

Sustaining Growth and Deepening Impact



About Murugappa Group

A 124-year-old conglomerate with presence across India and the world, the INR 778 billion (77,881 crore) Murugappa Group has diverse businesses in agriculture, engineering, financial services and more.

The Group has 9 listed companies: Cholamandalam Financial Holdings Limited, Cholamandalam Investment Finance Company Limited, Carborundum Universal Limited, Tube Investments of India Limited, CG Power & Industrial Solutions Limited, Coromandel International Limited, E.I.D.-Parry (India) Limited, Shanthi Gears Limited and Wendt India Limited. Other major companies include Cholamandalam MS General Insurance Company Limited and Parry Agro Industries Limited.

Brands such as Ajax, Hercules, BSA, Montra, Montra Electric, Mach City, Chola, Chola MS, CG Power, Shanthi Gears, CUMI, Gromor, Paramfos, Parry's are part of the Group's illustrious stable. Abrasives, technical ceramics, electrominerals, 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 83,500 employees.



Sustaining Growth and Deepening Impact

As a core investment company within the Murugappa Group, Chola mandalam Financial Holdings Limited (CFHL) operates with a steadfast commitment to Sustaining Growth and Deepening Impact. Its strategic mandate is to focus on financial and risk management services by offering products and services that meet customer needs. This dedication extends beyond merely increasing financial metrics, encompassing the optimization of performance among its group companies - Chola mandalam Investment and Finance Company Limited, Chola mandalam MS General Insurance Company Limited, and Chola mandalam MS Risk Services Limited. Through prudent capital allocation and strategic oversight, CFHL aims to continuously cultivate a sustainable future where financial prosperity is widely shared and collective contributions create enduring value for all stakeholders.

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Corporate Information

Board of Directors

Mr. M M Murugappan, Chairman
 Mr. B Ramaratnam, Independent Director
 Mrs. Vasudha Sundararaman, Independent Director
 Mr. K Balasubramanian, Independent Director
 Mr. Vellayan Subbiah, Non-Executive Director
 Mr. Sridharan Rangarajan, Non-Executive Director

Registered Office

'Dare House', No. 234, NSC Bose Road,
 Chennai - 600 001
 Contact Number: 044-40907638 / 25306486
 E-mail: investorservices@cfhl.murugappa.com
 Website: www.cholafhl.com

Corporate Identification Number

L65100TN1949PLC002905

Manager & Chief Financial Officer

Mr. N Ganesh

Secretary

Mrs. E Krithika

Statutory Auditors

M/s. R.G.N. Price & Co
 Akshaya Shanthi, 1st Floor, 25 & 27, Anna salai,
 Chennai - 600 002
 Contact Number: 044-47873795/ 28413633

Secretarial Auditors

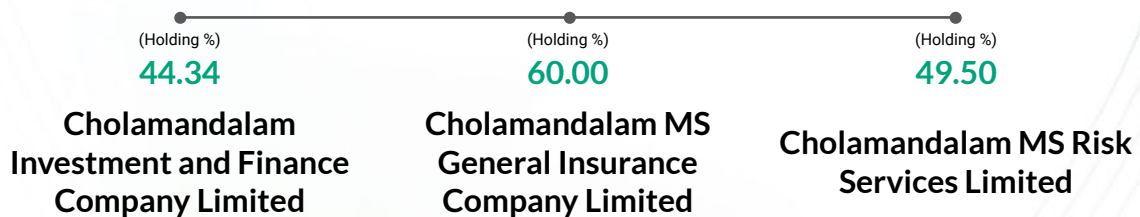
Srinidhi Sridharan & Associates
 1st Floor, New No. 44, Old No. 25, Thiruvarangam
 Apartments, 1st Floor, Unnamalai Ammal Street,
 T. Nagar, Chennai - 600 017
 Contact Number: 99401 18446

Registrar & Share Transfer Agent

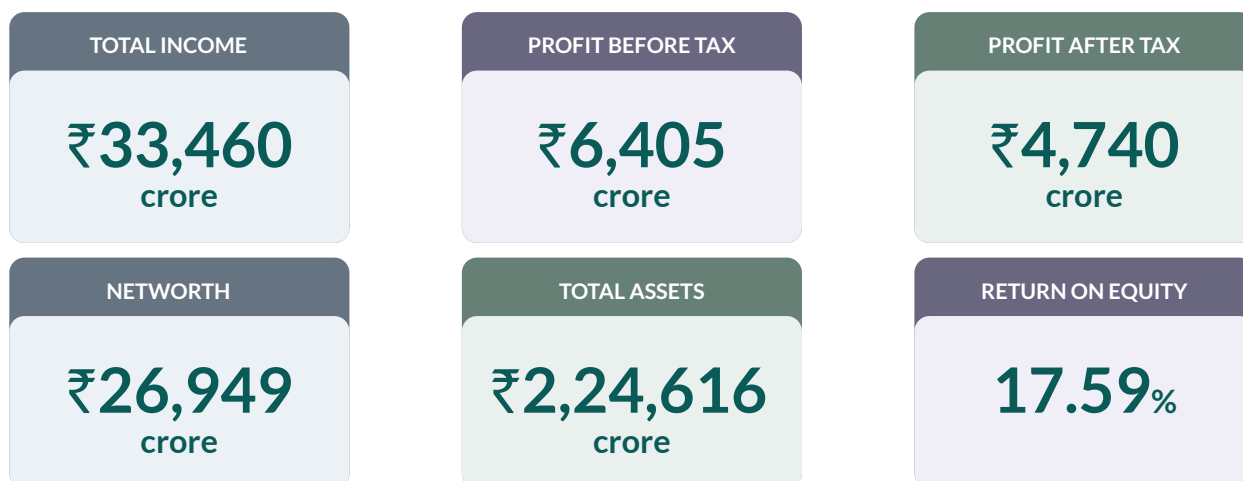
KFIN Technologies Limited
 Selenium Building, Tower - B, Plot No. 31 & 32,
 Financial District, Nanakramguda, Serilingampally,
 Hyderabad - 500 032
 Contact Number: 040-6716 2222
 WhatsApp No.: (91) 910 009 4099
 Toll free: 1800-309-4001
 E-mail: einward.ris@kfintech.com
 Website: <https://ris.kfintech.com/>
 Investor Support Centre:
<https://ris.kfintech.com/clientservices/isc>
 Contact Person: Mr. S R Ramesh,
 Deputy Vice President - Corporate Registry

About Us

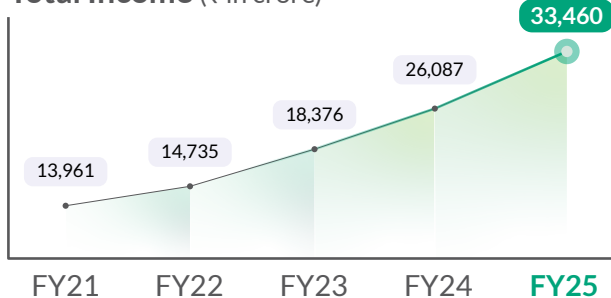
Cholamandalam Financial Holdings Limited (CFHL) is a Non-Deposit taking Systemically Important Core Investment Company registered with RBI and falls under the category of Middle Layer NBFC under the Scale Based Regulations of RBI. Following a demerger in 2017, the Company focusses on its investment portfolio, maintaining substantial stake in group companies: Cholamandalam Investment and Finance Company Limited, Cholamandalam MS General Insurance Company Limited, and Cholamandalam MS Risk Services Limited.



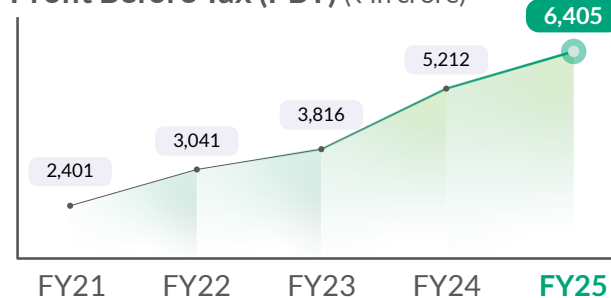
Consolidated Financial Highlights 2024-25



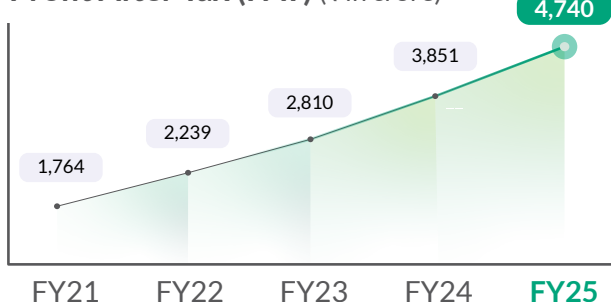
Total Income (₹ in crore)



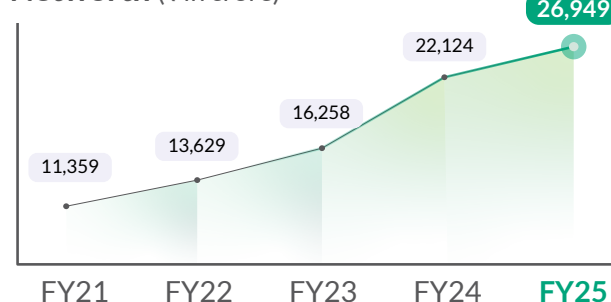
Profit Before Tax (PBT) (₹ in crore)



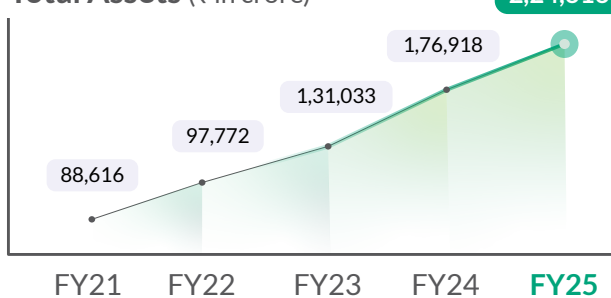
Profit After Tax (PAT) (₹ in crore)



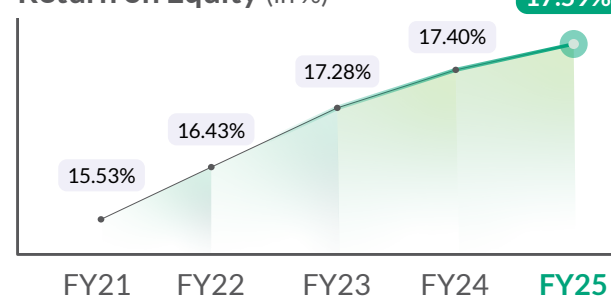
Networth (₹ in crore)



Total Assets (₹ in crore)



Return on Equity (in %)



Consolidated Financial Highlights

(₹ in crore)

Particulars	FY 25	FY 24	FY 23	FY 22	FY 21
Total Income	33,460	26,087	18,376	14,735	13,961
Profit Before Tax (PBT)	6,405	5,212	3,816	3,041	2,401
Profit After Tax (PAT)	4,740	3,851	2,810	2,239	1,764
Networth	26,949	22,124	16,258	13,629	11,359
Total Assets	2,24,616	1,76,918	1,31,033	97,772	88,616
Earnings Per Share (in ₹)	115.76	94.39	68.72	54.50	43.93
Diluted (in ₹)	115.76	94.39	68.72	54.49	43.93
Return On Equity (%)	17.59	17.40	17.28	16.43	15.53

Standalone Financial Highlights

(₹ in crore)

Particulars	FY 25	FY 24	FY 23	FY 22	FY 21
Total Income	86	86	84	84	58
Profit Before Tax (PBT)	83	79	74	71	34
Profit After Tax (PAT)	64	62	58	56	22
Networth	1,351	1,288	1,236	1,187	1,141
Total Assets	1,355	1,289	1,288	1,290	1303
Earnings Per Share (in ₹)	3.43	3.29	3.08	2.96	1.16
Diluted (in ₹)	3.43	3.29	3.08	2.96	1.16
Return On Equity %	4.77	4.79	4.68	4.68	1.90



Cholamandalam Investment and Finance Company Limited

Incorporated in 1978 as the financial services arm of the Murugappa Group, Cholamandalam Investment and Finance Company Limited (CIFCL), commenced business as an equipment financing company and has today emerged as a comprehensive financial services provider offering vehicle finance, home loans, loan against property, SME loans, secured business and personal loans, consumer & small enterprises loans and a variety of other financial services to customers. CIFCL operates from 1,613 branches across India with Assets Under Management above ₹ 1.99 lakh crore.

The vision of CIFCL is to enable customers enter a better life. CIFCL has a growing clientele of over 43.7 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.

Products & Services



Commercial Vehicle Loans



Passenger Vehicle Loans



Two Wheeler Loans



Three Wheeler Loans



Tractor Loans



Construction Equipment Loans



Loan Against Property



Home Loans



SME Loans



Consumer & Small Enterprise Loan



Secured Business & Personal Loan



Gold Loans



Consumer Durable Loan



Corporate Insurance Agency



Stock Broking & Depository Participant



Offline Payment Aggregator

Key Highlights



47 Years of Excellence



₹1.99 lakh crore Assets Under Management



1,613 Branches



26 States & **7** Union Territories



43.7 lakh+ Happy Customers

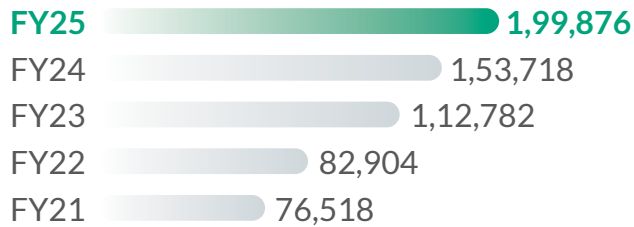


64,900+ Strong Workforce

Assets Under Management (₹ in crore)



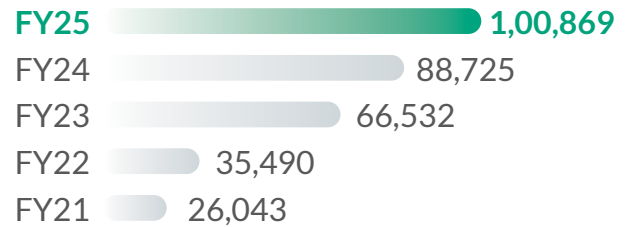
1,99,876



Disbursement (₹ in crore)



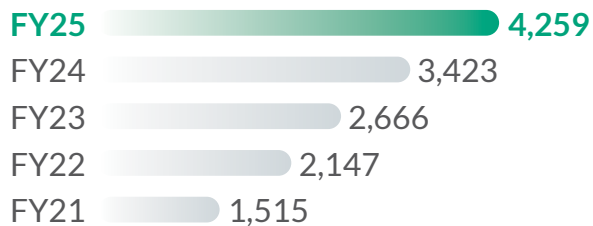
1,00,869



Profit After Tax (₹ in crore)



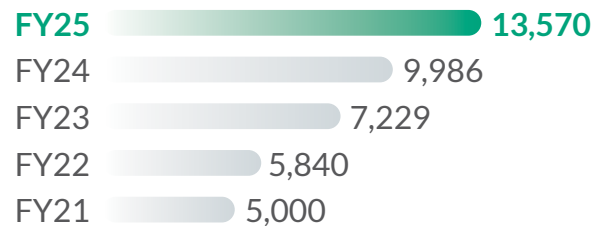
4,259



Net Income Margin (₹ in crore)



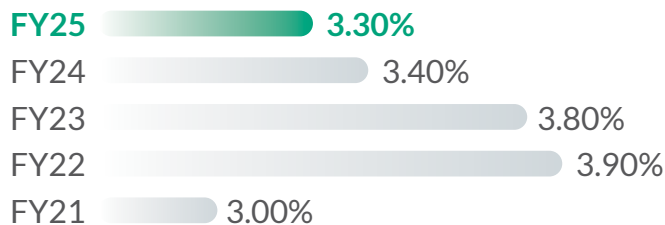
13,570



PBT - ROTA (in %)



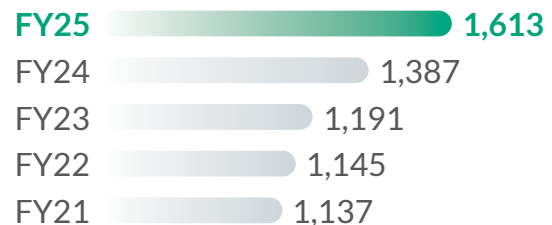
3.30%



Branch Network (in nos.)



1,613





Cholamandalam MS General Insurance Company Limited

Cholamandalam MS General Insurance Company Limited (MSGICL) is a joint venture between the Murugappa Group and Mitsui Sumitomo Insurance Company Limited, a leading insurer in Japan. MSGICL operates with a core philosophy of T3 - Trust, Transparency, and Technology.

MSGICL offers a comprehensive suite of insurance products designed to meet the diverse needs of both individuals and corporate clients.

MSGICL has established a significant presence across India, with 198 branches and a network of over 50,000 intermediaries. The company demonstrates a commitment to innovation in insurance services and delivery, and has been consistently recognized with awards from the Government of India, international organizations, and rating agencies.

Products & Services



Motor Insurance



Health Insurance



Marine Insurance



Property Insurance



Personal Accident Insurance



Crop Insurance



Engineering Projects Insurance



Liability Insurance



Travel Insurance

Key Highlights



Solvency ratio of **2.18 times**, exceeding the IRDAI mandated **1.50 times**



1.30 crore policies issued in FY 25



Served over **6 lakh Claims** in FY 25



CRISIL **AA+** rating



ISO certified processes



198 Branches

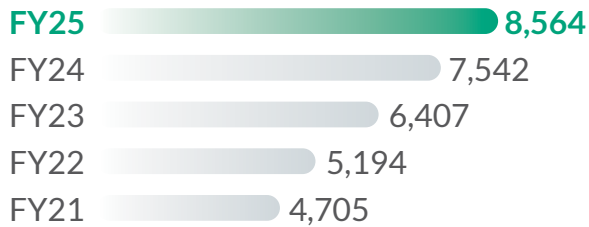


Cashless Network of **12,000+ Hospitals** and **15,000+ Garages**

Gross Written Premium (₹ in crore)



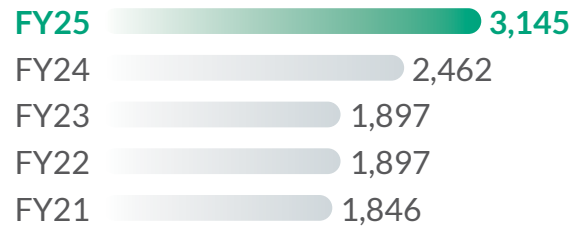
8,564



Networth (₹ in crore)



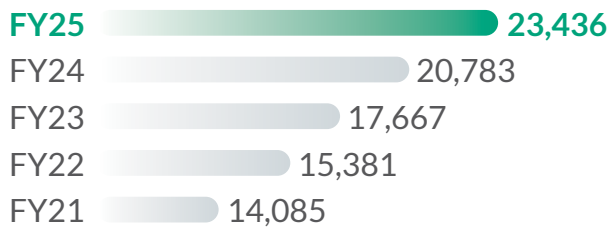
3,145



Total Assets (₹ in crore)



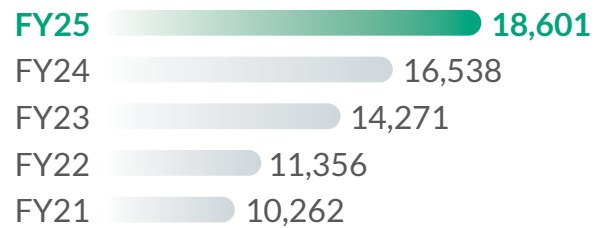
23,436



Investment Portfolio (₹ in crore)



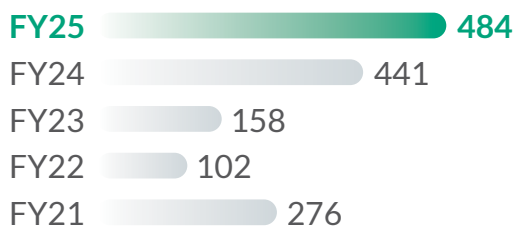
18,601



Profit After Tax (₹ in crore)



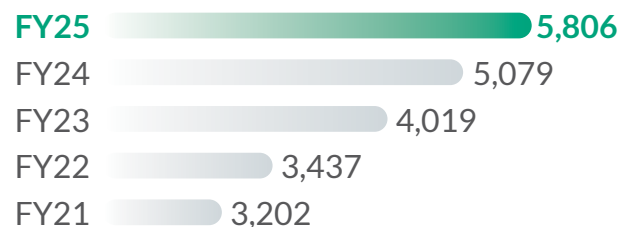
484



Net Earned Premium (₹ in crore)



5,806





Cholamandalam MS Risk Services Limited

Cholamandalam MS Risk Services Limited (CMSRSL) is a leading Consulting firm specializing in Health, Safety, Sustainability, and Risk Engineering (HSSR). A joint venture between the Murugappa Group and Mitsui Sumitomo Insurance Group, the company blends global expertise with local insight to address complex industrial and operational risk management challenges across diverse geographies.

As a member of the Inogen Alliance, CMSRSL delivers globally benchmarked safety and sustainability services tailored to regional needs. With a team of over 500 EHS professionals and a portfolio of more than 15,000 successful projects across 50+ sectors, the company supports organizations in operating safely, sustainably, and in alignment with international standards—serving clients globally with a strong presence across India and the Middle East.

With over 30 years of experience, CMSRSL is widely recognized for its integrity, innovation, and client-centric approach.

The company's client base includes a wide range of organizations, such as Fortune 500 companies, public sector enterprises, and fast-growing businesses across sectors such as manufacturing, infrastructure, pharmaceuticals, logistics, ports, FMCG, oil & gas and renewables.

CMSRSL
offers expert
Environment,
Health & Safety
(EHS) solutions
with global
reach and
award-winning
excellence.

Products & Services



Process Safety



Electrical Safety



Construction
Safety



Fire Safety



Safety Academy



Environment &
Sustainability
Services



Logistics &
Road Safety



Insurance Support
Services



Industrial
Hygiene

Key Highlights



Reinforced collaborations with **Inogen, Tonkin & Taylor, BPC, EIC-Dubai, and JV partner MS&AD**



Developed **6 new EHS tools** and modules



Over **440** process safety assignments



200+ electrical safety projects



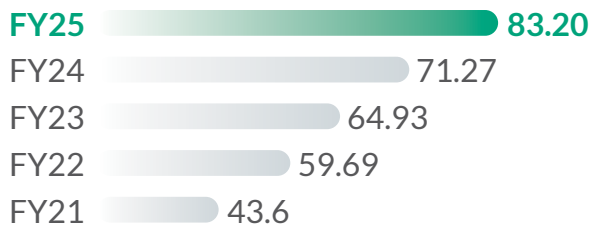
80+ environmental service engagements



75+ driver management centres, providing monthly counselling to over **40,000 drivers**

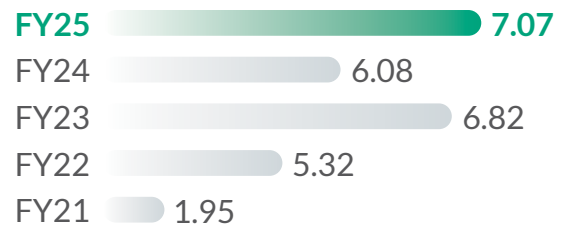
Income (₹ in crore)

83.20



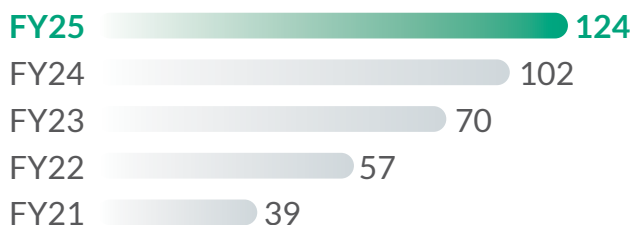
Profit After Tax (₹ in crore)

7.07



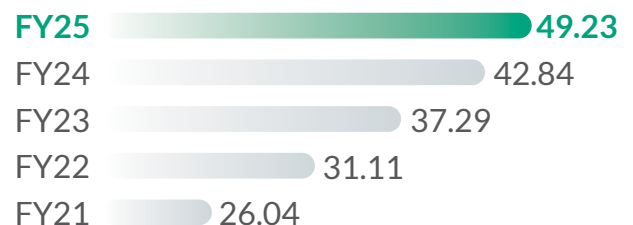
Order Book (₹ in crore)

124



Networth (₹ in crore)

49.23



Chairman's Message



Dear Shareholders,

For Cholamandalam Financial Holdings Limited (CFHL), the guiding principle of 'Sustaining Growth and Deepening Impact' defines our strategic vision and objectives. This theme reflects our unwavering commitment to diligently expand our financial footprint while simultaneously amplifying our positive influence across all stakeholders and the broader community.

Macroeconomic Scenario

The global landscape remains complex, shadowed by significant geopolitical disturbances and evolving economic dynamics. Amidst the volatile economic environment, the Indian economy demonstrated remarkable resilience. Despite persistent headwinds, the country achieved significant growth, thereby sustaining a pragmatic outlook. This resilience is notably bolstered by the government's strategic emphasis on capital expenditure, which is stimulating private investment and fostering an environment conducive to continued, albeit careful economic expansion.

Performance Overview

Cholamandalam Financial Holdings and its group entities delivered a strong performance in FY 25, reflecting the strength and synergy of its investment portfolio. The Company ended the year with a consolidated income of ₹ 33,460 crore, marking a 28% year-on-year growth and a consolidated profit before tax of ₹ 6,405 crore, a 23% increase over the previous fiscal. Strong execution by our teams has helped to successfully scale up the Group's performance with improved key metrics. Underpinned by our strong business fundamentals, the Board has recommended a dividend of ₹1.30/- (130%) per share for the fiscal year. This is in line with our dividend policy and reflects our commitment to delivering value to our shareholders.

NBFC Business

The Indian Non-Banking Financial Company (NBFC) landscape continues its rapid evolution, adapting to regulatory changes and market dynamics. While the sector's credit growth is expected to moderate compared to recent fiscal years, the overall NBFC credit is projected to exceed ₹ 60 trillion by FY 26, driven significantly by retail assets. Challenges persist, particularly in unsecured loan segments, but regulatory actions are viewed as beneficial for long-term sectoral stability.

CFHL's NBFC subsidiary, Cholamandalam Investment and Finance Company Limited (CIFCL) achieved a record-breaking milestone in disbursements, collections, and profitability with its Assets under Management surpassing ₹ 1.99 lakh crore as at end of March 2025. The company's robust liquidity management framework has ensured sufficient liquidity throughout the year. CIFCL is also making significant progress toward its long-term vision of becoming a leading financial institution. Towards this, a host of initiatives were implemented during the year to drive growth and enhance customer experience,

including expanding direct-to-customer channels and consolidating mobile apps into the comprehensive 'Chola One app'. In its continuous endeavour to diversify offerings and cater to a wider spectrum of financial needs, the company has entered the Gold Loans segment to cater to the section of society that prefer gold as a primary form of security, thereby furthering its commitment to inclusive financial solutions.

General Insurance Business

The general insurance industry, characterised by low insurance penetration and density, has vast headroom for expansion. The Government of India and the Insurance Regulator have spelt out the objective of 'Insurance for all by 2047' and several steps have been taken to move in that direction. During the year, the regulator consolidated several regulations reshaping the Product Regulations with an emphasis on empowering insurers, digital enablement and policyholders' protection. The industry size comprising of multi-line players, Stand Alone Health Insurers (SAHIs) and specialised insurers grew to over ₹ 3 trillion. The industry looks forward to the amendments in the draft Insurance bill that can open further opportunities in a large market like India.

Cholamandalam MS General Insurance Company Limited (Chola MS) has grown in FY 25, ahead of industry both in terms of its Gross Written Premium and Profits. Its strong financial health is evidenced by a healthy solvency ratio of 2.18 times, significantly above the regulatory minimum of 1.50 times. Chola MS continued to expand its distribution channels, add new partners, and enhance its digital capabilities, issuing over 1.30 crore policies in FY 25, underscoring its commitment to operational excellence and customer trust. With over 6 lakh claims (including crop claims) settled during the year, the company continues to earn trust and strong reputation among customers and channel partners.

Risk Management Services

Cholamandalam MS Risk Services Limited (Chola Risk), a joint venture company, offering specialized risk management solutions, continued its growth trajectory. The company strengthened its order book by bagging new contracts aggregating to ₹ 80 crore. Chola Risk expanded its service offerings by launching a number of strategic projects in areas such as Cultural Transformation, Behaviour-Based Safety, and Sustainability.

Looking forward

As we look forward, we remain resolute in our pursuit of sustained growth and deepened impact thereby creating long-term value for stakeholders, driven by our strategic approach and commitment to operational efficiency.

The Board plays a vital role in shaping and embedding the right corporate culture to progress our purpose. I would like to thank each of my colleagues on the Board for their committed involvement and contribution. I also take this opportunity to thank all our stakeholders - shareholders, customers, regulators, business partners and vendors for their continued support and patronage. I acknowledge the dedication and valuable contribution of all our employees in driving the Company towards a greater success.

Best Wishes,

M M Murugappan
Chairman

Board of Directors



Mr. M M Murugappan
(69 years) DIN: 00170478

Chairman & Non-Executive Director

- Holds a Bachelor's degree in Chemical Engineering from the University of Madras and a Master's degree in Chemical Engineering from the University of Michigan, USA.
- Has over four decades of experience in diverse areas including strategy & business development, technology and human resources.
- Is the Non-Executive Chairman of Carborundum Universal Limited, Cholamandalam MS General Insurance Company Limited, Cyient Limited, and the Chairman of the Board of Governors of IIM Indore.
- Is a Board member of Rane Holdings Limited, Ambadi Investments Limited and IIT Madras Research Park.
- Was elected as a fellow member of the Indian Ceramic Society and is also a member of the American Institute of Chemical Engineers and the Indian Institute of Chemical Engineers, Plastics & Rubber Institute.
- Is a trustee of the Murugappa Group's AMM Foundation, actively involved in the foundation's activities in the area of education, health care, etc.
- Has been a Non-Executive Director of the Company since November 2017. Prior to that had served the Board of the Company as a Non-Executive Director from March 2002 till July 2017.

- Graduate from the University of Mumbai and a member of the Institute of Chartered Accountants of India.
- Has experience in the areas of statutory and internal audit, due diligence, SOX compliance and other professional services.
- Has worked for PricewaterhouseCoopers, A.F.Ferguson and Deloitte Haskins & Sells where he was a partner till 2015.
- During his long career, has serviced national and multinational clients from diverse sectors such as manufacturing, trading, software, time-share, real estate, financial services, pharma, engineering, construction services, etc.
- Is a Board member of Redington Limited, ProConnect Supply Chain Solutions Limited and Redserv Global Solutions Limited.
- Joined the Company's Board in March 2019.



Mr. B Ramaratnam
(70 years) DIN: 07525213

Independent Director



Mrs. Vasudha Sundararaman
(67 years) DIN: 06609400

Independent Director

- Is a B.Sc (Zoology) graduate from Stella Maris College, Chennai, M.Sc (Zoology) from the Madras University and a Certified Associate of Indian Institute of Bankers.
- Joined State Bank of India as a probationary officer in 1981 in Delhi and retired in 2017 as Chief General Manager, heading SBI SG Global Securities Services Pvt Ltd, a JV between SBI and Societe Generale for over four years as MD &CEO.
- Has an experience of over three decades in the banking and financial services sector in various leadership positions.
- Was actively involved in implementation of various projects of the bank in Retail loan processing and played leadership role in designing and implementing a novel HR project in the Bank, aimed at impacting the employees and individual customers of the Bank.
- Is a Board member of Rane (Madras) Limited. Has served as an independent director on the Board of Rane Engine Valve Limited.
- Joined the Company's Board in February 2020.



Mr. K Balasubramanian
(70 years) DIN: 00137260

Independent Director

- Is a Science graduate and a member of the Institute of Chartered Accountants of India.
- Has over four decades of experience in finance, risk management, strategic investments and treasury.
- Was associated with Tube Investments of India Limited for over three decades including as the CFO of the Company for nearly 14 years and played a pivotal role in divestments and acquisitions of domestic and international businesses.
- Has wide experience in sourcing domestic and international finance, simplification of business processes and strengthening of internal controls.
- Was associated with PricewaterhouseCoopers, Africa for four years as a senior consultant during his early phase of career.
- Is a Board member of Ambadi Investments Limited and Fairmeans Investments Private Limited.
- Joined the Company's Board in March 2022.

- Holds a Bachelor of Technology degree in Civil Engineering from IIT Madras and a Masters degree in Business Administration from the University of Michigan, USA.
- Has over 28 years of experience in the varied fields of consulting, technology, projects, financial services and engineering in senior positions across different industries including McKinsey & Company, 24/7 Customer Inc., etc.
- Is the Executive Chairman of Cholamandalam Investment and Finance Company Limited, Chairman of CG Power & Industrial Solutions Limited and Vice-Chairman of Tube Investments of India Limited.
- Is a director on the Boards of various other companies including SRF Limited, Ambadi Investments Limited and TI Clean Mobility Private Limited.
- Is a recipient of 'EY World Entrepreneur of the Year 2024' Award, 'EY Entrepreneur of the Year 2023' Award and 'Extraordinary Entrepreneur of the Year - TiECON 2014' Award.
- Joined the Company's Board in November 2020.



Mr. Vellayan Subbiah
(55 years) DIN: 01138759

Non-Executive Director



Mr. Sridharan Rangarajan
(59 years) DIN: 01814413

Non-Executive Director

- Graduate in Commerce from the Madurai University, a member of the Institute of Chartered Accountants of India, a graduate member of the Institute of Cost Accountants of India and a certified six sigma 'Green Belt', trained 'Process Champion' and 'Black Belt'.
- Has over 36 years of experience in diverse fields viz., finance, manufacturing, service & distribution, banking and contracting industries.
- Has rich multinational and cross-cultural work experience from having worked in companies like ABB, IDBI, LG Electronics, METITO, Trane Inc., USA and Timken.
- Is the Managing Director of Carborundum Universal Limited.
- Is a Board member of various companies of the Murugappa Group including E.I.D. - Parry (India) Limited, Wendt (India) Limited, Cholamandalam MS General Insurance Company Limited, Parry Agro Industries Limited, Murugappa Morgan Thermal Ceramics Limited.
- Has served as the Group CFO of the Murugappa Group.
- Joined the Company's Board in August 2018.

BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

Your Directors take pleasure in presenting the 76th Annual Report together with the audited financial statements of the Company for the financial year ('FY') ended March 31, 2025.

MACRO ECONOMIC ENVIRONMENT

The world economy observed a steady growth of 3.3% in calendar year 2024 albeit at a slow pace characterized by regional disparities, political tensions and evolving inflation dynamics. Since the beginning of the year 2025, the economic landscape has been witnessing significant imbalances and vulnerabilities. Trade policy shocks, financial volatility and a surge in uncertainty pose major threats to the global outlook. Ongoing policy reforms to enhance growth potential and international cooperation are likely to support in navigating the challenges and bolster resilience. Looking ahead to 2025, the IMF has projected global GDP to drop to 2.8% in 2025 and 3% in 2026, following tariff measures being announced by the United States. While easing inflation and stabilizing input costs could create a more favourable environment for margin expansion and strategic investments in many markets, escalating trade tensions and financial market adjustments leading to elevated inflation and interest rates pose a downside risk to the growth potentially impacting business sentiments, employment conditions and consumer spending.

Amidst a volatile global economic environment, India remained the fastest-growing major economy in FY 25. The country's economy is expected to expand by 6.2% in FY 25 outpacing many of its global counterparts. Despite muted growth in the first three quarters of FY 25 due to momentary headwinds like election-led policy caution, erratic rainfall, and volatile global trade flows, the economy demonstrated resilience and stability with key indicators pointing to sustained growth momentum in the final quarter of FY 25. Public investments in infrastructure, continued government spending and robust private consumption and rising household investments in real estate continue to be key drivers of GDP growth. The buoyant manufacturing sector grew by 9.9%, while services remained resilient, compensating for the underperformance in agriculture. On the fiscal side, the Union Budget 2025-2026 sets a bold agenda of focusing on inclusive development, digital innovation, and infrastructure, improving tax efficiency and rationalizing tax rates to further augment growth prospects. With inflation easing and risks to growth emerging, the RBI turned its stance accommodative, cutting rates by 50bps in 2025 thus far and signaled further easing ahead to remain supportive in the evolving global uncertainties.

Against this backdrop, the Indian economy is expected to remain buoyant in FY 26, backed by strong Government thrust on capital expenditure, and robust agricultural output supported by favourable monsoon. Easing inflation and decline in interest rates as monetary transmission gathers pace should provide a fillip to urban consumption demand in the coming quarters. Sustained higher capacity utilisation, strong government spending, healthy balance sheets of banks and corporates, and easing of financial conditions provide a conducive environment for recovery in private investment activity.

COMPANY OVERVIEW

Cholamandalam Financial Holdings Limited ('CFHL') is primarily an investment company holding investments in group companies. CFHL is registered as a non-deposit taking Systemically Important Core Investment Company ('CIC') pursuant to the receipt of Certificate of Registration dated January 6, 2020, issued by the Reserve Bank of India ('RBI') under section 45-IA of the Reserve Bank of India Act, 1934. In terms of the Scale Based Regulatory Framework for NBFCs notified by RBI, the Company being a CIC falls under the category of Middle Layer NBFC ('NBFC-ML').

CFHL holds substantial investments in the following financial services/risk management companies of the Murugappa Group (hereinafter collectively referred as 'the group / group companies').

- Cholamandalam Investment and Finance Company Limited ('CIFCL'), a non-banking finance company engaged in lending business offers vehicle finance, home loans, loan against property, SME loans, secured business and personal loans (SBPL), consumer & small enterprises loans (CSEL) and a variety of other financial services to customers;
- Cholamandalam MS General Insurance Company Limited ('MSGICL'), engaged in general insurance business offers a wide range of insurance products that include Motor, Health, Property, Accident, Engineering, Liability, Marine, Travel and Crop insurance for individuals and corporates;
- Cholamandalam MS Risk Services Limited ('CMSRSL') offers comprehensive Risk Management and Engineering solutions.

SHARE CAPITAL

The paid-up equity share capital of CFHL as on March 31, 2025 was ₹18.78 Crore.

STANDALONE FINANCIAL RESULTS

The Company being an investment company does not carry on any business other than holding investments in its group companies. Dividend receipts from investee companies are the primary source of income.

(₹ in Crore)

Particulars	2024-25	2023-24
Total Income	86.20	86.00
Total Expenses	3.63	6.99
Profit Before Tax	82.57	79.01
Tax Expense	18.17	17.29
Profit for the year	64.40	61.72
Other Comprehensive Income	9.74	(0.28)
Total Comprehensive Income	74.14	61.44

DIVIDEND

The Board of Directors have recommended a final dividend at the rate of 130% i.e. ₹1.30/- (previous year: ₹0.55/- per share) per equity share of face value of ₹1/- each for the year ended March 31, 2025.

APPROPRIATIONS

The Company has transferred a sum of ₹12.89 Crore (previous year: ₹12.35 Crore) to Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934 for the year ended March 31, 2025.

