

September 27, 2018

The Secretary
National Stock Exchange of India Limited
Capital Market – Listing, Exchange Plaza, 5th Floor,
Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra
(E), Mumbai 400 051

The Secretary
BSE Ltd.
25th Floor, Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001

NSE SCRIP CODE: CHOLAFIN EQ

BSE SCRIP CODE: 511243

Dear Sir,

Sub.: Regulation 30(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR)”)

Pursuant to Regulation 30(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a presentation on the current liquidity position of the Company, as a matter of information and clarification, proposed to be sent to our investors, banks and rating agencies. The said presentation will also be updated on the website of the Company, www.cholamandalam.com for the information of the investors and other stakeholders.

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

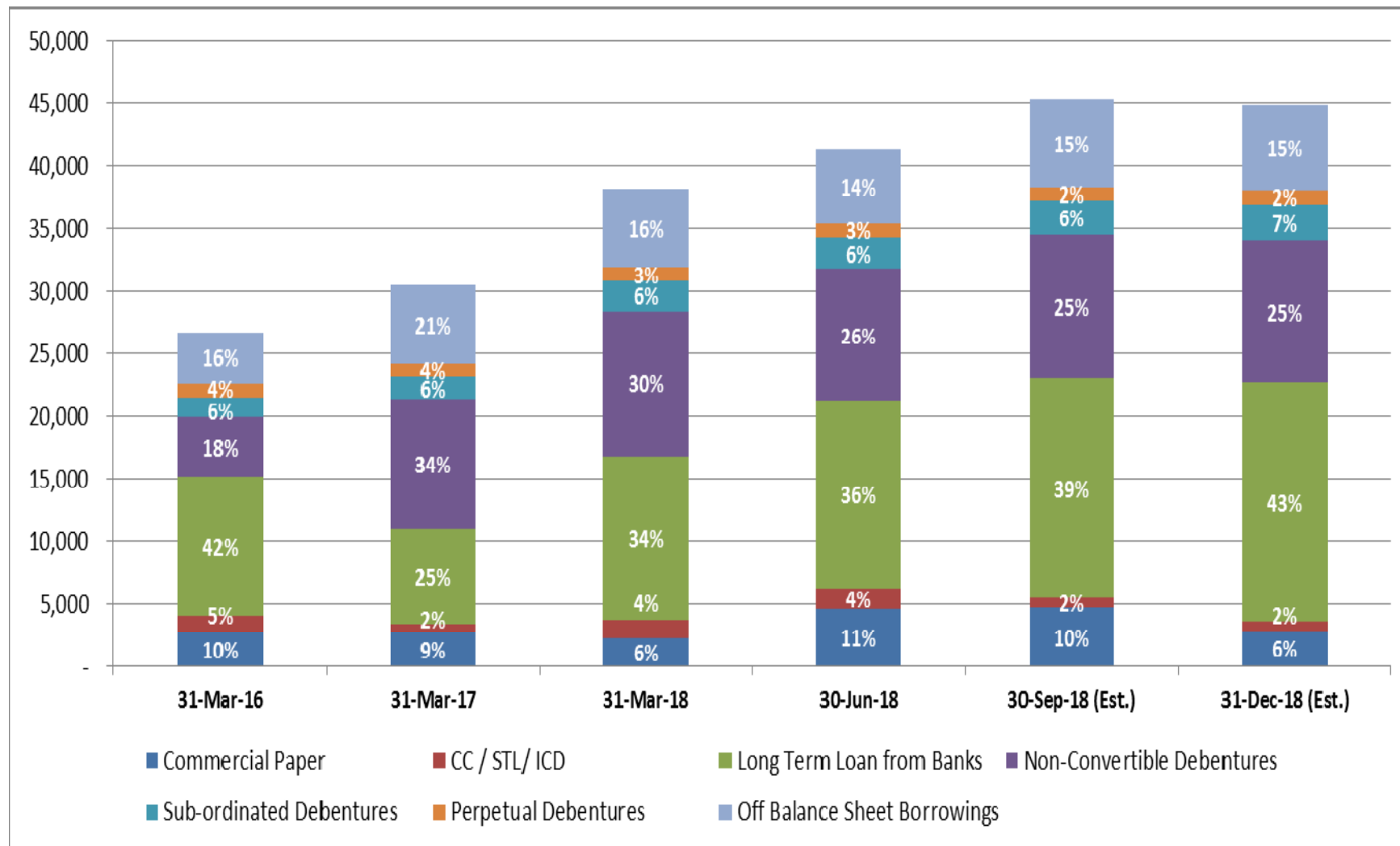
Encl.: as above

Cholamandalam Investment and Finance Co Ltd

Liquidity Position

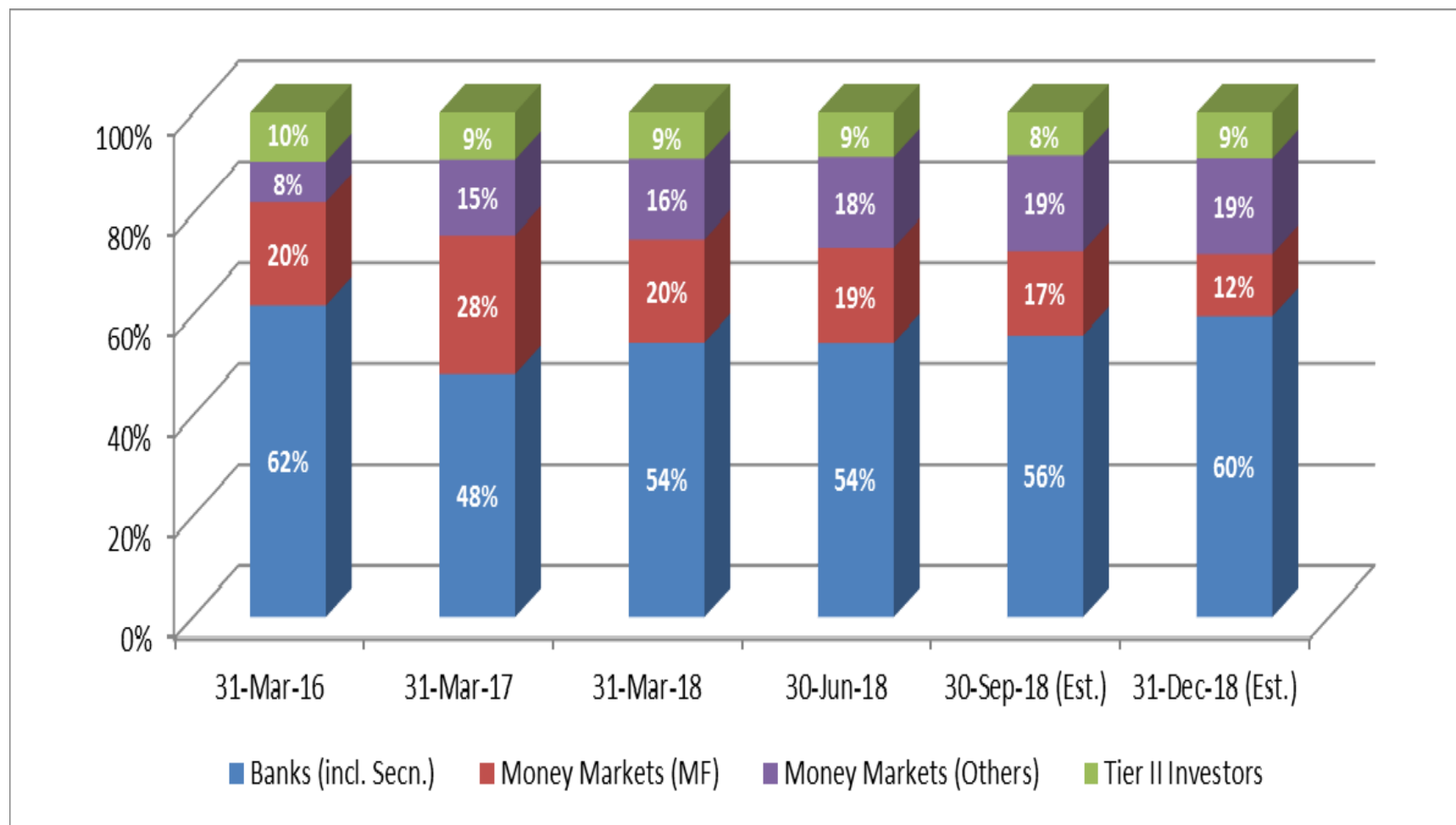
Sep 2018

Borrowing profile



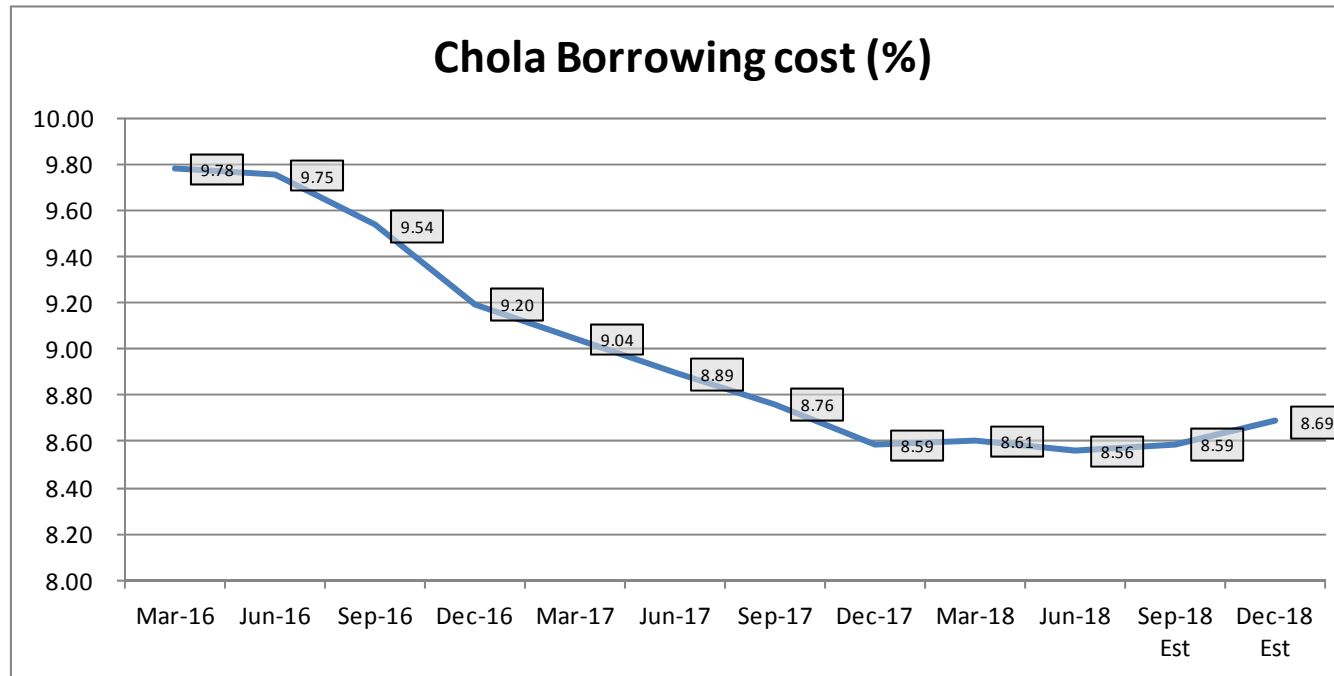
✓ In Q4 FY 18, CP rates peaked and hence exposure to CP was reduced from normal levels of 10-12% of Liabilities under Management (LUM). Subsequently when CP prices moderated in Q1 this was brought back to the normal levels of 10-11% of LUM. Considering the prevailing tightness, it is proposed to scale down the CPs to 6%

