

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED (CIFCL)
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED
31st DECEMBER 2023

Key Financial Results (Q3 and YTD Dec 2023):

- Disbursements at ₹ 22,383 Cr for the quarter (Up by 27%) and ₹ 63,940 Cr for YTD Dec 2023 (Up by 40% YoY)
- Total AUM at ₹ 1,41,143 Cr (Up by 36% YoY)
- Net Income for the quarter was at ₹ 2,580 Cr (Up 41% YoY) and ₹ 7,073 Cr for YTD Dec 2023 (Up 37% YoY)
- PAT at ₹ 876 Cr for the quarter (Up by 28%) and ₹ 2,365 Cr for YTD Dec 2023 (Up by 30% YoY)

Chennai, January 25th, 2024: The Board of Directors of CIFCL today approved the unaudited financial results for the quarter and nine months ended 31st December 2023

Highlights:

Chola disbursed volume of ₹ 22,383 Cr in Q3. Vehicle finance disbursements grew by 18% aided by a steady growth in Used volumes. Loan Against Property business grew by 51% and Home Loans grew by 48% driven by branch expansion into Tier 3 and 4 locations. Disbursement growth in the three new businesses was 33%.

Performance Highlights:

Particulars	<i>Rs in Cr.</i>					
	Q3 FY 23	Q3 FY 24	Growth (Y-o-Y)	YTD Dec-22	YTD Dec-23	Growth (Y-o-Y)
Disbursements	17,559	22,383	27%	45,512	63,940	40%
AUM	1,03,789	1,41,143	36%	1,03,789	1,41,143	36%
Total Income	3,375	5,019	49%	9,184	13,724	49%
Finance Cost	-1,543	-2,439	58%	-4,015	-6,651	66%
Net Income	1,832	2,580	41%	5,169	7,073	37%
Total Expenses	-752	-1,064	41%	-1,993	-2,797	40%
Loan Losses	-159	-359	126%	-736	-1,131	54%
Profit Before Tax	921	1,157	26%	2,441	3,145	29%
Profit After Tax	684	876	28%	1,813	2,365	30%

- Aggregate disbursements in Q3 FY 24 were at ₹ 22,383 Cr as against ₹ 17,559 Cr in Q3 FY 23 with a growth of 27%. Disbursements for YTD Dec 2023 were at ₹ 63,940 Cr as against ₹ 45,512 Cr in the previous year, registering a growth of 40% Y-o-Y.
- Vehicle Finance (VF) disbursements were at ₹ 12,354 Cr in Q3 FY 24 as against ₹ 10,446 Cr in Q3 FY23, registering a growth of 18%. Disbursements for YTD Dec 2023, were at ₹ 35,385 Cr as against ₹ 27,509 Cr in the previous year, reporting a growth of 29% Y-o-Y.