BUSINESS ENVIRONMENT

CFHL earns revenue primarily by way of dividend income from investments held in group companies. An overview of the financial services sector in which the Company operates along with a business update of group companies in FY 25 is summarised in the following paragraphs.

NBFC INDUSTRY & BUSINESS UPDATE

India's financial sector is a highly diversified one comprising commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The sector dominated by banking and non-banking financial companies ('NBFCs') has demonstrated remarkable growth largely driven by government initiatives, digital innovation and robust regulatory frameworks. The regulatory environment continues to play a significant role in shaping the sector's development, with the RBI's guidance and oversight being crucial. Digital / Technology advancements remains to be a key enabler for NBFCs, improving their efficiency and reach.

After a moderation in growth post the pandemic, NBFCs are back on track with an expected credit growth of 13~15% in FY 26. The sector has grown significantly, with a number of players

with heterogeneous business models starting operations. The increasing penetration of neo-banking, digital authentication, rise of UPI and mobile phone usage as well as mobile internet has resulted in the modularisation of financial services. The growth momentum is expected to continue in the current year also. The outlook for the industry remains positive as the country strides on its growth trajectory leading to higher credit demand. The growth in credit is expected to be broad based across products and segments with key risks being elevated interest rates and inflation.

Cholamandalam Investment and Finance Company Limited ('CIFCL'), an associate company of CFHL, was incorporated in 1978 as the financial services arm of the Murugappa Group. CIFCL is registered with RBI as an NBFC- Investment and Credit Company and continues to be classified as an NBFC in Upper Layer ('NBFC-UL') under the Scale Based Regulatory Framework for NBFCs of RBI.

Vehicle Finance ('VF')

At the industry level, the Indian commercial vehicle ('CV') had a degrowth of 1% in FY 25 with the Heavy Commercial Vehicle degrowing by 3% in FY 25 due to the high base effect in the previous year and Small Commercial Vehicle degrew by 9% in FY 25, due to high inventory levels and rising vehicle costs due to BS VI transition. The Light Commercial Vehicle had a growth of 3% in FY 25. The Commercial Vehicle industry in India is poised for growth in FY 26, propelled by a surge in e-commerce, increasing infrastructure spending, and government initiatives to promote clean energy and domestic manufacturing. The Passenger Vehicle segment had a growth of 2% and the Two-Wheeler industry had a growth of 9% in FY 25. The Construction Equipment segment had a growth of 2% in FY 25 which is an all-time high sale. This segment is expected to grow at a moderate pace in FY 26 with single digit growth supported by higher coal and iron ore mining, healthy real estate demand and increased budgetary outlay by government. The tractor industry had a growth of 7% in FY 25. This segment is expected to grow aided by expectations of a normal monsoon, improved cash flows from Kharif output, robust rabi sowing and higher minimum support prices for the crops.

CIFCL's Vehicle Finance ('VF') business comprising diversified portfolio viz., Two-Wheelers, Three-Wheelers, Commercial Vehicles, Passenger Vehicles, Used Vehicles, Tractors and Construction Equipment, continues to be the major segment contributing 51% of its aggregate Assets under Management ('AUM') as of March 31, 2025. VF Disbursements in FY 25 were at ₹53,922 Crore (previous year: ₹48,348 Crore) with a double-digit growth of 12% and profit before tax ('PBT') for the year was ₹2,824 Crore (previous year: ₹2,532 Crore), a growth of 12%. The growth in disbursements was predominantly from

the new passenger vehicle segment, which had a growth of 17% over last year followed by used vehicle segment with a growth of 13% and 11% in the new commercial vehicle segment. The vehicle finance business will continue to maintain a balanced mix of used and new vehicles loans to maintain marginal yields.

The credit ecosystem will be further reinforced with revamped, templated underwriting models and the use of alternate data to strengthen credit rule engines with the sole objective of reducing delinquencies at micro-cluster levels. The VF business will benefit from its expansions in Tier 4 & Tier 5 markets over the years, which will de-risk business concentration and enable last mile coverage for customer acquisition and collections. The business will realign its organizational structure with strategic business objectives to drive efficiency & effectiveness to handle higher volume growth. The business will continue to focus on increasing its existing customers base through preapproved loan offers using technology-based communication and social media platforms.

Loan against Property ('LAP')

Industry's LAP portfolio is expected to grow by 21-23% in FY 26 driven by increasing property ownership, rising demand for financial products, and an expanding middle class. The market has been further propelled by the digitalization of lending processes and the growing number of NBFCs and banks offering tailored LAP products to meet diverse consumer needs.

CIFCL's LAP business achieved ₹17,913 Crore of disbursements in FY 25, which is 32% higher than FY 24 disbursements. The AUM for business grew by 39% to ₹41,439 Crore in FY 25 compared to ₹29,859 Crore in FY 24. Pan-India presence and geographical penetration into new markets, introduction of localized credit policy in line with market developments, increased contribution from rural branches have led to this growth. As of FY 25, LAP business has 630 branches in rural locations, which is 81% of total LAP branches across India. In FY 25, LAP business has disbursed ₹6,809 Crore in rural locations, amounting to 38% of total disbursements. The business continues to focus on a systematic approach to build a healthy portfolio mix, with more than 77% of the portfolio being residential properties and an average loan ticket size of less than ₹51 lakhs.

The asset quality of this business has shown steady improvement with the net credit losses and Stage 3 assets coming down significantly with consistent improvement in collection efficiency.

Home Loans ('HL')

The outlook for India's housing sector continues to be positive, fueled by a combination of government initiatives, urbanization trends, and technological advancements. The recent budget announcements have provided a significant boost to the sector, particularly through the expansion of PMAY 2.0, which is set to

enhance the availability of affordable housing for India's growing urban population. The housing finance (HF) services industry is expected to report a double-digit growth in revenues on the back of continued healthy demand for housing, particularly affordable housing. The housing finance services industry is likely to grow at a healthy pace on the back of a revival in demand for affordable housing and an increase in demand for mid-segment and premium-segment housing.

NBFC-HFCs' on-book portfolio grew by 14% YoY in 9 months of FY 25. Analysts expect disbursements portfolio of HFCs to grow by 20-22% in FY 25 as well as FY 26.

As of March 31, 2025, CIFCL's HL business had 1.5 lakh+ live accounts (39% growth Y-o-Y) with an AUM of ₹18,427 Crore (37% growth Y-o-Y). The disbursements grew 16% to ₹7404 Crore in FY 25 (previous year: ₹6,362 Crore). The target group remains to be the lower middle income group customer. The HL business leverages CIFCL's strength in reaching out and underwriting lower and middle-income borrowers across the country, penetrating to the smallest villages and towns. CIFCL offers loans for self-construction, purchase of new flats/independent houses, purchase of pre-owned flats/independent houses, balance transfer from other financiers, mortgage of existing houses for business use and shop loans. CIFCL continues to build a strong ecosystem of channel partners, coupled with its digital offerings for customer service and onboarding, making it a trustworthy choice for customers pan-India.

Consumer & Small Enterprise Loan ('CSEL')

As of March 31, 2025, the CSEL business of CIFCL has been serving close to 14 lakh customers with an AUM close to ₹14,600 Crore. The business has expanded across the country covering 25 states and 4 union territories with over 200+ area offices. The primary strengths of CSEL business encompass a transparent end-to-end digital process, an exceptional customer experience journey, robust data-driven underwriting, and risk management capabilities. Coupled with the trust instilled by the Chola brand, these factors position it favourably to emerge as a leading player in this segment.

Small and Medium Enterprises ('SME')

As a vital contributor to India's industrial landscape, the MSME sector plays a crucial role in manufacturing, exports, and employment. With over 6 crore registered MSMEs employing more than 25 crore people, these enterprises generate a significant share of the country's economic output. FY 2023-24, MSME-related products accounted for 45.73% of India's total exports, reinforcing their role in positioning the country as a global manufacturing hub. The new budgetary provisions aim to build on this strong foundation by fostering innovation, enhancing competitiveness, and ensuring better access to resources. Through these steps, the government seeks

to equip MSMEs with the tools needed to expand their reach and strengthen their contribution to India's economic growth.

As of 31st March 2025, CIFCL's SME business has around 9200 MSME customers with an AUM of ₹6,628 Crore. With the growing Small and Medium Enterprises ecosystem, CIFCL's SME loans business division provides bouquets of products to meet the requirements of working capital and capex of SMEs. The SME division focuses on the following product segments:

- **Secured Term loan:** Secured Term Loans as offered to formal SME Segments with loan amounts ranging from ₹50 Lacs to ₹15 Crore, which are backed by land & building as primary collateral.
- **Equipment funding:** These are short-term loans provided to MSME clients against hypothecation of machinery with key targeted market segments including machine tools, plastic and packaging, textiles, medical equipment, DG sets and printing industries.
- **Vendor Invoice discounting and Channel finance:** These solutions provide short-term revolving credit facility of up to 90 days tenure with sanctions valid for one year backed by invoices to vendors or dealers.
- **Loan Against Securities:** Loan against securities offers loans to retail and HNI investors and promoters against the pledge of securities and mutual funds units.

Secured Business and Personal Loan ('SBPL')

The Indian lending landscape faces a unique challenge: a segment that remains largely untapped despite possessing collateral and repayment capacity. This segment, distinct from regular Loan Against Property (LAP) borrowers, encounters barriers due to financial, geographical, and profile-related norms set by prime LAP lending institutions. India faces high levels of financial exclusion due to factors such as low income, lack of financial literacy, high costs, and poor infrastructure. As a result, many people still rely on informal sources of credit, such as relatives, money lenders, and landlords. SBPL offers collateral backed business and personal loans based on the credit assessment and cashflow projections of these businesses.

As of March 31, 2025, CIFCL's SBPL business had crossed 62,000 live accounts with an AUM of ₹2,422 Crore. The average ticket size is around ₹4.30 lakhs with an average tenure of 6 years. Key differentiators include personalised doorstep service to customers, a unique assessed income program for business owners, a transparent end-to-end digital process and customised products focussing on new-to-credit customers.

Consumer Durables Loan ('CD')

CIFCL's CD lending business was launched in FY 24 through a tie up with a leading mobile phone manufacturer. In FY 25, the

business expanded to cover 22 states across 54,000 dealers and increased its market share. In late FY 25, the business also launched the Open Market consumer durables financing through direct associations with other OEMs and onboarded customers through a dedicated platform.

Direct to Customer (D2C)

To target digitally savvy customers, CIFCL had introduced Direct to Customer (D2C) channel, to disburse loans directly to existing and new customers without any intermediaries. The business commenced in Q4 of FY 23 is currently focussed on a pre-approved loan journey servicing the existing customer base of other businesses.

Outlook

In response to economic challenges, RBI reduced the repo rate to 6% by early 2025 and shifted its policy stance from neutral to accommodative. The combination of income-tax relief in the Union Budget for FY26, rate cuts leading to lower Equated Monthly Instalments (EMIs), and a moderation in food instalation is expected to boost household disposable incomes and urban consumption in FY26. However, the retail AUM of NBFCs (excluding HFCs) is projected to grow at a moderated pace of 16-18% in FY26. This growth rate is slightly lower than the levels seen in FY25, with potential downside risks arising from global macroeconomic uncertainty impacting domestic economic activity.

GENERAL INSURANCE INDUSTRY & BUSINESS UPDATE

The general insurance industry began the financial year well, but growth tapered through the year with drop in automobile sales. The regulatory mandate with respect to change in method of reporting of gross premium on long term non-motor products which came into effect from October 1, 2024, reduced the reported GWP for all players in the industry stymying reported growth for the year. Competitive intensity in the industry continues to be high. While the inflation led cost-push in parts and labour charges in motor, medical costs and in re-instatement costs in fire losses led to hardening of claims ratios, climate change induced natural catastrophe events, though not of large magnitude, impacted all players in their risk retentions.

In this context, the gross direct premium of multi-line non-life insurers (excluding Standalone Health & Specialized insurers) was reported at around ₹2,581 billion and registered a growth of around 5.2% over the previous year. The combined ratio of all players in the industry rose during the year underpinned by the natural catastrophe losses, compressed premium realization in motor own damage and the effect of inflation on claims. The rise in investment income aided by the interest rate environment and buoyant equity markets helped insurers to register overall operating profits.

Cholamandalam MS General Insurance Company Limited ('CMSGICL'), the insurance subsidiary of CFHL, is a joint venture between the Murugappa Group and Mitsui Sumitomo Insurance Company Limited, a leading insurer in Japan. CMSGICL registered with the Insurance Regulatory and Development Authority of India ('IRDA') to carry on general insurance business, offers a wide range of insurance coverage including motor, travel, health, accident, home and other types of insurance for individual and corporate customers.

CMSGICL grew its gross direct premium higher than industry growth, helping it grow its market share. On IGAAP basis, the motor insurance business of CMSGICL registered a growth of 9.4% as against industry growth of 7.9% with a market share of 5.5%. In the fire line of business, CMSGICL registered a de-growth of 7.5% as against the industry de-growth of 5.3% leading to a market share of 2.7%. CMSGICL's overall health, accident and travel volumes grew by 4.7% while industry grew at 6.3%. While growing its topline, a GWP of ₹8,564 Crore in FY 25 (previous year: ₹7,542 Crore) and absorbing costs upfront, the company held its underwriting loss stable. This, together with higher investment income for the year, augmented the profit before tax. Recoveries from written-off stressed investments also contributed to the company reporting a profit before tax of ₹650 Crore for the year ended March 31, 2025 (previous year: ₹590 Crore).

During the year, the company grew its agency force, renewed all bancassurance relationships, added to its NBFC and OEM tie-ups. CMSGICL operated in its crop cluster and had a higher enrolment. All these contributed to the Company's GWP growth. The tailwinds were the pricing discounts across lines of business, inflationary impact on claims.

Motor Insurance

The premium pricing in motor own-damage witnessed severe pressure with discounts across vehicle categories staying at higher levels. In motor third party segment, the pricing remained static even as the industry witnessed inflation in medical costs as well as continuous increase of the minimum wage levels across all states in the country.

Property and Casualty Insurance

Marine and Group Accident lines of businesses witnessed improved performance with increase in the levels of economic activity and focused sourcing. CMSGICL continues to follow disciplined underwriting and prudent risk selection in the highly demanding environment.

Health, Accident and Travel Insurance

CMSGICL's overall health, accident and travel volumes grew during the year with stronger growth in Group Health. Even as retail indemnity business continues to scale up, the bancassurance / NBFC led long term, credit linked health benefit and accident product was impacted arising from the 1/n accounting change effective October 1, 2024. Some indemnity products were repriced besides stepping up its distribution build of both POSP (point of sales person) as well as channel partners. The company continues to strengthen its underwriting framework with intelligent use of technology for its risk selection, upsell and cross-sell initiatives.

Crop Insurance

The company operates the crop insurance in a cluster in Maharashtra under the 80-110 loss corridor scheme. The loss ratios for the year in both Kharif and Rabi were good arising from a normal monsoon and efficient ground management. The company also wrote reinsurance inward business in crop on a risk-transfer basis which has performed reasonably.

Reinsurance (RI)

Globally, there were multiple varied incidents of catastrophic losses, but the overall reinsurers' profitability remained strong. In the Indian context, the multiple natural catastrophic events by way of floods in Uttarakhand, Telangana & Andhra Pradesh, Gujarat, New Delhi, and Cyclone Dana in Odisha and Cyclone Fengal in Southern India had an impact on the industry at a gross level. In the wake of higher deductibles on insurers, the impact was marginal for reinsurers. Reinsurance renewals for FY 26 was marked by a soft market, availability of capacity for insurers with prudent underwriting giving scope for improvements in the commercial terms. The company's proportional and non-proportional treaties generated surpluses for the reinsurers during the year.

Claims

CMSGICL continues its journey in digitization of its claims processes across lines of businesses and will continue to focus on harnessing efficiencies for severity control across all lines, automation for speed and operational controls, and a proactive approach to servicing for building transparency and satisfaction levels of customers.

Outlook

The general insurance industry is poised to grow in the context of strong economic growth of the country. Headwinds for the industry include the pricing pressures across product lines / segments, the possible impact from the detariff of fire / engineering / motor lines as to product wordings, the predicted slowdown in the automobile sector and withdrawal

of universalisation by States in crop insurance due to fiscal constraints. Higher inflation in the context of geo-political conflicts could impact customer sentiment and claims costs. Amongst the tail winds are the infrastructure spend thrust from the Government, expected credit offtake from the banks, the prediction of a normal monsoon, the re-entry of a few more states into the PMFBY scheme and the lower level of insurance penetration.

CMSGICL will continue its strong growth path by adding new channel partners, expand into new markets, enhance its focus on renewals besides launching new products across lines of businesses. The company is committed to further tighten its expense of management levels by a judicious mix of channels, product subcategories and rationalise commission structures linked to inherent profitability. Besides, efforts towards thrust on productivity and efficiency improvements shall continue to enable the company to stick to its committed glide path of reducing expenses of management to prescribed regulatory levels.

Digital / Technology Initiatives

Technology has become ingrained as a key driver in connecting people across various walks of life. Aligned with the trend, digital transformation continues to be the focus area of the group. Various initiatives and technology tools are deployed for automation of repetitive activities across functions wherever opportunity exists. Digital/Technology initiatives implemented by CMSGICL during the year include - enablement of new product launches, enablement of digital journey and integrations with new bancassurance partners and NBFCs, OEM tie-ups, building of apps for ease of business transactions with customers / business partners and the revamp of business workflow tools and enablement of CIS (Customer Information Sheet). Further, several other operating measures were put in place relating to information security and running awareness campaigns for employees.

With regard to NBFC business, CIFCL has been on a rapid journey transforming the company that leverages technology to digitize its business processes into one that is fundamentally driven by digital innovation. Chola One and Gaadi Bazaar – our key customer facing and vehicle ecosystem related platforms – are being continuously enhanced to deliver more personalized, contextual, and efficient customer experiences. A two-pronged approach of using both in-house-developed and best-of-breed off-the-shelf solutions has been adopted to deliver a combination of agility and control across the different systems of engagement and records. Cyber guardrails continue to be a core area of activity to ensure infrastructure reliability, service continuity, and data integrity are maintained. Optimal mix on internal talent and external

cyber domain experts are engaged to manage and mitigate risk across the entire digital landscape. Further, the company maintains an unwavering focus on regulatory compliance and data privacy by continuously adapting tools & practices to align with evolving data protection laws and ensure responsible handling of customer information across the layers. By nurturing a digital workforce with future-relevant skills and designing intelligent scalable purpose-built solutions, the company aims to unlock sustained business growth using technology.

RISK MANAGEMENT SERVICES - BUSINESS UPDATE

Cholamandalam MS Risk Services Limited ('CMSRSL'), is a joint venture entity of the Murugappa Group and Mitsui Sumitomo Insurance Group, Japan. Established in the year 1994, CMSRSL provides risk management and engineering solutions in the areas of safety, health and environment. CMSRSL is part of the Inogen Alliance, a global network of environment, health, safety and sustainability consulting companies working together to provide one point of contact to guide multinational organizations to meet their global commitments locally.

During the year, the company broadened its service credentials by launching several long-term strategic projects focused on Cultural Transformation, Behavior-Based Safety, and other sustainability initiatives, and successfully executed projects in each of these areas. The company has further increased its order book with new orders amounting to ₹124 Crore during the year.

CMSRSL strengthened its partnerships with key allies like Inogen, Tonkin & Taylor, BPC and EIC-Dubai and strengthened ties with JV partner MS&AD. The company also deployed digital EHs solution & took significant steps by developing six different EHS tools & modules as enhancement of its service offerings in FY 25. The company has also actively participated in various industry forums by presenting technical papers and making representations in panel discussions, as part of the efforts to strengthen brand presence and demonstrate technical excellence.

CMSRSL continues to serve Cholamandalam MS General Insurance Company Limited and its clients through value-added services like Thermography, Safety Audits, Cargo Loss minimization studies and BRSR Reporting. The Joint Venture Partner, Mitsui Sumitomo Insurance Company Limited, Japan, continues to support the company by introducing Japanese Companies in the Indian market for risk management services.

The company enters FY 26 with a strategic executable order book of about ₹63 Crore, offering considerable revenue stability and forecasting visibility for the year ahead. As part of its strategic growth roadmap, the company will prioritize expansion by strengthening its presence in the Kingdom of Saudi Arabia through local partnerships and deepen presence in Middle East Market. In addition to geographical expansion, CMSRSL

will continue to promote a structural and forward-looking capability-building program across all verticals with specific budget allocation on skill development, and aim to strengthen technical depth, delivery readiness, and future leadership across the organization. To enhance execution excellence, the company is streamlining operations through a centralized resource pool dedicated to resource management and report writing.

CONSOLIDATED FINANCIAL RESULTS

(₹ in Crore)

Particulars	2024-25	2023-24
Total Income	33,459.92	26,086.76
Total Expenses	27,060.36	20,886.93
Profit Before Tax of Profits from Associate / Joint Venture and Tax	6,399.56	5,199.83
Share of Profit from Associates / Joint Venture (Net of Taxes)	5.90	12.08
Profits Before Tax	6,405.46	5,211.91
Tax Expense	1,665.58	1,361.35
Profits for the year	4,739.88	3,850.56
Minority Interest	2,566.22	2,078.04
Net Profit for the year attributable to owners of the Company	2,173.66	1,772.52

A report on the performance and financial position of each of the group companies as per section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, in the prescribed form AOC-1 is annexed to this Report as **Annexure I**. The consolidated financial statements of the Company prepared in accordance with the Companies Act, 2013 ('the Act') and the relevant Accounting Standards, forms part of the annual report.

The annual report containing standalone and consolidated financial statements will be uploaded on the Company's website, www.cholafhl.com. Annual accounts of the group companies will also be uploaded on the Company's website and be made available for inspection by shareholders through electronic mode until the date of the Annual General Meeting ('AGM').

FINANCIAL REVIEW

CFHL earned an income of ₹86.20 Crore (previous year: ₹86.00 Crore) and profit before tax was ₹82.57 Crore (previous year: ₹79.01 Crore) for the financial year ended March 31, 2025. Aggregate investments stood at ₹1,290.72 Crore (previous year: ₹1,279.31 Crore) as on March 31, 2025.

There has been no change in the nature of business of the company during the year.

Associate Company : Cholamandalam Investment and Finance Company Limited ('CIFCL')

The Company holds 44.34% in the paid-up equity share capital of CIFCL as on March 31, 2025 and has de-facto control as per the principles of Ind AS 110. Accordingly, CIFCL is treated

as a subsidiary for the purpose of consolidation of financial statements. The securities of CIFCL are listed and traded on the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE).

The Assets under Management ('AUM') grew 30% to ₹1,99,876 Crore as at March 31, 2025 (previous year: ₹1,53,718 Crore). Loan disbursements aggregated to ₹1,00,869 Crore (previous year: ₹88,725 Crore) registering a growth of 14%. Profit after tax grew 24% to ₹4,259 Crore (previous year: ₹3,423 Crore).

During the year CIFCL raised funds from banks/ Financial Institutions and from money markets to support the growth of its businesses at competitive interest rates without compromising the right mix of long and short-term borrowings, thereby maintaining a healthy asset liability position. In FY 25, the company raised Commercial Papers (CP) of ₹13,200 Crore of which ₹9,175 Crore were repaid in FY 25. CP outstanding at the end of the year was ₹4,025 Crore. Medium and long-term secured NCDs to the tune of ₹10,336 Crore by private placement were mobilised at competitive rates. At the end of FY 25, the outstanding NCD stood at ₹22,989 Crore (₹18,569 Crore by way of Private Placement and ₹4,420 Crore by way of public placement) & CCD at ₹2,000 Crore. Tier II borrowings raised during the year were ₹1,000 Crore of Perpetual debt and ₹4,760 Crore of Sub Debt. At the end of FY 25, Tier II borrowings stood at ₹10,621 Crore. CIFCL's capital adequacy ratio stood at 19.75% as on March 31, 2025, as against the minimum regulatory requirement of 15%.

CIFCL paid an interim dividend of ₹1.30 (65%) per equity share of face value of ₹2/- each for FY 25. The Board of CIFCL has recommended a final dividend of ₹0.70 (35%) per equity share for FY 25, subject to their shareholders' approval.

The subsidiary companies of CIFCL are Cholamandalam Securities Limited ('CSEC'), Cholamandalam Leasing Limited ('CLL') (Formerly, 'Cholamandalam Home Finance Limited') and Payswiff Technologies Private Limited ('Payswiff'). CSEC is engaged in stock broking and investment advisory services. Payswiff is engaged in the business of offline payment aggregator services and provides e-commerce solutions. Vishvakarma Payments Private Limited is the associate company of CIFCL.

CSEC achieved a gross income of ₹104.44 Crore (previous year: ₹156.85 Crore) and profit before tax of ₹10.85 Crore (previous year: ₹84.20 Crore) for the year ended March 31, 2025. CLL recorded a gross income of ₹3.45 Crore (previous year: ₹186.05 Crore) and made a loss of ₹0.45 Crore (previous year: ₹63.25 Crore) for the year ended March 31, 2025. Payswiff recorded a gross consolidated income of ₹110.87 Crore (previous year: ₹135.57 Crore) and made a profit of ₹6.27 Crore (previous year: loss ₹2.17 Crore) for the year ended March 31, 2025.

Subsidiary Company: Cholamandalam MS General Insurance Company Limited ('CMSGICL')

CFHL holds 60% of the paid-up equity share capital of CMSGICL. The IRDAI has deferred the implementation of Ind-AS for insurance companies. Therefore, the accounts of CMSGICL have been converted as per Ind-AS for consolidation purposes and figures of CMSGICL reported in this annual report are under Ind-AS.

CMSGICL achieved a gross written premium of ₹8,564 Crore in FY 25 (previous year: ₹7,542 Crore) and profit before tax was ₹650 Crore (previous year: ₹590 Crore). The investment portfolio of CMSGICL grew to ₹18,601 Crore as at March 31, 2025 (previous year: ₹16,538 Crore). The Company continued to deploy its accretion/maturing funds in such a manner that portfolio yields were higher than the previous year. The interest rates environment had a downward bias given the growth and inflation situation in the economy. As of March 31, 2025, the company had no non-performing assets in its investment portfolio. The solvency ratio of CMSGICL as on March 31, 2025, was 2.18 times as against the minimum regulatory requirement of 1.50 times. With a view to augment growth and solvency, the Board of CMSGICL has not recommended dividend for FY 25.

Joint Venture: Cholamandalam MS Risk Services Limited ('CMSRSL')

The Company holds 49.5% stake in CMSRSL. CMSRSL achieved an income of ₹83.20 Crore (previous year: ₹71.27 Crore) and profit before tax of ₹9.52 Crore (previous year: ₹8.18 Crore) for the year ended March 31, 2025. The Board of CMSRSL has recommended a final dividend of 30% i.e. ₹3/- per equity share of face value of ₹10/- each for FY 25.

DIRECTORS

Mrs. Vasudha Sundararaman (DIN:06609400) and Mr. K Balasubramanian (DIN: 00137260) were re-appointed as Independent Directors for a second term of three consecutive years each with effect from February 12, 2025 and March 17, 2025 respectively, vide special resolutions passed by the shareholders at the 75th AGM held on August 9, 2024.

As per the provisions of section 152 of the Act, Mr. Sridharan Rangarajan (DIN: 01814413) retires by rotation at the ensuing AGM and being eligible offered himself for re-appointment. The Board recommends the re-appointment of Mr. Sridharan as a director liable to retire by rotation and the resolution in this regard forms part of the Notice convening the 76th AGM. Information as required to be disclosed under regulation 36(3) of the SEBI Listing Regulations, for re-appointment of director is provided in the Notice convening the AGM.

DECLARATION FROM INDEPENDENT DIRECTORS

The Independent Directors ('IDs'), Mr. B Ramaratnam, Mrs. Vasudha Sundararaman and Mr. K Balasubramanian have submitted declarations stating that they meet the criteria of independence as required under the provisions of section 149(6) of the Act and regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, all the IDs possess integrity, expertise and relevant experience in their respective fields including the proficiency required to effectively discharge their roles and responsibilities in directing and guiding the affairs of the Company.

In terms of section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, the IDs of the Company have registered their names in the independent directors' data bank, created and maintained by the Indian Institute of Corporate Affairs ('IICA'). The IDs are also required to pass an online proficiency self-assessment test conducted by the IICA within a period of two years from the date of inclusion of their names in the data bank, subject to exemption to individuals who fulfill the eligibility criteria prescribed under the said Rules. All the IDs are compliant with the requirement under the said Rules.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Act, Mr. N Ganesh, Manager & Chief Financial Officer and Mrs. E Krithika, Company Secretary are the key managerial personnel of the Company and there were no changes during the year.

RISK MANAGEMENT

Risk management is a process to identify and manage threats that could have an impact on the operations of the Company. Generally, this involves reviewing business operations, identifying potential threats to the company and the likelihood of their occurrence and then taking appropriate actions to address the most likely threats. The Company adopts a systematic approach to mitigate risks associated with accomplishment of objectives, operations, revenues and regulations. The risk management framework of the Company comprises of the following key elements viz., a) Risk Assessment: study of threats and vulnerability and exposure to various risks; b) Risk Management and Monitoring: probability of risk assumption is estimated and monitored; and c) Risk Mitigation: measures adopted to mitigate risks by the Company.

The Risk Management Committee assists the Board in monitoring various risks, reviews and analyses risk exposures and mitigation plans related to the Company and its group companies. A Risk Management Policy has been approved by the Board of Directors which inter alia sets out risk strategy, approach and mitigation plans, liquidity risk management

and asset liability management. During the year the Risk Management Committee of CFHL reviewed key risk exposures of the Company along with mitigation measures, asset liability management, structural liquidity management besides review of key risk exposures and mitigation measures of group companies.

Key risk exposures of the Company along with risk mitigation measures are provided in the table below. The risks furnished below are not exhaustive and assessment of risk is based on management perception.

Risk Category	Description	Risk Identification	Risk Mitigation Measures
Financial Risk	Risks that has a measurable impact on P&L viz., loss of revenue/higher costs/loss of opportunity etc.,	• Risks to raise capital on a timely basis to fund business operations of its group companies; • Risks in meeting cash flow requirements of the company.	• Monitor capital adequacy requirement on a continual basis. • Meeting capital requirement through own/borrowed funds; • Monitor investments such that investments mature to meet anticipated cash flow requirements. • Investment portfolio shall include fixed deposits with Banks/financial institutions and mutual funds for improved liquidity.
Governance Risk	Risks that could arise due to in-effective governance of group companies.	• Exposure to regulators/ stakeholders; • Impact on the consolidated financial position of CFHL and share value. • Risk of loss of Dividend Income.	• Monitor business operations of the group companies periodically by CFHL. • Ensure adoption of comprehensive risk management framework by the group companies.
Market Risk	Risks on account of adverse and anticipated market and economic conditions which could impact market value of investments.	• Downgrade in credit rating of banks & financial institutions in which CFHL holds investments; • Volatility in CFHL's share price in securities market.	• Track market trends and economic forecasts by expert agencies; • Undertake only such transactions permissible under applicable laws including the RBI guidelines.
Reputation Risk	Risks on account of negative publicity, public perception or uncontrollable events which has an adverse impact on company's reputation.	• Risk of deterioration in stakeholders' relationship viz., JV partners, shareholders, regulators etc., • Risk of loss of brand fee income.	• Follow ethical code of conduct; • Root cause analysis and action; • Responsive to business environment.
Compliance Risk	Non-adherence to the applicable laws/regulations	Risk exposure to legal penalties, financial forfeiture and material loss due to failure to act in accordance with statutory laws and regulations and internal policies/ procedures.	• Monitor regulatory compliance through internal audit system; • Effective systems in place to check compliances.

Further, risks arising out of NBFC and insurance business constitute the dominant risks of the Company on a consolidated basis. The group companies have their own risk management framework in line with its strategic business operations as appropriate to the industry in which they operate. The risk management framework of NBFC and insurance business are broadly based on: clear understanding and identification of various risks, disciplined risk assessment by evaluating the probability and impact of each risk, measurement and monitoring

of risks by establishing key risk indicators with thresholds for all critical risks and adequate review mechanism to monitor and control risks. The business operations of each group company, the risks faced by them, and the risk mitigation tools followed by them are reviewed periodically by the Risk Management Committees and the Boards of the respective companies.

The risk management process of CIFCL is driven by a strong organisational culture and sound operating procedures involving

corporate values, attitudes, competencies, internal control culture, effective internal reporting and contingency planning. The risks associated with the company's business and scale of operations are strategic, financial, operational, reputation, compliance, liquidity & capital, cyber security, credit, fraud, people, market, emerging risks and others. Business process mappings identify the key steps in business processes, activities and functions. The key risk points in the overall business process are documented. Process maps reveal individual risks, risk interdependencies, and areas of control. The company periodically revisits the risk universe and updates appropriately. In the event of product changes and additions, the respective teams appraise the Risk Management Team of the new risks faced.

CMSGICL has put in place an appropriate risk management system covering various risks the company is exposed to. Risk management activities of CMSGICL are aligned to its corporate objectives, organisational priorities and designed to protect and enhance its reputation. During the year, the Risk Management Committee of CMSGICL reviewed strategic risks that have the ability to affect the organization's overall operating framework, operational risks that stem solely from the internal processes within the organization, risk management initiatives undertaken and its effectiveness, the status of the overall risk appetite framework and the asset liability management framework.

FINANCE

Deposits

The Company has not accepted any fixed deposits under Chapter V of the Companies Act, 2013 and as such no amount of principal and interest were outstanding as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

During the year the Company has not made any investments in group companies. The provisions of section 186 of the Act pertaining to investment and lending activities is not applicable to CFHL since the Company is an NBFC whose principal business is acquisition of securities. Information regarding investments made during the year is given in the financial statements. During the year the Company has not given any loans or guarantees under the provisions of section 186 of the Act.

Internal Financial Control Systems with reference to the Financial Statements

The Company has in place adequate internal financial controls to ensure reliability of financial and operational information and regulatory and statutory compliances. The Company's business processes are equipped with monitoring and reporting processes to ensure financial discipline and accountability. The internal financial control systems are monitored both by internal and statutory auditors of the Company. The statutory

auditors of the Company have also certified the existence and operating effectiveness of the internal financial controls as on March 31, 2025.

Financial Ratios

Key ratios relevant to the Company's operations are given in the table below:

Ratio Description	31-Mar-2025	31-Mar-2024
Return on Net Worth	4.77%	4.79%
Return on Total Assets	4.75%	4.79%
Debt Equity Ratio (No. of times)	NA	NA
Leverage Ratio (No. of times)	0.0002	0.0001
Ratio of Adjusted Net Worth (ANW) to its aggregate risk weighted assets	1999.12%	1763.36%

The Company being a holding investment company and not having debt obligations, ratios viz., debtors turnover, inventory turnover and interest coverage ratios are not applicable. The increase in adjusted networth is on account of an increase in unrealised gains on investment in subsidiaries. The leverage ratio (maximum regulatory requirement: 2.5 times) and adjusted networth ratio (minimum regulatory requirement: 30%) are computed in accordance with the Master Directions - Core Investment Companies (Reserve Bank) Directions, 2016 ('Master Directions of RBI'). There was no significant change in other key ratios applicable to the Company.

INTERNAL CONTROL SYSTEM AND INTERNAL AUDIT

Internal control system of an organisation is looked at as the key to its effective functioning. The Company has internal control systems in place commensurate with the nature of business and size of its operations, to ensure compliance with internal policies, regulatory matters and to safeguard reliability of financial reporting and its disclosures. An audit of systems and processes is conducted by the internal auditor of the Company.

The internal audit is performed based on the audit plan approved by the Audit Committee annually. The internal audit report along with the observations and recommendations from the audit review are discussed and reviewed in the quarterly meetings of the Audit Committee. The Audit Committee evaluates the adequacy and effectiveness of the internal controls, performance of the internal audit, recommends improvements and reviews the action taken.

STATUTORY AUDITORS

M/s Sharp & Tannan Associates, having completed their term, retired at the conclusion of the 75th AGM held on August 9, 2024. The shareholders at the 75th AGM held on August 9, 2024, appointed M/s. R G N Price & Co., ('RGNP'), Chartered

Accountants (Firm Registration No. 002785S) as the statutory auditors of the Company for a period of three years commencing from the conclusion of the 75th AGM till the conclusion of the 78th AGM. RGNP have confirmed their eligibility to continue as statutory auditors for FY 26.

The Auditors' Report issued by RGNP for the year under review is unmodified and does not contain any qualification, reservation, or adverse remark. The statutory auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under section 143(12) of the Act during the year.

SECRETARIAL AUDITORS

Pursuant to Regulation 24A(1)(b) notified vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 dated December 12, 2024, on the basis of recommendation of board of directors, a listed entity shall appoint or re-appoint: (i) an individual as Secretarial Auditor for not more than one term of 5 consecutive years; or (ii) a Secretarial Audit firm as Secretarial Auditor for not more than two terms of 5 consecutive years, with the approval of its shareholders in its Annual General Meeting.

Accordingly, based on the recommendation of the Audit Committee, the Board recommends the appointment of M/s. Sridharan & Sridharan Associates, Company Secretaries (Firm Registration No. P2022TN093500) as secretarial auditor of the Company for a period of five consecutive years commencing from the financial year 2025-26 till the financial year 2029-30. M/s. Sridharan & Sridharan Associates fulfills the eligibility criteria for secretarial auditors prescribed under the SEBI Listing Regulations. Necessary resolution for appointment of secretarial auditor forms part of the Notice convening the 76th Annual General Meeting.

CORPORATE GOVERNANCE

The Company firmly believes in committing itself to maintaining high standards of corporate governance. A report on corporate governance of the Company together with a certificate from practicing company secretaries in accordance with the SEBI Listing Regulations is annexed to this Report as **Annexure II**. The Report further contains other details which are required to be provided in the Board's Report.

BOARD MEETINGS

Five meetings of the Board were held during the year ended March 31, 2025. Further details on the Board meetings are disclosed in the Report on Corporate Governance.

COMPOSITION OF THE AUDIT COMMITTEE

The Board has constituted an Audit Committee in terms of the applicable provisions of the Act, the SEBI Listing Regulations

and the Master Directions of RBI. Details of terms of reference, composition and meetings of the committee are disclosed in the Report on Corporate Governance.

BOARD EVALUATION

Pursuant to the provisions of section 134 of the Act and regulation 17 of the SEBI Listing Regulations, the Board of Directors have carried out an annual performance evaluation of the Board itself, the individual directors, various committees of the Board and the Chairman for FY 25. The manner in which the evaluation has been carried out is provided in the Report on Corporate Governance.

POLICY ON BOARD NOMINATION AND REMUNERATION

The Board has formulated a policy for selection and appointment of directors, senior management and their remuneration. Details of which are furnished in the Report on Corporate Governance.

CORPORATE SOCIAL RESPONSIBILITY ('CSR')

With the enactment of Corporate Social Responsibility (CSR) provisions in the Companies Act, 2013, the Company has framed a CSR Policy and the policy is available on the Company's website at <https://files.cholamandalam.com/cholafhl/csr-policy.pdf>. Pursuant to the provisions of section 135(5) of the Act, every company shall spend at least two percentage of its average net profits made during the three immediately preceding financial year in pursuance of its CSR Policy. The Company does not have CSR obligations for FY 25 and hence the annual report on CSR activities as required under the Act is not required to be attached to this Report.