Lender's profile



- ✓ When money market rates were favourable in FY 17 and FY18, exposure to banks reduced – however with the change in liquidity position, incremental borrowings are sourced from banks.
- ✓ For money market instruments reliance on mutual funds has been progressively reduced and increasingly secured from other sources like banks, insurance companies, multi-lateral organisations like Asian Development Bank, etc.

Trend of Chola Borrowing Cost



- ✓By managing the borrowing mix and leveraging rating upgrade, the Cost of Funds (CoF) was brought down consistently over the past two years.
- ✓It is expected that CoF may increase in the coming quarters due to prevailing conditions such as tight market conditions, lower CP exposure, rate reset by banks and negative carry on incremental investments held, etc.

Cash Flow estimates

Rs in Cr.

Particulars		Oct '18 Est.	Nov '18 Est.	Dec'18 Est.
Net Funding requirement				
Maturity		-1905	-1883	-1615
Others*		-1085	-1097	-1270
Total:	(A)	-2990	-2980	-2885
Met by:				
•Investment in hand @	(B)	4710	1720	1240
•Fresh Borrowings:				
1)Term Loans/others		--	1500	700
2)CP from market ¹		--	1000	1000
3)Securitisation		--	--	500
4)Consortium		--	--	--
Total Fresh Borrowings:	(C)	-	2500	2200
Available funds:	(B)+(C) = (D)	4710	4220	3440
Closing investments	(E) = (D) - (B)	1720	1240	555
Consortium available (Bal. unused)	(F)	2045	2045	2045
Total funding support	(E)+(F)	3765	3285	2600

