations</b>				
-Interest Income	2,07,096	2,04,654	1,91,334	8,12,416
-Net gain on derecognition of financial Instruments under amortised cost category	-	3,311	4,722	24,727
-Fee Income	2,560	4,646	4,542	18,987
-Net gain on fair value change on financial instruments	24	577	518	1,563
-Sale of Services	1,683	1,945	1,832	7,570
<b>Total</b>	<b>2,11,363</b>	<b>2,15,133</b>	<b>2,02,948</b>	<b>8,65,263</b>
<b>2. Other income</b>	<b>2</b>	<b>12</b>	<b>5</b>	<b>26</b>
<b>3. Total Income (1+2)</b>	<b>2,11,365</b>	<b>2,15,145</b>	<b>2,02,953</b>	<b>8,65,289</b>
<b>4. Expenses</b>				
a) Finance costs	1,13,066	1,13,589	1,08,700	4,59,223
b) Impairment on financial instruments	5,615	55,668	10,951	89,733
c) Employee benefits expense	15,618	15,995	14,582	65,500
d) Depreciation and amortisation expense	2,475	2,664	2,329	10,754
e) Other expenditure	16,491	21,497	18,090	81,506
<b>Total expenses (4)</b>	<b>1,53,265</b>	<b>2,09,413</b>	<b>1,54,652</b>	<b>7,06,716</b>
<b>5. Profit before tax (3-4)</b>	<b>58,100</b>	<b>5,732</b>	<b>48,301</b>	<b>1,58,573</b>
<b>6. Tax expense</b>				
a) Current tax	17,680	13,538	18,663	56,732
b) Deferred tax	(2,673)	(12,072)	(1,785)	(3,396)
<b>Total Tax expense</b>	<b>15,007</b>	<b>1,466</b>	<b>16,878</b>	<b>53,336</b>
<b>7. Profit for the period (5-6)</b>	<b>43,093</b>	<b>4,266</b>	<b>31,423</b>	<b>1,05,237</b>
<b>8. Other Comprehensive Income - Gain/(loss)</b>				
a. (i) Items that will not be reclassified to Profit or Loss	45	(149)	(139)	(499)
(ii) Income tax impact	(11)	37	49	125
b. (i) Items that will be reclassified to Profit or Loss	(1,232)	(6,947)	(879)	(9,232)
(ii) Income tax impact	310	1,749	200	3,261
<b>9. Total Comprehensive Income for the period (7+8)</b>	<b>42,205</b>	<b>(1,044)</b>	<b>30,654</b>	<b>98,892</b>
<b>10. Paid-up equity share capital ( ₹2/- per share)</b>	<b>16,399</b>	<b>16,398</b>	<b>15,643</b>	<b>16,398</b>
<b>11. Earnings per Share (EPS) - not annualised (₹)</b>				
a) Basic	5.26	0.53	4.02	13.37
b) Diluted	5.26	0.53	4.02	13.35



**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**

CIN - L65993TN1978PLC007576

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

Statement of Un-audited Consolidated Financial Results for the quarter ended June 30, 2020