RELATED PARTY TRANSACTIONS

The Company has formulated a policy on related party transactions. All transactions that were entered into by the Company with related parties during the financial year were in the ordinary course of business and on an arm's length basis. There were no materially significant related party transactions during the year which had potential conflict with the interests of the Company at large. Pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014, there were no transactions during the year to be reported under section 188(1) of the Act in Form AOC-2.

Necessary disclosures on related party transactions have been made in the notes to the financial statements. None of the Directors had any pecuniary relationships or transactions vis-a-vis the Company.

HUMAN RESOURCES ('HR') AND PARTICULARS OF EMPLOYEES

Human Resources ('HR') are the valuable assets for the group. CFHL along with its group companies has a workforce of more than 48,400 employees as of March 31, 2025. The group

companies have robust HR management practices enabling the achievement of organizational goals and key milestones through people. The safety and well-being of the employees continue to be a focus area. The group continues to emphasize on resourcing and talent planning strategies based on their functional and general management requirements in preparing the organisation for the future.

As on March 31, 2025, there were two employees on the rolls of CFHL. The information required to be disclosed under the provisions of section 197 of the Act read with rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure III** to this Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has no activity relating to consumption of energy or technology absorption etc. and does not have any foreign exchange earnings. There was a foreign exchange outgo during the year by way of repatriation of dividend amounting to ₹0.31Lakh (previous year: ₹0.31 Lakh).

WHISTLE-BLOWER/VIGIL MECHANISM

In compliance with the provisions of section 177(9) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, regulation 22 of the SEBI Listing Regulations and the Scale Based Regulations of RBI, the Company has established a whistleblower/vigil mechanism for directors and employees to report genuine concerns. The mechanism provides for adequate safeguards against victimisation of persons using the mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The policy is available on the Company's website at <https://files.cholamandalam.com/cholafhl/whistle-blower-policy.pdf>

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated a policy for prevention of sexual harassment at workplace. An internal complaints committee ('ICC') is in place to redress complaints received regarding sexual harassment. The policy extends to all employees (permanent, contractual, temporary and trainees). During the calendar year 2024 no referrals were received under the policy and no complaints were pending at the beginning and end of the year.

COST RECORD AND COST AUDIT

Maintenance of cost records and requirements of cost audit as prescribed under the provisions of section 148(1) of the Act is not applicable to the Company.

ANNUAL RETURN

Pursuant to the provisions of section 92(3) and section 134(3) (a) of the Companies Act, 2013, the annual return for the year ended March 31, 2025 is available on the Company's website at <https://www.cholafhl.com/investors/annual-return>.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and regulation 24A of the SEBI Listing Regulations, the Board appointed M/s. Srinidhi Sridharan & Associates, Company Secretaries, to conduct the secretarial audit for the year ended March 31, 2025. The Report issued by the secretarial auditor in the prescribed form MR-3 is annexed to this Report as **Annexure IV**. The secretarial audit report does not contain any qualification, reservation or adverse remark by the secretarial auditor.

In compliance with regulation 24A of the SEBI Listing Regulations, the secretarial audit report of the Company's material subsidiary, Cholamandalam MS General Insurance Company Limited, for the year ended March 31, 2025 is annexed to this Report as **Annexure V**.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which occurred between March 31, 2025, and the date of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of regulation 34(2)(f) of the SEBI Listing Regulations, the annual report of top one thousand listed entities based on market capitalization, shall contain the Business Responsibility and Sustainability Report ('BRSR') describing the initiatives taken by the entity from an environmental, social and governance perspective. Accordingly, the Company has prepared BRSR, which indicates the consolidated performance of group entities against the principles of the National Guidelines on Responsible Business Conduct. A copy of the BRSR is annexed to this Report as **Annexure VI**.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors confirm that the Company has in place a framework of internal financial control and compliance system, which is reviewed by the Audit Committee and the Board and

independently reviewed by the internal auditors, statutory auditors and secretarial auditors. Further, pursuant to section 134(5) of the Companies Act, 2013, the Board of Directors confirm that:

- a) in the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed and that there were no material departures therefrom;
- b) they have, in the selection of the accounting policies, consulted the statutory auditors and have applied their recommendations consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual financial statements on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the year ended March 31, 2025; and
- f) proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended March 31, 2025.

DECLARATIONS/AFFIRMATIONS

- There was no significant material orders passed by the regulators or courts or tribunals impacting the Company's going concern status and its operations in future.
- The Company does not carry on any activities other than those specifically permitted by the RBI for CICs.

RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or the correctness of any of the statements or representations made or opinions expressed by the Company and for discharge of any liability by the Company.

Neither is there any provision in law to keep, nor does the Company keep any part of the deposits with RBI and by issuing a Certificate of Registration to the Company, RBI neither accepts any responsibility nor guarantees the payment of deposits to any depositor or any person who has lent any sum to the Company.

- There are no applications made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 during the year.
- During the year, the Company had not made any one-time settlement with banks or financial institutions.

ACKNOWLEDGEMENT

The Directors express their gratitude for the support and co-operation extended by the Ministry of Corporate Affairs, Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and other statutory authorities. The Directors also wish to thank all investors, vendors, financial institutions, banks and joint venture partners for their continued support and faith reposed in the Company. The Board places on record its appreciation for the contribution made by the employees of the Company and its group companies across all levels.

On behalf of the Board

Place : Chennai
Date : May 9, 2025

Sridharan Rangarajan
Director
DIN:01814413

B Ramaratnam
Director
DIN:07525213

FORM AOC-1

ANNEXURE - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part A - Subsidiaries

(₹ in Crore)

S.No.	Particulars / Name of the Subsidiary	Cholamandalam Investment and Finance Company Limited (CIFCL)	Cholamandalam Securities Limited	Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	Cholamandalam MS General Insurance Company Limited
			Subsidiaries of CIFCL		
1	Reporting period of the subsidiary	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25
2	Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not applicable	Not applicable	Not applicable	Not applicable
3	Share capital	168.25	24.48	42.40	298.81
4	Reserves & surplus	23,459.15	52.21	11.53	2,845.97
5	Total assets	2,01,647.59	271.45	56.07	23,436.03
6	Total Liabilities	1,78,020.19	194.76	2.13	20,291.25
7	Investments	6,390.39	14.60	50.40	18,600.71
8	Turnover	26,054.76	104.44	3.45	7,705.00
9	Profit / (Loss) Before Tax	5,736.87	10.85	(0.45)	650.12
10	Provision for taxation	1,478.34	2.84	0.27	165.96
11	Profit / (Loss) After Tax	4,258.53	8.01	(0.72)	484.16
12	Proposed Dividend	35%	Nil	Nil	Nil
13	% of shareholding	44.34%	100.00%	100.00%	60.00%

Notes:

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year - Nil

Part B - Associates and Joint Ventures

(₹ in Crore)

S.No.	Particulars / Name of the Associate / Joint Venture company	Cholamandalam MS Risk Services Limited (Joint Venture Company)	Vishvakarma Payments Private Limited (Associate of CIFCL)**	Payswift Technologies Private Limited (Joint Venture with CIFCL)	Chola Foundation (not for profit entity)
1	Latest Audited Balance Sheet Date	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25
2	Share of Associate / Joint Venture held by the company on the year end				
	No. of Shares	9,89,979	2,100	28,15,227	Not applicable
	Amount of Investment (₹ in Cr)	0.99	0.00*	456.82	0.00*
	Extent of Holding (%)	49.50%	21.00%	74.63%	50.00%
3	Description of how there is significant influence	By way of shareholding	By way of shareholding	By way of shareholding and rights in share holding agreement	By way of managing control
4	Reason why the Associate / Joint venture is not consolidated	Not applicable	Not applicable	Not applicable	Not applicable
5	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ in Cr)	49.23	0.00*	23.11	3.43
6	Profit / (Loss) for the year (₹ in Cr)	7.07	0.00*	3.63	3.39
	i. Considered in Consolidation	3.50	0.00*	2.71	(0.01)
	ii. Not Considered in Consolidation	3.57	0.00*	0.92	3.38

* Amount involved is less than ₹1 lakh

** Un-audited

Notes:

- Names of associates/joint ventures which are yet to commence operations - Vishwakarma Payments Private Limited
- Names of associates/joint ventures which have been liquidated or sold during the year - Nil

For and on behalf of the Board of Directors

Sridharan Rangarajan
Director
DIN:01814413

B Ramaratnam
Director
DIN:07525213

E Krithika
Company Secretary

N Ganesh
Manager & Chief Financial Officer

Place : Chennai
Date : May 9, 2025

REPORT ON CORPORATE GOVERNANCE

ANNEXURE - II

Corporate Governance is about transparency, accountability and reliability of any organisation. It is also about how an organization is managed and defines the relationships between its corporate and business structure, its culture, policies and various stakeholders. Key elements in corporate governance include transparency, internal controls, risk management and internal/external communications.

CORPORATE GOVERNANCE PHILOSOPHY

Cholamandalam Financial Holdings Limited ('CFHL') being a part of the Murugappa Group, has always believed in and practiced various elements of corporate governance. The Company is committed to the highest standards of corporate governance in all its spheres of activities and processes. The Board recognizes that governance expectations are constantly evolving, and it is committed to keeping its standards of corporate governance under review to meet both letter and spirit of the law and its own demanding levels of business ethics. The Company believes that sound corporate governance practices are crucial to the smooth, effective, and transparent operations of a Company. Everything the Company does is defined and conditioned by the highest standards of governance, which serve its values. CFHL is committed to upholding the core values of integrity, passion, responsibility, quality, and respect in dealing with its stakeholders in pursuing its spirit of always enhancing corporate governance.

The Company firmly believes in and follows the Arthashastra quote: "The fundamental principle of economic activity is that no man you transact will lose, then you shall not". The corporate governance philosophy of CFHL is driven by the following fundamental principles:

- Adhere to corporate governance standards beyond the letter of law;
- Maintain transparency and high degree of disclosure levels;
- Maintain a clear distinction between personal and corporate interest;
- Have a transparent corporate structure driven by business;
- Ensure compliance with applicable laws.

BOARD OF DIRECTORS

The primary responsibility of the Board of Directors is to foster the Company's short and long-term success through sustainable continuance and progress of its business and thereby create value for its stakeholders. The role of the Board includes responsibilities to oversee the conduct of the Company's business and to supervise and support the management which is responsible for the day-to-day operations.

The Company's Board is comprised of eminent professionals from diverse areas viz., banking and financial services, manufacturing, technology and general management. The independent directors are professionals, possessing wide experience and expertise in their areas of function. They provide independent judgment, external perspective and objectivity on the issues which are placed before them. Profile of the Directors included in this Annual Report provides insight into the education, expertise and experience that each director brings to the Board. During the year under review, the Company had no financial connections or dealings with any of the Directors except for payment of sitting fees and commission as applicable.

Composition of the Board

The Board has been constituted in an appropriate manner comprising independent and non-independent directors to ensure proper governance and management. The composition of the Board is in compliance with the provisions of section 149 of the Companies Act, 2013 ('the Act') and regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations'). As on March 31, 2025, the Company's Board comprised of six directors with three independent directors (including a woman director) and three non-independent directors. The Chairman of the Board, Mr. M M Murugappan, is a Promoter & Non-Executive Non-Independent Director. The directors are selected based on their qualifications and expertise in varied fields as well as the industry in which the Company operates. All directors meet the fit and proper criteria stipulated under the Master Directions - Core Investment Companies (Reserve Bank) Directions, 2016 ('RBI Master Directions'). During the year, Mrs. Vasudha Sundararaman, Independent Director, completed her first term of five years and Mr. K Balasubramanian, Independent Director, completed his first term of three years and they have been re-appointed for a second term of three years each effective February 12, 2025, and March 17, 2025, respectively.

The size of the Board is commensurate with the Company's nature of business operations. There is no relationship between the directors inter-se. None of the directors on the Board hold directorships in more than ten public companies and none of them serve as director or as independent directors in more than seven listed entities.

Independent Directors

The Independent Directors, Mr. B Ramaratnam, Mrs. Vasudha Sundararaman and Mr. K Balasubramanian have submitted declarations stating that they meet the criteria of independence as stipulated under section 149(6) of the Act and regulation

16(1)(b) of the SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act and SEBI Listing Regulations. Based on the declarations received from the independent directors, the Board confirms that in its opinion the independent directors fulfill the conditions specified under the Act and SEBI Listing Regulations and are independent of the management. All the Independent Directors are also in compliance with the limit on directorships in listed companies as prescribed under regulation 17A of the SEBI Listing Regulations. Further, in terms of regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

A formal letter of appointment is given to independent directors at the time of the appointment which sets out the role and duties of an independent director. The terms and conditions of appointment of independent directors is available on the Company's website at <https://files.cholamandalam.com/cholafhl/t&c-independent-directors.pdf>

In terms of the provisions of schedule IV of the Act and regulation 25(3) of the SEBI Listing Regulations, a meeting of the independent directors was held on March 26, 2025, without the presence of non-independent directors and members of the management. The meeting was attended by all the independent directors. At the meeting, the independent directors had discussions inter-alia for: a) evaluation of the performance of non-independent directors and the Board of Directors as a whole; b) evaluation of the performance of the Chairman of the Company taking into consideration the views of all directors; c) evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Board Functioning and Procedure

The Board plays a pivotal role in ensuring good governance and functioning of the Company. The Board of Directors meet at regular intervals to discharge their duties. The Company has a well-established practice regarding deciding the dates of meetings. The annual calendar for the meetings of the Board is finalised well in advance in consultation with all Board members. A minimum of four Board meetings are held in each financial year. Meetings of the Committees of the Board are also planned and scheduled along with the Board meetings. Review and approval of financial statements of the Company, review of business performance of subsidiary/ associate companies, approval of investments and approval of annual business plan constitute the primary business of the Board besides reviewing compliance matters. In case of matters that require urgent decisions, approval of the Board/Committee is sought by means

of resolutions passed by circulation, as permitted by law, which is noted in the subsequent meeting.

The Company ensures that timely and relevant information is made available to all directors to facilitate their effective participation and contribution during the meetings. The notice of Board/Committee Meetings is given well ahead to all directors (unless the meeting is held by shorter notice for which requisite consent is obtained). The agenda notes together with relevant materials for the meetings are circulated in advance to enable the Board/Committees to take informed decisions. Periodic presentations are made at the Board and Committee meetings on performance updates of the Company as well as its group companies. The Board also has complete access to the management to seek clarifications on any matter of discussion. Information as required under regulation 17(7) of the SEBI Listing Regulations is submitted to the Board on a quarterly basis. Besides the senior management of the Company, business/function heads of group companies are invited to the Board/Committee meetings to present the business perspective and risk management framework of their respective businesses on a need basis.

Training and Induction

At the time of appointment of a director on the Board, the incumbent director is provided with a director's handbook comprising the compendium of the role, powers, duties and responsibilities of a director including code of conduct of the Company, the compliance obligations and disclosure requirements under the Act and the SEBI Listing Regulations. The handbook also provides the directors with an insight into the Group's practices. The Board members are also provided with the necessary documents, reports, and internal policies to enable them to familiarise with the Company's procedures and practices.

The Company has in place familiarisation programme for directors with regard to their roles, duties, rights, and responsibilities in the company. Directors are familiarised with the organisational set-up, businesses including its associate/ subsidiary/JV companies, the environment in which it operates and relevant information pertaining to the company and its group companies. Details of familiarisation programme are available on the website at: <https://files.cholamandalam.com/cholafhl/familiarisation-program-for-directors.pdf>

Meetings and Attendance

The meetings of the Board and Committees are usually held at the Company's registered office in Chennai. The Act read with the rules made thereunder facilitates the participation of a director in Board/Committee meetings through video conferencing ('VC') or other audio-visual means. Accordingly, the Company provides the facility for directors to participate

in the meetings through audio-visual mode. The Board and Committee meetings conducted are paperless with meeting related documents/presentations uploaded on secured board portal and accessed online.

Five meetings of the Board were held during the year ended March 31, 2025, on the following dates: May 10, 2024, August 9, 2024, November 8, 2024, February 7, 2025, and March 26, 2025. The maximum gap between two Board meetings did not exceed one hundred and twenty days during the year. The attendance (including attendance through VC) of each director at the Board meetings held during the year ended March 31, 2025, and at the 75th Annual General Meeting (AGM)¹ of the Company held on August 9, 2024, is given hereunder:

SN.	Name of the Director	No. of Board meetings attended (No. of meetings held)	Attendance at the 75 th AGM
1.	Mr. M M Murugappan	5(5)	Present
2.	Mr. B Ramaratnam	5(5)	Present
3.	Mrs. Vasudha Sundararaman	5(5)	Present
4.	Mr. K Balasubramanian	5(5)	Present
5.	Mr. Vellayan Subbiah	5(5)	Present
6.	Mr. Sridharan Rangarajan	5(5)	Present

DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS OF DIRECTORS

(i) Details of the number of directorships and committee positions held by the directors and their shareholding in CFHL as on March 31, 2025, are given in the table below:

SN.	Name of the Director	Category of Directorship	No. of Directorships including CFHL (Out of which as Chairman) ¹	No. of Committee memberships including CFHL (Out of which as Chairman) ²	No. of Shares held in CFHL ³
1.	Mr. M M Murugappan	Chairman / NED / Promoter	11(5)	3(2)	8,42,405 equity shares of ₹1/- each
2.	Mr. B Ramaratnam	NED / ID	4	5(3)	Nil
3.	Mrs. Vasudha Sundararaman	NED / ID	3	3	Nil
4.	Mr. K Balasubramanian	NED / ID	3	2	Nil
5.	Mr. Vellayan Subbiah	NED / Promoter	13(3)	3(1)	Nil
6.	Mr. Sridharan Rangarajan	NED	10(1)	6(1)	Nil

(ii) Details of directorships held by the directors in other listed entities as on March 31, 2025, are given in the table below:

SN.	Name of the Director	Category of Directorship	Name of the Listed Entity
1.	Mr. M M Murugappan	Chairman / NED	Carborundum Universal Limited Cholamandalam MS General Insurance Company Limited ⁴ Cyient Limited
		NED / ID	Rane Holdings Limited
2.	Mr. B Ramaratnam	NED / ID	Redington Limited
3.	Mrs. Vasudha Sundararaman	NED / ID	Rane (Madras) Limited Rane Engine Valve Limited ⁵
4.	Mr. K Balasubramanian	NED / ID	-
5.	Mr. Vellayan Subbiah	Chairman / NED	Cholamandalam Investment and Finance Company Limited ('CIFCL') ⁶
		Executive Vice -Chairman (WTD)	Tube Investments of India Limited ('TII') ⁶
		Chairman / NED	CG Power and Industrial Solutions Limited
		NED	SRF Limited
6.	Mr. Sridharan Rangarajan	MD	Carborundum Universal Limited
		NED	E.I.D.- Parry (India) Limited
		NED	Wendt (India) Limited
		NED	Cholamandalam MS General Insurance Company Limited ⁴

NED: Non-Executive Director, ID: Independent Director, MD: Managing Director, WTD: Whole-Time Director

1. Includes directorships in public/private/section 8 companies and excludes foreign companies

2. Includes only memberships in Audit Committee and Stakeholders Relationship Committee

3. Includes individual holding and holding in the capacity as Karta of HUF

4. Debt listed entity

5. Pursuant to amalgamation of the entity, directorship stands vacated w.e.f. April 7, 2025

6. With effect from April 1, 2025, holds the position of Executive Chairman in CIFCL and Non-Executive Vice-Chairman in TII.

Core Skills/Expertise/Competencies

As on March 31, 2025, the Board is comprised of qualified members who bring in the required skills, competence and expertise to enable them to effectively contribute to deliberations at Board and Committee Meetings. The core skills/expertise/competencies identified by the Board which in its opinion are pertinent for the effective functioning of the Company are Finance, Governance, Strategy, General Management and Technology. All these skills/expertise/competencies are available with the Board.

The names of directors who have such skills/expertise/competence are given below:

1.	Mr. M M Murugappan	Finance, Governance, Strategy, General Management & Technology
2.	Mr. B Ramaratnam	Finance, Governance, Strategy & Technology
3.	Mrs. Vasudha Sundararaman	Finance, Governance, Strategy & General Management
4.	Mr. K Balasubramanian	Finance, Governance, Strategy & Technology
5.	Mr. Vellayan Subbiah	Finance, Governance, Strategy, General Management & Technology
6.	Mr. Sridharan Rangarajan	Finance, Governance, Strategy & Technology

Performance Evaluation

Pursuant to the provisions of section 134 of the Act read with the rules made thereunder, schedule IV to the Act and the SEBI Listing Regulations, the Board carried out an annual evaluation of its own performance, its Committees and individual directors. The evaluation was carried out through an online module using structured assessment questionnaires. The assessment questionnaires cover various parameters. The parameters for Board evaluation inter-alia include Board's structure, governance, dynamics & functioning and financial reporting process. The criteria for assessment of individual directors include attendance, effective participation at the meetings and familiarity with the Company's business and policies and the criteria for assessment of Board Committees include frequency of the meetings and effective functioning of the Committee. The directors duly completed and submitted the questionnaires providing their feedback. The performance evaluation of self/peer was carried out by the Board based on feedback received from the individual directors. The Board carried out the Committee evaluation based on feedback received from the respective committee members. The performance evaluation of the Board as a whole, non-independent directors and the Chairman were carried out by the independent directors at a separate meeting session.

Performance evaluation criteria for independent directors

The non-independent directors carried out performance evaluation of independent directors including fulfilment of the independence criteria specified in the Act and the SEBI Listing Regulations. The evaluation is based on the criteria, including their ability to maintain independence from the entity and exercise his/her opinion freely on the matters discussed at the meetings.

COMMITTEES OF THE BOARD

Various committees have been constituted by the Board in terms of regulatory requirements and to oversee operational/strategic matters thereby supporting the Board in discharging its duties efficiently. The committees of the Board are Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee. The Board at the time of the constitution of committees approves the terms of reference for each committee. The minutes of the meetings of the committees of the Board are circulated to the Board for information and noting. Recommendations of the committees on various matters are placed before the Board for approval. The Chairperson of each committee briefs the Board on significant matters at the meetings. The committees' recommendations on various matters were accepted by the Board during the year.

Audit Committee

The composition and role of the Audit Committee is in compliance with the provisions of section 177 of the Act read with the rules issued thereunder, regulation 18 read with Part-C of Schedule II of the SEBI Listing Regulations and the RBI Master Directions.

Brief terms of reference

- Oversee the company's financial reporting process and disclosure of its financial information;
- Review of financial statements and auditors' report before submission to the Board;
- Recommend appointment, remuneration and terms of appointment of auditors of the company;
- Approve related party transactions and subsequent material modifications to related party transactions;
- Scrutiny of inter-corporate loans and investments;
- Evaluate internal financial controls and risk management systems;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Review internal audit scope/plan and findings;
- Approve the appointment of Chief Financial Officer (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background etc., of the candidate;

- Review functioning of whistle blower mechanism and oversee the vigil mechanism of the company;
- Review compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- Review utilization of loans and/or advances from/ investment in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.

Composition

As on March 31, 2025, the Committee comprised of four members viz., Mr. B Ramaratnam (Chairman), Mrs. Vasudha Sundararaman, Mr. K Balasubramanian and Mr. Sridharan Rangarajan. All members of the audit committee are financially literate and have knowledge of financial management and accounts. Mr. B Ramaratnam, Chairman of the Audit Committee attended the previous AGM of the Company held on August 9, 2024. The Company Secretary is the secretary of the audit committee. To acquaint the members with their roles and responsibilities, a handbook on the Audit Committee is provided to them at the time of induction.

Meetings and Attendance

The Committee met five times during the year ended March 31, 2025. The statutory auditor and internal auditor are invited to attend quarterly meetings of the committee. The Manager & Chief Financial Officer is invited to attend all meetings of the Committee. During the year, the independent directors who are members of the Audit Committee had meetings with the representatives of the statutory auditors without the presence of management of the Company on May 10, 2024, and February 7, 2025. The attendance (including attendance through VC) of each member at the committee meetings held during the year is given in the table below:

Name of the Member	Category	No. of meetings attended (No. of meetings held)
Mr. B Ramaratnam (Chairman)	NED / ID	5(5)
Mrs. Vasudha Sundararaman	NED / ID	5(5)
Mr. K Balasubramanian	NED / ID	5(5)
Mr. Sridharan Rangarajan	NED	5(5)

NED: Non-Executive Director, ID: Independent Director

Nomination & Remuneration Committee ('N&RC')

The composition and role of the N&RC is in compliance with the provisions of section 178 of the Act read with the rules issued thereunder, regulation 19 read with Part D (A) of Schedule II of the SEBI Listing Regulations and the RBI Master Directions.

Brief terms of reference

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
- Formulate the criteria for evaluation of performance of independent directors and the Board;
- Identify persons who are qualified to become directors, recommend to the Board any new appointments including re-appointments and the tenure of office and their removal;
- Determine the manner for effective evaluation of Board performance, its committees and individual directors and review its implementation and compliance;
- Devise a policy on Board diversity;
- Recommend to the Board the remuneration including commission payable to non-executive directors subject to the statutory limits;
- Recommend to the Board all remuneration, in whatever form, payable to the senior management;
- Implement, administer and monitor the Employee Stock Option Plan/Schemes of the Company.

Composition

As on March 31, 2025, the Committee comprised of three members viz., Mrs. Vasudha Sundararaman (Chairperson), Mr. M M Murugappan and Mr. K Balasubramanian.

Meetings and Attendance

The Committee met three times during the year ended March 31, 2025. The attendance (including attendance through VC) of each member at the Committee meetings held during the year is given in the table below:

Name of the Member	Category	No. of meetings attended (No. of meetings held)
Mrs. Vasudha Sundararaman (Chairperson)	NED / ID	3(3)
Mr. M M Murugappan	NED	3(3)
Mr. K Balasubramanian	NED / ID	3(3)

NED: Non-Executive Director, ID: Independent Director

Remuneration to Directors

The success of any organisation in achieving good performance and governance depends on its ability to attract quality individuals as executive and independent directors. The compensation to the non-executive directors takes the form of commission on profits paid in proportion to their tenure on the Board. The shareholders vide a special resolution passed at 75th AGM held on August 9, 2024, approved payment of

remuneration by way of commission to non-executive directors, upto a sum not exceeding 1% of net profits of the Company for each year computed in accordance with the provisions of the Companies Act, 2013. The resolution is valid for a period of five financial years commencing from April 1, 2024. Pursuant to shareholders' approval, the Board based on the recommendation of N&RC, and after taking into consideration various factors such as performance of the Company, time devoted by the directors in attending to the affairs and business of the Company and the extent of responsibilities cast on the directors under various statutes, has fixed the commission payable to each non-executive director at ₹10,00,000/- subject to availability of adequate profits. The non-executive directors are also paid sitting fees subject to the statutory ceiling for all Board and Committee meetings attended by them. The directors are paid a sitting fee of ₹50,000/- each for attending every meeting of the Board and Audit Committee and ₹30,000/- each for every meeting of other committees of the Board.

The details of commission payable/sitting fees paid to non-executive directors for the year ended March 31, 2025, are given in the table below:

(in ₹)

SN.	Name of the Member	Sitting Fee	Commission*	Total
1.	Mr. M M Murugappan	4,30,000	10,00,000	14,30,000
2.	Mr. B Ramaratnam	6,20,000	10,00,000	16,20,000
3.	Mrs. Vasudha Sundararaman	5,90,000	10,00,000	15,90,000
4.	Mr. K Balasubramanian	5,90,000	10,00,000	15,90,000
5.	Mr. Vellayan Subbiah	2,50,000	10,00,000	12,50,000
6.	Mr. Sridharan Rangarajan	6,20,000	10,00,000	16,20,000
	Total	31,00,000	60,00,000	91,00,000

* Payable subject to deduction of tax and adoption of accounts by shareholders at the ensuing 76th AGM

Policy - Board Diversity, Board Nominations and Remuneration

In compliance with the requirements of the Companies Act, 2013, the Board, based on the recommendation of the Nomination & Remuneration Committee, has formulated the following policies:

- Board Diversity policy;
- Policy on Board nominations; and
- Remuneration Policy for Directors, Key Managerial Personnel ('KMPs') and other employees of the Company.

The above policies are available on the Company's website at <https://cholafhl.com/investors/company-policies>

The Board Diversity Policy sets out the approach to diversity on the Board of the Company to ensure a process which is transparent with diversity of thought, experience, knowledge, perspective, and gender on the Board. The Nomination & Remuneration Committee is responsible for identifying persons for nomination as directors and evaluating incumbent directors.

The policy for Board nomination lays down qualifications, positive attributes and independence criteria for Board positions and re-appointment of directors. The Board, while considering a person for appointment as director, determines the suitability of the person based on qualification, track record, expertise, integrity and ensures that the appointee fulfils the fit and proper' criteria for directors.

The remuneration policy for directors, KMPs and employees, provides a framework to ensure reasonableness and sufficiency of remuneration so that the company attracts, retains, and motivates resources. The policy reflects the remuneration philosophy of the group and considers factors to ensure pay structures are appropriately aligned.

Stakeholders Relationship Committee ('SRC')

The constitution of the SRC is in compliance with the provisions of section 178 of the Act read with the rules issued thereunder and regulation 20 read with Part D (B) of the SEBI Listing Regulations.

Brief terms of reference

- Approve transfer and transmission of shares/debentures, splitting and consolidation of shares/debentures/ warrants certificates, transposition of names of holders and issue of renewed and issue of letter of confirmation for such requests lodged with the Company or the Registrar and Share Transfer Agent;
- Formulate shareholders servicing plans and policies in line with Corporate Governance plans and develop the standards therefor;
- Consider and resolve grievances of security holders of the Company;
- Monitor and review the mechanism of share transfers, dividend payments, dematerialisation process, sub-divisions, consolidations, issue of letter of confirmation in lieu of duplicate certificates etc., and to determine and set standards for processing of the same;
- Review adherence to the service standards in respect of various services rendered by the Registrar & Share Transfer Agent;
- Review share transfers to the Investors Education and Protection Fund and the related matters including processing claims of shareholders from IEPF account and unclaimed suspense account of the Company.

Composition

As on March 31, 2025, the Committee comprised of three members viz., Mr. M M Murugappan (Chairman), Mr. B Ramaratnam and Mr. Sridharan Rangarajan. Mrs. E Krithika, Company Secretary is the Compliance Officer.

Meetings and Attendance

Two meetings of the Committee were held during the year ended March 31, 2025. The attendance of each member at the Committee meetings held during the year is given in the table below:

Name of the Member	Category	No. of meetings attended (No. of meetings held)
Mr. M M Murugappan (Chairman)	NED	2(2)
Mr. B Ramaratnam	NED / ID	2(2)
Mr. Sridharan Rangarajan	NED	2(2)

NED: Non-Executive Director, ID: Independent Director

Investor Complaints

During the year 5 investor complaints were received, and all the complaints were resolved upto the investor's satisfaction. No complaint was pending as on March 31, 2025.

Risk Management Committee ('RMC')

The composition and role of the RMC is in compliance with the provisions regulation 21 read with Part D (C) of Schedule II of the SEBI Listing Regulations and the RBI Master Directions.

Brief terms of reference

- Formulate a detailed risk management policy for the Company;
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Review the risk management policy, after considering the changing dynamics and evolving complexity;
- Review the process for systematic identification and assessment of the business risks including cyber security.

Composition

As on March 31, 2025, the Committee comprised of four members viz., Mr. M M Murugappan (Chairman), Mr. B Ramaratnam, Mr. Sridharan Rangarajan and Mr. N Ganesh (Manager & Chief Financial Officer).

Meetings and Attendance

The Committee met twice during the year ended March 31, 2025. The attendance of each member at the committee meetings held during the year is given in the following table:

Name of the Member	Category / Designation	No. of meetings attended (No. of meetings held)
Mr. M M Murugappan (Chairman)	NED	1(2)
Mr. B Ramaratnam	NED / ID	2(2)
Mr. Sridharan Rangarajan	NED	2(2)
Mr. N Ganesh	Manager & Chief Financial Officer	2(2)

NED: Non-Executive Director, ID: Independent Director

Other Committees

In terms of the RBI Master Directions, an Asset Liability Management Committee ('ALCO') and Special Committee for Monitoring and Follow-up of cases of Frauds ('SCMCF') have been constituted by the Board. The role of ALCO inter-alia includes a) analysis and monitoring the liquidity risk profile of the Company; b) decision on maturity profile and mix of incremental assets and liabilities; c) management of liquidity risks and oversee liquidity position of the Company; d) implementation of liquidity risk management strategy. The ALCO met four times during the year.

The role of SCMCF inter-alia includes oversight of effectiveness of the fraud risk management in the Company and review and monitor cases of frauds, including root cause analysis, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimizing the incidence of frauds. SCMCF met once during the year under review. Mr. Sridharan Rangarajan (Chairman), Mr. N Ganesh and Mrs. E Krithika are the members of ALCO and SCMCF.

CRITERIA FOR APPOINTMENT IN SENIOR MANAGEMENT

The Nomination & Remuneration Committee is responsible for identifying persons who are qualified to be appointed in senior management. In terms of section 178 of the Act, the Committee has formulated criteria for the appointment of personnel in senior management comprising attributes viz., personal traits, competencies, experience and background. These attributes are considered for nominating candidates for senior management positions.

SENIOR MANAGEMENT

Mr. N Ganesh, Manager & Chief Financial Officer and Mrs. E Krithika, Company Secretary, are the senior management personnel of the Company. There have been no changes in the senior management of the Company since the close of the previous financial year.

The senior management personnel of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

SUCCESSION PLANNING

The Company has a mechanism in place for ensuring orderly succession of appointments to the Board and to senior management positions.

SUBSIDIARY COMPANY

Cholamandalam MS General Insurance Company Limited ('CMSGICL') is the material subsidiary of the Company as per regulation 16(1)(c) of the SEBI Listing Regulations. CMSGICL was incorporated on November 2, 2001 at Chennai. M/s. Sharp and Tannan, Chartered Accountants, and M/s. R.G.N Price & Co., Chartered Accountants, the joint statutory auditors of CMSGICL, were re-appointed for a second term of five years each with effect from July 28, 2020 and July 29, 2021, respectively. The directors, Mr. M M Murugappan and Mr. Sridharan Rangarajan are also on the Board of CMSGICL. Pursuant to the SEBI Listing Regulations, a policy on material subsidiaries has been formulated by the Board. During the year, the policy has been reviewed and amended in alignment with amendments notified in the SEBI Listing Regulations. The policy is available on the Company's website at <https://files.cholamandalam.com/cholafhl/policy-on-material-subsiidiaries.pdf>

The Audit Committee reviews the financial performance of group companies and investments made by the subsidiary. The minutes of board meetings of the subsidiary company is placed before the Board at its quarterly meetings along with a statement of significant transactions and arrangements, if any, entered into by them. The Board reviews the business performance of group companies periodically besides review of their risk management framework.

RELATED PARTY TRANSACTIONS

Prior approval of the Audit Committee is obtained for all transactions with related parties. An omnibus approval of the Committee is obtained at the commencement of the year, for related party transactions proposed to be entered into by the Company. The Audit Committee reviews the details of related party transactions entered into by the Company at its quarterly meetings. Disclosure of transactions with related parties as required under applicable accounting standards is given in Note 21 and Note 40 of the standalone and consolidated financial statements respectively. In compliance with regulation 23(9) of the SEBI Listing Regulations, the Company submits disclosures of related party transactions on a half yearly basis to the stock exchanges in the prescribed format. The disclosures are also published on the Company's website. The Board has formulated a policy on related party transactions and the policy is available on the Company's website at: <https://files.cholamandalam.com/cholafhl/policy-on-rpt.pdf>

MEANS OF COMMUNICATION

- a. **Quarterly Results:** Prior intimation of the Board Meetings to consider and approve Unaudited / Audited Financial Results of the Company are given to the Stock Exchanges and also disseminated on the website of the Company at www.cholafhl.com. After the financial results are approved by the Board, the same are submitted to the stock exchanges. Quarterly financial results are published in English in 'Business Standard' and 'The New Indian Express' and in Tamil in 'Dinamani'. A press release is given along with the publication of the quarterly/ annual results, explaining the business environment and performance in order to enable the investing community to understand the financial results better.
- b. **Website:** The Company maintains a functional website, www.cholafhl.com containing information prescribed under various provisions of the Act and the SEBI Listing Regulations and is regularly updated to provide further ease of access to the prescribed information. The "Investor section" contains details / information including Financial Results, Shareholding Pattern, Press Releases, Company Policies and other communications to stock exchanges relevant for various stakeholders.
- c. **Presentations to Investors / Analysts:** The Company also schedules calls with investors / analysts after declaration of quarterly financial results, to brief them on the performance of the Company. The presentations to be made during earnings call are submitted to stock exchanges and simultaneously made available on the Company's website. Audio recordings and transcripts of the call are uploaded on the Company's website within the prescribed timelines.
- d. **Online Filings:** In terms of the SEBI Listing Regulations, the Company complies with the online filing requirements through electronic platforms of National Stock Exchange of India Limited ('NSE') in NSE Electronic Application Processing System (NEAPS) and BSE Limited ('BSE') in BSE Listing Centre. The Members / Investors can view the details of electronic filings done by the Company on the websites of the stock exchanges at www.nseindia.com and www.bseindia.com.

Further, in terms of regulation 30 of SEBI Listing Regulations, the Company has formulated a policy for determination of materiality of events / information for the purpose of making disclosure to the stock exchanges. During the year under review, the policy has been amended, inter alia, to align with amendments notified vide SEBI (LODR) (Third Amendment) Regulations. The policy is available on the Company's website at: https://files.cholamandalam.com/cholafhl/Policy_for_Determination_of_Materiality_for_Disclosure_of_Information_Events_clean_dca5a3d06a.pdf

- e. **Notice / Annual Reports:** The Company usually sends annual reports, intimation of dividend payment, notices for general meetings and postal ballot by e-mail to those shareholders whose e-mail addresses are registered with the Company/Depository Participants and in hard copies to those shareholders whose e-mail addresses are not registered. In view of the relaxation provided by the Ministry of Corporate Affairs and the Securities and Exchange Board of India ('SEBI'), the Annual Report for FY 24-25 and the notice convening the 76th AGM are being sent by the Company in electronic form to the registered e-mail addresses of the shareholders. Shareholders who have not registered their e-mail address may refer the procedure provided in the AGM Notice to obtain the aforesaid documents.

COMPLIANCE FRAMEWORK

The Company has systems in place to remain updated with changes in statutes and the means of compliance. An affirmation regarding compliance with the applicable statutes by the Compliance Officer is placed before the Board on a quarterly basis besides circulation of compliance highlights along with the agenda notes.

INTERNAL CONTROLS

The Company is conscious of the importance of internal processes and controls. Adequate internal control systems and review mechanisms are in place commensurate with the nature of its business and size. These systems are regularly reviewed and improved upon. In terms of regulation 17(8) of the SEBI Listing Regulations, a certificate from the Manager & Chief Financial Officer with regard to financial statements and internal control systems has been submitted to the Board.

DISCLOSURES REGARDING COMMODITY PRICE RISK AND HEDGING ACTIVITIES

The Company is an investment company and does not have exposure to commodity risks and hedging activities.

