

December 23, 2025

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/Madam,

Sub: Disclosure under Regulation 30(11) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')

This is with reference to the blogs/ post carried out by an agency in their website, wherein several charges / allegations have been made against CIFCL, its associates and subsidiaries, and some of the Murugappa Group entities.

To avoid market speculation, pending examination of the various allegations,, we are giving our summary responses below:

1. The entire allegations are malicious and baseless stated with ulterior motives.

CIFCL FINANCIAL HEALTH

The Company wishes to reassure its investors that the performance of the Company, its asset quality and its liquidity position continues to be robust as disclosed in the audited financial statements of the Company for the half year ended September 2025. There is no revision in its guidance provided in the past and the Company will continue to deliver as per its Board approved business plan.

The liquidity position of the Company continues to be strong with its cash and bank balances of Rs. 14,900 crores as of November 30, 2025. ALM across time buckets remains positive. CAR for the period ending November 30, 2025 was 19.79% with Tier I capital at 14.53% as against the statutory threshold of 15% for the overall CAR and 10% for Tier I. The rating of CIFCL continues to be at AA+ from ICRA, India Ratings and CARE.

Cholamandalam Investment and Finance Company Limited

"Chola Crest", C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate,
Guindy, Chennai - 600032. Tel.: 044 4090 7172
Toll-Free No.: 1800 102 4565 | Email: customer@chola.murugappa.com
Website: www.cholamandalam.com | CIN: L65993TN1978PLC007576

The net worth of the company stood at Rs. 26,783 crores as of November 30, 2025, which is an increase of more than Rs. 3,000 crores over FY25 closing levels. This includes the conversion of Rs. 300 crores of the Compulsorily Convertible Debentures (CCDs) issued in FY24. The balance Rs. 1,700 crores of CCDs is also expected to be converted in the next three quarters which will further strengthen the net worth of the Company.

2. CLARIFICATIONS relating to malicious / FRAUDULENT QUERIES / allegations:

The queries in various mails and in the blog primarily relate to our financial practices, related party transactions and compliances generally. These are briefly responded as under

- **Large cash deposits by the Company:** The Company predominantly caters to the needs of small road transport operators and self employed non professionals, numbering over 50 lakhs, spread over 1,700 branches across cities and towns in India. This is in categories of lending such as mortgage and unsecured lending, thereby bringing in financial inclusion for the under served segments in rural and semi-urban geographies across India. Such borrowers earn and pay in cash, including for their EMIs from us. The amounts so collected in cash are deposited in Banks . This collection process and amount has been subject to internal and external scrutiny. This is also covered by our robust internal systems and subject to statutory audit. All KYC and income tax compliance for such collection is done in compliance with applicable legal requirements.
- **Related party transactions:** In compliance with legal and accounting requirements, all related party transactions are disclosed in full and complete detail in our financial statements. For e.g., CIFCL has transactions covering the borrowers' accident and hospitalisation etc and the premium on such policies collected from the borrowers are paid to fellow subsidiary company, Chola Mandalam MS General Insurance Company Limited (CMSGICL). These policies, firstly and primarily, help our borrowers with sudden hospitalisation needs. They also help CIFCL to ensure that no losses are faced in case the borrower meets with immediate health requirements.

Payments are also made to related parties for payments to entities like CBSL, Murugappa Management Services, and others towards manpower, strategic services, IT and temporary working capital needs. Wherever the entities are related parties, the requirements of law have been complied with.

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- Allegations have also been made that certain individuals are benefitting from the above transactions. The Company categorically rejects such statements. All payments to Board members, KMP and SMP of CIFCL have been made in compliance with applicable law and have been fully disclosed to the shareholders of the Company.
- Queries have been raised in relation to payment to the rating agencies over the years. All borrowings are subject to ratings. Without such ratings, lenders will not lend money to the company. This is standard industry practise. In some years, where the borrowing figures are higher or the Company has done more borrowing, there would be more ratings and higher rating costs paid to such agencies.
- The CSR contributions are made to the respective NGOs/implementation agencies in the form of work contracts in order to monitor their implementation progress. CSR payment is mandatorily required under law.

As can be seen from the above, distorted facts have been presented selectively, industry practices have been twisted for the benefit of this agency.

We confirm that all the operations of the Company are carried out as per the laws of the land following due compliance of applicable regulatory guidelines.

We are committed to transparent communication with our investors and other stakeholders and have released this clarification. We also reserve the right to take action against such agency for causing damage to our reputation and integrity.

For Cholamandalam Investment and Finance Company Limited

Vellayan Subbiah
Executive Chairman

Cholamandalam Investment and Finance Company Limited

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