	Three months ended			₹ lakhs
	30.06.2020	31.03.2020	30.06.2019	Year ended
	Un-audited	Audited (Refer Note 8)	Un-audited	31.03.2020 Audited
	1	2	3	4
<b>1. Revenue from operations</b>				
-Interest Income	2,07,114	2,04,637	1,91,345	8,12,465
-Net gain on derecognition of financial Instruments under amortised cost category	-	3,311	4,722	24,727
-Fee & Commission Income	3,733	6,073	6,103	24,870
-Net gain on fair value change on financial instruments	25	578	521	1,569
-Sale of Services	1,683	1,946	1,832	7,570
<b>Total</b>	<b>2,12,555</b>	<b>2,16,545</b>	<b>2,04,523</b>	<b>8,71,201</b>
<b>2. Other income</b>	<b>6</b>	<b>12</b>	<b>5</b>	<b>62</b>
<b>3. Total Income (1+2)</b>	<b>2,12,561</b>	<b>2,16,557</b>	<b>2,04,528</b>	<b>8,71,263</b>
<b>4. Expenses</b>				
a) Finance costs	1,13,057	1,13,546	1,08,684	4,59,170
b) Impairment on financial instruments	5,613	55,670	10,953	89,735
c) Employee benefits expense	16,485	17,014	15,772	70,032
d) Depreciation and amortisation expense	2,565	2,779	2,412	11,125
e) Other expenditure	16,631	21,810	18,240	82,379
<b>Total expenses (4)</b>	<b>1,54,351</b>	<b>2,10,819</b>	<b>1,56,061</b>	<b>7,12,441</b>
<b>5. Profit before share of profit/(loss) from associate (3-4)</b>	<b>58,210</b>	<b>5,738</b>	<b>48,467</b>	<b>1,58,822</b>
<b>6. Share of profit/(loss) from Associate (net of tax)</b>	<b>(12)</b>	<b>(14)</b>	<b>(2)</b>	<b>(42)</b>
<b>7. Profit before Tax (5+6)</b>	<b>58,198</b>	<b>5,724</b>	<b>48,465</b>	<b>1,58,780</b>
<b>8. Tax expense</b>				
a) Current tax	17,708	13,554	18,732	56,794
b) Deferred tax	(2,640)	(12,075)	(1,784)	(3,386)
<b>Total Tax expense</b>	<b>15,068</b>	<b>1,479</b>	<b>16,948</b>	<b>53,408</b>
<b>9. Profit after tax (7-8)</b>	<b>43,130</b>	<b>4,245</b>	<b>31,517</b>	<b>1,05,372</b>
<b>Profit for the period attributable to:</b>				
- Owners of the Company	43,130	4,245	31,517	1,05,372
- Non controlling interest	-	-	-	-
<b>10. Other Comprehensive Income - Gain/(Loss)</b>				
a. (i) Items that will not be reclassified to Profit or Loss	407	(343)	(325)	(1,130)
(ii) Income tax impact	(11)	23	56	127
b. (i) Items that will be reclassified to Profit or (Loss)	(1,232)	(6,947)	(879)	(9,232)
(ii) Income tax impact	310	1,749	200	3,261
<b>11. Other Comprehensive Income for the period</b>	<b>(526)</b>	<b>(5,518)</b>	<b>(948)</b>	<b>(6,974)</b>
<b>Other Comprehensive Income attributable to:</b>				
- Owners of the Company	(526)	(5,518)	(948)	(6,974)
- Non controlling interest	-	-	-	-
<b>12. Total Comprehensive Income for the period (9+11)</b>	<b>42,604</b>	<b>(1,273)</b>	<b>30,569</b>	<b>98,398</b>
<b>Total Comprehensive Income attributable to:</b>				
- Owners of the Company	42,604	(1,273)	30,569	98,398
- Non controlling interest	-	-	-	-
<b>13. Paid-up equity share capital ( ₹2/- per share)</b>	<b>16,399</b>	<b>16,398</b>	<b>15,643</b>	<b>16,398</b>
<b>14. Earnings per Share (EPS) - not annualised (₹)</b>				
a) Basic	5.26	0.53	4.03	13.39
b) Diluted	5.26	0.53	4.03	13.37