WHISTLE-BLOWER/VIGIL MECHANISM

The Company has established a whistleblower/vigil mechanism for the employees and the directors as an avenue to voice concerns relating to unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Ombudsperson appointed by the Board deals with the complaints received and ensures appropriate action. Report from Ombudsperson is placed before the Audit Committee every quarter. The mechanism also provides for adequate safeguards against victimisation of people using the mechanism and provides direct access to the chairperson of the Audit Committee in exceptional cases. During the year, no personnel have been denied access to the Audit Committee.

DIVIDEND DISTRIBUTION POLICY

The Company has formulated a dividend distribution policy as required under regulation 43A of the SEBI Listing Regulations. The policy is available on the company's website at: <https://files.cholamandalam.com/cholafhl/dividend-distribution-policy.pdf>

FEES PAID TO STATUTORY AUDITOR/NETWORK FIRM/ NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART

The total fees for all services paid by the Company and its subsidiary, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, for the year ended March 31, 2025, is furnished in the table below:

(₹ in Crore)

Entity	Particulars	M/s. R G N Price & Co., & its affiliates* (From August 9, 2024 till March 31, 2025)	M/s Sharp & Tannan Associates & its affiliates** (From April 1, 2024 till August 9, 2024)
CFHL	Fees for audit and related services	0.170	0.023
	Other fees paid	0.001	0.057
CMSGICL [§]	Fees for audit and related services	0.412	0.303
	Other fees paid	0.016	0.070
Total		0.599	0.453

[§] Subsidiary of CFHL

* Appointed at the 75th AGM held on August 9, 2024

** Retired at the conclusion of 75th AGM held on August 9, 2024

CODE OF CONDUCT

The Board has laid down a code of conduct for all directors and senior management of the Company as required under regulation 17 of the SEBI Listing Regulations. During the year, the code of conduct has been amended to, inter alia, include the revised definition of 'senior management' pursuant to amendments notified in the SEBI Listing Regulations. The code is available on the Company's website at <https://files.cholamandalam.com/cholafhl/code-of-conduct-for-senior-management.pdf>. The directors and the senior management personnel have affirmed compliance with the code for the year ended March 31, 2025. A declaration of affirmation in this regard certified by the Manager & Chief Financial Officer is annexed to this Report.

PREVENTION OF INSIDER TRADING

The Company has framed and adopted a code of conduct to regulate, monitor and report trading by designated persons in the securities of the Company ('Code for prevention of insider trading') and a code for fair disclosure of unpublished price sensitive information ('UPSI'), as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('SEBI PIT Regulations'). During the year, the Code has been reviewed in alignment with the amendments notified in the SEBI PIT regulations.

The code for prevention of insider trading requires pre-clearance for dealing in the Company's shares for all transactions by the designated persons and prohibits the purchase or sale of Company securities by designated persons while in possession of UPSI in relation to the Company. Further, trading in Company's securities is also prohibited for designated persons during the period when the trading window is closed. The Company has systems in place to prevent insider trading and monitor trading by designated persons. The code includes policy and procedures for conducting inquiry in case of leakage of UPSI or suspected leakage of UPSI.

The Board has also formulated a policy for determination of 'legitimate purposes' as a part of the code for fair disclosure of UPSI as per the requirements under the SEBI PIT Regulations. During the year under review, the Audit Committee reviewed the compliance with the provisions of the SEBI PIT Regulations and has verified that the systems for internal controls are adequate and operating effectively.

The code for prevention of insider trading and code for fair disclosure of UPSI are available on the Company's website at <https://files.cholamandalam.com/cholafhl/insider-trading.pdf>.

COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

The Company has complied with all the mandatory requirements of corporate governance norms as specified under the SEBI Listing Regulations. The requirements stipulated in regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 of the SEBI Listing Regulations to the extent applicable to the Company have been complied with.

The Company is compliant with the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations: a) the Company does not have a CEO/MD, hence the requirement of separate posts of Chairman and CEO/MD is not applicable b) the Company's financial statements for the year ended March 31, 2025 are with unmodified audit opinion c) the Internal Auditor directly reports to the Audit Committee.

CERTIFICATE ON CORPORATE GOVERNANCE

M/s. Srinidhi Sridharan & Associates, Company Secretaries, have issued a certificate regarding compliance with the provisions relating to corporate governance as per Chapter IV of the SEBI Listing Regulations. The certificate is annexed to this Report.

CERTIFICATE ON DIRECTOR'S DISQUALIFICATION

Pursuant to regulation 34(3) and Schedule V Para C clause 10 (i) of the SEBI Listing Regulations, M/s. Srinidhi Sridharan & Associates, Company Secretaries, have issued a certificate that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company, by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such statutory authority. The certificate is annexed to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the SEBI Listing Regulations, the annual report shall contain management discussion and analysis report. Accordingly, the Report has been included in the Board's Report to shareholders.

OTHER DISCLOSURES

- The Company has complied with all regulatory requirements.
- The Company has followed relevant accounting standards notified by the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time while preparing the financial statements.
- There were no instances of non-compliance by the Company nor were there any penalties or strictures imposed on the Company by the stock exchanges,

Securities and Exchange Board of India or any statutory authority on any matter related to capital markets in the preceding three years.

- The Company has not raised any funds through preferential allotment or qualified institutional placement during FY 25.
- Disclosure regarding prevention of sexual harassment (POSH) of women at the workplace is furnished in the Board's Report. There was no complaint received under POSH policy during the year.
- There was no instance of non-acceptance by the Board of any recommendations of its committees during the year.
- There are no agreements with any party which impact the management or control of the Company or impose any restriction or create any liability upon the Company.

- The Company has not been informed of any agreement under regulation 30A(1) read with clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations. Accordingly, there was no requirement for disclosing the same.
- The Company has not granted loans and advances to firms/ companies in which directors are interested during the year ended March 31, 2025.

GENERAL SHAREHOLDER INFORMATION

A separate section furnishing other details viz., last three Annual General Meetings, its time and venue, distribution of shareholding, etc., is annexed to this Report.

On behalf of the Board

Place : Chennai
Date : May 9, 2025

Sridharan Rangarajan
Director
DIN:01814413

B Ramaratnam
Director
DIN:07525213

ANNEXURE TO THE REPORT ON CORPORATE GOVERNANCE

Declaration on Code of Conduct

To
The Members of
Cholamandalam Financial Holdings Limited

This is to confirm that the Board has laid down a Code of Conduct for all Board members and senior management of the Company. The Code of Conduct has also been posted on the website of the Company.

It is further confirmed that all directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2025, as envisaged in regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Chennai
Date : May 9, 2025

N Ganesh
Manager & Chief Financial Officer

ANNEXURE TO THE REPORT ON CORPORATE GOVERNANCE

Corporate Governance Certificate

The Members

CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED

Dare House, No.234,
N.S.C Bose Road,
Chennai – 600 001

We have examined documents, books, papers, minutes, forms and returns filed and other relevant records maintained by **CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED (CIN: L65100TN1949PLC002905)** (hereinafter referred to as “the Company”) having its Registered Office at Dare House, No.234, N.S.C Bose Road, Chennai – 600 001, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter called “SEBI (LODR) Regulations, 2015”) for the financial year ended 31st March, 2025. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V and regulation 34 (3) of SEBI (LODR) Regulations, 2015 as amended for the financial year ended 31st March, 2025.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **SRINIDHI SRIDHARAN & ASSOCIATES**
COMPANY SECRETARIES

CS SRINDHI SRIDHARAN

FCS NO. 12510

CP NO. 17990

PR. NO.6279/2024

UIN: S2017TN472300

UDIN: F012510G000309752

Place: Chennai

Date : 9th May, 2025

ANNEXURE TO THE REPORT ON CORPORATE GOVERNANCE

Certificate of Non-Disqualification of Directors

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

The Members,
CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED
 CIN: L65100TN1949PLC002905
 Dare House, No.234, N S C Bose Road,
 Chennai – 600 001.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED (CIN: L65100TN1949PLC002905)** having its Registered Office at Dare House, No.234, N S C Bose Road, Chennai – 600 001 (hereinafter referred to as “The Company”) produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India

(Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board India/ Ministry of Corporate Affairs or any such other statutory authority

S.No	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF INITIAL APPOINTMENT
1.	00170478	M M Murugappan	Chairman & Non-Executive - Non Independent Director	11/11/2017
2.	00137260	K Balasubramanian	Non-Executive Independent Director	17/03/2022
3.	07525213	Balasubramanyan Ramaratnam	Non-Executive Independent Director	18/03/2019
4.	06609400	Vasudha Sundararaman	Non-Executive Independent Director	12/02/2020
5.	01814413	Sridharan Rangarajan	Non-Executive - Non Independent Director	30/08/2018
6.	01138759	Vellayan Subbiah	Non-Executive - Non Independent Director	11/11/2020

Ensuring the eligibility of, for the appointment/ continuity of, every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SRINIDHI SRIDHARAN & ASSOCIATES**
 COMPANY SECRETARIES

CS SRINIDHI SRIDHARAN

FCS No. 12510

CP No. 17990

PR NO.6279/2024

UIN:S2017TN472300

UDIN:F012510G000309741

Place : Chennai

Date : 9th May, 2025

ANNEXURE TO THE REPORT ON CORPORATE GOVERNANCE

General Shareholder Information

REGISTERED OFFICE

'Dare House', No. 234, NSC Bose Road, Chennai - 600 001

CORPORATE IDENTIFICATION NUMBER (CIN)

L65100TN1949PLC002905

ANNUAL GENERAL MEETING

Day : Friday

Date : August 8, 2025

Mode : The Ministry of Corporate Affairs ('MCA') vide its General Circular No. 9/2024 dated September 19, 2024 have allowed companies to conduct Annual General Meeting ('AGM') through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') in accordance with the requirements mentioned therein. Accordingly, the 76th AGM of the Company is being held in an electronic mode through VC.

FINANCIAL YEAR: April 1 to March 31

TENTATIVE CALENDAR FOR FY 2025-26

The tentative financial calendar for Board meetings and AGM of the Company is given below:

Un-audited financial results for the quarter ending 30 th June, 2025	August 2025
Un-audited financial results for the quarter/half year ending 30 th September, 2025	November 2025
Un-audited financial results for the quarter ending 31 st December, 2025	February 2026
Audited financial results for the quarter/year ending 31 st March, 2026	May 2026
77 th Annual General Meeting	August 2026

RECORD DATE: Friday, August 1, 2025

DIVIDEND PAYMENT DATE

The Board of Directors have recommended a final dividend at the rate of 130% being ₹1.30/- per equity share of face value of ₹1/- each for the year ended March 31, 2025 for declaration by the members of the Company at the forthcoming 76th AGM. The dividend if declared will be paid on or before September 6, 2025.

REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Limited ('KFin') (formerly, KFin Technologies Private Limited) is the Registrar and Share Transfer Agent ('RTA') of the Company. The shareholders are requested to address their share related requests/ queries to the RTA.

Contact details of RTA

Address	Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032.
Contact Person	Mr. S R Ramesh, Deputy Vice President - Corporate Registry
Email ID	einward.ris@kfintech.com
Toll Free Number	1800 309 4001
WhatsApp Number	(91) 910 009 4099
Corporate Website	https://www.kfintech.com
Corporate Registry (RIS) Website	https://ris.kfintech.com
Investor Support Centre	https://ris.kfintech.com/clientservices/isc

Note: Please cite the folio numbers (if you hold physical shares) or the DP ID and Client ID (if your holdings are de-materialized) in all your correspondence.

Initiatives of RTA

(a) Online application for Investor Query

Members are hereby notified that our RTA, KFin, has launched an online application which can be accessed at <https://ris.kfintech.com/default.aspx#> > Investor Services > Investor Support. Members are requested to register / signup, using their Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, e-Meeting and e-Voting details.

Quick link to access the signup page : <https://kprism.kfintech.com/signup>

(b) Senior Citizens - Investor Support

In order to enhance the experience of senior citizen members (above 60 years of age), a senior citizens investor cell has been formed by our RTA, to exclusively assist the senior citizens in redressing their grievances, complaints and queries. The special cell closely monitors the queries and requests received from senior citizens through this channel and handholds them at every stage of the service request till closure of the request. Senior citizens wishing to avail this service can send their communications with the below details at senior.citizen@kfintech.com.

Senior Citizen shareholders are required to provide the following details : • ID proof showing Date of Birth • Folio Number • Company Name • Nature of Grievance

A dedicated Toll-free number for Senior Citizens can also be accessed at 1-800-309-4006 for any queries or information.

(c) 'KPRISM' - Mobile Application

Mobile application for all users to review their portfolio being managed by KFin is available in Play store and App Store. Users are requested to download the application and register with their PAN details. Post verification, user can use functionalities like – Check portfolio / holding, check IPO status / Demat / Remat, Track general meeting schedules, download ISR forms, view the live streaming of AGM and contact the RTA for any service request, grievance or query.

DEBT SECURITIES

As on March 31, 2025, the Company does not have any outstanding Non-Convertible Debentures ('NCDs').

CREDIT RATING

The credit rating agency, India Ratings and Research Private Limited has affirmed a rating of IND AA+/Stable for the debt securities of the Company during the year.

LISTING ON STOCK EXCHANGES

Equity shares of the Company are listed on the following stock exchanges:

Stock Exchanges	Address	Stock/ Scrip Code
National Stock Exchange of India Limited (NSE)	Exchange Plaza, 5 th Floor, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai - 400 051	CHOLAHLDNG
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	504973

The Company has made the payment towards Annual Listing Fees as applicable to BSE and NSE for the financial year 2025-26 within the prescribed timelines.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

(a) Transfer of Unpaid / Unclaimed Dividends to IEPF

Pursuant to the provisions of section 124 of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended, companies are required to transfer dividends which remain unpaid or unclaimed for seven consecutive years or more, from the unpaid dividend account of the company to the Investor Education and Protection Fund ('IEPF').

Details of dividend paid by the Company and the respective due dates for transfer of the unclaimed/un-encashed dividend to the IEPF are given in the table below:

Financial year to which the dividend relates	Date of Declaration	Due date of transfer to IEPF
2017-18	Final	31.07.2018
2018-19	Interim	04.02.2019
	Final	01.08.2019
2019-20	Interim	26.02.2020
2020-21	Final	04.08.2021
2021-22	Final	10.08.2022
2022-23	Final	10.08.2023
2023-24	Final	09.08.2024

In accordance with the IEPF Rules, the Company sends periodic reminders to shareholders whose shares are due to be transferred to the IEPF prior to the transfer. Further, the Company also publishes notices in newspapers informing the members of the due date for transfer of dividend and shares to the IEPF Authority. In addition to the above, the Company sends reminder letters to shareholders prior to transfer of unclaimed dividends as well, requesting them to comply with the requirements to claim back the dividends so as to avoid transfer of shares to IEPF.

Dividends up to interim dividends for FY 2017-18 have been transferred to the IEPF. In order to prevent the shares from getting transferred to IEPF, shareholders, who have not claimed their dividends pertaining to final dividend FY 2017-18 or thereafter are hereby requested to approach the Company or RTA to claim the same within the prescribed period, by complying with the necessary requirements.

Details of unclaimed/unpaid dividends lying with the Company as on March 31, 2025 is available on the Company's website at <https://www.cholafhl.com/investors/iepf> and the Ministry of Corporate Affairs at www.iepf.gov.in. No claim shall lie against the Company for the amounts so transferred nor shall any payment be made in respect of such claims.

(b) Share Transfer to IEPF

In accordance with the IEPF Rules shares on which dividend remain unpaid or unclaimed for seven consecutive years or more shall be transferred to the demat account of the IEPF Authority. During the year pursuant to the said Rules, 35,367 equity shares of ₹1/- each pertaining to 63 shareholders were transferred to the demat account of the IEPF and 6 claims aggregating to 6,280 shares were processed by the IEPF Authority and credited to the demat accounts of respective claimants / shareholders. As on

March 31, 2025, 8,96,425, equity shares of the Company were lying in the demat account of the IEPF.

Members/ claimants may claim their shares and dividend transferred to the IEPF including benefits accruing on such shares, if any, by following the procedure for refund as detailed on the website of IEPF at www.iepf.gov.in. Details of the nodal officer of the Company appointed in accordance with the provisions of IEPF Rules, is given below. The same is also available on the website of the Company at <https://www.cholafhl.com/contact-us>

Mrs. E Krithika

Compliance Officer & Company Secretary

'Dare House', No.234, NSC Bose Road, Chennai - 600 001

E-mail : investorservices@cfhl.murugappa.com,
krithikae@cfhl.murugappa.com

Phone : 044 - 4090 7638 / 2530 6486

INVESTOR SERVICE

The Company attends to investors' queries/grievances in a timely manner and valid shareholders' requests are processed within the regulatory time frame. In order to expedite the processing of requests or redressal of complaints, investors are requested to register their requests / complaints to the exclusive e-mail address: investorservices@cfhl.murugappa.com for monitoring follow up action taken. Members may also refer to FAQs with respect to investor service requests available on the Company's website at <https://www.cholafhl.com/investors/faq>

(a) Investor Charter

In order to facilitate investor awareness for various service requests, SEBI has prescribed Investor Charter for RTAs, inter alia, detailing the services provided to investors, rights of investors, timelines for various activities of RTAs, Do's and Dont's for Investors and Grievance Redressal Mechanism. The Investor Charter of the Company's RTA is available on their website at <https://ris.kfintech.com/clientservices/isc/sebi.aspx>

(b) SEBI Complaints Redress System (SCORES)

Investor complaints are processed in a centralized web-based complaints redress system of SEBI (SCORES). The salient features of this system are centralized database of all complaints, online upload of Action Taken Report (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

(c) Online Dispute Resolution (ODR) Portal

SEBI vide its circular dated 31st July, 2023 has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. In accordance with the said circular, members, after exhausting the option to resolve their grievances with the KFin / Company directly and through the existing

SCORES platform, can initiate dispute resolution through the ODR Portal <https://smartodr.in/>

OTHER INFORMATION

(a) Share Transfer System

The Board has delegated the authority to the Stakeholders Relationship Committee for approving shareholders' requests for transmissions, issue of duplicate share certificates, etc. of the Company's shares. All shareholders' requests are processed through the Company's RTA, KFin Technologies Limited. Members may note that transfer of shares in physical mode is prohibited effective April 1, 2019, pursuant to SEBI's amendment notification dated June 8, 2018.

Further, as per SEBI circular no. SEBI/HO/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, shareholders' requests for transfer, transmission, issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division /splitting of securities certificate, consolidation of securities certificates/folios, etc., will be effected in dematerialised form only.

After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares on submission of necessary documents. In view of this requirement members holding shares in the physical form are requested to consider converting their holdings to dematerialised form at the earliest. As on March 31, 2025, no shares have been transferred to the Company's Suspense Escrow Account.

(b) NECS Mandate and Bank Account details

Members holding shares in demat form are requested to ensure that the correct and updated particulars of their bank account are available with their Depository Participant (DP) and members holding shares in physical form should provide the electronic credit mandate to KFin. This would facilitate receiving dividend payment through electronic mode from the Company and avoid postal delays and loss in transit.

(c) Furnishing of PAN, KYC and Nomination details

SEBI vide circulars dated November 03, 2021, further amended by circulars dated December 14, 2021, March 16, 2023, November 17, 2023 and June 10, 2024, has inter-alia prescribed common and simplified norms for processing

investor's service requests by RTAs and the norms for furnishing PAN, KYC (Contact Details, Bank Details and Specimen Signature) and Nomination details.

As per the circular, it is mandatory for the shareholders holding securities in physical form to furnish PAN, KYC, and nomination details. Physical folios wherein the said details are not available would be eligible for lodging grievance or any service request only after registering the required details. Any payments including dividend in respect of such folios shall only be made electronically with effect from April 1, 2024, upon registering the required details. The Company has sent individual intimations to all the members holding shares in physical form to register necessary details. The relevant circular(s) and forms prescribed for availing various investor services are available on the Company's website at <https://www.cholafhl.com/investors/sebi-norms> and of RTA at <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>. Accordingly, the members are advised to register their details with the RTA or DPs, in compliance with the aforesaid SEBI mandate for smooth processing of their service requests and dividend payments.

(d) Compulsory linking of PAN with Aadhaar Number

As per the Central Board of Direct Taxes ('CBDT'), it is mandatory to link PAN with Aadhaar number for resident investors. Security holders who have not linked their PAN with Aadhaar number are requested to get the same completed at the earliest.

(e) TDS on Dividend

Pursuant to the Income Tax Act, 1961 ('IT Act'), as amended by the Finance Act, 2020, dividends declared and paid by the Company with effect from April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source ('TDS') at the time of payment of dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to complete and/or update their residential status, PAN, category as per the IT Act with their DPs or in case shares are held in physical form, with the Company by sending documents by July 28,

2025. Members may note that in the absence of the PAN details, the Company would be required to deduct tax at a higher rate prescribed under the IT Act. Members seeking non-deduction of tax on their dividends, may submit Form 15G/15H as applicable to the Company on a yearly basis at the link <https://ris.kfintech.com/form15/>. Detailed information with respect to TDS on dividend payments including the formats of Form 15G/Form 15H for seeking exemption is available on the Company's website at <https://www.cholafhl.com/investors/tds-on-dividend>. In case of any clarification in this regard, members may send a mail to the Company at investorservices@cfhl.murugappa.com or contact the Company's RTA.

(f) Nomination Facility

As per the SEBI circular dated November 3, 2021, the facility for registering nomination is available members in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a shareholder desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website. The shareholders holding shares in dematerialised form are requested to submit their nomination form to the concerned depository participants and to RTA in case the shares are held in physical form.

(g) Green Initiative

In order to conserve paper and environment, the Ministry of Corporate Affairs has allowed the companies to send Notices of General Meetings/other Notices, Audited Financial Statements, Board's Reports, Auditors' Reports, etc., henceforth to their shareholders electronically as a part of its Green Initiative in Corporate Governance. Shareholders can avail e-communication facility by registering their e-mail address with the Company by sending a request mail to investorservices@cfhl.murugappa.com or to the RTA at einward.ris@kfintech.com.

DETAILS OF SHAREHOLDERS' COMPLAINTS

Complaints relating to	Received during the year	Resolved / Disposed off during the year	Pending as at end of the year
Transmission of shares	2	2	Nil
Claim of Shares from IEPF	2	2	Nil
Claim of Shares from Unclaimed Suspense account	1	1	Nil

SHAREHOLDING PATTERN AS ON MARCH 31, 2025

Category	No. of Shares held	% of Shareholding
Promoter & Promoter Group	8,72,24,069	46.45
Mutual Funds and UTI	3,80,34,666	20.26
Banks, Financial Institutions, Insurance Companies	37,73,907	2.01
Foreign Institutional Investors	3,31,82,887	17.67
Bodies Corporate	37,92,113	2.02
Resident Individuals	1,86,06,672	9.91
NRI and Others	31,63,148	1.68
Grand Total	18,77,77,462	100.00

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2025

Category (Shares)	No. of Shareholders	% to Shareholders	No. of Shares	% To Equity
Upto 5000	46,983	98.17	95,75,448	5.10
5001 - 10000	299	0.63	22,15,948	1.18
10001 - 20000	182	0.38	25,83,953	1.38
20001 - 30000	69	0.14	16,99,102	0.90
30001 - 40000	41	0.09	14,37,159	0.77
40001 - 50000	29	0.06	12,92,627	0.69
50001 - 100000	74	0.15	53,52,374	2.85
100001 and above	182	0.38	16,36,20,851	87.13
Total	47,859	100.00	18,77,77,462	100.00

DEMATERIALISATION OF SHARES

The equity shares of the Company are available for trading in dematerialised form. The Company's ISIN allotted by the National Securities Depository Ltd ('NSDL') and Central Depository Services (India) Ltd ('CDSL') is INE149A01033. Distribution of shareholding as at March 31, 2025 is given below:

Shareholding Mode	No. of Shareholders	% to Shareholders	No. of Shares	% To Equity
Physical	380	0.79	6,60,847	0.35
Demat/Electronic	47,479	99.21	18,71,16,615	99.65
Total	47,859	100.00	18,77,77,462	100.00

RECONCILIATION OF SHARE CAPITAL AUDIT

The Company obtains a certificate on quarterly basis from a Practicing Company Secretary on reconciliation of share capital audit with regard to the total admitted equity share capital with NSDL and CDSL and those held in physical form, with the issued and listed capital under regulation 55A of the SEBI (Depositories and Participants) Regulation, 1996. The certificate is submitted to the stock exchanges and placed before the Board at its quarterly meetings.

COMMODITY PRICE RISK/FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is in the investment business and has no exposure to commodity price risk and commodity hedging activities. Foreign currency trade exposures are monitored regularly.

GDRs/ADRs

There are no outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, that is likely to impact the equity share capital of the Company.

GENERAL MEETINGS

(i) Details of date, time and location of AGMs held in last 3 years are as under:

Year	Date	Time	Mode / Venue
2022	August 10, 2022	3.30 PM	Through Video Conferencing
2023	August 10, 2023	3.30 PM	
2024	August 9, 2024	3.00 PM	

(ii) Details of Special Resolutions passed in the previous three AGMs:

Date of AGM	Whether any special Resolution was passed	Particulars
August 10, 2022	No	-
August 10, 2023	Yes	- Re-appointment of Mr. B Ramaratnam as an Independent Director for a second term of 3 years effective March 18, 2024 - Amendment to the Articles of Association of the Company
August 9, 2024	Yes	- Re-appointment of Mrs. Vasudha Sundararaman as an Independent Director for a second term of 3 years effective February 12, 2025 - Re-appointment of Mr. K Balasubramanian as an Independent director as an Independent Director for a second term of 3 years effective March 17, 2025 - Remuneration by way of commission payable to Non- Executive Directors

(iii) Postal Ballot:

During the FY 25, no special resolution was passed by the Company through postal ballot. Further, no special resolution is proposed to be passed through postal ballot as on the date of this Report.

UNCLAIMED SHARES

In accordance with the requirement of regulation 34(3) and part F of Schedule V to the SEBI Listing Regulations, details in respect of equity shares lying in the Unclaimed Suspense Account of the Company are given in the table below:

S.no	Particulars	No. of Shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account as on 1.04.2024	592	6,00,546
2	Shareholders who approached for transfer of their shares from the Unclaimed Suspense Account during the year	45	63,990
3	Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	45	63,990
4	Shareholders whose shares were transferred to the demat account of the Investor Education & Protection Fund Authority during the year	38	27,195
5	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account as on 31.03.2025	509	5,09,361

Shareholders who continue to hold the share certificates with face value of ₹10/ ₹2 each are entitled to claim the equity shares with face value of ₹1/- each from the Unclaimed Suspense Account. The voting rights on the shares outstanding in the suspense account as on March 31, 2025, shall remain frozen till the rightful owner of such share claims the shares. On receipt of the claim, the Company will, after verification, arrange to credit the equity shares to the demat account of the shareholder concerned or deliver the share certificate to the shareholder in physical mode after re-materialisation.

LOCATION

The Company's registered office is in Chennai and does not have any other branches.

CONTACT DETAILS FOR HANDLING INVESTOR GRIEVANCES

Mrs. E Krithika

Compliance Officer & Company Secretary

'Dare House', No.234, NSC Bose Road, Chennai - 600 001

E-mail : investorservices@cfhl.murugappa.com,
krithikae@cfhl.murugappa.com

Phone : 044 - 4090 7638 / 2530 6486

Fax: 044 - 4211 0404

ANNEXURE - III

Information under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) Details of employees in terms of remuneration drawn during the financial year 2024-25 as per Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name (Age)	Designation / Nature of duties	Gross remuneration paid (in ₹)	Qualification and experience (years)	Date of commencement of employment / deputation	Previous employment
N Ganesh (53)	Manager & Chief Financial Officer	1,41,21,879	B.Com, ACA (29 Years)	August 9, 2017	GMAC Financial Services India Limited
E Krithika (45)	Company Secretary	44,87,233	M.Com, ACS (19 years)	August 9, 2017	Cholamandalam MS General Insurance Company Limited

Notes:

- The Company has 2 employees, who are Key Managerial Personnel (KMPs). Details of the KMPs are furnished in the table above.
- Mr. Ganesh is employed on deputation basis from Cholamandalam Investment and Finance Company Limited (CIFCL). Remuneration of Mr. Ganesh represents the cost of deputation (excluding applicable taxes) paid to CIFCL. The remuneration of Mrs. Krithika given above includes salary, allowances, company's contribution to provident fund and gratuity expense.
- None of the above employees are related to any director of the Company and hold any shares in the Company. Neither of them is vested with stock options under the Company's Employee Stock Option Schemes.

(ii) Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Designation	Ratio
Mr. M M Murugappan	Chairman/Non-Executive Director	0.15
Mr. B Ramaratnam	Independent Director	0.17
Mrs. Vasudha Sundararaman	Independent Director	0.17
Mr. K Balasubramanian	Independent Director	0.17
Mr. Vellayan Subbiah	Non-Executive Director	0.13
Mr. Sridharan Rangarajan	Non-Executive Director	0.17

Notes:

- Remuneration of directors comprises of commission payable for FY 24-25 and the sitting fees paid during the year
- Directors' remuneration have been annualized

(iii) Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer & Company Secretary in the financial year:

Directors: Nil. All directors are paid sitting fees at the same scale to attend Board and Committee meetings. In addition to sitting fees, a fixed sum is paid as commission to all directors proportionate to their tenure on the Board.

Key Managerial Personnel: Manager & CFO - 13%; Company Secretary - 18.6%

(iv) Percentage increase in median remuneration of employees in the financial year: 14.3%

(v) Number of permanent employees on the rolls of the Company as on 31.03.2025:

Two employees i.e. Mr. Ganesh, Manager & CFO and Mrs. Krithika, Company Secretary.

(vi) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Not applicable. There are no employees other than key managerial personnel.

(vii) Affirmation:

The Company affirms that the remuneration is in line with its Remuneration Policy.

On behalf of the Board

Sridharan Rangarajan

B Ramaratnam

Director

Director

DIN:01814413

DIN:07525213

Place : Chennai

Date : May 9, 2025

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended]

The Members,
CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED
 CIN: L65100TN1949PLC002905
 Dare House, No.234,
 N S C Bose Road,
 Chennai – 600001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED** [CIN:L65100TN1949PLC002905] (hereinafter called “the Company”) for the financial year ended 31st March 2025. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March 2025 and on the basis of our review, we hereby report that during the year under review, the Company has complied with the applicable provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings under FEMA and

hence, the requirement of complying with the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under does not arise;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the company during the year under review);
 - e) The Employee Stock Option Plan, 2016 approved under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 & the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the Employee Stock Option Scheme, 2007 approved under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the company during the year under review);
 - f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the company during the year under review);
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable as the company is not registered as Registrar to an Issue and Share transfer Agent during the year under review);

- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the company during the year under review); and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the company during the year under review);
- (vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:
 - a) Reserve Bank of India Act, 1934, Rules, Regulations, guidelines, circulars, directions, and notifications made there under.
 - b) Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016.

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above.

We have also examined compliance with the applicable clauses / regulations of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (as amended) and the Guidance Note on Meetings of the Board of Directors and General Meetings (revised) issued by The Institute of Company Secretaries of India.
- (ii) The Uniform Listing Agreement entered into with BSE Limited and the National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations")

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such other regulatory authorities for such acts, rules, regulations, standards etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Woman Independent Director and Independent Directors. The Company has appointed "Manager" pursuant to Sections 196 and 203 of the Companies Act, 2013. The changes in the composition of the Board of Directors pertaining to re-appointment of Independent

Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all the directors / members before schedule of the Board Meetings / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with.

During the year under review, directors / members have participated in the Board / Committee meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities pertaining to Board / Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors / Committee Members and no Director / Members of the Committee dissented on the decisions taken at such Board/ Committee Meetings. Further, in the minutes of the General Meeting, the numbers of votes cast against the resolution(s) have been recorded.

We further report that based on review of compliance mechanism established by the Company and to the best of our information and according to explanations given to us by the Management and on the examination of relevant documents and records and also on the basis of the Compliance certificates issued by the Company Secretary on the material compliance under various statutes as mentioned above in clause (vi) and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws.

We further report that the above mentioned Company being a listed entity, this report is also issued pursuant to Regulation 24A of the Listing Regulations, as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by the Securities and Exchange Board of India.

We further report that as per the information and explanations provided by the Management, the Company has Material

Subsidiary Incorporated in India pursuant to Regulation 16(1)(c) and Regulation 24A of the Listing Regulations.

We further report that during the audit period, the Company had obtained approval from the Stock Exchange on 11th December, 2024 for reclassification of certain persons belonging to the Promoters/Promoter Group of the Company to "Public" Category.

Place: Chennai
Date: 9th May, 2025

For **SRINIDHI SRIDHARAN & ASSOCIATES**
COMPANY SECRETARIES

CS SRINIDHI SRIDHARAN

FCS No. 12510

CP No. 17990

PR NO: 6279/2024

UIN: S2017TN472300

UDIN: F012510G000309708

This report is to be read with our letter of even date which is annexed as **ANNEXURE-A** and forms an integral part of this report.

ANNEXURE -A

The Members,
CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED
CIN: L65100TN1949PLC002905
Dare House, No.234,
N S C Bose Road,
Chennai – 600001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **SRINIDHI SRIDHARAN & ASSOCIATES**
COMPANY SECRETARIES

CS SRINIDHI SRIDHARAN

FCS No. 12510

CP No. 17990

PR NO: 6279/2024

UIN: S2017TN472300

UDIN: F012510G000309708

Place: Chennai
Date : 9th May, 2025

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2025

ANNEXURE - V

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED

CIN: U66030TN2001PLC047977

Dare House, II Floor, N S C Bose Road,
Parrys, Chennai – 600001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED [Corporate Identification Number: U66030TN2001PLC047977] (hereinafter referred to as “the Insurance Company”) for the financial year ended 31st March, 2025. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Insurance Company's books, documents, minute books, forms and returns filed and other records maintained by the Insurance Company and also the information provided by the Insurance Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Insurance Company has, during the audit period for the financial year ended 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Insurance Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Insurance Company for the financial year ended 31st March, 2025 and on the basis of our review, we hereby report that during the year under review, the Company has complied with the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under. There was no Foreign Direct Investment, Overseas Direct Investment and

External Commercial Borrowings during the year under review;

- (v) The Insurance Company has listed its debt securities with the National Stock Exchange of India Limited and the following provisions are applicable and complied:
 - a) Chapters II, III and V of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 to the extent applicable;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; [Not applicable as the Insurance company is not registered as Registrar to an Issue and Share transfer Agent during the year under review]
 - d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Insurance Company has not listed its equity shares in any of the Stock exchanges and hence the question of complying with the provisions of the following Regulations (a to e) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) does not arise:-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- e) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- (vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Insurance Company:
 1. Insurance Act, 1938
 2. Insurance Rules, 1939

3. Insurance Laws (Amendment) Act, 2015
4. IRDAI Regulations, Guidelines, Circulars, directions and notifications made there under.

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Insurance Company are adequate to ensure compliance of laws as mentioned above.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (as amended) and Guidance Note on Meetings of the Board of Directors and General Meetings (Revised) issued by the Institute of Company Secretaries of India.
- (ii) Chapters II, III and V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended [hereinafter referred to as "Listing Regulations"]

During the period under review, the Insurance Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such other regulatory authorities for such acts, rules, regulations, standards etc. as mentioned above.

We further report that

The Board of Directors of the Insurance Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Independent Director and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in the compliance with the provisions of the Act and the Listing Regulations.

Adequate notice is given to all directors to schedule the Board/ Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Meetings which are convened at shorter notice and agenda/ notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013, Secretarial Standards on Meetings of the Board of Directors and Listing Regulations are complied with.

During the year under review, the Board/ Committee Meetings convened through Video Conferencing and the Directors/ Members who have participated in the Board/ Committee meetings through Video Conferencing were in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Insurance Company.

Based on the verification of the records and minutes, the decisions at the Board/ Committee Meetings were taken with the consent of the Board of Directors/ Committee Members and no Director/ Member had dissented on any of the decisions taken at such Board/ Committee Meetings. Further, based on the minutes of the general meetings duly signed by the Chairman, the decisions were unanimous and no dissenting views have been recorded.

We further report that based on review of compliance mechanism established by the Insurance Company and to the best of our information and according to explanations given to us by the Management and also on the basis of the Compliance certificates issued by the Chief Compliance Officer and Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws.

We further report that pursuant to Section 143 (12) of the Companies Act, 2013 and as per the information and records provided by the Company and based on the return filed by the Statutory Auditor in Form ADT- 4 to the Central Government (Ministry of Corporate Affairs) dated 16th September, 2024, a fraud has been perpetrated against the Company amounting to ₹3.33 Crores (net of recovery).

For **R.SRIDHARAN & ASSOCIATES**
COMPANY SECRETARIES

CS R.SRIDHARAN

FCS No. 4775

CP No. 3239

PR NO.6232/2024

UIN : S2003TN063400

UDIN: F004775G000204315

Place : Chennai

Date : 26th April, 2025

This report to be read with our letter of even date which is annexed as "**Annexure A**" and forms an integral part of this report.

ANNEXURE -A

The Members,

CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED

CIN: U66030TN2001PLC047977

Dare House, II Floor, N S C Bose Road,
Parrys, Chennai – 600001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Insurance Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Insurance Company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the Insurance Company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Insurance Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Insurance Company.

