

Date:20/09/2021

**Cholamandalam Investment & Finance Company**, earlier known Cholamandalam DBS Finance Limited was incorporated in 1978 as Cholamandalam Investment & Finance Company Limited (CIFCL). The company began operations as a Non-Banking Finance Company (NBFC) offering equipment finance to small and medium sized companies in South India. Today, Cholamandalam DBS Finance Limited is a joint venture between Murugappa Group and DBS Bank of Singapore and is one of India's largest domestically owned NBFCs. CDFL offers Personal Loans, Vehicle Finance, Corporate Finance, Capital Market Finance and Home Equity Loans. In 2010 the name of the Company has been changed from "M/s. Cholamandalam DBS Finance Ltd" to "M/s. Cholamandalam Investment and Finance Company Ltd".

CDFL offers finance for a wide range of vehicles — HCVs, LCVs, cars, MUVs and cargo three-wheelers. CDFL also caters to the needs of Corporate and retail consumers through its Retail and Corporate Finance wings. The company operates from over 160 locations. The company has built up a portfolio of high quality. The company has an unbroken track record of dividend payment for over 25 years. Following its partnership with DBS Bank, CDFL offers consumer finance in the Indian market.

Company has delivered good profit growth of 21.49% CAGR over last 5 year and Company's median sales growth is 18.44% of last 10 year



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**Technical View:** last few days, we have witnessed bull run in Chola finance and this trend may continue as FII holding has been increase 16.49 to 18.85, Which clearly indicate there will be more upside move left in the stock and as per technical analysis Stock had a good breakout by breaking psychological level which is 600 now onwards buying can be done 605 for the target price 630 and 650, Stop loss will be kept at 570, RSI and MACD indicated positive signal.

**KEY POINTS:-**

**Ratios (FY 21)**

Capital Adequacy Ratio - 19.07%

Net Interest Margin - 7.2%

Expense Ratio - 2.3%

Gross NPA - 4.0%

Net NPA - 2.2%

Disbursements - □ 26,043 Cr.