**Notes**

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 30, 2020.
2. In Compliance with Regulation 33 of Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of financial results for the quarter ended June 30, 2020 has been carried out by Statutory auditors.
3. The consolidated financial results of the Company comprising the Company, its subsidiaries (together 'the Group'), and its Associate, include the results of the following entities:
  - i) Cholamandalam Securities Limited - Subsidiary
  - ii) Cholamandalam Home Finance Limited - Subsidiary
  - iii) White Data Systems India Private Limited - Associate
4. The COVID-19 pandemic has resulted in a significant decrease in economic activity across the country. This pandemic and lockdown have had an impact on the regular operations of the Company, including lending and collection activities. In respect of the Company's loan book, Management has made impairment provisions as more fully explained in Note 5 to these financial results. However, the full extent of impact of the COVID-19 pandemic on the Company's operations, and financial metrics (including impact on impairment provisions on loans) will further depend on government and regulatory guidelines and future developments which are uncertain and incapable of estimation at this time.
5. In terms of the COVID-19 Regulatory Package of the RBI, vide guidelines dated March 27, 2020, April 17, 2020 and May 23, 2020, the Company has granted to all eligible borrowers, at their request, moratorium on the payment of loan instalments falling due between March 1, 2020 and August 31, 2020 (as may be applicable in each case), in accordance with the Scheme approved by the Board. In this connection, having regard to the guidance provided by the RBI and the Institute of Chartered Accountants of India, extension of such moratorium benefit to borrowers does not automatically trigger a significant increase in credit risk as per Ind AS 109. The Company continues to recognise interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming 'past due', to trigger Stage 2 or Stage 3 classification criteria. Further, estimates and associated assumptions applied in preparing the financial results, especially in respect of expected credit loss on loans, in addition to historical experience, include other emerging/forward looking factors in estimation of potential stress on probability of defaults and loss given defaults on account of the COVID-19 pandemic. Based on this, the cumulative expected credit loss provision for loans as on June 30, 2020 aggregates to Rs. 1,43,742 lakhs (March 31, 2020 – Rs. 1,52,297 lakhs). However, considering the inherent uncertainty regarding the severity and duration of the pandemic and the resultant economic impact and other variables, the Company's actual impairment loss could be different from these estimates.
6. 23,000 options were exercised during the three months ended June 30, 2020. The total outstanding employee stock options as at June 30, 2020 is 40,89,232
7. The listed Non - Convertible Debentures of the Company aggregating to Rs. 5,385.90 crores as on June 30, 2020 are secured by way of an exclusive charge on identified standard receivables of the Company and also by a subservient charge over immovable property. The total asset cover is above hundred percent of the principal amount of the said debentures.
8. In respect of standalone and Consolidated financial results, the figures for the quarter ended March 31, 2020 is the balancing figure between the audited figures in respect of the full financial year and the published unaudited year-to-date figures upto the third quarter of the respective financial years which were subjected to limited review.
9. The Segment Reporting is given in Appendix 1 for Standalone Financial Results and in Appendix 2 for Consolidated Financial Results.
10. Prior period figures have been regrouped, wherever necessary, to conform to the current period presentation.

On behalf of the **Board of Directors**



**Arun Alagappan**  
Managing Director

Place : Chennai  
Date : July 30, 2020

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**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**  
**CIN - L65993TN1978PLC007576**  
**Registered Office : DARE HOUSE, 2, NSC Bose Road, Chennai - 600 001.**

Appendix 1

Segment wise Revenue, Results and Capital Employed for Un-audited standalone financial results under Regulation 33 of Listing Regulations, 2015