*- Disbursements + Expenses - Collections

@ Currently we have investments of Rs 3300+ cr as FDs as of 26/09/2018.

Rs in Cr.

CPs	Sep-18	Oct-18	Nov-18	Dec-18
Opg	5,350	4,675	2,810	3,050
Availed/ Proposed	900	-	1,000	1,000
Repaid	1,575	1,865	760	1,250
Clg	4,675	2,810	3,050	2,800
Liabilities under Management	45,215	43,210	44,897	44,432
(%) to Clg borrowing	10%	7%	7%	6%

Note 1:As per our asset profile CP exposure of 15-20% (on balance sheet liabilities) or 10-12% on LUM can be drawn without impacting ALM. As a measure of conservatism, we have considered CPs to the extent of 7%/6% of Liabilities under Management by Nov '18 / Dec '18.

Projected ALM – as of 30/09/18

Rs in Crs

Time Buckets -	Inflow	Outflow	Mismatch	Cum Mismatch	D as % of B (Cum)
	A	B	C	D	E
1 - 14 Days	1,975	1,221	754	754	62%
15 - 30 / 31 Days	2,265	1,400	865	1,620	62%
Over 1 month to 2 months	2,021	1,795	227	1,847	42%
Over 2 to 3 months	2,417	1,842	575	2,422	39%
Over 3 to 6 months	3,957	2,740	1,217	3,639	40%
Over 6 months to one year	7,004	5,756	1,248	4,887	33%
Over 1 year to 3 years	17,906	20,808	(2,902)	1,985	6%
Over 3 to 5 years	4,285	3,076	1,209	3,194	8%
Over 5 years	4,768	7,962	(3,194)	-	0%
Total	46,599	46,599	-		

Note: No consortium utilisation or tied up Funding Lines assumed in the above ALM

Contact Us

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Chennai 600001.

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Thank You