For **R.SRIDHARAN & ASSOCIATES**
COMPANY SECRETARIES

CS R.SRIDHARAN

FCS No. 4775

CP No. 3239

PR NO.6232/2024

UIN : S2003TN063400

UDIN: F004775G000204315

Place : Chennai

Date : 26th April, 2025

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

ANNEXURE - VI

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65100TN1949PLC002905
2.	Name of the Listed Entity	Cholamandalam Financial Holdings Limited
3.	Year of incorporation	9 th September 1949
4.	Registered office address	'Dare House', No. 234, NSC Bose Road, Chennai - 600 001, Tamil Nadu
5.	Corporate address	'Dare House', No. 234, NSC Bose Road, Chennai - 600 001, Tamil Nadu
6.	E-mail	investorservices@cfhl.murugappa.com
7.	Telephone	044-4217 7770-5/4090 7638
8.	Website	www.cholafhl.com
9.	Financial year for which reporting is being done	April 1, 2024 to March 31, 2025
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited BSE Limited
11.	Paid-up Capital	₹18.78 Crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Sridharan Rangarajan, Director Phone: 044 - 2530 6204 E-mail: sridharanr@corp.murugappa.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	This report is prepared on a consolidated basis including the Company's subsidiary/associate companies viz., Cholamandalam Investment and Finance Company Limited ('CIFCL'), referred as 'lending business' in this report and Cholamandalam MS General Insurance Company Limited ('CMSGICL') referred as 'insurance business' in this report. (Together the entities are referred as 'Group' in this report)
14.	Name of assurance provider	Not Applicable ('NA')
15.	Type of assurance obtained	NA

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover):

SN.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financial Services	Lending Business	77.69%
2	Insurance Business	General Insurance Business	21.67%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

SN.	Product/Service	NIC Code	% of total Turnover contributed
1	Financial Services - Lending [Vehicle Finance, Loan Against Property, Home Loans, Secured Business and Personal Loans (SBPL), Consumer and Small Enterprises Loans (CSEL), Small and Medium Enterprise Loans (SME)]	K649	77.97%
2	General Insurance [Health, Home, Motor, and Travel Insurance]	6512	21.67%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Locations	Number of Plants*	Number of Offices	Total
National	NA	1,811	1,811
International	NA	Nil	Nil

* The group is not engaged in manufacturing activities, hence this criterion is not applicable.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Lending Business: 26 States & 7 Union Territories Insurance Business: 23 States & 5 Union Territories
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil. The group provides financial services to the Indian market.

c. A brief on types of customers

Lending Business: The company focusses on retail borrowers including First time Borrowers (FTB) and New to Credit Customers (NTCC) ensuring financial inclusion. Following are the types of customers based on the products:

- (i) **Vehicle Financing:** Transport entrepreneurs, FTB and NTCC predominantly in geographies with limited presence of banks and other organized financiers.
- (ii) **Loan against Property:** Small business entrepreneurs against the collateral of self-occupied residential property.
- (iii) **Affordable Housing:** Underserved customers in Tier III, IV, V, and VI cities to enable them to achieve their dream of owning a home. It also serves customers from unorganized segments who receive their salaries in cash and women borrowers.
- (iv) **Secured Business and Personal Loans (SBPL):** Under-served self-employed non-professional customers (eg, grocery shop, dairy owners, unskilled laborers, low salaried/cash salaried workers).
- (v) **SME Loans:** Funding to Micro, Small, and Medium Enterprises (MSME) customers through various products like Term Loan against property as collateral, Equipment Finance as against machinery as collateral, and supply chain finance for purchase & sales of inventory to their customers. This supports SME customers for their working capital needs. The company has also forayed into leasing thereby enhancing the loan offerings to the borrowers as per their requirements.
- (vi) **Consumer and Small Enterprises Loans (CSEL):** Unsecured lending to retail customers including NTCC through partnership business to support lower-income segment people, salaried, self employed and proprietorships/partnerships etc.,

General Insurance Business: Provides wide range of insurance services to both commercial and retail customers. The customer base includes corporates, small, micro, medium enterprises and individuals. Following are the types of customers based on the insurance products:

- (i) **Motor Insurance:** Insurance coverage of vehicles - two-wheelers, four-wheelers, or commercial vehicles. Offers protection from financial liabilities arising out of an accident or physical damage to the vehicle.
- (ii) **Health & Accident Insurance:** Health Insurance provides comprehensive coverage of medical expenses for individuals in instances of injuries, accidents or illnesses. Accident insurance provides complete financial protection to the insured against uncertainties, such as accidental death, accidental bodily injuries, partial/total disabilities, and permanent/temporary disabilities resulting from an accident.
- (iii) **Fire Insurance:** Insurance coverage of property against losses or damages resulting from fire incidents to individuals and businesses from the financial impact of property damage or destruction caused by fire and allied perils.
- (iv) **Crop Insurance:** Protects farmers against financial losses due to uncertainties that may arise from crop failures/losses arising from named or all unforeseen perils beyond their control.
- (v) **Marine Insurance:** Marine insurance provides coverage of physical loss or damage of ships, cargo, terminals, and any transport by which the property is transferred, acquired, or held between the points of origin and the final destination.

IV. Employees

20. Details as on March 31, 2025:

a. Employees and workers (including differently abled):

SN.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	48434	46794	97%	1640	3%
2.	Other than Permanent (E)	28	24	86%	4	14%
3.	Total employees (D + E)	48462	46818	97%	1644	3%
WORKERS						
4.	Permanent (F)	Nil				
5.	Other than Permanent (G)					
6.	Total workers (F + G)					

b. Differently abled Employees and workers:

SN.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	25	24	96%	1	4%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	25	24	96%	1	4%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Nil				
5.	Other than Permanent (G)					
6.	Total workers (F + G)					

21. Participation/Inclusion/Representation of women as on March 31, 2025:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	6	1	16.7%
Key Management Personnel	2	1	50%

22. Turnover rate for permanent employees and workers as on March 31, 2025:

Particulars	FY 25			FY 24			FY 23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	27%	21%	27%	33%	24%	32%	19%	19%	19%
Permanent Workers	NA			NA			NA		

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures

SN.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Cholamandalam Investment and Finance Company Limited ('CIFCL')	Associate*	44.34%	Yes
2.	Cholamandalam MS General Insurance Company Limited ('MSGICL')	Subsidiary	60.00%	Yes
3.	Cholamandalam MS Risk Services Limited ('CMSRSL')	Joint Venture	49.50%	No

*Treated as a subsidiary under Ind-AS for consolidation purposes

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes. The Company on a standalone basis does not have CSR obligation for the reporting financial year. Details on a consolidated basis are furnished hereunder:

(ii) Turnover (in ₹): 33,460 Crore

(iii) Net worth (in ₹): 26,949 Crore

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 25			FY 24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	https://files.cholamandalam.com/cholafhl/brsr-policy.pdf	-	-	-	-	-	-
Investors (other than shareholders)	https://files.cholamandalam.com/cholafhl/whistle-blower-policy.pdf	-	-	-	3	-	-
Shareholders	https://files.cholamandalam.com/cholafhl/brsr-policy.pdf	5	-	-	4	-	-
Employees and workers	https://files.cholamandalam.com/cholafhl/whistle-blower-policy.pdf	3	-	-	1	-	-
Customers	https://files.cholamandalam.com/cholafhl/whistle-blower-policy.pdf	8568	272*	-	3,111	56*	-
Value Chain Partners	https://files.cholamandalam.com/cholafhl/brsr-policy.pdf	-	-	-	-	-	-
Other (please specify)	https://files.cholamandalam.com/cholafhl/brsr-policy.pdf	-	-	-	-	-	-

*All complaints have since been resolved.

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

SN.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Financial Inclusion	Opportunity	Enhancing quality of life for customers, particularly those residing in semi-urban and rural areas of India, where the availability of financial products and services is limited.		Positive Implication
2.	Regulatory Compliance	Risk	Non-compliance of applicable regulations may lead to regulatory action and reputational damage.	Systems are in place to track regulatory changes. Risk assessments are carried out to identify potential compliance risks. The group strives to ensure adherence to regulatory requirements at all times.	Negative Implication
3.	Employee Well-Being	Opportunity	Focus on employee wellbeing helps in talent retention and enhancing productivity and fosters innovation.		Positive Implication
4.	Technology	Opportunity	Digitalization and innovation have unleashed opportunities in new markets and areas that were earlier difficult to penetrate and helps enhance value creation for customers and other stakeholders.		Positive Implication
5.	Data Privacy and Cyber Security	Risk	Improper use / data leakage may lead to impairment of stakeholders' confidence and disrupt business operations.	The group has policies in place to monitor and ensure data privacy and security. All data is secured and the latest multi-layer protection technology is adopted by the group to protect stakeholders' personal information against privacy breaches. Trainings and awareness sessions are conducted for employees on significance of cyber security and data privacy. Non-disclosure agreements are entered with service providers/vendors to ensure data privacy.	Negative Implication

SN.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Corporate Governance (Transparency and Disclosures)	Opportunity	Highest ethical standards and corporate governance principles are central to the group's core values and business which would enhance stakeholder's trust and strengthen the brand value.		Positive Implication
7.	Customer Support and Satisfaction	Opportunity	Strong customer relations and management enhance loyalty and retention.		Positive Implication
8.	Branding and Reputation	Opportunity	Enhancing credibility and trust among diverse stakeholders and emphasizing the group's reputation as an ethically managed business.		Positive Implication
9.	Diversity and Inclusiveness	Opportunity	Reiterates the group's commitment to social inclusion and merit-based engagement of employees, customers, suppliers etc		Positive Implication
10.	CSR	Opportunity	Giving back to the community ensures social license to operate, as also economic development of underprivileged, broadening economic activity and offering opportunities for financial services.		Positive Implication
11.	Risk Management	Opportunity	Risk Management provides reasonable assurance regarding achievement of the group's objectives.		Positive Implication
12.	Human Rights	Opportunity	Respect and promotion of human rights improves talent retention and business reputation.		Positive Implication
13.	Climate Change (emissions, renewables/ energy efficiency)	Risk	Increasing climate change considerations may adversely impact business operations.	Key climate risks are incorporated into business considerations. Wherever feasible, the group will ensure its offices are operating in certified green buildings.	Negative Implication

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Process									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://files.cholamandalam.com/cholafh/brsr-policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications / labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	Insurance Business: ISO 31000:2018	Lending Business: ISO 30408:2016	-	-		-	-	Insurance and Lending Business: ISO 9001:2015. Lending Business: Achieved ISO 27001:2022 ISMS Certification during FY 25.
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Lending business: Ensure 0% data breaches in customer data protection.	Lending business: Increase EV loan disbursements by 5% YOY from 2023-2025. Insurance business: Eliminate plastic usage and use sustainable alternatives. Development of comprehensive climate risk management framework.	Lending business: To achieve and sustain zero accident culture through the company's road safety awareness initiatives. Implement digitization solutions for enhanced learning and development purposes.			Lending business: Replace 100% of CFL lighting with LED systems at all operations. Reduce water consumption through efficient water flow solutions. Insurance business: Reduce carbon emissions and improve the environment.	Insurance business: Improvement in gender diversity and inclusion.	Lending business: Attain ISMS Certification.	

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met*.	Lending business: Ensured 0% breach in data security in FY 25.	Lending business: EV disbursement target of 5% improvement Y-o-Y was over achieved. ₹525.46 crore disbursed in FY 25, while ₹298.41 crore was disbursed in FY 24.	Lending business: To achieve zero accident culture, e-modules are assigned to all employees and road safety mailers are circulated periodically.			Lending Business: Achieve Green building status. Other targets are ongoing in nature.			Lending Business: Achieved ISO 27001:2022 ISMS Certification during FY 25.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	As a core investment company, offering diverse financial services through group entities, we continue to prioritise ESG considerations in our business strategy and decision making. By embracing ESG principles, we aim to create better future for our stakeholders and environment. Our key ESG initiatives include waste management, strengthening employee development and supporting their holistic well-being and continuing our commitment to support inclusive growth, financial inclusion, and community development in underserved areas. On the customer engagement front, the group focuses on leveraging technology and digital initiatives ensuring the provision of seamless services thereby enhancing customer experiences. Corporate Social Responsibility (CSR) plays a significant role in ESG implementation. CSR initiatives undertaken by the group demonstrates our commitment to operating ethically and responsibly and creating a positive impact on society, the environment, and its stakeholders. Through various initiatives, we have attempted to create an inclusive and engaging work environment, take efforts to protect our natural environment, and support our customers and local communities. We stay committed to adherence to ESG principles and ensuring transparency and accountability.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Sridharan Rangarajan, Director DIN: 01814413 E-mail: sridharanr@corp.murugappa.com								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. Each group entity has their own policies as approved by their respective Boards. The implementation of the policies is monitored through their respective board/management committee.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, the review is undertaken periodically by the management and is placed with the respective boards									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes, review of compliance with statutory requirements as applicable to each entity is undertaken by the respective management committees.									Quarterly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No. Evaluation is done internally on a continuous basis by the respective entities.								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)					NA				
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)					NA				
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					NA				
It is planned to be done in the next financial year (Yes/No)					NA				
Any other reason (please specify)					NA				

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1:- BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	ESG Strategy Awareness and Responsible Business Conduct.	100%
Key Managerial Personnel	4		100%
Employees other than BoD and KMPs	133	Various training programmes are conducted for the benefit of employees throughout the year. Trainings include topics such as prevention of sexual harassment (POSH), code of conduct, customer relationship management, soft skill development, technical and professional skill development, whistle blower, and other employee welfare training programmes.	80%
Workers		NA	

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			Nil		
Settlement					
Compounding fee					
Non-Monetary					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case		Has an appeal been preferred? (Yes/No)
Imprisonment					Nil
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The group is committed to ethical and lawful business conduct. All employees shall follow governance guidelines and abide by the code of conduct framed by the respective group entities in addition to the applicable legal, regulatory and internal compliance standards. A code of conduct is available for the senior management and Board of directors which includes clauses related to anti-bribery and anti-corruption. The policy is available at: <https://files.cholamandalam.com/cholafhl/code-of-conduct-for-senior-management.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 25	FY 24
Directors	Nil	Nil
KMPs		
Employees		
Workers	NA	NA

6. Details of complaints with regard to conflict of interest:

Particulars	FY 25		FY 24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There were no fines / penalties / action taken by regulators during FY 25, therefore no corrective action is required to be taken.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Particulars	FY 25	FY 24
Number of days of accounts payables	NA*	NA*

*Considering the nature of business of the entity, cost of goods sold/services procured cannot be ascertained and hence the said ratio cannot be computed.

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 25	FY 24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA

Parameter	Metrics	FY 25	FY 24
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	NA	NA
	b. Sales (Sales to related parties / Total Sales)	NA	NA
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.26%	0.24%
	d. Investments (Investments in related parties / Total Investments made)	5.04%	12.61%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)
If yes, provide details of the same.

Yes, the group has a Code of Conduct for directors and senior management which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the company. Annual declaration by board of directors and senior management confirming compliance with the code of conduct is obtained. The policy is available on the company's website at: <https://files.cholamandalam.com/cholafhl/code-of-conduct-for-senior-management.pdf>

PRINCIPLE 2:- BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 25	FY 24	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	9.27%	1.36%	The group being engaged in financial service businesses, focuses on automation of its processes. Expenses are largely on investments in technology and software licenses to improve customer experiences and manage customer data and for business digital initiatives, energy saving initiatives to reduce environmental and carbon footprint.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
The group being engaged in financial services does not require intensive material sourcing. However, it encourages procurement of eco-friendly and energy efficient products for its operations.
b. If yes, what percentage of inputs were sourced sustainably?
During the year, recycled papers were sourced (A4 sheets) from local sources and energy efficient lighting and electronic products were purchased. However the percentage of inputs sourced sustainably was not compiled.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
The group is not engaged in manufacturing activities, therefore recycling / reusing products does not arise. However, waste generated in the form of IT related hardware and networking equipment etc., are safely disposed as per internal policies.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format:

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
NA					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
NA		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 25	FY 24
Nil		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Particulars	FY 25			FY 24		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	NA			NA		
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	

PRINCIPLE 3:- BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	46794	46794	100%	31579	67%	-	-	46794	100%	353	1%
Female	1640	1640	100%	1168	71%	1321	81%	-	-	84	5%
Total	48434	48434	100%	32747	68%	1321	3%	46794	97%	437	1%
Other than Permanent Employees											
Male	24	24	100%	12	50%	-	-	-	-	-	-
Female	4	4	100%	3	75%	-	-	-	-	-	-
Total	28	28	100%	15	54%	-	-	-	-	-	-

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	NA										
Female											
Total											
Other than Permanent Workers											
Male	NA										
Female											
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	FY 25	FY 24
Cost incurred on well-being measures as a % of total revenue of the company	0.36%	0.37%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 25			FY 24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	NA
ESI	100%	NA	Yes	100%	NA	Yes
Others – please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. The corporate offices have facilities for physical accessibility such as wheelchair ramps to physically challenged individuals. However, some of the branch offices located in Tier III, Tier IV, Tier V and Tier VI cities do not have such facilities as these are rented premises. The group is committed towards ensuring accessible features (physical / digital) are provided to employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The policy is available to employees through intranet portal.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	92%	83%	NA	
Female	35%	77%		
Total	78%	82%		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent workers	NA
Permanent Employees	Grievances of employees can be raised with the Head of department. Further, grievances could also be addressed to the Ombudsman under whistle-blower policy or to the chairperson of the Prevention of Sexual Harassment (POSH) committee, as the case may be. Grievances are investigated based on the procedures under each policy and appropriate corrective actions are taken.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 25			FY 24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	Nil			Nil		
- Male						
- Female						
Total Permanent Workers	NA					
- Male						
- Female						

8. Details of training given to employees and workers:

Category	FY 25					FY 24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No (C)	% (C / A)		No (E)	% (E / D)	No (F)	% (F / D)
Employees										
Male	46794	17726	38%	22639	48%	38533	9323	24%	11601	30%
Female	1640	794	48%	690	42%	1201	520	43%	344	29%
Total	48434	18520	38%	23329	48%	39734	9843	25%	11945	30%
Workers										
Male	NA									
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 25			FY 24		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	46794	41953	91%	38533	12406	32%
Female	1640	1340	85%	1201	466	39%
Total	48434	43293	90%	39734	12872	32%
Workers						
Male	NA					
Female						
Total						

Note: The date of joining of an employee is the basic criterion to determine the eligibility for performance and career development review i.e., employees joining before 31st October will only be eligible. Also, employees already serving notice periods are not eligible for performance and career development review. All employees meeting the eligibility criteria for performance and career development review are reported above.

10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes. Systems are in place to ensure health and safety of employees at workplace. Emergency Response Teams and Health and Safety officers have been appointed and initiatives such as fire safety drills, training sessions and awareness programs are conducted. The group strives to inculcate a culture of behaviour safety across business operations.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The work-related hazards and risks are identified through accident investigation report, climate control system and work-related ergonomics besides employee feedback and walkthrough approach.

- c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes

- d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes. Access to non-occupational medical and healthcare services to employees, is provided in the form of group medical insurance policies. Further awareness programs are conducted to ensure physical, mental, financial and social wellness of employees. Some key programmes conducted during the year include:

Physical Health Initiatives: The 10 K Challenge – 10 weeks wellness challenge for physical wellness, 7-day cycling challenge and healthy cooking program with an objective to encourage employees to focus on health and stay active.

Mental Health Initiatives: Mental wellness fest, emotional intelligence workshops and expert-driven newsletters focussed on mental health.

Monthly Webinars: Expert led webinars are conducted regularly on physical, mental, financial and social wellness.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 25	FY 24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	2.96	5.2
	Workers	NA	NA
Total recordable work-related injuries	Employees	12	18
	Workers	NA	NA
No. of fatalities	Employees	0	1
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	1	14
	Workers	NA	NA

12. Describe the measures taken by the entity to ensure a safe and healthy work place:

The group upholds highest standards of health, safety and well-being for employees. It has health and safety team to ensure a safe and healthy work environment is in place for the employees. Measures to ensure employee health and safety include, health and accident insurance, availability of Doctors at the head offices, conducting risk assessments at branches to ensure safety standards are met, such as maintaining fire extinguishers in proper working condition and ensuring all exit routes are accessible, placing appropriate sign boards on electrical devices, emergency exit marking and fire extinguishers, conduct fire safety training and mock drill periodically and conducting awareness programs on mental and physical well-being of all employees.

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 25			FY 24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	1	Nil	A complaint relating to air quality at office premise was raised by employees and the issue was resolved immediately. As a preventive measure, installation of air quality monitoring devices has been planned at regional offices.	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

There have been no concerns or significant risks arising from health & safety practices and working conditions. Therefore, no corrective action was required to be taken.

Leadership Indicators
1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes. Compensation is provided under the Group Term Life Insurance policy in the event of death of employees.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Statutory compliance by value chain partners is ensured through contractual agreements based on responsible business conduct policy and periodic reviews.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 25	FY 24	FY 25	FY 24
Employees	12	15	Nil	Nil
Workers	NA			

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) No.
5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:

There has been no risk arising from assessment of value chain partners carried out on health and safety practices and working conditions. Hence, no corrective action was required to be taken.

PRINCIPLE 4:- BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity:**

The group engages with its stakeholders through various formal and informal communication channels. The key stakeholders who have a significant impact on the business operations of the Company are determined based on these engagements.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Auditors	No	Email and Phone	Periodic	Validation of financial information and meeting regulatory requirements.
Customers	No	Digital platforms and applications, digital platforms and in - person engagement	Periodic	To improve service levels, customer satisfaction and address queries / grievances, if any.
Employees	No	Internal communication platforms, E-learning platforms and capability development programs and personalized help desk	Periodic	To provide a safe and secured work environment and merit-based opportunities towards fulfilment of company's vision, mission and achieving sustainability objectives and for professional capacity building.
Investors / Shareholders	No	Press releases and publications, Investor meets, Annual General Meeting, Stock exchange communication, Website disclosures, Through RTA (Registrar and Transfer Agent)	Quarterly	To keep them informed about the company's performance, business developments, address investor queries and general updates.
Local Communities	Yes	Corporate social responsibility initiatives	Periodic	To support the community and promote well being of the society at large.
NGO Partners	No	Corporate social responsibility initiatives	Periodic	CSR Implementation Activities and Progress.
Lenders	No	In-person and online meetings and visits	Periodic	Disclosure of financial transactions and debt repayment.
Regulators	No	Statutory filings and meetings	Periodic	To meet statutory compliance requirements and industry updates.
Value Chain Partners	No	Email, Phone, Messages and Physical	Periodic	To achieve an understanding of the portfolio of services offered and ensure transparency.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:

The concerns of stakeholders are reported to the board periodically. All critical issues are communicated to the board and decisions taken at the board level is implemented by the senior management to ensure resolution. The group leverages various formal as well as informal channels of communication to engage its stakeholders with the board. These encompass digital means as well as Corporate Social Responsibility (CSR) initiatives, statutory report, learning and development platforms and events for internal communication.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No)? If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Stakeholders' inputs are considered at regular intervals to improve business activities as well as maintain cordial business relationships. Activities and implementation plan against the same have been set in place as measures to mitigate the risk arising from these material issues.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups:

The group through its CSR initiatives has undertaken various activities for the benefit of different segments of the society with focus on the marginalised, under-privileged and differently abled persons. The major focus areas of CSR include: Health, Water and Sanitation, Education, Arts and Culture, Sports, Rural Development, Environment Sustainability, and Research & Development.

PRINCIPLE 5:- BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 25			FY 24		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	48434	40595	84%	39734	12121	31%
Other than permanent	28	-	-	13	13	100%
Total Employees	48462	40595	84%	39747	12134	31%
Workers						
Permanent	NA					
Other than permanent						
Total Employees						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 25					FY 24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	48434	-	-	48434	100%	39734	-	-	39734	100%
Male	46794	-	-	46794	100%	38533	-	-	38533	100%
Female	1640	-	-	1640	100%	1201	-	-	1201	100%
Other than Permanent	28	-	-	28	100%	13	-	-	13	100%
Male	24	-	-	24	100%	11	-	-	11	100%
Female	4	-	-	4	100%	2	-	-	2	100%

Category	FY 25					FY 24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Workers										
Permanent	NA									
Male										
Female										
Other than Permanent										
Male										
Female										

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ In Crore)	Number	Median remuneration/ salary/ wages of respective category (₹ In Crore)
Board of Directors (BoD)*	5	0.15	1	0.15
Key Managerial Personnel*	1	1.41	1	0.45
Employees other than BoD and KMP**	38069	0.069	1321	0.065
Workers	NA			

Note:

* Data pertains to CFHL alone

** Actual earnings have been considered for the year to calculate the median

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 25	FY 24
Gross wages paid to females as % of total wages	3.6%	3.2%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Grievances related to human rights can be raised with the Head of the department. Further, grievances could also be addressed to the ombudsman under the whistle-blower policy or to the chairperson of the Prevention of Sexual Harassment (POSH) committee, as the case may be. Grievances are investigated based on the procedures under each policy and appropriate corrective actions are taken.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 25			FY 24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	Nil	All complaints are resolved.	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	FY 25	FY 24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	Nil
Complaints on POSH as a % of female employees / workers	0.12%	Nil
Complaints on POSH upheld	2	Nil

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Whistle Blower policy and the Code of conduct for the group include relevant clauses that no harm will be caused to the complainant in case of discrimination and harassment cases. The mechanism also provides for adequate safeguards against victimization of complainants. An ombudsperson is appointed to deal with the complaints appropriately.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)** Yes. Human rights requirements form part of the business agreements and contracts.

10. **Assessments for the year:**

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%. As per the recruitment policy, the group does not engage child labour and prohibits any forced/involuntary labour. A policy for prevention of sexual harassment at workplace has been adopted. There were no referrals received during the year under the policy. Further the group is driven by governance standards and does not discriminate employees and other stakeholders either on gender, caste or race.
Sexual harassment	
Discrimination at workplace	
Forced/involuntary labour	
Wages	NA
Others – please specify	-

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

There were no significant risks identified from the assessments conducted and hence no corrective action was required to be taken.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

The group believes that it upholds the basic principles of human rights in all its dealings. A Code of Conduct has been implemented for its employees, senior management and Board of Directors. There were no significant human rights grievances necessitating modification of business processes.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

The assessment was conducted across business operations to cover a wide range of human rights issues including child labour, forced labour, harassment, discrimination and wage.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, the head office is accessible to differently abled visitors. Facilities such as elevators, ramps and wheelchairs are available. Appropriate steps are being taken to improve access to differently abled visitors across the main branches.

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100%
Discrimination at workplace	100%
Child labour	100%
Forced/involuntary labour	100%
Wages	100%
Others – please specify	100%

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No significant risks have been identified. Therefore, no corrective action was required to be taken.

PRINCIPLE 6:- BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**Essential Indicators**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: (In Giga Joules)

Parameter	FY 25	FY 24
From renewable sources		
Total electricity consumption (A) (in Giga Joules)	1852	104
Total fuel consumption (B) (in Giga Joules)	-	-
Energy consumption through other sources (C) (in Giga Joules)	-	-
Total energy consumed from renewable sources (A+B+C) (in Giga Joules)	1852	104
From non-renewable sources		
Total electricity consumption (D) (in Giga Joules)	89128	86509
Total fuel consumption (E) (in Giga Joules)	6045	5076
Energy consumption through other sources (F) (in Giga Joules)	-	-
Total energy consumed from non-renewable sources (D+E+F) (in Giga Joules)	95173	91585
Total energy consumed (A+B+C+D+E+F) (in Giga Joules)	97025	91689
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (in Giga Joules/Rupees in Crores)	2.90	3.51
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (in Giga Joules/Rupees in Crores adjusted for PPP)	59.91	78.73
Energy intensity in terms of physical output	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

*The renewable energy purchase has increased within the group during the FY 25.

Indicate if any independent assessment/ evaluation Assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. As per the SEBI mandate, BRSR assurance was done by B Thiagarajan & Co., Chartered Accountants, for CIFCL.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. NA

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 25	FY 24
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	619242	556490
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	619242	556490
Total volume of water consumption (in kilolitres)	619242	556490
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (in kilolitres / Rupees in Crores)	18.51	21.33
Water intensity per Rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (in kilolitres / Rupees in Crores adjusted for PPP)	382.35	477.84
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: As per the Central Ground Water Authority (CWGA guideline), 45 litres per head per working day for office was considered for quantification of data in the above table for lending and insurance business.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. As per the SEBI mandate, BRSR assurance was done by B Thiagarajan & Co, Chartered Accountants, for CIFCL.

4. Provide the following details related to water discharged:

Parameter	FY 25	FY 24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	275219	247329
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	275219	247329

Note: As per the Central Ground Water Authority (CWGA guideline), 20 flushing litres per head per working day for office was considered for quantifying the data in the above table.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. As per the SEBI mandate, BRSR assurance was done by B Thiagarajan & Co, Chartered Accountants, for CIFCL.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The mechanism for zero liquid discharge has not been implemented.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 25	FY 24
NOx	MT/m3	NA	NA
SOx	MT/m3	NA	NA
Particulate Matter (PM)	MT/m3	NA	NA
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others – please specify	-	NA	NA

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. As per the SEBI mandate, BRSR assurance was done by B Thiagarajan & Co, Chartered Accountants, for CIFCL.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 25	FY 24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	621	404
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	13369	12402
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent / Rupees in Crores	0.42	0.49
Total Scope 1 and Scope 2 emission Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent / Rupees in Crores adjusted for PPP	8.64	10.99
Total Scope 1 and Scope 2 emission intensity in terms of physical output		NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

Note: The group has adopted the GHG Protocol Standard Approach for quantification of its Scope 1 and Scope 2 emissions. The emissions sources like the use of diesel fuel, refrigeration, and electricity purchased across all offices were considered to arrive at the emissions number. The emission factors from CEA, Defra, IPCC were used for GHG quantification.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. As per the SEBI mandate, BRSR assurance was done by B Thiagarajan & Co, Chartered Accountants, for CIFCL.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes. Measures to minimise emissions of greenhouse gases into the atmosphere are undertaken. Further, as a step towards creating a green and clean future, the NBFC subsidiary has started financing loans for electric vehicle. Most of the offices have installed LEDs and are in the process of implementing sensor based light systems. Also, a campaign on 'Save Electricity' is being

implemented across its offices in India.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 25	FY 24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Nil	Nil
E-waste (B)	10.18	12.13
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	Nil	1.8
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	NA	NA
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) (Carton, White paper, colour paper, new paper, tissues, paper cups, mixed paper, metal waste)	358.07 (Carton, white paper, colour paper, new paper, tissues, paper cups, mixed paper and metal waste)	394.45 (Carton, white paper, colour paper, new paper, tissues, paper cups, mixed paper and metal waste)
Total (A+B + C + D + E + F + G + H)	368.25	408.38
Waste intensity per rupee of turnover (Total waste Generated / Revenue from operations) (Metric Tonnes / ₹ in Crores)	0.011	0.016
Waste intensity per rupee of Turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (Metric Tonnes / ₹ in Crores adjusted for PPP)	0.23	0.35
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – The relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	3.06	9.81
(ii) Re-used	0	1.8
(iii) Other recovery operations	186.01	203.77
Total	189.07	215.38
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	66	71
(iii) Other disposal operations	113	122
Total	179	193

Note: As per the Waste to Wealth Mission set up by the Government of India, 0.7 kg per capita waste generation was considered for quantification of data in the above table for insurance business.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. As per the SEBI mandate, BRSR assurance was done by B Thiagarajan & Co, Chartered Accountants, for CIFCL.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

As the group is engaged in financial services business, its material category of waste are Paper waste and E-waste. The group is cognizant of the environmental impact of improper management of waste and has adopted appropriate e-waste management systems to minimize adverse outcomes. It strives to ensure that e-waste is disposed in an appropriate manner by engaging with certified e-waste recycling vendors. The group have started moving towards digitisation i.e., new software used for automation of loan application, claims and approval process, reducing the use of paper significantly. Also, the group has started promoting the use of recycled paper and several steps are taken to ensure efficient paper usage. The measures adopted include a transition to 'double side printing mode', using single side printed wastepaper to create stationery products like note pads etc. Further, the employees are encouraged to use stainless steel / ceramic cups instead of paper cups, use of glass water bottles instead of pet bottles or paper cups etc., in order to reinforce our efforts and manage waste.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

SN.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
There are no operations / offices near above-mentioned zones, hence not applicable.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

SN.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Offices are generally not situated in any water stress regions, and hence the question is not applicable.

Parameter	FY 25	FY 24
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-

Parameter	FY 25	FY 24
Water intensity per rupee of turnover (Water consumed / Turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Please provide details of total scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 25	FY 24
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	26423	22073
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent/ ₹ in Crores)	0.79	0.85
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

- With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. NA
- If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

SN.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Sustainable Financing	To achieve sustainable financing, the lending business has started financing loans for electric vehicle and targets to increase loan disbursements in this segment.	EV disbursement target of 5% improvement Y-o-Y was over achieved. ₹525.46 crore disbursed in FY 25, while ₹298.41 crore was disbursed in FY 24.
2	Use of energy efficient LEDs	Installation of LEDs and sensor-based lights across offices and implementation of save electricity campaign.	Reduction in carbon emissions
3	Digitization	Digitization initiatives including automation of business processes, usage of E-agreements with digital signature	Reduction of paper waste
4	Use of Sustainable Alternatives	Elimination of plastic water bottles in head office	Reduction of plastic waste
		Use of glass bottles and biodegradable paper cups in head offices	Increased awareness towards sustainable lifestyle practices

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, robust Disaster Recovery as well as Business Continuity Plans have been established to ensure minimal disruptions and run critical functions efficiently. The business continuity team is responsible to carry out activities to ensure continuity of business. The team organises a drill periodically and required training programs are conducted for the employees to be prepared in times of emergency/crises.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Given the nature of business operations, no significant adverse impacts on environment have been observed.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

No specific assessments were conducted for value chain partners to assess environmental impacts.

8. How many Green Credits have been generated or procured.

a. By the listed entity

Nil, the organization did not generate or procure any Green Credits during the financial year.

b. By the top ten (in terms of value of purchases and sales respectively) value chain partners

Nil, the organization's value chain partners did not generate or procure any Green Credits during the financial year.

PRINCIPLE 7:- BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

The group entities are a member of 6 Trade and Industry chambers / associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

SN.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry	National
2	Finance Industry Development Council	National
3	Finance Companies' Association (India)	National
4	South India Hire Purchase Association	National
5	General Insurance Council	National
6	Federation of Indian Chambers of Commerce and Industry	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of Authority	Brief of the case	Corrective action taken
NA		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

SN.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
-	-	-	-	-	-

PRINCIPLE 8:- BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

The group has a robust grievance mechanism to receive and redress complaints or any concerns raised by the community. We engage with local communities through various means such as personal visits, surveys, meetings, etc. to understand their concerns and take appropriate actions to resolve them.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 25	FY 24
Directly sourced from MSMEs/ small producers	5.30%	6.95%
Directly from within India	100%	100%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 25	FY 24
Rural	18%	20%
Semi-urban	50%	53%
Urban	4%	3%
Metropolitan	28%	24%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
NA	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

SN.	State	Aspirational District	Amount spent (₹ in Crores)
1	Assam	Hailakandi	0.26
2	Bihar	Aurangabad	0.36
3	Jharkhand	Dumka	0.02
		Gumla	0.02
		Hazaribagh	0.02
4	Odissa	Denkanal	0.14
5	Tamilnadu	Ramanathapuram	0.07

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) No.
- (b) From which marginalized /vulnerable groups do you procure? NA
- (c) What percentage of total procurement (by value) does it constitute? NA
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

SN.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
NA				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NA		

6. Details of beneficiaries of CSR Projects:

SN.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Disaster Management			
1	Chola-Eureka Homes-Providing housing solutions for 14 families	56	100%
Education and Employment			
2	Chola-Yoga - A project to educate youngsters through an immersive course on Yoga	1,000	100%
3	Computers, Tables and painting work for underprivileged students at Nagapattinam through Vidyarambam Trust, Chennai	299	100%
4	Holistic Initiative to improve quality of life of Commercial Vehicle Crew Members in Assam -Phase-II	3,000	100%
5	Infrastructure support at Roja Muthiah Research Library	NA	NA
6	My Dream Scholarship Program	536	100%

SN.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
7	Pragati- Skill and Training (BEST) program in Ashram School in Aghai	1,824	100%
8	Refurbishment of Veda Patasala at Chromepet, Chennai	60	100%
9	Scholarships for Higher Education in Chennai	37	100%
10	Scholarship for Higher Education in Namakkal district	5	100%
11	Scholarships for Higher Education in Chennai	44	100%
12	Support to Sir Ramaswamy Mudaliar Hr Sec School, Chennai through AMM Foundation, Chennai	2,060	NA
13	The Mahila Shakti- Auto Driving Training Program	176	100%
Environmental Sustainability			
14	Securing shared space: Technology driven solutions for human elephant coexistence. Securing livelihoods to foster co-existence of people and wildlife in Upper Spiti landscape	NA	NA
Gender Quality and Support for Vulnerable Groups			
15	Construction of Centenary Building and Scholarship to Underprivileged Students	31	100%
16	Contribution for fund raising musical event for the differently abled in Chennai by Music lovers, Chennai	NA	NA
17	Contribution towards Purchase of Baking unit and Staff Salary for Jayam Special School, Chennai	40	100%
18	Early intervention and remedial education for disadvantaged children with special needs at Chennai through V - Excel Educational Trust, Chennai	592	100%
19	Holistic Educational support for the rural students and tribal communities in Karjat, Maharashtra	274	100%
20	Rehabilitation and Inclusion of Differently Abled and People with Special Needs	51	100%
21	Renovation of Day Activity Centre for Intellectually Challenged Children	30	100%
22	Restoring Confidence- Wigs of Hope-Providing wigs to restore confidence in individuals who have lost hair due to medical conditions	100	100%
23	Sailing Training of Underprivileged Students by Royal Madras Yacht Club	17	100%
24	TRRAINHer Ascent-Training and support program for women	75	100%
National Heritage and Culture			
25	Adopt a Monument Program at Kancheepuram	NA	NA
26	CHOLA- Samskriti-Cultural project aimed at promoting traditional arts and culture	208	100%
27	Chola-Dakshina Chitra: Arts and Museum Internship Project-Internship project in arts and museum management	10	100%
28	Mangala Isai Vizha- Nadaswaram and Thavil Festival	600	100%
29	Promoting Art Culture for Krishna Gana Sabha, Chennai	NA	NA
30	Promoting Art Culture for Rasika Ranjani (RR) Sabha, Chennai	NA	NA
31	Purchase of loom material for Aadai project for Kalashetra Foundation	NA	NA
32	Renovation Work for Heritage Structure	5,500	100%
33	Support for Music in perpetuity annual December Festival 2024 for Sri Parthasarathy Swamy Sabha, Chennai	NA	NA

SN.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Promotion of Sports			
34	Facility Towards Training of Young Sports Players-Infrastructure and facilities for training young sports players	27	100%
35	Scholarship for 10 Sportsmen and 2 Coaches through AMM Foundation, Chennai	12	NA
36	Support towards Training of Table Tennis Players	15	100%
37	Training programs for amateur Chess players	105	100%
38	Training program for a Badminton player	1	100%
39	Training of Chess Player Aravindh Chithambaram	1	100%
40	Training program for a Female Swimmer	1	100%
41	Training program for Golf players	8	100%
42	Training program for an international wheelchair tennis player	1	100%
43	Training programs for professional Chess players	2	100%
Poverty, Health, and Sanitation			
44	Cholamandalam-Strengthening the Maternal Health Year	660	100%
45	Cholamandalam-The gift of life	98	100%
46	Contribution for Purchase of Ventilator for Neonatal Incentive care unit for G.Kuppuswamy Memorial Hospital, Coimbatore	NA	NA
47	Contribution towards constructing the rooms in Anandam Trust Old Age Home (Chennai) for Doctor, Nurses and to store Medicine	NA	NA
48	Contribution towards renovation of one ward room for Voluntary Health Services, Chennai	NA	NA
49	Contribution towards supporting the purchase of Opescope Acteno - Shimadzu Surgical C - Arm system for Adiparasakthi Hospital and Research Institute, Melmaruvathur	NA	NA
50	Infrastructure project for comprehensive respiratory healthcare for children	NA	NA
51	Enhancing Hygiene and safe drinking water access in schools of Jharkhand	NA	NA
52	Infrastructure project to expand hospital facilities	NA	NA
53	Financial aid provided for equipments purchase and treatment of rare genetic disorders for Fetal Care Research Foundation, Chennai	30	100%
54	Financial aid provided for IP Block Renovation and medical surgical equipments, office equipments and furniture to Valliammai Achi Hospital, Kanyakumari through AMM Foundation, Chennai	NA	NA
55	Financial aid was provided for purchasing 2 ambulances in Aurangabad through Indian Head Injury Foundation, New Delhi	NA	NA
56	Financial Assistance towards Cancer Treatment for Children from Low Economic Background	85	100%
57	Financial support for purchase of Bus for Sankara Eye Hospital, Hyderabad through Kanchi Kamakoti Medical Trust, Coimbatore	NA	NA
58	Implementing "Ambulance Early Alert System" for Government Ambulances in Chennai through Amenity Lifeline Emergency Response Team (Alert), Chennai	NA	NA
59	Infrastructural Support for HIV positive and Underprivileged Children-Providing infrastructural support for HIV positive and underprivileged children	2,000	100%

SN.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
60	Jankalyan Thalassemia Centre-Support for a Thalassemia center	18	100%
61	Medical support for 50 underprivileged children with Type 1 diabetes from Chennai region with Egmore Childrens Hospital	50	100%
62	Neonatal Cardiac Surgeries for babies from low Socio-Economic backgrounds through Tiara Haemophilia and Cancer Foundation	57	100%
63	Preventive Health Care and Sanitation initiatives	16,89,000	100%
64	Programs to bring joy and laughter to hospital patients	1,000	100%
65	Project Balanethra - Laser Treatment for Retinopathy of prematurity	50	100%
66	Promoting Quality Health care and Education for Marginalise Sections	2,87,235	100%
67	Promoting Wellness Through Yoga Programs and Mental Wellness for Youth	50,000	100%
68	RAAHI-Truckers Eye Health Project and Rural Eye Health Care in Hailakandi and Aurangabad	2,13,698	100%
69	Ramping up the hospital infrastructure	5,00,000	100%
70	Reach out programmes of Hospital clowning and for cancer patients at ICH - Institute Of Child Health and Hospital for Children through The little Theatre Trust, Chennai	NA	NA
71	Rural Care on Bike Ambulance	121	100%
72	SHRUTI- Early Intervention of Children and Adult with Hearing Loss- Phase II - A project aimed at early intervention for children and adults with hearing loss to improve their quality of life	10,666	100%
73	Supporting for Golf Tournament to raise awareness on Organ donation to transform lives by Next Gen Rotary Club Madras Charitable Trust, Chennai	NA	NA
74	Thalassemia Cure - Children Undergoing Transfusion Process for Bone Marrow Transplant	9	100%
75	Training cost of teachers and procurement of medical kits for Madras Dyslexia Association, Chennai	NA	NA
76	Urban Eye Health	11,337	NA
77	WASH project in Guindy women Police Station	NA	NA
Rural Development Projects			
78	Clean Water Initiative in Gortha village of Gondia	2,700	100%
79	Installation of Reverse Osmosis plant with cooler in Gaya, Bihar	3,000	100%
80	Swachha Odisha Gram Vikas	247	100%
81	Well Rejuvenation in Selaiyur, Madambakkam	NA	NA
Support for Research and Development			
82	Holistic Analysis and Research on Multidimensional Observations Nurturing Transformative Yogic Impacts	NA	NA
83	Indigenous State-of-the-art Ultrasound Scanner for Maternal and Foetal Healthcare	NA	NA
84	Research and Development on sustainable agricultural practices and technologies for rural communities and studies on biodiversity	6,500	100%
85	Research and Development project on neuro-hemodynamic changes due to meditation- Neuro-hemodynamic changes before and after 8-day advanced meditation Samyama program in healthy volunteers	NA	NA

PRINCIPLE 9:- BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Robust multi-level grievance redressal mechanism is in place to address customer complaints. The customer relationship management (CRM) team regularly engages with customers through calls/visits/surveys to understand their feedback. Periodic consumer satisfaction surveys are conducted to seek consumer feedback on our services. The mechanism to receive and response to consumer complaints for the lending and insurance business is inline with regulatory requirements. For more information of check the below links.