₹' lakhs

Particulars	Standalone			
	Three months ended			Year ended
	30.06.2020 Un-audited	31.03.2020 audited (Refer Note 8)	30.06.2019 Un-audited	31.03.2020 Audited
	1	2	3	4
<b>1. Segment Revenue</b>				
Vehicle Finance	1,62,296	1,66,470	1,56,123	6,59,414
Loan against property	31,412	32,737	31,836	1,34,205
Home Loans	8,781	7,772	10,015	39,249
Others	(293)	799	502	2,474
Unallocable revenue	9,169	7,367	4,477	29,947
<b>Total</b>	<b>2,11,365</b>	<b>2,15,145</b>	<b>2,02,953</b>	<b>8,65,289</b>
Less: Inter-Segment revenue	-	-	-	-
<b>Net Revenue</b>	<b>2,11,365</b>	<b>2,15,145</b>	<b>2,02,953</b>	<b>8,65,289</b>
<b>2. Segment Results (Profit / Loss before tax)</b>				
Vehicle Finance	41,824	2,835	31,882	1,02,622
Loan against property	7,001	(750)	9,295	31,619
Home Loans	1,930	(138)	4,050	13,195
Others	128	81	95	337
Unallocable	7,217	3,704	2,979	10,800
<b>Total</b>	<b>58,100</b>	<b>5,732</b>	<b>48,301</b>	<b>1,58,573</b>
<b>3. Segment Assets</b>				
Vehicle Finance	44,77,491	42,15,030	42,97,665	42,15,030
Loan against property	10,68,284	10,53,555	10,12,855	10,53,555
Home Loans	2,61,333	2,44,892	2,00,446	2,44,892
Others	26,141	25,758	15,790	25,758
Other Unallocable assets	9,54,289	8,60,069	7,15,270	8,60,069
<b>Total</b>	<b>67,87,538</b>	<b>63,99,304</b>	<b>62,42,026</b>	<b>63,99,304</b>
<b>4. Segment Liabilities</b>				
Vehicle Finance	39,11,756	36,76,775	38,51,092	36,76,775
Loan against property	9,33,305	9,19,017	9,07,609	9,19,017
Home Loans	2,28,313	2,13,618	1,79,618	2,13,618
Others	22,504	22,469	14,149	22,469
Other Unallocable liabilities	8,32,146	7,50,241	6,40,946	7,50,241
<b>Total</b>	<b>59,28,024</b>	<b>55,82,120</b>	<b>55,93,414</b>	<b>55,82,120</b>
<b>5. Capital Employed (Segment Assets - Segment Liabilities)</b>				
Vehicle Finance	5,65,735	5,38,255	4,46,573	5,38,255
Loan against property	1,34,979	1,34,538	1,05,246	1,34,538
Home Loans	33,020	31,274	20,828	31,274
Others	3,637	3,289	1,641	3,289
Other Unallocable assets minus liabilities	1,22,143	1,09,828	74,324	1,09,828
<b>Total</b>	<b>8,59,514</b>	<b>8,17,184</b>	<b>6,48,612</b>	<b>8,17,184</b>

Note:

1. The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'. From the current period, the Company is considering Home Loans as a separate segment.

2. In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon by the Statutory Auditor.

3. Segment information for the previous periods has been restated/regrouped/re-classified wherever necessary, to conform to the current period presentation.

On behalf of the Board of Directors



**Arun Alagappan**  
Managing Director

Place : Chennai  
Date : July 30, 2020

visit us at [www.cholamandalam.com](http://www.cholamandalam.com)



**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**  
**CIN - L65993TN1978PLC007576**  
**Registered Office : DARE HOUSE, 2, NSC Bose Road, Chennai - 600 001.**

Appendix 2

**Segment wise Revenue, Results and Capital Employed for Un-audited consolidated financial results under Regulation 33 of Listing Regulations, 2015**

₹ lakhs

	Three months ended			Year ended
	30.06.2020 Un-audited	31.03.2020 Audited (Refer Note 8)	30.06.2019 Un-audited	31.03.2020 Audited
	1	2	3	4
<b>1. Segment Revenue</b>				
Vehicle Finance	1,62,296	1,66,470	1,56,123	6,59,414
Loan against property	31,412	32,737	31,836	1,34,205
Home Loans	8,781	7,772	10,015	39,249
Others	903	2,211	2,077	8,448
Unallocable revenue	9,169	7,367	4,477	29,947
<b>Total</b>	<b>2,12,561</b>	<b>2,16,557</b>	<b>2,04,528</b>	<b>8,71,263</b>
Less: Inter-Segment revenue	-	-	-	-
<b>Net Revenue</b>	<b>2,12,561</b>	<b>2,16,557</b>	<b>2,04,528</b>	<b>8,71,263</b>
<b>2. Segment Results (Profit / Loss before tax)</b>				
Vehicle Finance	41,824	2,835	31,882	1,02,622
Loan against property	7,001	(750)	9,295	31,619
Home Loans	1,930	(138)	4,050	13,195
Others	226	73	259	544
Unallocable	7,217	3,704	2,979	10,800
<b>Total</b>	<b>58,198</b>	<b>5,724</b>	<b>48,465</b>	<b>1,58,780</b>
<b>3. Segment Assets</b>				
Vehicle Finance	44,77,491	42,15,030	42,97,665	42,15,030
Loan against property	10,68,284	10,53,555	10,12,855	10,53,555
Home Loans	2,61,333	2,44,892	2,00,446	2,44,892
Others	33,004	31,357	21,964	31,357
Other Unallocable assets	9,54,289	8,60,069	7,15,270	8,60,069
<b>Total</b>	<b>67,94,401</b>	<b>64,04,903</b>	<b>62,48,200</b>	<b>64,04,903</b>
<b>4. Segment Liabilities</b>				
Vehicle Finance	39,11,756	36,76,775	38,51,092	36,76,775
Loan against property	9,33,305	9,19,017	9,07,609	9,19,017
Home Loans	2,28,313	2,13,618	1,79,618	2,13,618
Others	26,166	25,266	17,120	25,266
Other Unallocable liabilities	8,32,146	7,50,241	6,40,946	7,50,241
<b>Total</b>	<b>59,31,686</b>	<b>55,84,917</b>	<b>55,96,385</b>	<b>55,84,917</b>
<b>5. Capital Employed (Segment Assets - Segment Liabilities)</b>				
Vehicle Finance	5,65,735	5,38,255	4,46,573	5,38,255
Loan against property	1,34,979	1,34,538	1,05,246	1,34,538
Home Loans	33,020	31,274	20,828	31,274
Others	6,838	6,091	4,844	6,091
Other Unallocable assets minus liabilities	1,22,143	1,09,828	74,324	1,09,828
<b>Total</b>	<b>8,62,715</b>	<b>8,19,986</b>	<b>6,51,815</b>	<b>8,19,986</b>