- Loan Against Property (LAP) business disbursed ₹ 3,409 Cr in Q3 FY 24, as against ₹ 2,255 Cr in Q3 FY23, with a growth rate of 51%. Disbursements for YTD Dec 2023 were at ₹ 9,281 Cr as against ₹ 6,537 Cr in the previous year, registering a growth of 42% Y-o-Y.
- Home Loan business disbursed ₹ 1,587 Cr in Q3 FY 24, as against ₹ 1,072 Cr in Q3 FY23 registering a growth of 48%. Disbursements for YTD Dec 2023 were at ₹ 4,615 Cr as against ₹ 2,425 Cr in the previous year, registering a growth of 90% Y-o-Y.
- Small and Medium Enterprises Loan (SME) business disbursed ₹ 1,981 Cr in Q3 FY 24, registering 11% growth over ₹ 1,782 Cr in Q3 FY23. Disbursements for YTD Dec 23 were at ₹ 5,971 Cr, registering 39% growth over ₹ 4,284 Cr in YTD Dec 2022.
- Consumer and Small Enterprise Loans (CSEL) disbursed ₹ 2,773 Cr in Q3 FY 24, as against ₹ 1,868 Cr in Q3 FY23 registering a growth of 48%. Disbursements for YTD Dec 23 were at ₹ 7,980 Cr, registering 77% growth over ₹ 4,501 Cr in YTD Dec 2022.
- Secured Business and Personal Loan (SBPL) disbursed ₹ 280 Cr and ₹ 708 Cr in Q3 FY 24 and nine months ended for FY 24.
- Assets under management as of 31st December 2023, stood at ₹ 1,41,143 Cr as compared to ₹ 1,03,789 Cr as of 31st December 2022, clocking a growth of 36% Y-O-Y.
- PBT Growth in Q3 was at 26% and for YTD Dec 23 was at 29% as compared to overall asset growth of 36%(YoY).
- PBT-ROA for Q3 FY 24 and for the nine months ending Dec 23 was at 3.3%.
- ROE for YTD Dec 23 was at 19.8% as against 19.1% in the previous year.
- The Company continues to hold a strong liquidity position with ₹ 7742 Cr as cash balance as at end of Dec 2023 (including Rs 3765 Cr invested in HQLA assets such as Gsec / TBill and shown under investments). The total liquidity position including undrawn sanctioned lines was at ₹ 9932 Cr. The ALM position continues to be comfortable with no negative cumulative mismatches as per Regulatory norms.
- ICRA upgraded the long term rating outlook for Chola from AA+ (Stable) to AA+ (Positive).
- Consolidated Profit Before Tax (PBT) for Q3 FY 24 was at ₹ 1,157 Cr as against ₹ 926 Cr in Q3 FY 23 registering a growth of 25% and for YTD Dec 23 was at 3,177 Cr as against 2,452 Cr in YTD Dec 22 with a growth of 30%.

Asset Quality:

Stage 3 levels representing 90+ dues reduced to 2.82% as of December 23 from 2.96% as of end September 23. GNPA % as per RBI norms reduced to 3.92% as of December 23 as against 4.07% in September 23. NNPA as per RBI norms has also dropped to 2.56% as of December 23 against 2.59% in September 23. NNPA is below the threshold of 6% prescribed by RBI as the threshold for PCA.

The details of the stagewise assets and provisions are given in the Annexure.

Capital Adequacy:

The Capital Adequacy Ratio (CAR) of the company as of 31st December 2023, was at 19.37% as against the regulatory requirement of 15%. Tier-I Capital was at 15.55% and Tier-II Capital was at 3.82%.

Interim Dividend

The Board of Directors of the Company approved the payment of Interim dividend of 65% being ₹ 1.3 per share on the equity shares of the Company, for the year ending March 31, 2024.

Annexure

Stage wise ECL Summary

Stage wise Summary - Dec 23

Particulars	Asset	ECL Provn	NNPA
	Rs in Cr	Rs in Cr	Rs in Cr
Stage 1A	1,27,032	544	1,26,488
Stage 1B	250	12	238
Total Stage 1	1,27,282	555	1,26,726
Stage 2A	2,905	275	2,630
Stage 2B	1,239	153	1,085
Total Stage 2	4,144	428	3,716
Stage 3	3,811	1,720	2,091
Total Stage 3	3,811	1,720	2,091
Total	1,35,236	2,704	1,32,532
NPA as per RBI (incl Sec)	5,299	1,885	3,414
NNPA RBI %			2.56%

Stage wise Summary - Sep 23

Particulars	Asset	ECL Provn	NNPA
	Rs in Cr	Rs in Cr	Rs in Cr
Stage 1A	1,17,589	505	1,17,084
Stage 1B	229	11	218
Total Stage 1	1,17,818	516	1,17,303
Stage 2A	2,872	269	2,603
Stage 2B	1,169	145	1,024
Total Stage 2	4,041	414	3,627
Stage 3	3,719	1,760	1,959
Total Stage 3	3,719	1,760	1,959
Total	1,25,578	2,689	1,22,889
NPA as per RBI (incl Sec)	5,117	1,915	3,202
NNPA RBI %			2.59%