<https://www.cholamandalam.com/contact-us/grievance-redressal>

<https://www.cholainsurance.com/customer-grievance>

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Particulars	FY 25		Remarks	FY 24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	3455	6*		1,803	6*	
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other (Product Related)	5113	266*		1,308	50*	

* All complaints have since been resolved.

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	NA	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, cyber security and data privacy policies have been put in place to minimize the risk.

<https://www.cholamandalam.com/privacy-policy>

<https://www.cholainsurance.com/privacy-policy>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products/services. NA

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches - Nil
- b. Percentage of data breaches involving personally identifiable information of customers – NA
- c. Impact, if any, of the data breaches – NA

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The group provides a wide range of financial and insurance services. The information can be accessed from the websites, <https://www.cholamandalam.com/> and <https://www.cholainsurance.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Several formal and informal communication channels are available to educate and create awareness about its services to the customers. Further customer awareness initiatives are undertaken through meetings, camps, workshops and digital platforms. The insurance business conducts policy awareness campaigns and educates customers through their call centre facility about the features of the insurance products. With regard to lending business, the customers are made aware about the product usage through a list of Do's and Don'ts available on its website. The list specifies the steps that a customer should take in situations when there is a malpractice or a fraud.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Information relating to disruption / discontinuation of essential services is communicated to customers through formal means such as e-mail, website, phone calls, SMS, WhatsApp, etc. Any closure of a business location or a relocation thereof is published in newspapers. Further, product related information is available in detail on the companies' websites.

4. a. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/Not Applicable) If yes, provide details in brief.

The information about the products and services are provided on the respective entity's websites, social media platforms and advertisements.

b. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole?(Yes/No).

Yes, through Customer Relationship Management (CRM). Various surveys are conducted on a regular basis to understand and address the needs of the customers.

INDEPENDENT AUDITOR'S REPORT

To the Members of Cholamandalam Financial Holdings Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Cholamandalam Financial Holdings Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises

the information included in the Management Discussion and Analysis, Board's Report including Annexures and Report on Corporate Governance and Business Responsibility and Sustainability Report but does not include the standalone financial statements and our report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud and error.

In preparing the standalone financial statements, the Management of the Company is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The Standalone Financial Statements for the year ended March 31, 2024 were audited by the predecessor auditor, who has issued an unmodified audit opinion vide their report dated May 10, 2024. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in Annexure 'A' to this report, a statement on the matters specified in para 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors and Manager during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company, as detailed in Note No. 23 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - (v) With respect to compliance to section 123 of the Act on dividend payment:
 - (a) The final dividend paid by the Company during the year in respect of the same declared

for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

(b) As stated in Note No.13.8 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

(vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility

and the same has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit, we did not notice any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Reg No: 002785S

K Venkatakrishnan
Partner

Place: Chennai
Date: May 09, 2025

Membership No. 208591
UDIN: 25208591BMOGTB1168

Annexure A to the Independent Auditor's Report

With reference to paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our audit report of even date to the members of Cholamandalam Financial Holdings Limited ("the Company") on the Standalone Financial Statements of the Company for the year ended March 31, 2025, we report the following:

- (i) (a) (A) The Company does not have any property, plant and equipment and accordingly, the reporting under clause 3(i)(a)(A) of the Order is not applicable.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company does not have any property, plant and equipment and accordingly, the reporting under clause 3(i)(b),(c) and (d) of the Order is not applicable.
- (c) According to the information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at the end of the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the order is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of five crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) Based on our audit procedures and according to the information and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting on paragraph 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments made. The Company has not provided any loans, guarantees or securities.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from public during the year and does not have any unclaimed deposits as at March 31, 2025 and hence reporting on paragraph 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act for the business activities carried out by the Company. Hence, reporting on paragraph 3 (vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other material statutory dues applicable to the Company during the year with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, cess or other material statutory dues outstanding as at March 31, 2025 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of income tax as at March 31, 2025 which have not been deposited with statutory authorities on account of a dispute pending are as under:

(INR in crores)

Name of the statute	Nature of dues	Amount involved in dispute	Financial Year	Forum where dispute is pending
Income Tax Act, 1961	Tax & Interest	0.06	2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Tax & Interest	1.30	2017-18	Commissioner of Income Tax (Appeals)

- (viii) According to the information and explanations given to us, and records of the Company examined by us, there are no transactions in the nature of undisclosed income or income surrendered which needs to be accounted in the books of accounts during the year in the tax assessments under the Income Tax Act, 1961 and hence reporting under Clause 3(viii) of the Order is not applicable.
- (ix) According to the information and explanations given to us, and records of the Company examined by us, the Company has not obtained any loans or borrowings from any person/entity during the year or balance carried forward from prior periods. Accordingly, reporting under Clause 3(ix) of the Order is not applicable.

- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting on paragraph 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting on paragraph 3(x) (b) of the Order is not applicable.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material frauds on the Company by its officers or employees has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act was required to be filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanation given to us, no whistle blower complaints were received by the Company during the year.
- (xii) The Company is not a Nidhi Company. Accordingly, reporting on paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act, where applicable, for all transactions with related parties undertaken during the year and the details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors during the year. Accordingly, reporting on paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) According to the information and explanation given to us, we report that the Company has been registered as required, under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanation given to us, we report that the Company has not conducted any non-banking financial or housing finance activities.
- (c) According to the information and explanation given to us, we report that the Company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and continues to fulfil the criteria of a CIC.
- (d) According to the information and explanations given to us by the Management of the Company, the Group has one more CIC as part of the Group.
- (xvii) The Company has not incurred cash losses during the current financial year and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company does not have to incur expenditure on Corporate Social Responsibility ("CSR") during the year in accordance with provisions of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Reg No: 002785S

K Venkatakrishnan
Partner

Place: Chennai
Date: May 09, 2025

Membership No. 208591
UDIN: 25208591BMOGTB1168

Annexure B to the Independent Auditor's Report

Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **Cholamandalam Financial Holdings Limited** ("the Company") on the Standalone Financial Statements of the Company for the year ended March 31, 2025, we report the following:

Independent Auditors' Report on the Internal Financial Controls over financial reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Cholamandalam Financial Holdings Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. Our audit is conducted in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk whether material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the company and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial control over financial reporting were operating effectively as of March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For **R.G.N. Price & Co.**,
Chartered Accountants
Firm Reg No: 0027855

K Venkatakrishnan
Partner

Place: Chennai
Date: May 09, 2025

Membership No. 208591
UDIN: 25208591BMOGTB1168

Standalone Balance Sheet

as at March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Financial Assets			
Cash and cash equivalents	4	0.78	8.49
Bank balances other than cash and cash equivalents	4	63.77	0.49
Investments	5	1,290.72	1,279.31
Other financial assets	6	-	0.02
		1,355.27	1,288.31
Non-Financial Assets			
Current tax assets (Net)		-	0.52
Intangible assets	7	0.05	0.06
Other non-financial assets	8	0.13	0.26
		0.18	0.84
TOTAL ASSETS		1,355.45	1,289.15
EQUITY AND LIABILITIES			
Financial Liabilities			
Other Payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		0.83	0.85
Other Financial Liabilities	9	0.45	0.54
		1.28	1.39
Non-Financial Liabilities			
Current tax liabilities (net)		0.93	-
Deferred tax liabilities (net)	9A	1.83	0.18
Provisions	10	0.06	0.04
Other non-financial liabilities	11	0.04	0.04
		2.86	0.26
Equity			
Equity share capital	12	18.78	18.78
Other equity	13	1,332.53	1,268.72
Total Equity		1,351.31	1,287.50
TOTAL EQUITY AND LIABILITIES		1,355.45	1,289.15

The accompanying notes are forming part of the Standalone Financial Statements

This is the Standalone Balance Sheet referred to in our report of even date.

For R.G.N. Price & Co.,

Chartered Accountants

ICAI Firm Regn No.0027855

For and on behalf of the Board of Directors

K Venkatakrishnan

Partner

Membership No: 208591

Sridharan Rangarajan

Director

DIN:01814413

B Ramaratnam

Director

DIN:07525213

Date : May 9, 2025

Place : Chennai

E Krithika

Company Secretary

N Ganesh

Manager & Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from Operations	14		
- Interest income		1.32	1.22
- Dividend income		74.88	74.83
- Service income		10.00	9.95
Total Revenue from operations (I)		86.20	86.00
Other Income (II)		-	-
Total Income (III) = (I)+(II)		86.20	86.00
Expenses			
Finance cost	15	-	3.63
Employee benefits expense	16	1.86	1.63
Depreciation and amortisation expense	7	0.03	0.01
Other expenses	17	1.74	1.72
Total expense (IV)		3.63	6.99
Profit Before Tax (V) = (III) - (IV)		82.57	79.01
Income Tax			
- Current tax	24	18.20	17.29
- Deferred tax	9A	(0.03)	-
Net tax expense (VI)		18.17	17.29
Profit for the year (VII) = (V) - (VI)		64.40	61.72
Other Comprehensive Income - Gain /(Loss)			
Items that will not be reclassified to statement of profit and loss			
Net gain/(loss) in Fair value on Equity Instruments at Fair Value Through Other Comprehensive Income (FVTOCI)		11.41	(0.23)
Income tax effect of above items		(1.67)	(0.05)
Other comprehensive income for the year, net of tax (VIII)		9.74	(0.28)
Total comprehensive income for the year (VII + VIII)		74.14	61.44
Earnings per Equity Share of Face Value of ₹1 each	22		
Basic		3.43	3.29
Diluted		3.43	3.29

The accompanying notes are forming part of the Standalone Financial Statements

This is the Standalone Statement of Profit & Loss referred to in our report of even date.

For R.G.N. Price & Co.,

Chartered Accountants

ICAI Firm Regn No.002785S

For and on behalf of the Board of Directors

K Venkatakrishnan

Partner

Membership No: 208591

Sridharan Rangarajan

Director

DIN:01814413

B Ramaratnam

Director

DIN:07525213

Date : May 9, 2025

Place : Chennai

E Krithika

Company Secretary

N Ganesh

Manager & Chief Financial Officer

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

a) Equity Share Capital (Refer Note 12)	Amount
Opening Balance as at April 01, 2023	18.78
Changes in Equity share capital during the year	-
Closing balance as at March 31, 2024	18.78
Changes in Equity share capital during the year	-
Closing balance as at March 31, 2025	18.78

b) Other Equity (Refer Note 13)

Particulars	Share application money pending allotment	Reserves and Surplus					Other Comprehensive income	Total attributable to equity holders	
		Statutory Reserve	Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve			Retained earnings
Opening Balance as at April 01, 2023	-	76.22	19.97	6.15	207.70	346.30	559.09	2.18	1,217.61
Profit for the year	-	-	-	-	-	-	61.72	-	61.72
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	-	-	(0.28)	(0.28)
Dividend	-	-	-	-	-	-	(10.33)	-	(10.33)
Transfer to reserves from retained earnings during the year	-	12.35	-	-	-	-	(12.35)	-	-
Closing balance as at March 31, 2024	-	88.57	19.97	6.15	207.70	346.30	598.13	1.90	1,268.72
Profit for the year	-	-	-	-	-	-	64.40	-	64.40
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	9.74	9.74
Dividend	-	-	-	-	-	-	(10.33)	-	(10.33)
Transfer to reserves from retained earnings during the year	-	12.89	-	-	-	-	(12.89)	-	-
Closing balance as at March 31, 2025	-	101.46	19.97	6.15	207.70	346.30	639.31	11.64	1,332.53

The accompanying notes are forming part of the Standalone Financial Statements

This is the Standalone Statement of Changes in Equity referred to in our report of even date

For **R.G.N. Price & Co.,**

Chartered Accountants

ICAI Firm Regn No.002785S

K Venkatakrishnan

Partner

Membership No: 208591

Date : May 9, 2025

Place : Chennai

Sridharan Rangarajan

Director

DIN:01814413

E Krithika

Company Secretary

B Ramaratnam

Director

DIN:07525213

N Ganesh

Manager & Chief Financial Officer

For and on behalf of the Board of Directors

Standalone Cash Flow Statement

as at March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Cash Flow from Operating Activities		
Profit before tax	82.57	79.01
Adjustments for:		
Finance Costs	-	3.63
Depreciation and amortisation expense	0.03	0.01
Interest income on deposits with banks	(1.32)	(1.22)
	(1.29)	2.42
Operating profit before working capital changes	81.28	81.43
Adjustments for:		
(Increase) / decrease in operating assets		
- Financial assets	0.02	-
- Non-financial assets	0.13	(0.17)
- Investment in deposits with banks / unpaid dividend accounts (net of withdrawals)	(62.19)	4.60
- Proceeds from Sale of Financial Instruments held at FVTOCI	-	0.59
	(62.04)	5.02
Increase / (decrease) in operating liabilities		
- Financial liabilities	0.02	0.01
- Trade and other payables	(0.02)	0.19
- Non-financial liabilities	-	0.01
- Provisions	0.02	0.01
	0.02	0.22
Cash flow generated from / (used) in operating activities	19.26	86.67
Finance costs paid	-	(3.61)
Interest received on deposits with banks	0.23	1.22
Income taxes paid (net of refunds)	(16.74)	(17.26)
	(16.51)	(19.65)
Net cash generated from / (used in) operating activities (A)	2.75	67.02
Cash Flow from Investing Activities		
Purchase of intangible assets	(0.02)	(0.06)
Net cash generated from / (used in) investing activities (B)	(0.02)	(0.06)
Cash flow from financing activities		
Repayment of debt securities at amortised cost	-	(50.00)
Dividends paid (including Unpaid dividends pertaining to earlier periods)	(10.44)	(10.93)
Net cash generated from / (used in) financing activities (C)	(10.44)	(60.93)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(7.71)	6.03
Cash and cash equivalents at the beginning of the year	8.49	2.46
Cash and cash equivalents at the end of the year	0.78	8.49

The accompanying notes are forming part of the Standalone Financial Statements
This is the Standalone Cash Flow Statement referred to in our report of even date
For R.G.N. Price & Co.,
Chartered Accountants
ICAI Firm Regn No.0027855

For and on behalf of the Board of Directors

K Venkatakrishnan
Partner
Membership No: 208591

Sridharan Rangarajan
Director
DIN:01814413

B Ramaratnam
Director
DIN:07525213

Date : May 9, 2025
Place : Chennai

E Krithika
Company Secretary

N Ganesh
Manager & Chief Financial Officer

Notes to Standalone Financial Statements

Note 1. Background and Corporate Information

Cholamandalam Financial Holdings Limited ("the Company") (CIN: L65100TN1949PLC002905) is a Public Limited Company domiciled in India. The Company is listed on BSE Limited and National Stock Exchange of India Limited. The Registered Office of the Company is located at Dare House, No.234, NSC Bose Road, Chennai-600 001, Tamil Nadu.

Pursuant to a scheme of arrangement ("the Scheme") the manufacturing business undertaking of the Company was vested in/ transferred to Tube Investments of India Limited ("the Resulting Company") vide the order of the National Company Law Tribunal, Chennai ("NCLT") dated July 17, 2017. The Scheme had an appointed date of April 1, 2016 and came into effect from August 1, 2017. The Company received certificate of registration dated January 06, 2020 as a non-deposit taking Systemically Important Core Investment Company (CIC-ND-SI), from the Reserve Bank of India ("RBI") to carry on the business as a Non-Banking Financial Institution.

The Company undertakes financial services business through its Subsidiaries - Cholamandalam MS General Insurance Company Limited for general insurance business and Cholamandalam Investment and Finance Company Limited and its subsidiaries for lending and wealth management operations. Risk advisory services is carried out through a joint venture entity Cholamandalam MS Risk Services Limited.

The standalone financial statements are presented in Indian Rupees which is also functional currency of the Company and all values are rounded to the nearest crore, except when otherwise indicated.

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on May 9, 2025.

Note 1.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The standalone financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income ("FVTOCI") instruments and certain financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments)

The regulatory disclosures as required by Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 issued by the RBI ("RBI

Master Directions') and other relevant circulars/ directions to be included as a part of the Notes to Accounts are prepared as per the Ind AS financial statements, pursuant to the RBI notification on Implementation of Indian Accounting Standards, dated March 31, 2025. Refer Note 28 for the disclosures.

Note 1.2 Presentation of financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 20 to the financial statements.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all the following circumstances:

- (i) The normal course of business
- (ii) The event of default
- (iii) The event of insolvency or bankruptcy of the Company and/or its counterparties

Note 1.3 Standards issued but not yet effective

There are no new standards / amendments to the standards that have been issued but not yet effective as at March 31, 2025.

Note 2. Material accounting policies

Note 2.1. Financial instruments - initial recognition

Note 2.1.1. Date of recognition

Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The Company recognises debt securities and borrowings when funds reach the Company.

Note 2.1.2. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at Fair Value Through Profit & Loss (FVTPL), transaction costs are added to, or subtracted from, this amount.

Notes to Standalone Financial Statements

Note 2.1.3. Measurement categories of financial assets and liabilities

The Company classifies all its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either (a) Amortised cost (b) FVTPL or (c) FVTOCI

Note 2.2. Financial assets and liabilities

Note 2.2.1. Bank balances and financial investments at amortised cost

The Company measures Bank balances and other financial investments at amortised cost if both of the following conditions are met:

- (i) the financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows; and
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

Note 2.2.2. Business model assessment

The Company determines its business model at the level that best reflects how it manages Company's financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- (i) how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- (ii) the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- (iii) how managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- (iv) the expected frequency, value and timing of sales are also important aspects of the Company's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress

case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Note 2.2.3. The SPPI Test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the solely payments of principal and interest (SPPI) test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Note 2.3. Equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)

The Company subsequently measures all equity investments at fair value through statement of profit and loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVTOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading but are held for strategic purpose. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to statement of profit and loss. Dividends are recognised in statement of profit and loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in Other Comprehensive Income. Equity instruments at FVTOCI are not subject to an impairment assessment.

Notes to Standalone Financial Statements

Investment in Subsidiaries and Joint Ventures are carried at Cost in the Financial Statements as permitted under Ind AS 27. These investments are assessed for impairment at the end of each reporting period.

Note 2.4. Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking the costs that are an integral part of the Effective Interest Rate.

Note 2.5. Derecognition of financial assets and liabilities

Note 2.5.1. Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

Note 2.5.2. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

Note 3. Other Accounting Policies

Note 3.1. Recognition of Income

- A. Revenue (other than interest income and dividend income covered by Ind AS 109 - Financial Instruments) is measured at fair value of the consideration received or receivable.
- B. The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a

contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Note 3.1.1. Brand fee

Brand fee income is recognised as and when the services are rendered in accordance with the terms and conditions of the relevant agreement.

Note 3.1.2. Interest income covered by Ind AS 109

Under Ind AS 109, interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account of fees and costs that are an integral part of the EIR.

Note 3.1.3. Dividend income covered by Ind AS 109

Dividend income (including from FVTOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

Note 3.2. Taxes

Note 3.2.1. Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from,

Notes to Standalone Financial Statements

or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Company's management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Note 3.2.2. Deferred Tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- (i) when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- (ii) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised

deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Note 3.3. Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements.

Note 3.4. Dividends on ordinary shares

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Notes to Standalone Financial Statements

Note 3.5. Determination of Fair value

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- (i) Level 1 financial instruments – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- (ii) Level 2 financial instruments – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in

inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

- (iii) Level 3 financial instruments – Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments, when necessary, based on the facts at the end of the reporting period.

Note 3.6. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

Note 3.7. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

For the purpose of the Statement of cash flows, cash and cash equivalents as defined above, are net of outstanding bank overdrafts, if any, as they are considered an integral part of the cash management of the Company.

Note 3.8. Goods and Service Tax (GST) Input Credit

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted, and when there is no uncertainty in availing / utilising the same. Company avails eligible input credit as per the relevant Law and the ineligible credit is set off to respective expense.

Notes to Standalone Financial Statements

Note 3.9. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful life of 3 years.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal

proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Note 3.10. Impairment of Financial & Non-Financial Assets

Note 3.10.1. Impairment of Financial Assets

For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is provided for / written-off.

Note 3.10.2. Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

Note 4. Cash and Cash Equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks:		
– In Current Accounts	0.78	0.24
– In Deposit Accounts - with original maturity of less than 3 months	-	8.25
	0.78	8.49
Bank balances other than cash and cash equivalents		
In Deposit Accounts		
– Original maturity of more than 3 months	63.39	-
– In Unpaid dividend accounts	0.38	0.49
	63.77	0.49

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 5. Investments

Particulars	Numbers		Amount	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Investments at Cost:				
I. Investments-Equity				
Investment in Subsidiary Companies at Cost				
Equity Shares (Fully Paid) - Quoted				
Cholamandalam Investment and Finance Company Limited (Face value of ₹2 per share)	37,28,85,889	37,28,85,889	1,009.91	1,009.91
Equity Shares (Fully Paid) - Unquoted				
Cholamandalam MS General Insurance Company Limited (Face value of ₹10 per share)	17,92,82,861	17,92,82,861	265.24	265.24
Investment in Joint Venture at cost				
Equity Shares (Fully Paid) - Unquoted				
Cholamandalam MS Risk Services Limited (Face value of ₹10 per share)	9,89,979	9,89,979	0.99	0.99
Investments at Fair Value Through Other Comprehensive Income (FVTOCI):				
Equity Shares (Fully Paid) - Quoted				
Carborundum Universal Limited (Face value of ₹1 per share)	6,000	6,000	0.61	0.76
Kartik Investments Trust Limited (Face value of ₹10 per share)	33,790	33,790	1.96	0.04
Equity Shares (Fully Paid) - Unquoted				
Murugappa Management Services Private Limited (Face value of ₹100 per share)	42,677	42,677	12.01	2.37
Total Investments - Equity			1,290.72	1,279.31

Note-1: The Company has designated its equity investments as FVTOCI on the basis that these are not held for trading and held for strategic purposes.

Note-2: All investments represented above are made in India.

Note 6. Other Financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured - considered good (unless otherwise stated) At amortised cost		
Deposit receivable	-	0.02
	-	0.02

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 7. Intangible Assets

Particulars	Computer software
Gross carrying amount as at March 31, 2023	0.06
Additions	0.06
Disposals	-
Gross carrying amount as at March 31, 2024	0.12
Additions	0.02
Disposals	-
Gross carrying amount as at March 31, 2025	0.14
Accumulated Amortisation and impairment	
Balance as at March 31, 2023	0.05
Amortisation for the year	0.01
Amortisation on disposals	-
Balance as at March 31, 2024	0.06
Amortisation for the year	0.03
Amortisation on disposals	-
Accumulated amortisation and impairment as at March 31, 2025	0.09
Net Written down Value as at March 31, 2024	0.06
Net Written down Value as at March 31, 2025	0.05

Note 8. Other Non Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured - considered good (unless otherwise stated)		
Prepaid expenses	0.03	0.03
Capital advances	-	0.01
Balances with Government Authorities	0.07	0.20
Others	0.03	0.02
	0.13	0.26

Note 9. Other Financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Unpaid Dividends *	0.38	0.49
Others	0.07	0.05
	0.45	0.54

* There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company as at end of the year.

Note 9A. Deferred Tax

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Asset		
Provision for Compensated Absences and Gratuity	0.03	-
Total (A)	0.03	-
Deferred Tax Liability		
Fair value of investments	1.86	0.18
Total (B)	1.86	0.18
Net Deferred Tax Liability (B) - (A)	1.83	0.18

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	Income Statement	OCI	Income Statement	OCI
Deferred Tax Assets				
Provision for Compensated Absences and Gratuity	0.03	-	-	-
Total	0.03	-	-	-
Deferred Tax Liabilities				
Fair value of investments	-	1.67	-	0.05
Total	-	1.67	-	0.05
Deferred Tax (assets) / liabilities for the year	(0.03)	1.67	-	0.05

Note 10. Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Compensated Absences	0.06	0.04
	0.06	0.04

Note 11. Other Non Financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Liabilities	0.04	0.04
	0.04	0.04

Note 12. Equity Share Capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Numbers	Amount	Numbers	Amount
AUTHORISED				
Equity Shares of ₹1 each	43,00,00,000	43.00	43,00,00,000	43.00
		43.00		43.00
ISSUED, SUBSCRIBED AND PAID UP				
Equity Shares of ₹1 each	18,77,77,462	18.78	18,77,77,462	18.78
		18.78		18.78

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Numbers	Amount	Numbers	Amount
Equity Shares				
At the beginning of the year	18,77,77,462	18.78	18,77,77,462	18.78
Issued during the year	-	-	-	-
Outstanding at the end of the year	18,77,77,462	18.78	18,77,77,462	18.78

b) Terms/rights attached to Equity shares

The Company has only one class of equity shares having par value of ₹1 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend.

Repayment of capital will be in proportion to the number of equity shares held.

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

c) Equity Shares held by Holding Company

Particulars	As at March 31, 2025	As at March 31, 2024
Ambadi Investments Limited	7,07,66,595	7,07,66,595

d) Details of shareholding more than 5% shares in the Company

Particulars	As at March 31, 2025		As at March 31, 2024	
Equity Shares	Numbers	% holding in the class	Numbers	% holding in the class
Ambadi Investments Limited	7,07,66,595	37.69	7,07,66,595	37.69

e) Shares reserved for issue under options

All the stock options issued were either exercised or lapsed.

f) Shareholding of Promoters

S. No.	Name of the Promoter (P) / Promoter Group (PG)	Category	As on 31-Mar-2025		As on 31-Mar-2024		% Change during the year
			No. of shares	% to shares	No. of shares	% to shares	
1.	Ambadi Investments Limited	Promoter	7,07,66,595	37.69	7,07,66,595	37.69	-
2.	Arun Alagappan	Promoter	7,41,090	0.39	8,33,090	0.44	(11.04)
3.	M A Alagappan	Promoter	7,10,000	0.38	7,10,000	0.38	-
4.	M V Murugappan - HUF (Valli Arunachalam holds shares in the capacity as karta)	Promoter	NA (Refer Note A)		5,43,330	0.29	(100.00)
5.	A Venkatachalam	Promoter	5,13,610	0.27	5,13,610	0.27	-
6.	M A M Arunachalam	Promoter	8,42,760	0.45	8,42,760	0.45	-
7.	A Vellayan	Promoter	6,31,900	0.34	3,82,400	0.20	65.25
8.	M M Murugappan HUF(M M Murugappan holds shares in the capacity as kartha)	Promoter	3,55,330	0.19	3,55,330	0.19	-
9.	V Arunachalam	Promoter	3,38,990	0.18	3,38,990	0.18	-
10.	V Narayanan	Promoter	2,81,140	0.15	2,81,140	0.15	-
11.	M M Muthiah HUF (M M Murugappan hold shares in the capacity as kartha)	Promoter	2,77,360	0.15	2,77,360	0.15	-
12.	A Venkatachalam (Hold shares in the capacity as Kartha of HUF)	Promoter	2,52,000	0.13	2,52,000	0.13	-
13.	A Vellayan (Hold shares in the capacity as Kartha of HUF)	Promoter	-	0.00	2,49,500	0.13	(100.00)
14.	M M Murugappan	Promoter	2,09,715	0.11	2,09,715	0.11	-
15.	Arun Venkatachalam	Promoter	2,00,000	0.11	2,00,000	0.11	-
16.	M V Subbiah (Hold shares in the capacity as Kartha of HUF)	Promoter	1,71,200	0.09	1,71,200	0.09	-
17.	M A M Arunachalam (in the capacity of Karta of HUF)	Promoter	1,48,660	0.08	1,48,660	0.08	-
18.	M A Alagappan HUF(M A Alagappan hold shares in the capacity as kartha)	Promoter	1,30,660	0.07	1,30,660	0.07	-
19.	M M Venkatachalam	Promoter	4,000	0.00	4,000	0.00	-
20.	Carborundum Universal Limited	Promoter	1,000	0.00	1,000	0.00	-
21.	A M Meyyammai	Promoter Group	93,150	0.05	93,150	0.05	-

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

S. No.	Name of the Promoter (P) / Promoter Group (PG)	Category	As on 31-Mar-2025		As on 31-Mar-2024		% Change during the year
			No. of shares	% to shares	No. of shares	% to shares	
22.	Lakshmi Ramaswamy Family Trust(AA Alagammai & Lakshmi Ramaswamy holds shares on behalf of Trust)	Promoter Group	7,43,000	0.40	7,43,000	0.40	-
23.	Murugappa Educational and Medical Foundation	Promoter Group	7,26,200	0.39	7,26,200	0.39	-
24.	Shambho Trust (M V Subbiah & S Vellayan are trustees of the trust)	Promoter Group	5,97,340	0.32	5,97,340	0.32	-
25.	M A Murugappan Holdings LLP	Promoter Group	5,46,860	0.29	5,46,860	0.29	-
26.	Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah are trustees of the trust)	Promoter Group	5,15,180	0.27	5,15,180	0.27	-
27.	M A Alagappan Holdings Private Limited	Promoter Group	5,29,860	0.28	5,29,860	0.28	-
28.	Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan are trustees of the trust)	Promoter Group	5,00,000	0.27	5,00,000	0.27	-
29.	M M Muthiah Family Trust (M M Murugappan & M M Muthiah holds shares on behalf of the Trust)	Promoter Group	4,78,055	0.25	4,78,055	0.25	-
30.	M M Veerappan Family Trust (MM Murugappan & Meenakshi Murugappan holds shares on behalf of the Trust)	Promoter Group	4,68,055	0.25	4,68,055	0.25	-
31.	MV Muthiah Family Trust (M M Venkatachalam & M V Muthiah holds shares on behalf of the Trust)	Promoter Group	4,59,830	0.24	4,59,830	0.24	-
32.	M V Subramanian Family Trust (Mr. MM Venkatachalam & MV Subramanian hold shares on behalf of Trust)	Promoter Group	4,59,830	0.24	4,59,830	0.24	-
33.	M V AR Meenakshi	Promoter Group	4,49,630	0.24	4,49,630	0.24	-
34.	M M Venkatachalam Family Trust (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	Promoter Group	4,03,900	0.22	4,03,900	0.22	-
35.	AR Lakshmi Achi Trust	Promoter Group	3,91,510	0.21	3,91,510	0.21	-
36.	Lakshmi Venkatachalam Family Trust (M M Venkatachalam&Lakshmi Venkatachalam are trustees of trust)	Promoter Group	3,79,905	0.20	3,79,905	0.20	-
37.	Meyyammai Venkatachalam	Promoter Group	3,58,580	0.19	3,58,580	0.19	-
38.	M M Muthiah Research Foundation	Promoter Group	2,80,920	0.15	2,80,920	0.15	-
39.	M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan are trustees of the trust)	Promoter Group	2,31,800	0.12	2,31,800	0.12	-
40.	Sigapi Arunachalam	Promoter Group	2,27,990	0.12	2,27,990	0.12	-
41.	Umayal.R.	Promoter Group	2,26,580	0.12	2,26,580	0.12	-
42.	Arun Murugappan Children's Trust (MAM Arunachalam & Sigappi Arunachalam hold on behalf of trust)	Promoter Group	2,20,278	0.12	2,20,278	0.12	-
43.	M A Alagappan Grand Children Trust (Arun Alagappan & AA Alagammai hold shares on behalf of Trust)	Promoter Group	2,16,777	0.12	2,16,777	0.12	-
44.	Murugappan Arunachalam Children Trust (Sigapi Arunachalam alongwith others hold shares of Trust)	Promoter Group	2,15,410	0.11	2,15,410	0.11	-
45.	Lakshmi Chockalingam	Promoter Group	6,24,410	0.33	6,24,410	0.33	-

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

S. No.	Name of the Promoter (P) / Promoter Group (PG)	Category	As on 31-Mar-2025		As on 31-Mar-2024		% Change during the year
			No. of shares	% to shares	No. of shares	% to shares	
46.	Valli Annamalai	Promoter Group	1,57,127	0.08	1,57,127	0.08	-
47.	M Vellachi	Promoter Group	NA (Refer Note A)		5,97,425	0.32	(100.00)
48.	A M M Vellayan Sons P Ltd	Promoter Group	38,430	0.02	38,430	0.02	-
49.	Pranav Alagappan	Promoter Group	28,050	0.01	28,050	0.01	-
50.	Valliammai Murugappan	Promoter Group	17,032	0.01	17,032	0.01	-
51.	M V Seetha Subbiah Benefit trust (M.V.Subbiah & S Vellayan hold shares on behalf of the Trust)	Promoter Group	14,500	0.01	14,500	0.01	-
52.	Valli Subbiah Benefit Trust (S Vellayan & M V Subbiah hold shares on behalf of the Trust)	Promoter Group	14,500	0.01	14,500	0.01	-
53.	Dhruv M Arunachalam	Promoter Group	11,000	0.01	11,000	0.01	-
54.	Solachi Ramanathan	Promoter Group	8,500	0.00	8,500	0.00	-
55.	M.M.Muthiah Sons Private Ltd	Promoter Group	4,200	0.00	4,200	0.00	-
56.	A V Nagalakshmi	Promoter Group	3,600	0.00	3,600	0.00	-
57.	V Vasantha	Promoter Group	2,300	0.00	2,300	0.00	-
58.	Uma Ramanathan	Promoter Group	2,000	0.00	2,000	0.00	-
59.	Lakshmi Venkatachalam	Promoter Group	1,200	0.00	1,200	0.00	-
60.	Valli Alagappan	Promoter Group	-	0.00	1,020	0.00	(100.00)
61.	A Keertika Unnamalai	Promoter Group	500	0.00	500	0.00	-
62.	Meenakshi Murugappan	Promoter Group	70	0.00	70	0.00	-
63.	Valli Arunachalam	Promoter Group	NA (Refer Note A)		4,96,095	0.26	100.00
Total P/PG Holdings			8,72,24,069	46.45	8,89,53,939	47.37	
Paid up share capital			18,77,77,462		18,77,77,462		

Note A: Based on the shareholders' request, they have been classified as 'public' shareholders with effect from December 2024.

Note 13. Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained earnings (Refer Note 13.2)	639.31	598.13
Other reserves		
Capital Reserve (Refer Note 13.6)	19.97	19.97
Capital Redemption Reserve (Refer Note 13.7)	6.15	6.15
Securities Premium (Refer Note 13.5)	207.70	207.70
Statutory Reserve (Refer Note 13.4)	101.46	88.57
General Reserve (Refer Note 13.1)	346.30	346.30
Fair Value Through Other Comprehensive Income (FVTOCI) Reserve (Refer Note 13.3)	11.64	1.90
	1,332.53	1,268.72

Nature and purpose of reserves

Note 13.1 General Reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if dividend distribution in a given year is more than 10.00% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year. Consequent to introduction of Companies Act, 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss to the General reserves.

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	346.30	346.30
Additions during the year	-	-
Balance at the end of the year	346.30	346.30

Note 13.2 Retained Earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported below are not distributable in entirety.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	598.13	559.09
Profit for the year	64.40	61.72
Dividend payout for the year - Equity	(10.33)	(10.33)
Transfer to Statutory Reserve	(12.89)	(12.35)
Balance at the end of the year	639.31	598.13

Note 13.3 FVTOCI Reserve

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	1.90	2.18
Fair Valuation of FVTOCI Investments	9.74	(0.28)
Balance at the end of the year	11.64	1.90

Note 13.4 Statutory Reserve

As per the requirements of Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC is required to transfer 20% of the total profits after tax for the year to a specific reserve by name of Statutory Reserve. The Company based on the above regulation transferred an amount equivalent to 20% of the total profits after tax for the current year to such reserve.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	88.57	76.22
Transfer into reserve	12.89	12.35
Balance at the end of the year	101.46	88.57

Note 13.5 Securities Premium

Securities premium is used to record the premium on issue of shares. This can be utilised only for specific purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	207.70	207.70
Additions pursuant to shares issued on account of exercise of ESOP	-	-
Balance at the end of the year	207.70	207.70

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 13.6 Capital Reserve

Capital Reserve represents the amount that has been received as a capital grant from the Government of Maharashtra for the set up of a unit in 2008-09 based on the fulfilment of certain conditions in connection with the set up of such unit. Pursuant to the Scheme of Arrangement for demerger in FY 2016-17, this amount has been retained in the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	19.97	19.97
Additions during the year	-	-
Balance at the end of the year	19.97	19.97

Note 13.7 Capital Redemption Reserve

Capital redemption reserve represents the amount equal to the nominal value of shares that were redeemed during the prior years. The reserve can be utilized only for specific purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	6.15	6.15
Additions during the year	-	-
Balance at the end of the year	6.15	6.15

Note 13.8 Proposed dividend

The Board of Directors of the Company at their meeting held on May 9, 2025, have recommended a dividend of 130% being ₹1.30 per equity share of face value of ₹1/- of the Company, for the year ended March 31, 2025 which is subject to approval by the shareholders at the ensuing Annual General Meeting.