Note:

- The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'. From the current period, the Group is considering Home Loans as a separate segment.
- In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon by the Statutory Auditor.
- Segment information for the previous periods has been restated/regrouped/re-classified wherever necessary, to conform to the current period presentation.

On behalf of the **Board of Directors**

  
**Arun Alagappan**  
**Managing Director**

Place : Chennai  
Date : July 30, 2020

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**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**

CIN - L65993TN1978PLC007576

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

Extract of the detailed format of Un-audited Standalone and Consolidated Financial Results for the quarter ended June 30, 2020

	₹ Lakhs			
	Standalone			
	Three months ended			Year ended
	30.06.2020 Un-audited	31.03.2020 Audited	30.06.2019 Un-audited	31.03.2020 Audited
1	2	3	4	
Total income from operations	2,11,365	2,15,145	2,02,953	8,65,289
Net Profit for the period before Tax	58,100	5,732	48,301	1,58,573
Net Profit for the period after Tax	43,093	4,266	31,423	1,05,237
Total Comprehensive Income for the period (Comprising Profit for the period after tax and Other Comprehensive Income after tax)	42,205	-1,044	30,654	98,892
Equity Share Capital	16,399	16,398	15,643	16,398
Reserves (excluding Revaluation Reserves as shown in the Audited Balance Sheet of the previous year)				8,00,786
Earnings per Share (EPS) - not annualised (of ₹ 2 each)				
a) Basic	5.26	0.53	4.02	13.37
b) Diluted	5.26	0.53	4.02	13.35

	₹ Lakhs			
	Consolidated			
	Three months ended			Year ended
	30.06.2020 Un-audited	31.03.2020 Audited	30.06.2019 Un-audited	31.03.2020 Audited
1	2	3	4	
Total income from operations	2,12,561	2,16,557	2,04,528	8,71,263
Net Profit for the period before Tax	58,198	5,724	48,465	1,58,780
Net Profit for the period after Tax	43,130	4,245	31,517	1,05,372
Total Comprehensive Income for the period (Comprising Profit for the period after tax and Other Comprehensive Income after tax)	42,604	-1,273	30,569	98,398
Equity Share Capital	16,399	16,398	15,643	16,398
Reserves (excluding Revaluation Reserves as shown in the Audited Balance Sheet of the previous year)				8,03,588
Earnings per Share (EPS) - not annualised (of ₹2 each)				
a) Basic	5.26	0.53	4.03	13.39
b) Diluted	5.26	0.53	4.03	13.37

The Company has created adequate provision to address the expected credit losses arising due to the COVID-19 pandemic and the macro economic conditions. However, considering the inherent uncertainty regarding the severity and duration of the pandemic and the resultant economic impact the company's actual impairment loss could be different from these estimates.

