

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

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> 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 31<sup>st</sup> 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)
<b>Disbursements</b>	<b>25,114</b>	<b>30,451</b>	<b>21%</b>
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%
<b>EPS - in Rs</b>	<b>58.75</b>	<b>75.87</b>	<b>29%</b>
<b>ROTA - PBT**</b>	<b>3.7%</b>	<b>3.7%</b>	
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				
<b>Particulars</b>	<b>Mar-18</b>	<b>Jun-18</b>	<b>Sep-18</b>	<b>Dec-18</b>	<b>Mar-19</b>
<b>As per IGAAP</b>					
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%
<b>Provision Coverage%</b>	<b>44.2%</b>	<b>43.9%</b>	<b>44.6%</b>	<b>45.5%</b>	<b>49.8%</b>
Standard Assets Provn	145	156	161	172	187
<b>Standard Assets Provn %</b>	<b>0.40%</b>	<b>0.40%</b>	<b>0.40%</b>	<b>0.40%</b>	<b>0.40%</b>
<b>Total Provision</b>	<b>730</b>	<b>792</b>	<b>797</b>	<b>831</b>	<b>806</b>

Rs in Crore

Particulars	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
<b>As per IND AS</b>					
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
<b>Coverage Ratio (%) - Stage 3</b>	<b>34.3%</b>	<b>34.3%</b>	<b>34.8%</b>	<b>35.0%</b>	<b>38.0%</b>
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
<b>Coverage Ratio (%) - Stage 1&amp;2</b>	<b>0.9%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.7%</b>
<b>Total ECL Provision</b>	<b>862</b>	<b>922</b>	<b>913</b>	<b>947</b>	<b>931</b>

**Capital Adequacy:**

The Capital Adequacy Ratio (CAR) of the company as on 31<sup>st</sup> 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".