Particulars	Asset	ECL Provn	NNPA %
	%	PCR (%)	%
Stage 1A	93.93%	0.43%	93.53%
Stage 1B	0.18%	4.65%	0.18%
Total Stage 1	94.12%	0.44%	93.71%
Stage 2A	2.15%	9.46%	1.95%
Stage 2B	0.92%	12.38%	0.80%
Total Stage 2	3.06%	10.33%	2.75%
Stage 3	2.82%	45.15%	1.55%
Total Stage 3	2.82%	45.15%	1.55%
Total	100.00%	2.00%	98.00%
NPA as per RBI (incl Sec)	3.92%	35.58%	2.52%
NNPA RBI %			2.56%

Particulars	Asset	ECL Provn	NNPA %
	%	PCR (%)	%
Stage 1A	93.64%	0.43%	93.24%
Stage 1B	0.18%	4.69%	0.17%
Total Stage 1	93.82%	0.44%	93.41%
Stage 2A	2.29%	9.37%	2.07%
Stage 2B	0.93%	12.39%	0.82%
Total Stage 2	3.22%	10.24%	2.89%
Stage 3	2.96%	47.32%	1.56%
Total Stage 3	2.96%	47.32%	1.56%
Total	100.00%	2.14%	97.86%
NPA as per RBI (incl Sec)	4.07%	37.43%	2.55%
NNPA RBI %			2.59%

Asset Classification:

STAGE_1A	Represents assets (i) which had never touched NPA and (ii) which had been an NPA in the past but had been normalised and currently in the 0-30 days - Hence no more an NPA as per RBI norms
STAGE_1B	Represents assets which had been an NPA in the past but yet to be fully normalised though it has moved to stage 1 currently - Hence an NPA as per current RBI norms
STAGE_2A	Represents assets (i) which had never touched NPA and (ii) which had been an NPA in the past but had been normalised post that and now in 31-90 days DPD - Hence no more an NPA as per RBI norms
STAGE_2B	Represents assets which had been an NPA in the past but yet to be fully normalised though it has moved to stage 2 currently - Hence an NPA as per current RBI norms
STAGE_3	Represents assets which continues to be a NPA as on the closing date - Hence an NPA as per current RBI norms

Rs in Cr.

Particulars	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Gross Assets - Stage 1 & 2	84,498	92,526	1,03,856	1,12,185	1,21,860	1,31,425
Gross Assets - Stage 3	3,375	3,367	3,222	3,546	3,719	3,811
Stage 3 Assets to Total Gross Assets	3.84%	3.51%	3.01%	3.06%	2.96%	2.82%
Coverage Ratio (%) - Stage 3	41.48%	40.96%	46.00%	45.40%	47.32%	45.15%

About Cholamandalam

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 1309 branches across India with assets under management above INR 141143 Crores.

The mission of Chola is to enable customers enter a better life. Chola has a growing clientele of over 28 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

A 123-year-old conglomerate with presence across India and the world, the INR 742 billion Murugappa Group has diverse businesses in agriculture, engineering, financial services and more.

The Group has 9 listed companies under its umbrella — Carborundum Universal Limited, CG Power & Industrial Solutions Limited, Cholamandalam Financial Holdings Limited, Cholamandalam Investment & Finance Company Limited, Cholamandalam MS General Insurance Company Limited, Coromandel International Limited, EID Parry (India) Limited, Shanthi Gears Limited, Tube Investments of India Limited and Wendt India Limited. Brands such as Ajax, Hercules, BSA, Montra, Montra Electric, Mach City, Gromor, Paramfos, Parry's are part of the Group's illustrious stable.

Abrasives, technical ceramics, electro minerals, electric vehicles, auto components, fans, transformers, signalling equipment for railways, bicycles, fertilisers, sugar, tea and several other products make up the Group's business interests.

Guided by the five lights — integrity, passion, quality, respect and responsibility — and a culture of professionalism, the Group has a workforce of over 73,000 employees.

For more information, see www.murugappa.com

For further information contact:

Mohamed Chola Ph: +91 44 4090 7252	Vijay Shekhar Concept Public Relations M: +91 97890 52198
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