Note: The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Standalone and Consolidated Financial Results for the quarter ended June 30, 2020 is available on the Stock Exchange websites, www.nseindia.com and www.bseindia.com and also on the Company's website www.cholamandalam.com.

On behalf of the **Board of Directors**



**Arun Alagappan**  
Managing Director

Place : Chennai  
Date : July 30, 2020

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**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED (CIFCL)**

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> JUNE 2020**

**Quarterly PAT at ₹ 431 Cr Up by 37% (YoY)**

**Key Financial results (Q1 FY 20-21):**

- **Total AUM up at ₹ 70,826 Cr (Up by 13% YoY) ↑**
- **PBT up at ₹ 581 Cr for the Quarter (Up by 20% YoY) ↑**
- **PAT up at ₹ 431 Cr for the Quarter (Up by 37% YoY) ↑**

**Chennai, July 30, 2020:** The Board of Directors of CIFCL today approved the unaudited financial results for the quarter ended 30<sup>th</sup> June 2020.

**Highlights:**

Due to the Covid-19 pandemic, the nation-wide lock down began in late March and subsequently extended till May 15<sup>th</sup>. Stringent restrictions halted most economic activities in the country. Post opening after May 15<sup>th</sup>, operations have gradually resumed and there has been an improved demand and we have been able to disburse Rs 3,589 Cr for the quarter. The Company's tech initiatives and customer's increased acceptance on digital lending amidst this Covid-19 pandemic are encouraging signs to look for in the near term.

Pursuant to the moratorium announced by RBI on EMI repayments, the company has granted moratorium to its customers for installments falling due between March and August. Nearly 74% of our customers have availed moratorium considering the uncertainty over the period of lockdown. However, post relaxations of lock down after May 15<sup>th</sup>, we witnessed traction with respect to collections from such moratorium availed customers, who have started paying their EMIs in advance. We have around 50% of our moratorium customers repaying partial or full installments. During the month of June, the Company also made lot of awareness calls/SMS to customers, explaining to them the impact of the moratorium availed by them.

The Company has not availed moratorium so far on its borrowings. The Company holds strong liquidity position with Rs. 7,169 Cr as cash balance as of Jun'20, with a total liquidity position of Rs.11,677 Cr (including undrawn sanctioned lines). The ALM is comfortable with no negative cumulative mismatches across all time buckets. Even after extending the moratorium to its customers, for the second phase, the cash position of the Company is adequate to meet all its maturities and fixed obligations till Dec 2020.

## Financial snapshot:

Particulars	Rs in Cr		
	Q1 FY-20	Q1 FY-21	Growth (Y-o-Y)
<b>AUM</b>	<b>62,827</b>	<b>70,826</b>	<b>13%</b>
<b>Disbursements</b>	<b>8,572</b>	<b>3,589</b>	<b>-58%</b>
Total Income	2,030	2,114	4%
Finance Cost	-1,087	-1,131	4%
<b>Net Income Margin</b>	<b>943</b>	<b>983</b>	<b>4%</b>
Total Expenses	-350	-346	-1%
Loan Losses	-110	-56	-49%
<b>Profit Before Tax</b>	<b>483</b>	<b>581</b>	<b>20%</b>
<b>Profit After Tax</b>	<b>314</b>	<b>431</b>	<b>37%</b>

## Performance Highlights:

### Q1 Performance:

- Aggregate disbursements for the quarter ended June 20 were at ₹ 3,589 Cr as against ₹ 8,572 Cr in the previous year registering a decline of 58%. Disbursements started to pick up after lockdown relaxation post May 15<sup>th</sup>.
- Vehicle Finance (VF) business has clocked a volume of ₹ 3,231 Cr for the quarter ended June 2020 as against ₹ 6,940 Cr in the previous year, reporting a decline of 53% Y-o-Y. The disbursements were predominantly in Tractors, Two-wheelers, construction equipment and Used business segments.
- Loan Against Property (LAP) business disbursed ₹ 119 Cr as against ₹ 1101 Cr in the previous year, registering a decline of 89% YoY.
- Home Loan (HL) business disbursed ₹ 190 Cr as against ₹ 420 Cr in the previous year, registering a decline of 55% YoY.
- Assets under management grew by 13% at ₹ 70,826 Cr as compared to ₹ 62,827 Cr for the same quarter in FY20.
- Profits after Tax (PAT) for the quarter ended June 2020 were at ₹ 431 Cr as against Rs.314 Cr in the same period last year registering a growth of 37%.
- PBT-ROA for the quarter was at 3.6% as against 3.4% in the same quarter in FY20.
- ROE for the quarter ended June 2020 was at 20.6% as against 20.0% in the same quarter previous year



## **Asset Quality**

CIFCL asset quality as on 30<sup>th</sup> June 2020, represented by Stage 3 assets stood at 3.3% with a provision coverage of 41.6%, as against 3.0% in Q1 of FY20 with a provision coverage of 36.2%. The Stage 3 assets have improved from 3.8% in Mar 20 to 3.3% in June 20.

	<b>Rs in Cr</b>				
	<b>Jun-19</b>	<b>Sep-19</b>	<b>Dec-19</b>	<b>Mar-20</b>	<b>Jun-20</b>
Gross Assets - Stage 3	1,671	1,803	2,024	2,163	1,996
Stage 3 Assets to Total Gross Assets	3.0%	3.2%	3.5%	3.8%	3.3%
ECL Provisions - Stage 3	604	621	667	898	831
<b>Covergae ratio (%) - Stage 3</b>	<b>36.2%</b>	<b>34.4%</b>	<b>33.0%</b>	<b>41.5%</b>	<b>41.6%</b>
Gross Assets - Stage 1&2	54,597	54,907	55,072	54,762	57,777
ECL Provisions - Stage 1 &2	379	389	391	625	607
<b>Covergae ratio (%) - Stage 1&amp;2</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>1.1%</b>	<b>1.0%</b>
<b>Total ECL Provision</b>	<b>983</b>	<b>1,010</b>	<b>1,058</b>	<b>1,523</b>	<b>1,437</b>

**The total additional provision carried for Covid and Macro is now Rs.551 crs as against Rs.534 crs as of March 20.**

## **Capital Adequacy:**

The Capital Adequacy Ratio (CAR) of the company as on 30<sup>th</sup> June 2020, was at 20.42% (As per Ind AS) as against the regulatory requirement of 15%.

We are happy to announce that, the Company has been included in the FTSE4Good Index Series, created by the global index and data provider FTSE Russell. The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indexes are used by a wide variety of market participants to create and assess responsible investment funds and other products. FTSE Russell evaluations are based on performance in areas such as Corporate Governance, Health & Safety, Anti-Corruption and Climate Change. Businesses included in the FTSE4Good Index Series meet a variety of environmental, social and governance criteria.

## **Managing Director's Comments:**

Commenting on the results, Arun Alagappan, Managing Director, stated "It was a challenging quarter for the NBFC industry with muted disbursements and a slowdown in repayments due to the moratorium and lockdown. Chola's response was comprehensive, with our treasury ramping up liquidity, our tech team identifying and deploying digital interventions for disbursements and collections, our analytics team being able to identify vulnerable segments and more importantly, our business teams adapting to the new normal of driving business despite working away from offices. Valuable learnings from these past few months shall remain with us for many more years to come.

While it was important to respond to the Covid-19 shock, it was also equally important for us to not lose focus of the company's long-term aspirations. Optimizing the company's cost structure was strategically important for us. The quarter gone by helped us critically evaluate our expenses, with an improvement already visible – our opex ratio has come down to 2.2% from 2.6% just a quarter before. During the quarter, we have initiated a comprehensive process transformation program for the vehicle finance business. The LAP business has rolled out its newly developed Loan Origination and Loan Management System during the quarter gone by.

Looking ahead, we expect disbursements to improve, considering our diversified product portfolio and pan India presence. We will also continue to retain our increased focus on the collections and cost fronts.”