Note 14. Revenue from Operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest Income on:		
- Bank Deposits	1.32	1.22
Dividend Income from		
- Subsidiaries	74.58	74.58
- Joint Venture	0.30	0.25
- Others (₹24,000 only, previous year ₹21,000 only)	-	-
Service Income		
- Brand fee	10.00	9.95
	86.20	86.00

Note 14.1. Type of Service

Total revenue from contracts with customers - Brand fee	10.00	9.95
Geographical markets		
India	10.00	9.95
Outside India	-	-
Total revenue from contracts with customers	10.00	9.95
Timing of revenue recognition		
Services transferred at a point in time	-	-
Services transferred over time	10.00	9.95

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

For the income that has been received during the year, there are no contract assets / contract liabilities that are outstanding as at March 31, 2025 (Previous year - NIL)

Note 14.2 Information about Company's performance obligation

The performance obligation with respect to brand fee is rendered over annual periods through the contract term.

Note 15. Finance Costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on financial liabilities measured at amortised cost		
- Debt Securities	-	3.63
	-	3.63

Note 16. Employee Benefit Expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, allowances and Bonus	1.82	1.60
Contribution to Employees' provident fund	0.02	0.02
Gratuity expense	0.02	0.01
	1.86	1.63

Note 17. Other Expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rent	0.02	0.01
Insurance	0.03	0.02
Travelling and Conveyance	0.02	0.02
Advertisement Expenses	0.05	0.04
Printing, Stationery	0.02	0.02
Auditors' Remuneration	0.25	0.22
Professional & Legal Expenses	0.28	0.31
Listing and filing fee	0.08	0.07
Information Technology Expenses	0.06	0.06
Directors Fees, allowances and expenses	0.91	0.91
Other expenses	0.02	0.04
	1.74	1.72

Note 17.1 Auditors' Remuneration

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
As Auditor:		
Statutory Audit & Audit of Consolidated Financial Statements	0.15	0.15
Tax Audit	0.01	0.01
Limited Reviews	0.03	0.03
Other Services / Certification / OPE	0.06	0.03
Total	0.25	0.22

Auditor's remuneration for the year ended March 31, 2025 includes remuneration to predecessor auditor of the company - ₹0.08 cr

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 17.2 The Company is not required to spend any amount towards Corporate Social Responsibility (CSR) expenditure as per the computation u/s 135 (5) of the Companies Act, 2013.

Note 18. Fair value of financial instruments not measured at fair value

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities

Particulars	Carrying Value		Fair Value	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets				
Cash and Cash Equivalents	0.78	8.49	0.78	8.49
Bank balances other than cash and cash equivalents	63.77	0.49	63.77	0.49
Investments	1,276.14	1,276.14	58,588.03	44,626.49
Other Financial Assets	-	0.02	-	0.02
Total	1,340.69	1,285.14	58,652.58	44,635.49
Financial liabilities				
Debt Securities	-	-	-	-
Other Payables				
a) Total outstanding dues of micro and small enterprises	-	-	-	-
b) Total outstanding dues of creditors other than micro and small enterprises	0.83	0.85	0.83	0.85
Other Financial Liabilities	0.45	0.54	0.45	0.54
Total	1.28	1.39	1.28	1.39

The management of the Company assessed that fair value of cash and cash equivalents including bank balances, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of quoted equity investments are derived from quoted market prices in active markets.
- The fair value of borrowings is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return, adjusted for the Credit spread considered by the lenders for instruments of the similar maturity.

Note 18.1 - Fair Values Hierarchy

a) Financial Assets carried at Fair Values

This note provides information about how the Company determines fair value of various financial assets. Fair value of the Company's financial assets that are measured at fair value on a recurring basis.

Some of the Company's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used)

Particulars	Fair Value as at		Fair Value Hierarchy	Valuation Techniques & key inputs used
	March 31, 2025	March 31, 2024		
Asset measured at fair value	0.61	0.80	Level 1	Quoted bid price in an active market. Refer Note (a)
Investments in quoted equity instruments at FVTOCI	1.96	-	Level 2	
Investments in unquoted equity instruments at FVTOCI	12.01	2.37	Level 3	Fair Valuation through methods prescribed under Ind AS 109. Refer Note (b)

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Based on management's assessment, Investment in certain equity instrument have been transferred from Level 1 to Level 2 based on the volume of transactions and other market observable inputs.

Note:

- (a) These investments in equity instruments are not for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the Management believes that this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss.
- (b) These investment in equity are not significant in value and hence additional disclosures are not presented.

Note 18.2 Summary of Financial assets and liabilities which are recognised at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Financial Assets		
Cash and Cash Equivalents	0.78	8.49
Bank balances other than cash and cash equivalents	63.77	0.49
Other Financial Assets	-	0.02
Financial Liabilities		
Trade & Other Payables	0.83	0.85
Other Financial Liabilities	0.45	0.54

Note 19. Maturity Analysis

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	Maturity			Maturity		
	As on March 31, 2025	Current	Non -Current	As on March 31, 2024	Current	Non -Current
Financial Assets						
Cash and Cash Equivalents	0.78	0.78	-	8.49	8.49	-
Bank balances other than cash & cash equivalents	63.77	63.77	-	0.49	0.49	-
Investments	1,290.72	-	1,290.72	1,279.31	-	1,279.31
Other Financial Assets	-	-	-	0.02	0.02	-
Total Financial Assets	1,355.27	64.55	1,290.72	1,288.31	9.00	1,279.31
Non Financial Assets						
Current tax assets (Net)	-	-	-	0.52	-	0.52
Intangible Assets	0.05	-	0.05	0.06	-	0.06
Other non-financial assets	0.13	-	0.13	6.00	-	0.26
Total Non Financial Assets	0.18	-	0.18	6.58	-	0.84
Financial Liabilities						
Debt Securities	-	-	-	-	-	-
Other Payables						
a) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
b) Total outstanding dues of creditors other than micro and small enterprises	0.83	0.83	-	0.85	0.85	-
Other Financial Liabilities	0.45	0.39	0.06	0.54	0.49	0.05
Total Financial Liabilities	1.28	1.22	0.06	1.39	1.34	0.05
Non Financial Liabilities						

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Maturity			Maturity		
	As on March 31, 2025	Current	Non -Current	As on March 31, 2024	Current	Non -Current
Current tax liabilities (net)	0.93	0.93	-	-	-	-
Deferred tax liabilities (net)	1.83	-	1.83	0.18	-	0.18
Provisions	0.06	-	0.06	0.04	-	0.04
Other non-financial liabilities	0.04	0.04	-	0.04	0.04	-
Total Non Financial Liabilities	2.86	0.97	1.89	0.26	0.04	0.22

Note 19.1 Analysis of Financial Assets and Financial Liabilities by remaining contractual maturities

Particulars	Upto 1 Month	1 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
As on March 31, 2025						
Financial Assets						
Cash and Cash Equivalents	0.78	-	-	-	-	0.78
Bank balances other than cash and cash equivalents	63.77	-	-	-	-	63.77
Investments	-	-	-	-	1,290.72	1,290.72
Other Financial Assets	-	-	-	-	-	-
Total Undiscounted Financial Assets	64.55	-	-	-	1,290.72	1,355.27
Financial Liabilities						
Borrowings (Debt Securities)	-	-	-	-	-	-
Other Payables						
a) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
b) Total outstanding dues of creditors other than micro and small enterprises	0.15	0.68	-	-	-	0.83
Other Financial Liabilities	0.40	-	-	0.05	-	0.45
Total Undiscounted Financial Liabilities	0.55	0.68	-	0.05	-	1.28

Particulars	Upto 1 Month	1 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
As on March 31, 2024						
Financial Assets						
Cash and Cash Equivalents	8.49	-	-	-	-	8.49
Bank balances other than cash and cash equivalents	0.49	-	-	-	-	0.49
Investments	-	-	-	-	1,279.31	1,279.31
Other Financial Assets	-	0.02	-	-	-	0.02
Total Undiscounted Financial Assets	8.98	0.02	-	-	1,279.31	1,288.31
Financial Liabilities						
Borrowings (Other than Debt Securities)	-	-	-	-	-	-
Other Payables						
a) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
b) Total outstanding dues of creditors other than micro and small enterprises	0.04	0.81	-	-	-	0.85
Other Financial Liabilities	0.49	-	-	0.05	-	0.54
Total Undiscounted Financial Liabilities	0.53	0.81	-	0.05	-	1.39

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 20. Significant accounting judgements, estimates and assumptions:

The preparation of the Company's financial statements requires management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, the management has made the following judgement /estimate, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Note 21. Disclosure in respect of Related Parties

Note 21.1. List of Related Parties

Sl. No.	Nature of relationship	Name of the related parties
1	Subsidiary & Associate Companies	(i) Cholamandalam Investment and Finance Company Limited (CIFCL) (Subsidiary) * (ii) Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited) (Subsidiary of CIFCL) (iii) Cholamandalam Securities Limited (Subsidiary of CIFCL) (iv) Payswiff Technologies Private Limited (Joint Venture of CIFCL) (v) Vishvakarma Payments Private Limited (Associate of CIFCL) (vi) Paytail Commerce Private Limited (Associate of CIFCL) (upto March 21, 2024) (vii) Cholamandalam MS General Insurance Company Limited (Subsidiary)
2	Entity having Significant influence	(i) Ambadi Investments Limited
3	Subsidiaries of Entity having significant influence	(i) Parry Enterprises India Limited (ii) Parry Agro Industries Limited
4	Joint Venture	(i) Cholamandalam MS Risk Services Limited
5	Key Management Personnel (KMP) (Pursuant to Companies Act, 2013)	(i) Mr. N. Ganesh - Manager & Chief Financial Officer (ii) Ms. E. Krithika - Company Secretary
6	Non-Executive Directors	(i) Mr. M. M. Murugappan (ii) Mr. Sridharan Rangarajan (iii) Mr. B Ramaratnam (iv) Ms. Vasudha Sundararaman (v) Mr. Vellayan Subbiah (vi) Mr. K. Balasubramanian
7	Promoter and Promoter Group (Refer Note 12f for list of parties)	

* The Company holds 44.34% of the total shareholding in CIFCL as at March 31, 2025 (44.39% as at March 31, 2024) and has de-facto control as per the principles of Ind AS 110 'Consolidated Financial Statements' and accordingly CIFCL has been considered as a subsidiary in these Financial Statements.

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 21.2. During the year, the following transactions were carried out with the related parties in the ordinary course of business:

Transaction	Name of the related parties	Year ended March 31, 2025	Year ended March 31, 2024
Dividend Received	Cholamandalam Investment and Finance Company Limited	74.58	74.58
	Cholamandalam MS Risk Services Limited	0.30	0.25
Dividend Payment	Ambadi Investments Limited ¹	3.89	3.89
	Non-Executive Directors ²	0.05	0.01
	Promoter and Promoter Group (Other than 1 & 2 above)	0.95	1.10
Deputation charges for KMP	Cholamandalam Investment and Finance Company Limited	1.41	1.25
Remuneration to KMP	Ms. E Krithika, Company Secretary	0.45	0.38
Services availed	Cholamandalam Investment and Finance Company Limited	0.09	0.09
	Cholamandalam Securities Limited	0.004	0.0008
	Cholamandalam MS Risk Services Limited	0.05	0.04
	Cholamandalam MS General Insurance Company Limited	0.006	0.005
Brand fee Income	Cholamandalam MS General Insurance Company Limited	10.00	9.95
Commission and sitting fees	Non-executive directors	0.91	0.91

There is no payable/ receivable outstanding as at the year ended March 31, 2025 & March 31, 2024.

Note 22. Earnings Per Share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit after tax	64.40	61.72
Weighted average number of shares		
- Basic	18,77,77,462	18,77,77,462
- Dilutive impact on account of options	-	-
- Diluted	18,77,77,462	18,77,77,462
Earnings per share (face value of ₹1 each)		
- Basic	3.43	3.29
- Diluted	3.43	3.29

Note 23. Contingent Liabilities

Contested claims not provided for:

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax matters where the Company has gone on appeal	1.36	1.36

Note 24. Reconciliation of Tax Expense and the Accounting Profit:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before income tax (A)	82.57	79.01
Corporate tax on accounting profit before tax @ 25.17% (Previous year 25.17%) (B)	20.78	19.89
Adjustments to accounting profit:		
Deduction under section 57 of the Income tax Act (C)	-	(3.63)
Deductions under section 80M of the Income tax Act (D)	(10.33)	(10.33)
Other disallowances of the Income tax Act (E)	0.07	3.67
Deduction towards depreciation under the Income Tax Act (F)	(0.03)	(0.02)
Total adjustments to accounting profit (G=C+D+E+F)	(10.29)	(10.31)
Tax on above total adjustments @ 25.17% (Previous year 25.17%) (H = G * Tax rate)	(2.58)	(2.60)
Net Effective Income Tax (I = B-H)	18.20	17.29

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 25. Financial Risk Management

The Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through a risk management framework, including ongoing identification, measurement and monitoring subject to risk limits and other controls. The Company's activities expose it to credit risk, liquidity risk and market risk.

This note explains the sources of risk which the Company is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets measured at amortised cost and fair value through profit or loss and other comprehensive income, such as investments etc.,	Credit ratings	Setting limits on the amount of acceptable risk, diversification of investment limits, monitoring of counterparties basis credit rating.

The Board of Directors provide guiding principles for overall risk management, as well as policies covering specific areas, such as credit risk, liquidity risk and investment of available funds.

Note 25.1. Credit risk

The Company being a Core Investment Company, credit risk refers to the risk that a counter party may default on its contractual obligations leading to a financial loss to the Company. Credit risk primarily arises from cash and cash equivalents, financial assets measured at amortised cost and financial assets measured at fair value through profit or loss.

Note 25.2. Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. The Company has developed internal control processes and contingency plans for managing liquidity risk.

The Company's principal sources of liquidity are "cash and cash equivalents" and cash flows that are generated from operations. The Company believes that its working capital is sufficient to meet the financial liabilities within maturity period. Additionally, the Company has invested its surplus funds in fixed income securities or instruments of similar nature thereby ensuring safety of capital and availability of liquidity as and when required.

Refer Note 19.1 for the summary of maturity profile of undiscounted cashflows of the Company's financial assets and financial liabilities as at reporting period.

The Leverage Ratio is 0.0002 as at March 31, 2025 (0.0001 as at March 31, 2024) as against the regulatory cap of 2.5

Note 25.3. Interest rate risk

Interest rate risk is the fair value of future cash flows of a financial instrument which fluctuates because of changes in the market interest rates.

Note 25.4. Price risk

The Company's exposure to equity securities risk arises from investments held by the Company.

Majority of the Company's investment are publicly traded in the NSE and BSE.

As regards investments in unlisted privately held companies, the fair valuations are largely dependent on the investee Company's ability to achieve desired outcomes which measure the performance of the Company and bear out the valuation of its ownership interests. Hence, these are also exposed to market / operational risks of the investee companies.

Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios to support its core investment activity and to maximize shareholder value.

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are reviewed on a periodic basis.

The Capital Ratio is 1999.12% as at March 31, 2025 (1763.36% as at March 31, 2024) as against the regulatory minimum of 30%.

Note 26. Changes in Liabilities arising from Financing Activities

Particulars	March 31, 2024	Cash Flow (adjusted for processing charges)	March 31, 2025
Debt Securities	-	-	-

Particulars	March 31, 2023	Cash Flow (adjusted for processing charges)	March 31, 2024
Debt Securities	49.94	(49.94)	-

Note 27. Segment reporting

The Company's main business is to invest in securities of group companies for strategic purposes. All other activities of the Company revolve around the main business. As such there are no separate reportable segments.

Note 28. Additional Information as required by Reserve Bank of India, Master Direction - Core Investment Companies (Reserve Bank) Directions, RBI/DNBR/2016-17/39, Master Direction DNBR. PD. 003/03.10.119/2016-17, August 25, 2016, DOR (NBFC). CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 & DoR (NBFC) (PD) CC. No. 117/03.10.001/2020-21 dated August 13, 2020, DOR.ACC.REC.No.20/21.04.018/2022-23, April 19, 2022, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023.

These disclosures have been prepared based on standalone financial statements in line with Reserve Bank of India notification dated March 13, 2020.

Sl. No.	Particulars	As at March 31, 2025		As at March 31, 2024	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	Liabilities:				
28.1	Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid:				
(a)	Debentures				
	- Secured	-	-	-	-
	- Unsecured	-	-	-	-
	(other than falling within the meaning of public deposits)				
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans	-	-	-	-
(d)	Inter-Corporate Loans and Borrowings	-	-	-	-
(e)	Commercial Paper	-	-	-	-
(f)	Other Loans	-	-	-	-
	* Please see Note 1 below				
	Assets:				
28.2	Break-up of Loans and Advances including Bills Receivables [other than those included in (4) below]:				
(a)	Secured	-	-	-	-
(b)	Unsecured	-	-	-	-
28.3	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities				
(i)	Lease assets including lease rentals under Sundry Debtors:				
(a)	Financing lease	-	-	-	-
(b)	Operating lease	-	-	-	-

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Sl. No.	Particulars	As at March 31, 2025		As at March 31, 2024	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	(ii) Stock on hire including hire charges under Sundry Debtors:				
	(a) Assets on hire	-	-	-	-
	(b) Repossessed assets	-	-	-	-
	(iii) Other loans counting towards asset financing activities				
	(a) Loans where assets have been repossessed	-	-	-	-
	(b) Loans other than (a) above	-	-	-	-

Note 28.4 Break-up of Investments:

Particulars	Year ended March 31, 2025 Amount outstanding	Year ended March 31, 2024 Amount outstanding
Current Investments:		
1. Quoted:		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
Long-term Investments:		
1. Quoted:		
(i) Shares : (a) Equity	1,012.48	1,010.71
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares : (a) Equity	278.24	268.60
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 28.5 Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	As at March 31, 2025			As at March 31, 2024		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	-	-	-	-	-	-
Total	-	-	-	-	-	-

Note 28.6 Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted):

Particulars	As at March 31, 2025		As at March 31, 2024	
	Market value / Break up or fair value or NAV (Refer Note below)	Book value (net of provisions)	Market value / Break up or fair value or NAV (Refer Note below)	Book value (net of provisions)
1. Related parties				
(a) Subsidiaries	58,563.66	1,275.15	44,605.28	1,275.15
(b) Companies in the same group		-	-	-
Joint Venture	24.37	0.99	21.21	0.99
Others	14.58	14.58	3.17	3.17
(c) Other related parties	-	-	-	-
2. Other than related parties	-	-	-	-
Total	58,586.36	1,290.72	44,629.66	1,279.31

Note:

Quoted investments are at market value and unquoted investments are at break up/fair value/NAV irrespective of whether they are classified as long term or current.

Note 28.7 Other information

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt	-	-

Note 28.8 Components of Adjusted Net Worth (ANW) and other related information

Particulars	As at March 31, 2025	As at March 31, 2024
(i) ANW as a % of Risk Weighted Assets	1999.12%	1763.36%
(ii) Unrealized appreciation in the book value of quoted investments	24,504.43	21,298.27
(iii) Diminution in the aggregate book value of quoted investments	-	0.04
(iv) Leverage Ratio	0.0002	0.0001

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 28.9 Investment in Other CICs

Particulars	As at March 31, 2025	As at March 31, 2024
a. Total amount representing any direct or indirect capital contribution made by one CIC in another CIC (including name of CICs)	-	-
b. Number of CICs with their names wherein the direct or indirect capital contribution exceeds 10% of Owned Funds	-	-
c. Number of CICs with their names wherein the direct or indirect capital contribution is less than 10% of Owned Funds	-	-

Note 28.10 Off Balance Sheet Exposure

Particulars	As at March 31, 2025	As at March 31, 2024
i. Off balance sheet exposure	-	-
ii. Financial Guarantee as a % of total off balance sheet exposure	-	-
iii. Non-Financial Guarantee as a% of total off balance sheet exposure	-	-
iv. Off balance sheet exposure to overseas subsidiaries	-	-
v. Letter of Comfort issued to any subsidiary	-	-

Note 28.11 Investments

Particulars	As at March 31, 2025	As at March 31, 2024
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	1,290.72	1,279.31
(b) Outside India	-	-
(ii) Provision for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	1,290.72	1,279.31
(b) Outside India	-	-
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off / write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

Note 28.12 Asset Liability Management - Maturity pattern of certain Assets and Liabilities as of March 31, 2025 (Figure in brackets represents amounts as at March 31, 2024)

Particulars	1 to 7 days	8-14 days	15 to 30 / 31 days	1-2 months	2-3 months	6 months- 1 year	1- 3 years	3 - 5 years	Over 5 years	Total
Advances	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	1,290.72	1,290.72
	-	-	-	-	-	-	-	-	(1,279.31)	(1,279.31)
Borrowings	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 28.13 Business ratios

Particulars	As at March 31, 2025	As at March 31, 2024
Return on Equity (RoE) (PAT/Total Equity) (%)	4.77	4.79
Return on Assets (RoA) (PAT/Total Assets) (%)	4.75	4.79
Net profit per employee (₹ in crs) (PAT / No. of employees)	32.20	30.86

Note 28.14 Provisions and Contingencies (Impairment of financial instruments)

Particulars	2024-25	2023-24
Investment written off	-	-
Provision towards Non Performing Assets	-	-
Provision made towards Income tax	-	-
Other Provision and Contingencies	-	-
Provision for Standard Assets	-	-

Note 28.15 Concentration of Non Performing Assets (NPAs) – Nil for current and previous year.

Note 28.16 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad) – Nil for current and previous year

Note 28.17 Public disclosure on liquidity risk

- (i) Funding concentration based on significant counterparty (both deposits and borrowings) – Not applicable for current and previous year.
- (ii) Top 20 large deposits (amount and % of total deposits) – Not applicable for current and previous year
- (iii) Top 10 borrowings (amount and % of total borrowings) – Not applicable for current and previous year
- (iv) Funding concentration based on significant instrument / product – Not applicable for current and previous year
- (v) Stock ratios: Ratios relating to Commercial papers and Non-convertible debentures are not applicable for current and previous years.

Particulars	As of March 31, 2025	As of March 31, 2024
Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets		
Other Short-term liabilities as a % of total public funds	0.00%	0.00%
Other Short-term liabilities as a % of total liabilities	31.88%	86.67%
Other Short-term liabilities as a % of total assets	0.10%	0.11%

(vi) Institutional set-up for liquidity risk management:

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. The Company has developed internal control processes and contingency plans for managing liquidity risk.

The Company's principal sources of liquidity are "cash and cash equivalents" and cash flows that are generated from operations. The Company believes that its working capital is sufficient to meet the financial liabilities within maturity period. Additionally, the Company has invested its surplus funds in fixed income securities or instruments of similar nature thereby ensuring safety of capital and availability of liquidity as and when required.

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 28.18 - The following disclosures are based on RBI circular DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022

Section – I

A) Exposure

1) Exposure to real estate sector

The Company does not have any exposure to real estate in the current year as well as previous year.

2) Exposure to capital market

Particulars	As of March 31, 2025	As of March 31, 2024
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	1,290.72	1,279.31

The Company does not have any exposure for the items required in sl no. (ii) to (x) of the circular in both the years.

3) Sectoral exposure

The Company is not into lending activity and hence the exposure is NIL in both the years.

4) Intra-group exposures

The Company does not have any intra group loan exposure in both the years.

5) Unhedged foreign currency exposure

The Company does not have any foreign currency exposure in both the years.

6) Derivatives

The Company does not have any derivatives exposure in both the years.

B) Related Party Disclosure

Items/ Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	FY 24-25	FY 23-24	FY 24-25/as at March 31, 2025	FY 23-24/as at March 31, 2024	FY 24-25	FY 23-24	FY 24-25	FY 23-24	FY 24-25	FY 23-24	FY 24-25	FY 23-24	FY 24-25	FY 23-24
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	1,275.15	1,275.15	0.99	0.99	-	-	-	-	14.58	3.17	1,290.72	1,279.31
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend received	-	-	74.58	74.58	0.30	0.25	-	-	-	-	-	-	74.88	74.83
Brand fee	-	-	10.00	9.95	-	-	-	-	-	-	-	-	10.00	9.95
Dividend paid	3.89	3.89	-	-	-	-	-	-	-	-	1.00	1.11	4.89	5.00
Others	-	-	0.09	0.09	0.04	0.04	1.86	1.63	-	-	0.97	0.93	2.96	2.69

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

C) Disclosure of complaints

1) Summary information on complaints received by the company from customers and from the Officers of Ombudsman

The company does not have any customer interface and hence this disclosure is not applicable for it.

2) Top five grounds of complaints received by the company from the customers

The company does not have any customer interface and hence this disclosure is not applicable for it.

Section II

A) Breach of covenant

Not applicable as the company does not have any borrowing as at the end of current and previous year.

B) Divergence in Asset Classification and Provisioning

The company does not have any loan exposure and hence the divergence in Asset Classification and Provisioning does not apply to it.

Note 29. Details of group entities that are not consolidated in the Ind AS Consolidated Financial Statements

Name of the Entity/Type of business	Based on latest available audited financials						Type of exposure in the entity
	Size of Assets as at		Debt Equity Ratio as at		PAT		
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	2024-25	2023-24	
Carborundum Universal Limited / Manufacturing	2,866.37	2,592.05	Nil	Nil	321.61	350.35	Equity
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	2023-24	2022-23	
Murugappa Management Services Private Limited / Service (#)	19.98	23.62	Nil	Nil	(0.33)	1.49	Equity
Kartik Investments Trust Limited / Financial Services (#)	5.30	4.73	Nil	Nil	(0.56)	(2.42)	Equity

(#) Since current year figures are not published, previous years figures are disclosed.

Note 30. Additional Disclosures Under Schedule III Division III of Companies Act, 2013

Note 30.1 Part I - Ageing Analysis

Note 30.1.1. Trade Payables & other payables ageing as at March 31, 2025 (figures in brackets represents ageing as at March 31, 2024)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises	-	-	-	-	-
(ii) Others	0.83 (0.85)	-	-	-	0.83 (0.85)
(iii) Disputed dues – Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	0.83 (0.85)	- -	- -	- -	0.83 (0.85)

Notes to Standalone Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

As at March 31, 2025 and March 31, 2024 there is no interest paid or payable to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. This Information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 30.2. Part II – Other disclosures

Note 30.2.1. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Note 30.2.2. The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.

Note 30.2.3. As per the information available with the Company, the Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Note 30.2.4. There has been no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

Note 30.2.5. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries)
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 30.2.6. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 30.2.7. Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2025

Note 31. Events after reporting date

There have been no events after the reporting date that require disclosure in the financial statements.

Note 32. Prior Period Comparatives

Previous year figures have been regrouped / re-classified wherever necessary to conform to current year's classification.

As per our report of even date

For R.G.N. Price & Co.,
Chartered Accountants
ICAI Firm Regn No.002785S

For and on behalf of the Board of Directors

K Venkatakrishnan
Partner
Membership No: 208591

Sridharan Rangarajan
Director
DIN:01814413

B Ramaratnam
Director
DIN:07525213

Date : May 9, 2025
Place : Chennai

E Krithika
Company Secretary

N Ganesh
Manager & Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of Cholamandalam Financial Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Cholamandalam Financial Holdings Limited (hereinafter referred to as the "Company" / "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate / consolidated financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at March 31, 2025, its consolidated profit and consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report.

We are independent of the Group and its joint venture company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate with respect to the Holding Company.

We have reproduced the key audit matters determined and communicated by the auditors of two subsidiary companies in their audit reports.

A. In connection with the subsidiary company – Cholamandalam Investments and Finance Company Limited ('CIFCL'):

S No	Key Audit Matter Description	How audit addressed the key audit matter
1	Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 11 of the consolidated financial statements) The loan balances towards vehicle finance, home loans, loans against property and other loans aggregating to INR 1,85,448.52 crores and the associated impairment allowances aggregating to INR 3,410.88 crores are significant to the consolidated financial statements and involves judgement around the determination of the impairment allowance in line with the requirements of the Ind AS 109 "Financial Instruments". Impairment allowances represent management's estimate of the losses incurred within the loan portfolios at the balance sheet date and are inherently judgmental. Impairment, based on ECL model, is calculated using main variables, viz. 'Staging', 'Exposure at Default', 'Probability of Default' and 'Loss Given Default' as specified under Ind AS 109. Quantitative factors like days past due, behaviour of the portfolio, historical losses incurred on defaults and macro- economic data points identified by the Management's expert and qualitative factors like nature of the underlying loan, deterioration in credit quality, correlation of macro-economic variables to determine expected losses, uncertainty over realisability of security, judgement in relation to management overlays and related Reserve Bank of India (RBI) guidelines, to the extent applicable, etc. have been taken into account in the ECL computation. Given the inherent judgmental nature and the complexity of model involved, we determined this to be a Key Audit Matter.	The audit procedures performed by us to assess appropriateness of the impairment allowance based on ECL on loans included the following: - We understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over: i. the assumptions used in the calculation of ECL and its various aspects such as determination of Probability of Default, Loss Given Default, Exposure at Default, Staging of Loans, etc. ii. the completeness and accuracy of source data used by the Management in the ECL computation and iii. ECL computations for their reasonableness. - We, along with the assistance of the auditor's IT expert, verified the appropriateness of methodology and models used by the Company and reasonableness of the assumptions used within the computation process to estimate the impairment provision. - We test-checked the completeness and accuracy of source data used. - We recomputed the impairment provision for a sample of loans across the loan portfolio to verify the arithmetical accuracy and compliance with the requirements of Ind AS 109. - We evaluated the reasonableness of the judgement involved in management overlays that form part of the impairment provision, and the related approvals. - We evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the consolidated financial statements.
2.	Audit in an Information Technology (IT) enabled environment – including considerations on exceptions identified in IT Environment. The IT environment of the entity involves a few independent and inter-dependent IT systems used in the operations of the entity for processing and recording of the business transactions. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the entity. Appropriate IT general controls and IT application controls are required to ensure that such IT systems can process the data as required, completely, accurately, and consistently for reliable financial reporting.	Our audit procedures with respect to this matter included the following: - In assessing the controls over the IT systems, we have involved our Technology Assurance specialists to obtain an understanding of the IT environment, IT infrastructure and IT systems. - With respect to the "In-scope IT systems" identified as relevant to the audit of the consolidated financial statements and financial reporting process of the entity, we have evaluated and tested relevant IT general controls or relied upon service auditor's report, where applicable. - On such "In-scope IT systems", we have covered the key IT general controls with respect to the following domains:

S No	Key Audit Matter Description	How audit addressed the key audit matter
	We have identified certain key IT applications and the related IT infrastructure (herein after referred to as "In-scope IT systems"), which have an impact on the financial reporting process and the related controls as a key audit matter because of the increased level of automation; a few systems being used by the entity for processing financial transactions; the complexity of the IT architecture; and its impact on the financial records and financial reporting process of the entity.	• Program change management, which includes that program changes are moved to the production environment as per defined procedures and relevant segregation of environment is ensured. • User access management, which includes user access provisioning, de-provisioning, access review, password management, sensitive access rights and segregation of duties to ensure that privileged access to applications, operating system and databases in the production environment were granted only to authorized personnel. • Other areas that were assessed under the IT control environment included backup management, business continuity and disaster recovery, incident management, batch processing and monitoring, cybersecurity controls, end user computing and physical security and datacentre controls. • We have also evaluated the design and tested the operating effectiveness of key IT application controls within key business processes, which included testing automated calculations, automated accounting procedures, system interfaces, system reconciliation controls and key system generated reports, as applicable. • Where control deficiencies have been identified, we have tested a combination of compensating controls, remediated controls and/ or performed alternative audit procedures, where necessary.

B. In connection with the subsidiary company – Cholamandalam MS General Insurance Company Limited ('CMSGICL'):

S No	Key Audit Matter Description	How audit addressed the key audit matter
1.	Valuation of investments Please refer Note 2.13 to Schedule 16 to the financial statements - Accounting policy for Investments, Schedule 8 and 8A on investments and Note 5 to Schedule 16 on write off / provision for diminution in value of investments. We have considered this area as a key audit matter since the carrying value of investments as at March 31, 2025 of INR 18,564.64 crores accounts for 91% of total assets of the Company. The assessment of the carrying value of investments as on the reporting date involves significant judgement on the part of the management, which can materially impact the impairment loss and the profit for the year.	• Reviewed the accounting policies used by the Company for accounting and disclosing investments for compliance with the accounting framework and applicable IRDAI regulations. • Assessed the adequacy of internal controls, evaluated the design and tested the operating effectiveness of such controls for initial recognition, measurement, subsequent valuation and disclosure of investments as on the reporting date as per applicable regulations. • Verified the investment transactions during the year on a test check basis using statement of accounts, bank statements and other relevant documents. • Verified the existence of investments as at the reporting date through direct confirmation from the custodian. • Other substantive and analytical procedures were carried out to corroborate the management assertions pertaining to investments.

S No	Key Audit Matter Description	How audit addressed the key audit matter
		- Reviewed the process followed by the management of the Company in classification and valuation of investments and independently reperformed the valuation check on a sample basis to confirm their appropriateness. - Investments identified for impairment provisioning / write off by the management of the Company as per criteria set out in the investment policy of the Company are verified by independently assessing the risk of impairment loss and probability of realisation of investment value by considering publicly available information about the investee entities, directions issued by their regulators and IRDAI. Reviewed the basis of assessment used by the Company's Investment committee and discussed the same with Chief Investment Officer and Chief Financial Officer. Checked the compliance with IRDAI prudential norms in validating the adequacy of impairment provision / write off.
2.	Valuation of outstanding claims ("OC") including claims incurred but not reported ("IBNR") and claims incurred but not enough reported ("IBNER") Please refer Schedule 2, Schedule 13(8) and Note No. 2.9 and Note no. 2.10 of Schedule 16 to the financial statements. We considered this as a key audit matter because the valuation of OC including IBNR and IBNER requires use of judgements and estimates. OC including IBNR/IBNER are estimates for settlement of claims in future which are impacted by a number of factors which includes trends in severity of historical claims, frequency and IRDAI regulations. In particular, the claims arising from death or disability covered under motor insurance contracts involves complex and subjective judgements about future events, both internal and external to the business, for which even a small change in assumptions can materially impact the valuation of these liabilities. Total OC including IBNR and IBNER provisions amounts to INR 9,990.83 crores (net of RI recoveries) as on March 31, 2025.	- Assessed and tested the operating effectiveness of key controls relating to the claims handling and reserving process, including controls over completeness and accuracy of the claim estimates recorded. - Substantive tests were performed on the amounts recorded for a sample of OC, which are material to assess whether claims are appropriately estimated and recorded. - Evaluated the competence, objectivity and independence of the Appointed Actuary appointed by the management of the Company in individual capacity on consultancy basis to review the adequacy of OC including IBNR and IBNER. - Tested the completeness and accuracy of underlying data provided by the management of the Company to the Appointed Actuary on a sample basis. - We have reviewed the certificate given by the Appointed Actuary and we had discussions with the Actuary about the assumptions used for their valuations and accordingly relied on the certificate given by the Actuary. - Assessed the adequacy of Company's related disclosures by reference to relevant accounting standards and IRDAI regulations.
3.	Contingent Liabilities: Please refer Note No. 3 of Schedule 16 to financial statements Total contingent liabilities as at March 31, 2025 is INR 187.72 crores. We have considered this as a key audit matter because the Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the outcome of these disputes.	- Obtained the pending tax demands listing as at March 31, 2025 from the management and reviewed the changes in litigation status as compared to previous year and obtained a detailed understanding of the disputes. - Reviewed Company's correspondences with tax authorities, legal counsels, grounds of appeal filed with various appellate authorities and industry position on various tax disputes. - Obtained confirmations from legal counsels / tax experts on the status of the outstanding tax demands. - Verified the adequacy of disclosures in the financial statements in this respect.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Board of Directors of the Holding Company is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, Annexure to Board's Report, Management Discussion and Analysis, Report on Corporate Governance and Business Responsibility and Sustainability Report but does not include the consolidated financial statements and our report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer 'Other Matters'), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Board of Directors of the Holding Company is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group and its joint venture in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the

Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its joint venture are responsible for assessing the ability of the Group and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint venture are responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls with reference to consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company have adequate internal financial controls over financial reporting system in place with reference to the financial statements and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management of the Holding Company.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Holding Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we

identify during our audit.

We also provide those charged with governance of the Holding Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Other Matters

- (i) The consolidated financial statements include the consolidated financial statements of one subsidiary which have been audited by other auditors, whose financial statements reflect total assets of INR 2,01,886.76 crores as at March 31, 2025, total revenue of INR 25,845.98 crores, net profit after tax of INR 4,262.70 crores and total comprehensive income of INR 4,121.61 crores for the year ended March 31, 2025 respectively, and net cash inflow of INR 4,434.01 crores for the year ended March 31, 2025.
- (ii) The consolidated financial statements also include the share of net profit after tax of INR 3.20 crores for the year ended March 31, 2025, in respect of one joint venture company.

The financial statements of these companies have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these companies, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid companies is based solely on the reports of the such auditors and the procedures performed by us as stated in paragraph above.

- The Audited Financial Statements of one subsidiary (CMSGICL), which have been audited by us along with other joint statutory auditor, have been prepared in accordance with the accounting principles generally accepted in India

including the Accounting Standards specified under Section 133 of the Act read with relevant rules and requirements of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999 (as amended), the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment functions of Insurers) Regulations, 2024, Circulars / Orders / Directions issued by the Insurance Regulatory and Development Authority of India in this regard, to the extent applicable and other recognized accounting practices and policies.

The audit report of this subsidiary mentions that the auditors have relied on the estimate of the subsidiary's Management which has taken into consideration the Appointed Actuary's certificate on estimated claims Incurred But Not Reported (IBNR) and claims Incurred But Not Enough Reported (IBNER), that are estimated using statistical methods and Premium Deficiency Reserve (PDR), as contained in the consolidated financial statements. The Appointed Actuary has certified that the assumptions used for such valuation are in accordance with the Insurance Act, 1938 (as amended) and the regulations issued by the IRDAI and Institute of Actuaries of India in concurrence with IRDAI.

The Subsidiary's Management has converted the Financial Statements from Accounting Standards specified under the Act read with Companies (Accounting Standards) Rules, 2021 ("IGAAP") to comply with the recognition and measurement principles of Ind AS, including liability adequacy test as per Ind AS 104 based on the Appointed Actuary's certificate.

The consolidated financial statements include the Audited Financial Statements of the subsidiary after the conversion adjustments which reflect total assets of INR 23,436.03 crores as at March 31, 2025, total revenue of INR 7,677.12 crores, net profit after tax of INR 484.16 crores and total comprehensive income of INR 682.61 crores for the year ended March 31, 2025 respectively, and net cash outflows of INR 13.61 crores for the year ended March 31, 2025.

Our opinion in so far as it relates to the balances and affairs of the subsidiary is based on the reports issued by us along with other joint statutory auditor, reliance on the Appointed Actuary's certificate and the conversion adjustments prepared by the Subsidiary's Management and audited by us.

Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of the subsidiaries and joint venture as noted in the "Other Matters" paragraph, we report to the extent applicable that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act and read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) on the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of the subsidiaries and joint venture company, which are companies incorporated in India, none of the directors of the Holding Company, its subsidiaries and joint venture company are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) with respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph (b) above on reporting

under section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended);

- (g) with respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls of the Holding Company, its subsidiaries and a joint venture, incorporated in India, refer to our separate Report in "Annexure A";
- (h) in our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures, which are companies incorporated in India, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company, its subsidiaries and joint ventures, which are companies incorporated in India, to their directors in accordance with the provisions of section 197 read with Schedule V to the Act and section 34A of the Insurance Act as applicable;
- (i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. the consolidated financial statements disclose the impact, if any, of pending litigations on its consolidated financial position of the Group and its joint venture – Refer Note 41 to the consolidated financial statements;
 - ii. provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2025 – Refer Note 7 to the consolidated financial statements in respect of such items as it relates to the Group and joint venture;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, subsidiaries and a joint venture company, which are companies incorporated in India, during the year ended March 31, 2025;
 - iv. (a) the respective managements of the Holding Company, its subsidiaries and joint venture company, which are companies

incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of its subsidiaries and joint venture to or in any other person(s) or entity(ies), including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) the respective managements of the Holding Company, its subsidiaries and joint venture, which are companies incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of its subsidiaries and joint venture from any person(s) or entity(ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiaries and joint venture shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors

- of the subsidiaries and joint venture, which are companies incorporated in India, whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. (a) the final dividend declared for the previous year and paid by the Holding Company during the year is in accordance with Section 123 of the Act; and
- (b) the final dividend declared for the previous year and paid by a subsidiary and joint venture, which are companies incorporated in India, and whose financial statements have been audited under the Act, during the year is in accordance with section 123 of the Act, as applicable;
- (c) the interim dividend declared and paid by a subsidiary, which is a company incorporated in India, and whose financial statements have been audited under the Act, during the year is in accordance with section 123 of the Act;
- (d) the final dividend proposed for the current year by the Holding Company, a subsidiary and a joint venture, which are companies incorporated in India, and whose financial statements have been audited under the Act, is subject to the approval of the members of the Holding Company, a subsidiary and the joint venture at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks performed by us and that performed by respective auditors of the subsidiaries and joint venture, except for the instances mentioned below, the Holding Company, subsidiaries and joint venture have used accounting software for maintaining books of accounts which has a feature of recording audit trail facility (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the

above-referred subsidiaries and joint venture company did not come across any instance of audit trail feature being tampered with. The audit trail has been preserved, except for the instances mentioned below, by the Holding Company, above-referred subsidiaries and joint venture as per the statutory requirements for record retention.

Instances where audit trail was enabled through Change Data Capture (CDC) approach in a separate database to overcome the limitations in the respective applications in respect of a subsidiary	Six
Instance of a system without an audit trail functionality was discontinued during the year and replaced with another system in respect of a subsidiary	One
Instance of privilege access management control designed to log the changes at the database level did not operate effectively for part of the year in respect of a subsidiary	One
Instance where the audit trail was enabled during the year in respect of a joint venture of a subsidiary	One

2. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, according to the information and explanations given to us, and based on the CARO report issued by us for the Company and based on our consideration of CARO reports issued by respective auditors of the companies included in consolidated financial statements, we report that there are no qualifications or adverse remarks in the CARO reports.

For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Reg No: 002785S

K Venkatakrishnan
Partner
Membership No. 208591
UDIN: 25208591BMOGTC5484
Place: Chennai
Date: May 09, 2025

Annexure A to the Independent Auditor's Report

Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **Cholamandalam Financial Holdings Limited** ("the Company/Holding Company") on the consolidated financial statements for the year ended March 31, 2025, we report the following:

Independent Auditors' Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to consolidated financial statements of **Cholamandalam Financial Holdings Limited** as of March 31, 2025, its subsidiaries and its joint venture, which are companies incorporated in India, as of that date in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries and its joint venture to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on internal financial controls with reference to the consolidated financial statements based on our audit. Our audit is conducted in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated

financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the consolidated financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to the consolidated financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to the consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the consolidated financial statements includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the company and

- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the consolidated financial statements, including the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to the consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiaries and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to the consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

1. The actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (IBNR), Claims Incurred But Not Enough Reported (IBNER) and Premium Deficiency Reserve (PDR) is the responsibility of the Appointed

Actuary engaged by the Company in individual capacity on consultancy basis (the "Appointed Actuary"). The actuarial valuation of the outstanding claims reserves (IBNR and IBNER) that are estimated using statistical methods and PDR as at March 31, 2025 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. The said actuarial valuation of outstanding claims reserves (IBNR and IBNER) and PDR have been relied upon by us as mentioned in 'Other Matter' paragraph in our Audit Report on the financial statements for the year ended March 31, 2025. Accordingly, our opinion on the internal financial controls with reference to financial statements does not include reporting on the adequacy and operating effectiveness of the internal controls over the aforesaid actuarial liabilities.

2. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the consolidated financial statements insofar as it relates to two subsidiaries and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Reg No: 0027855

K Venkatakrishnan
Partner
Membership No. 208591
UDIN: 25208591BMOGTC5484
Place: Chennai
Date: May 09, 2025

Consolidated Balance Sheet

as at March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Financial Assets			
Cash and Cash Equivalents	6A	5,385.91	973.22
Bank balances other than Cash and Cash Equivalents	6B	4,293.94	3,575.26
Derivative financial instruments	7	203.32	247.82
Receivables			
i) Trade Receivables	8	204.19	214.17
ii) Other Receivables	8	66.15	140.50
iii) Insurance Contract Assets	9	606.18	435.80
iv) Reinsurance Assets	10A	1,688.43	1,438.01
Loans	11	1,82,037.64	1,44,462.65
Investment in Associates & Joint Venture	12A	483.27	476.94
Other Investments	12B	23,787.94	19,581.19
Other Financial Assets	13	780.26	703.21
		2,19,537.23	1,72,248.77
Non- Financial Assets			
Current tax assets		395.86	598.64
Deferred tax assets	14	928.55	824.46
Goodwill on Consolidation	49	42.72	42.72
Investment Property	15	28.96	28.96
Property, Plant and Equipment	16	1,900.84	1,669.63
Capital Work in Progress		3.69	-
Intangible assets	17	56.25	42.43
Intangible Assets under development		50.71	34.52
Reinsurance Assets	10B	1,282.49	1,154.05
Other Non-Financial Assets	18	388.65	236.40
		5,078.72	4,631.81
Asset classified as held for Sale - Investment	12B	-	37.09
TOTAL ASSETS		2,24,615.95	1,76,917.67
EQUITY AND LIABILITIES			
Financial Liabilities			
Derivative financial instruments	7	284.60	186.70
Payables			
(I) Trade Payables			
i) Total outstanding dues of micro and small enterprises	37	14.82	8.10
ii) Total outstanding dues of creditors other than micro and small enterprises		651.61	490.50
(II) Other Payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		1,622.82	1,323.02
(III) Other Insurers			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		746.09	713.28
Debt Securities	19	30,222.70	24,812.76
Borrowings (Other than Debt Securities)	20	1,33,791.98	1,04,511.13
Subordinated Liabilities	21	10,351.76	4,690.11

Consolidated Balance Sheet

as at March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Insurance Contract Liabilities	22	11,893.72	10,805.52
Other Financial Liabilities	22A	865.06	643.64
		1,90,445.16	1,48,184.76
Non-Financial Liabilities			
Current tax Liabilities		0.93	-
Deferred tax Liabilities		1.83	0.18
Provisions	23	248.34	218.09
Insurance Contract Liabilities	24	6,786.87	6,219.79
Other Non-Financial Liabilities	24	183.73	170.83
		7,221.70	6,608.89
Equity			
Equity share capital	25	18.78	18.78
Other Equity	26	12,496.50	10,222.95
		12,515.28	10,241.73
Non Controlling Interest	46	14,433.81	11,882.29
		26,949.09	22,124.02
TOTAL EQUITY AND LIABILITIES		2,24,615.95	1,76,917.67

The accompanying notes are forming part of the Consolidated Financial Statements

This is the Consolidated Balance Sheet referred to in our report of even date.

For R.G.N. Price & Co.,
Chartered Accountants
ICAI Firm Regn No.002785S

For and on behalf of the Board of Directors

K Venkatakrisnan
Partner
Membership No: 208591

Sridharan Rangarajan
Director
DIN:01814413

B Ramaratnam
Director
DIN:07525213

Date : May 9, 2025
Place : Chennai

E Krithika
Company Secretary

N Ganesh
Manager & Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from Operations			
- Interest Income	27A	24,855.22	18,620.11
- Dividend Income	27D	24.61	18.23
Gross Premium	27C	8,004.67	7,041.35
Premium ceded to reinsurers (net)		(2,220.05)	(1,967.25)
- Net Premium		5,784.62	5,074.10
- Fee & Commission income	27B	1,973.55	1,566.99
- Net gain on derecognition of financial instruments under amortised cost category	36.1 (B)	159.04	-
- Net gain on Fair value change on financial instruments	27E	324.78	499.68
- Service Income	27F	3.51	24.41
Total Revenue from operations (I)		33,125.33	25,803.52
Other income (II)	28	334.59	283.24
Total Income (III) = (I) + (II)		33,459.92	26,086.76
Expenses			
- Finance costs	29	12,494.06	9,249.46
- Insurance Claims (net of re-insurance)	30	4,297.53	3,874.02
- Impairment of Financial Instruments	31	2,452.22	1,308.67
- Employee benefits expense	32	3,790.20	2,994.16
- Depreciation and amortisation expense	16,17	295.73	247.54
- Other expenses	33	3,730.62	3,213.08
Total Expenses (IV)		27,060.36	20,886.93
Profit before tax (V) = (III) - (IV)		6,399.56	5,199.83
Tax expense/(benefit)			
Current tax			
- Pertaining to profit for the current year		1,853.58	1,327.26
- Adjustment of tax relating to earlier years		(64.73)	(13.51)
Deferred tax	14	(123.27)	47.60
Net tax expense (VI)	35	1,665.58	1,361.35
Profit before share of profit/(loss) of Associates & Joint Venture - A = (V) - (VI)		4,733.98	3,838.48
Share of profit/(loss) of Associates & Joint venture (net) - after tax (B)		5.90	12.08
Profit for the year - (C) = (A) + (B)		4,739.88	3,850.56
Other Comprehensive income - Gain/(Loss)			
i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains and (losses) on defined benefit obligations (net)		(10.62)	(7.18)
Tax on above adjustments		2.67	1.81
Net gain/(loss) on FVTOCI equity securities		11.41	(11.13)
Tax on above adjustments		(1.67)	0.24
ii) Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Net gain/(loss) on FVTOCI debt securities		262.19	165.22
Tax on above adjustments		(65.99)	(41.58)
Cashflow Hedge Reserve		(174.92)	(72.19)
Tax on above adjustments		44.03	18.17
Other comprehensive income/(loss) for the year, net of tax (D)		67.10	53.36

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Total comprehensive income for the year, net of tax (C + D)		4,806.98	3,903.92
Profit for the year attributable to			
Equity holders of the parent		2,173.66	1,772.52
Non-controlling interest		2,566.22	2,078.04
Other comprehensive income / (loss) for the year, net of tax attributable to			
Equity holders of the parent		66.25	42.94
Non-controlling interest		0.85	10.42
Total comprehensive income for the year, net of tax attributable to			
Equity holders of the parent		2,239.91	1,815.46
Non-controlling interest		2,567.07	2,088.46
Earnings per equity share of ₹1 each			
- Basic (₹)	34	115.76	94.39
- Diluted (₹)		115.76	94.39

The accompanying notes are forming part of the Consolidated Financial Statements

This is the Consolidated Statement of Profit & Loss referred to in our report of even date

For R.G.N. Price & Co.,
Chartered Accountants
ICAI Firm Regn No.002785S

For and on behalf of the Board of Directors

K Venkatakrishnan
Partner
Membership No: 208591

Sridharan Rangarajan
Director
DIN:01814413

B Ramaratnam
Director
DIN:07525213

Date : May 9, 2025
Place : Chennai

E Krithika
Company Secretary

N Ganesh
Manager & Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

a) Equity Share Capital

Particulars	2024-25	2023-24
Balance as at beginning of the year	18.78	18.78
Changes in equity share capital during the current year	-	-
Balance as at end of the year	18.78	18.78

b) Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus								Items of other comprehensive income		Total attributable to equity holders of the Parent	Total non-controlling interest
		Statutory Reserve	Capital Reserve	Capital Redemption Reserve	Capital Reserve on Consolidation	Debt Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Share based payments reserve	Fair valuation of Investment		
Balance as at March 31, 2024	0.71	2,007.96	20.01	39.20	(282.74)	10.00	2,721.92	2,457.92	3,253.09	68.24	(66.29)	(7.07)	11,882.29
Profit for the year	-	-	-	-	-	-	-	-	2,173.66	-	-	-	2,566.22
Other Comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	(3.14)	-	127.43	(58.04)	0.85
Changes during the year	0.17	-	-	-	-	-	20.81	-	-	33.01	-	-	67.79
Adjustments on account of change in equity interest in subsidiaries	-	-	-	-	-	-	-	-	(10.05)	-	-	-	10.24
Dividend including tax	-	-	-	-	-	-	-	-	(10.30)	-	-	-	(93.58)
Transfer to reserves from retained earnings during the year	-	394.23	-	-	-	-	-	177.04	(571.27)	-	-	-	-
Balance as at March 31, 2025	0.88	2,402.19	20.01	39.20	(282.74)	10.00	2,742.73	2,634.96	4,831.99	101.25	61.14	(65.11)	14,433.81

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Share application money pending allotment	Reserves and Surplus								Items of other comprehensive income		Total attributable to equity holders of the Parent	Total non-controlling interest	
		Statutory Reserve	Capital Reserve	Capital Redemption Reserve	Capital Reserve on Consolidation	Debt Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Share based payments reserve	Fair valuation of Investment			Effective portion of cashflow hedge
Balance as at April 01, 2023	-	1,689.30	20.01	39.20	(282.74)	10.00	1,832.30	2,418.28	1,990.40	43.65	(135.51)	16.91	7,641.80	8,597.44
Profit for the year	-	-	-	-	-	-	-	-	1,772.52	-	-	-	1,772.52	2,078.04
Other Comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	(2.30)	-	69.22	(23.98)	42.94	10.42
Changes during the year	0.71	-	-	-	-	-	889.62	-	-	24.59	-	-	914.92	1,146.05
Adjustments on account of change in equity interest in subsidiaries	-	-	-	-	-	-	-	-	(138.90)	-	-	-	(138.90)	142.48
Dividend including tax	-	-	-	-	-	-	-	-	(10.33)	-	-	-	(10.33)	(92.14)
Transfer to reserves from retained earnings during the year	-	318.66	-	-	-	-	-	39.64	(358.30)	-	-	-	-	-
Balance as at March 31, 2024	0.71	2,007.96	20.01	39.20	(282.74)	10.00	2,721.92	2,457.92	3,253.09	68.24	(66.29)	(7.07)	10,222.95	11,882.29

The accompanying notes are forming part of the Consolidated Financial Statements

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For and on behalf of the Board of Directors

For R.G.N. Price & Co.,
Chartered Accountants
ICAI Firm Regn No.0027855

K Venkatakrishnan
Partner
Membership No: 208591

Sridharan Rangarajan
Director
DIN:01814413

B Ramaratnam
Director
DIN:07525213

Date : May 9, 2025
Place : Chennai

E Krithika
Company Secretary

N Ganesh
Manager & Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
Cash Flow from Operating Activities				
Profit before tax		6,399.56		5,199.83
Adjustments for:-				
Depreciation and amortisation expense	295.73		247.54	
Impairment of financial instruments	2,452.22		1,308.67	
Net gain on derecognition of financial instruments under amortised cost category	(159.04)		-	
Finance Costs	12,494.06		9,249.46	
(Profit) / Loss on Sale of Property plant and equipment (Net)	2.01		0.86	
Intangible Assets Under Development - Expensed off	1.79		19.23	
Change in fair value of financial instruments - gain	(0.04)		-	
Net gain on fair value change in financial instruments	(313.00)		(496.08)	
Net gain on conversion of equity shares-realised	(0.10)		(17.67)	
Net loss /(gain) on fair value change in equity shares -Un-realised	(3.15)		3.15	
Interest Income on deposits and investments	(1,776.07)		(1,463.42)	
Dividend on Investments	(24.61)		(18.23)	
Interest on Income tax refund	(67.97)		(2.69)	
Fair value change in financial instruments - Investments	-		10.92	
Profit on sale of investments	(2.76)		(23.43)	
Share based payment expense	74.45		55.40	
		12,973.52		8,873.71
Operating Profit Before Working Capital Changes		19,373.08		14,073.54
Adjustments for :-				
<u>(Increase)/Decrease in operating Assets</u>				
- Loans	(42,070.66)		(40,965.71)	
- Receivables	91.95		(152.33)	
- Insurance assets	(560.64)		(894.85)	
- Other Financial Assets	170.66		(102.01)	
- Purchase / Sale / Maturity of Investments (Net)	(3,529.80)		(1,838.13)	
- Other Non Financial Assets	(137.67)		31.76	
		(46,036.16)		(43,921.27)
<u>Increase/(Decrease) in operating liabilities</u>				
- Trade Payables		385.75		329.38
- Other Financial liabilities		81.96		70.47
- Provisions		33.26		54.98
- Insurance Contracts liabilities		1,730.40		2,413.04
- Other Non-Financial liabilities		12.90		31.59
Cash Flow generated from / (used in) Operations		(22,418.60)		(26,948.27)
Finance Costs paid		(12,033.36)		(8,796.14)
Interest Received on deposits and investments		1,739.78		1,424.70
Dividend received		24.61		18.23
Income tax paid (Net of refunds)		(1,513.73)		(1,424.94)
Net Cash generated from / (Used in) Operating Activities (A)		(34,201.30)		(35,726.42)

Consolidated Cash Flow Statement

for the year ended March 31, 2025

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment and Intangible Assets	(341.48)		(1,168.71)	
Proceeds from sale of property, plant and equipment	14.91		7.80	
Investment in Fixed Deposits (Net of withdrawals)	(711.15)		(1,464.08)	
Net Cash generated from / (Used in) Investing Activities (B)		(1,037.72)		(2,624.99)
Cash Flow from Financing Activities				
Proceeds from issue of Share Capital (Including Securities Premium)	47.52		2,009.15	
Proceeds from issue of Compulsorily Convertible Debentures	-		2,000.00	
Proceeds from issue of debt securities	23,665.27		24,793.05	
Redemption of Debt securities	(18,544.12)		(21,958.45)	
Borrowing - Other than debt securities	1,31,326.24		1,16,508.71	
Repayment of borrowing - Other than debt securities	(1,02,045.57)		(85,232.40)	
Proceeds from issue of subordinated liabilities	5,564.00		805.10	
Repayment of subordinated liabilities	(112.40)		(482.61)	
Payment of Lease Liabilities	(145.26)		(70.23)	
		39,755.68		38,372.32
Dividends Paid		(103.97)		(103.13)
Net Cash Flow generated from / (used in) Financing Activities (C)		39,651.71		38,269.19
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		4,412.69		(82.22)
Cash and Cash Equivalents at the Beginning of the period		973.22		1,055.44
Cash and Cash Equivalents at the End of the period		5,385.91		973.22

The accompanying notes are forming part of the Consolidated Financial Statements
This is the Consolidated Cashflow Statement referred to in our report of even date.

For R.G.N. Price & Co.,
Chartered Accountants
ICAI Firm Regn No.002785S

For and on behalf of the Board of Directors

K Venkatakrishnan
Partner
Membership No: 208591

Sridharan Rangarajan
Director
DIN:01814413

B Ramaratnam
Director
DIN:07525213

Date : May 9, 2025
Place : Chennai

E Krithika
Company Secretary

N Ganesh
Manager & Chief Financial Officer

Notes to Consolidated Financial Statements

Note 1. Corporate Information

Cholamandalam Financial Holdings Limited ("the Company" or "the Parent") (CIN: L65100TN1949PLC002905) is a public limited company domiciled in India. The Company is listed on Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd. The Registered Office of the Company is located at Dare House, No.234, NSC Bose Road, Chennai-600 001, Tamil Nadu.

Pursuant to a scheme of arrangement ("the Scheme"), the manufacturing business undertaking of the Company was vested in / transferred to Tube Investments of India Limited ("the Resulting Company") vide the order of the National Company Law Tribunal, Chennai dated July 17, 2017. The Scheme had an appointed date of April 1, 2016 and came into effect from August 1, 2017. The Company has obtained certificate of registration as a Core Investment Company from Reserve Bank of India ("RBI") on January 06, 2020.

The Company undertakes financial services business through its Subsidiaries - Cholamandalam MS General Insurance Company Limited for general insurance business and Cholamandalam Investment and Finance Company Limited (and its subsidiaries) for lending operations, stock broking, depository and equity research services to retail, corporate and institutional clients and distribution of financial products like insurance, mutual funds, fixed deposits and bonds. Risk advisory services is carried out through a joint venture entity, Cholamandalam MS Risk Services Limited. The Company and its subsidiaries are together referred to as "the Group"

The Consolidated Financial Statements are presented in Indian Rupees which is also functional currency of the Group and all values are rounded to the nearest crore, except when otherwise indicated.

The Consolidated Financial Statements were authorised for issue in accordance with a resolution of the directors on May 09, 2025.

2.1. Consolidation

2A. Basis of Consolidation

The Consolidated Financial Statements comprise the financial statements of the Company, its subsidiaries (being the entities that it controls (including de facto control), its Associates and Joint Ventures as at March 31, 2025. Control is evidenced when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement with the other vote holders of the investee
- (ii) Rights arising from other contractual arrangements
- (iii) The Group's voting rights and potential voting rights
- (iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent, i.e., year ended on 31 March.

Consolidation procedure:

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.

Notes to Consolidated Financial Statements

- (ii) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (iii) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra-group transactions that are recognised in assets, such as fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other Comprehensive Income ("OCI") are attributed to the equity holders of the Parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

If the Group loses control over a subsidiary, it:

- (i) Derecognises the assets (including goodwill) and liabilities of the subsidiary
- (ii) Derecognises the carrying amount of any non-controlling interests
- (iii) Derecognises the cumulative translation differences recorded in equity

- (iv) Recognises the fair value of the consideration received
- (v) Recognises the fair value of any investment retained
- (vi) Recognises any surplus or deficit in profit or loss

Reclassifies the Parent's share of components previously recognised in OCI to Statement of Profit and Loss or retained earnings, as appropriate, as would be required if the Group had directly disposed off the related assets or liabilities.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

Investments in Associate and Joint Venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

Notes to Consolidated Financial Statements

Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the impairment loss with respect to the Group's investment in an associate or joint venture.

Upon loss of significant influence over the associates, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Note 2B. Particulars of consolidation

The financial statements of the following subsidiaries/associate/joint venture (all incorporated in India) have been considered for consolidation:

Name of the Company	Percentage of voting power as on	
	March 31, 2025	March 31, 2024
Subsidiary-Cholamandalam Investment and Finance Company Limited (CIFCL)	44.34%	44.39%
Subsidiaries of CIFCL		
Cholamandalam Leasing Limited (CLL) (formerly known as Cholamandalam Home Finance Limited)	100.00%	100.00%
Cholamandalam Securities Limited (CSEC)	92.00%	100.00%
Associate of CIFCL		
Vishvakarma Payments Private Limited	21.00% @	21.00% @
Paytail Commerce Private Limited #	-	16.29% @
Joint Venture of CIFCL		
Payswiff Technologies Private Limited**	74.63% @	74.69% @
Jointly Controlled Entity of CIFCL		
Chola Foundation***	50.00%	NA
Subsidiary – Cholamandalam MS General Insurance Company Limited (MSGICL)	60.00%	60.00%
Joint Venture – Cholamandalam MS Risk Services Limited (CMSRSL)	49.50%	49.50%

@ % of holding of CIFCL

Paytail Commerce Private Limited ceased to be an associate of CIFCL from March 21, 2024.

** Even though, CIFCL holds 74.63% of the paid up equity capital of Payswiff Technologies Private Limited (Payswiff), however, in view of founder reserved matters and dispute resolution mechanism envisaged in the shareholders agreement executed between CIFCL and founders of Payswiff, the Group is considered to have joint control over the entity as per Ind AS 28 'Investments in Associates and Joint Ventures' read with Ind AS 110 'Consolidated Financial Statements'. Hence, it is classified as investment in Joint venture.

*** Chola Foundation (Public Trust) is jointly controlled entity, managed by Cholamandalam Investment and Finance Company Limited, Tube Investments of India Limited and CG Power and Industrial Solutions Limited.

The objective of the trust is towards promoting CSR activities which shall be funded by any of the three entities.

The earnings of the trust is consolidated with Cholamandalam Investment and Finance Company Limited as jointly controlled entity (having two trustees) representing a share of 50%

Notes to Consolidated Financial Statements

2C. Investment in Associates/Joint Venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee.

A Joint venture is a joint arrangement whereby parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group's investments in its associates & joint ventures are accounted for using the equity method. Under the equity method, the investment in associates & joint ventures is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates & joint ventures since the acquisition date. Goodwill relating to the associates & joint ventures is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associates & joint ventures. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associates & joint ventures, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associates are eliminated to the extent of the interest in the associates & joint ventures.

If an entity's share of losses of associates & joint ventures equal or exceeds its interest in the associates & joint ventures (which includes any long-term interest that, in substance, form part of the Group's net investment in the associates), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates. If the associates & joint ventures subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of associates & joint ventures is shown on the face of the statement of profit and loss.

The financial statements of the associates & joint ventures are prepared for the same reporting period as the Group.

When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associates & joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investment in the associates is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates & joint ventures and its carrying value, and then recognises the impairment loss with respect to the Group's investment in associates & joint ventures.

Upon loss of significant influence over the associates, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.2. Audit Trail

The group is using multiple application systems (accounting software) for various facets of its business operations. Audit trail was operational throughout the year in seventeen application systems. For six application systems, the Group adopted a holistic approach of enabling audit trail through change data capture (CDC) approach in a separate database to overcome the limitations in the respective applications. One of the system without an audit trail functionality was discontinued during the year and was replaced with another system. In case of one accounting software used by a joint venture audit trail has been enabled during the year. Audit trails in the application systems and database was not disabled during the year. Adequate internal controls are in place to protect audit trail from any modification. The Group has appropriate internal controls for its various process and the non-availability of audit trail in some application systems for some part of the year has no impact on the overall internal control environment.

3. Basis of Preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Consolidated Financial Statements have been prepared on a historical cost basis, except for fair value through other

Notes to Consolidated Financial Statements

comprehensive income ("FVTOCI") instruments, fair value through profit and loss ("FVTPL") instruments, derivative financial instruments and certain financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments).

3.1 Presentation of financial statements

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- (i) The normal course of business
- (ii) The event of default
- (iii) The event of insolvency or bankruptcy of the Group and/or its Counterparties

4. Material accounting policies of the Group

4.1 Loans – initial recognition

4.1.1. Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are initiated to the customers' account or cheques for disbursement have been prepared by the Group (as per the terms of the agreement with the borrowers). The Group recognises debt securities and borrowings when funds reach the Group.

4.1.2. Initial measurement of financial instruments

All financial instruments are recognised initially at fair value, including transaction costs that are attributable to the acquisition of financial instrument, except in the case of financial instruments which are FVTPL (Fair value through profit and loss), where the transaction costs are charged to the statement of profit and loss.

4.1.3. Measurement categories of Loans

The Group classifies all its Loans at Amortised cost as the business model is to hold them to collect contractual cash flows and the contractual terms of the loans give rise on specified dates to cash flows that are solely repayments of principal and interest.

4.1.4. Modification of Loans

Modification of a loan occurs when the contractual terms governing its cash flows are renegotiated or otherwise modified between the initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Modification of loan terms is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment). When a loan is modified the Group assesses whether this modification results in derecognition. In accordance with the Group's policy, a modification results in derecognition when it gives rise to substantially different terms. Where a modification does not lead to derecognition, the Group calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance).

4.1.5. Derecognition of Loans

Loan (or, where applicable, a part of a loan or part of a group of similar loans) is derecognised when the rights to receive cash flows from the loan has expired. The Group also derecognises the loan if it has both transferred the loan and the transfer qualifies for derecognition.

Loan is transferred only if, either:

- the Group has transferred its contractual rights to receive cash flows from the loan, Or;
- has retained the rights to the cash flows but has assumed an obligation to pay the revised cash flows in full without material delay to a third party under a 'pass-through' arrangement.

A transfer qualifies for derecognition if either:

- the Group has transferred substantially all the risks and rewards of the loan, Or;
- has neither transferred nor retained substantially all the risks and rewards of the loan but has transferred control of the loan.

Notes to Consolidated Financial Statements

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the loan in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

In case of loan transfers which qualify for derecognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on de-recognition of such loan previously carried under amortised cost category. The resulting interest only strip initially is recognised at Fair Value Through Profit or Loss and re-assessed at the end of every reporting period.

In case of loan transfers which do not qualify for derecognition, the loan continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred loan and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred loan is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

4.1.6. Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet. The nominal values of these commitments are disclosed in notes.

4.1.7. Loan write-offs

Loans are written off either partially or in their entirety only when the Group has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is recorded as an expense in the period of write off.

4.2 Impairment of Loans

4.2.1 Expected Credit Loss (ECL)

The Group records allowance for ECL for all loans measured at amortised cost, together with loan commitments. ECL is

the expected cash shortfall discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. $(ECL = PD * EAD * LGD)$

PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously derecognised and is still in the portfolio.

EAD: The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred.

LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a loan that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on a collective basis, for each category of loan.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a loan's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Notes to Consolidated Financial Statements

Stage 1:

When loans are first recognised, the Group recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3:

Loans considered credit impaired. The Group records an allowance for the LTECLs.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

4.2.2 Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

4.2.3 Forward looking information

The Group considers a broad range of forward-looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macro-economic factors on the Group's ECL estimates.

The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or

overlays are made as temporary adjustments to reflect the emerging risks reasonably.

4.2.4 Collateral repossessed

The Group generally does not use the assets repossessed for the internal operations. The underlying loans in respect of which collaterals have been repossessed with an intention to realize by way of sale are considered as Stage 3 assets and the ECL allowance is determined based on the estimated net realisable value of the repossessed asset. Any surplus funds are returned to the borrower and accordingly collateral repossessed are not recorded on the balance sheet and not treated as non-current assets held for sale.

4.2.5 Restructured, rescheduled, and modified loans

The Group sometimes makes concessions or modifications to the original terms of loans such as changing the instalment value or changing the tenor of the loan, as a response to the borrower's request. The Group considers the modification of the loan only before the loans gets credit impaired.

When the loan has been renegotiated or modified but not derecognised, the Group also reassesses whether there has been a significant increase in credit risk. The Group also considers whether the assets should be classified as Stage 3. Once an asset has been classified as restructured, it will remain restructured for a period of year from the date on which it has been restructured.

Loans which have been renegotiated or modified in accordance with RBI Notifications (including extensions granted) - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21- Resolution Framework for COVID-19 related Stress and RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21- Micro, Small and Medium Enterprises (MSME) sector - Restructuring of Advances, have been classified as Stage 2 due to significant increase in credit risk.

4.3 Loans – Revenue recognition

Interest income on loans measured at amortised cost is recorded using the effective interest rate ('EIR') method. The EIR is the rate that discounts estimated future cash receipts through the expected life of the loan to the gross carrying amount of the loan. For credit-impaired loans, interest income is calculated by applying the EIR to the amortised cost. (i.e. the gross carrying amount less the allowance for expected credit losses).

Notes to Consolidated Financial Statements

The EIR is calculated by taking into account the fees and costs that are an integral part of the EIR of the loan such as origination fees received for acquisition of the loan and sourcing cost incurred for closing the transaction.

Fees, charges and reimbursements due from borrowers as per the contractual terms of the loan are recognised on realisation.

Any recovery from written off loan is recognised in the statement of profit and loss.

4.4 Borrowings

4.4.1 Debt securities and other borrowings

The Group recognises debt securities and other borrowings when funds reach the Group.

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

4.4.2 Foreign Currency Borrowings

Borrowings in foreign currencies are initially recorded at the respective functional currency spot rates at the date the transaction first qualifies for recognition. They are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss as an adjustment to borrowing cost.

4.4.3 Derivative and Hedge accounting

The Group enters into derivative transactions only for economic hedging purposes and not as speculative investments. Derivative instruments are used to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedges that meet the strict criteria for hedge accounting are accounted for as cash flow hedge.

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in Other Comprehensive Income (OCI) within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as net gain/loss on fair value changes in the statement of profit and loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

4.4.4 Finance cost on Borrowing

Finance cost on borrowings measured at amortised cost is recorded using the effective interest rate ('EIR') method. The EIR is the rate that discounts estimated future payments through the expected life of the borrowing to its gross carrying amount. The EIR is calculated taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

4.5 Insurance contract liabilities

Insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling costs and a reduction for the expected value of salvage and other recoveries. Delays can be experienced in the notification and settlement of certain types of claims.

Notes to Consolidated Financial Statements

Therefore, the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting date using a range of standard actuarial claim projection techniques based on directives/regulations applicable to actuaries issued by Insurance Regulatory Development Authority (IRDA) time to time. The liability is not discounted for the time value of money as per IRDA regulations. The liabilities are derecognised when the obligation to pay a claim is discharged or is repudiated.

The provision for unearned premiums represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognised when contracts are entered into and premiums are charged, and is brought to account as premium income over the term of the contract in accordance with the pattern of insurance service provided under the contract.

At each reporting date, the Company reviews its unexpired risk and a liability adequacy test is performed in accordance with the requirements of Ind AS 104 'Insurance Contracts' to determine whether there is any overall excess of expected claims and expenses of management including deferred acquisition costs over unearned premiums. This calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant non-life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums (less related prepaid expenses) is inadequate, the deficiency is recognised in the statement of profit or loss by setting up a provision for premium deficiency.

The main assumption underlying claim projection techniques is that the past claims development experience can be used to project future claims development and hence ultimate claim costs. As such, these methods extrapolate the development of paid and incurred losses to calculate the expected ultimate claim cost.

5. Other Accounting Policies

5.1. Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

5.2. Bank balances other cash and cash equivalents

These are measured at amortised cost as they are held for collecting contractual cash flows that are solely payments of principal and interest on principal outstanding.

5.3. Receivables and other financial assets

Receivables and other financial assets are measured at amortised cost. The Group follows a 'simplified approach' for recognition of impairment loss allowance on these assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

5.4. Investments

Investments are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument.

5.4.1 Equity instruments

Equity Investment in Subsidiaries and Joint Ventures are carried at Cost.

The Group subsequently measures all equity investments other than investment in subsidiaries and associates, at fair value through profit or loss, unless the Group's management has elected to classify irrevocably some of its equity investments not held for trading as equity instruments at Fair value through OCI (FVOCI). Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI (Other Comprehensive Income). Equity instruments at FVOCI are not subject to an impairment assessment.

5.4.2 Other Instruments

Investment in other instruments is measured at amortised cost if they are held for collecting contractual cash flows that are solely payments of principal and interest on principal outstanding. The Group follows 'simplified approach' for recognition of impairment loss allowance on these assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Investments which do not meet the SPPI test are measured at fair value through profit or loss.

Notes to Consolidated Financial Statements

5.5 Determination of Insurance contract

Insurance contracts are those contracts where the Group (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Group determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire.

5.6 Revenue Recognition – Insurance business

Gross premiums

- (i) Premium (net of GST/service tax) is recognised as income on assumption of risk covered as per the terms of the policy, after adjusting for unexpired risk at each contract entered into with the customer. Any cancellations or changes in premium are accounted for in the period in which they occur.
- (ii) Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a daily pro rata basis.

The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

Reinsurance ceded and Commission received on reinsurance

- (i) Reinsurance premium ceded is accounted in the year of commencement of risk in accordance with the treaty arrangements with the reinsurers. In case of re-insurance contracts of long-term policies, cession is accounted for the proportionate period to which reinsurance cover is provided as per the treaty. Any related reinsurance cost is recognised when incurred and included in the premium on reinsurance ceded.
- (ii) Unearned reinsurance premiums are those proportions of premiums ceded in a year that relate to periods of risk after the reporting date. Unearned reinsurance premiums are deferred over the term of the underlying direct insurance policies.

(iii) Reinsurance premiums and claims have been presented as negative items within premiums and net benefits and claims, respectively, because this is consistent with how the business is managed.

(iv) Commission on reinsurance ceded (including for long term policies) is recognised as income on ceding of reinsurance premium. In case of treaties having sliding scale commission, initial recognition would be as per treaty terms and the same is reviewed as at each reporting period. Profit commission under reinsurance treaties wherever applicable, is accrued based on the computation as per their treaty terms and the same is included in Commission on reinsurance ceded.

5.7 Benefits and claims

Gross benefits and claims

General insurance claims include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

Reinsurance claims

Reinsurance claims are recognised when the related gross insurance claim is recognised according to the terms of the relevant contract.

Reinsurance Recovery:

Reinsurance Recovery is recognised for all insurance contract liabilities based on contractual agreements with the re-insurer.

5.7.1 Insurance Contract Acquisition costs

Direct costs relating to acquisition of new / renewal of insurance contracts are expensed in the year in which they are incurred.

5.7.2 Reinsurance ceded to reinsurance counterparties

The Company cedes insurance risk in the normal course of business for all of its businesses. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

Notes to Consolidated Financial Statements

Reinsurance assets are reviewed for impairment at each reporting date, or more frequently, when an indication of impairment arises during the reporting period. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Company may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Company will receive from the reinsurer. The impairment loss is recorded in the statement of profit or loss.

Ceded reinsurance arrangements do not relieve the Company from its obligations to policyholders.

5.7.3 Insurance Receivables

Insurance receivables are recognised when due and measured on initial recognition at the fair value of the consideration receivable. Subsequent to initial recognition, insurance receivables are measured at amortised cost. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the statement of profit or loss.

5.7.4 Insurance Payables

Insurance payables are recognised when due and measured on initial recognition at the fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using EIR method.

5.7.5 Reinsurance off-setting

Reinsurance assets and income or expense from reinsurance contracts are not offset against related insurance liabilities and the expense or income from the related insurance contracts, respectively.

5.7.6 Terrorism and Nuclear Pool

Premium received from customers on account of Terrorism cover and towards Nuclear policies has been ceded to General Insurance Corporation of India (GIC) Terrorism Pool and Nuclear Pool Account. The Group's share in the Terrorism Pool Account and Nuclear Pool Account with GIC, based on the statements of account received during the current year for the period up to December 31, 2024 and September 30, 2024 respectively.

The resultant surplus/ deficit is reflected as RI Receivable/ Payable on Terrorism and Nuclear Pool. The Group's share in the Terrorism Pool Account with GIC for the period

January 01, 2025 to March 31, 2025 will be accounted on receipt of the relevant statements of account from GIC. The Company's share in the Nuclear Pool Account with GIC for the period October 01, 2024 to March 31, 2025 will be accounted on receipt of the relevant statements of account from GIC.

5.7.7 Contributions to Solatium funds

The Group provides for contribution to Solatium fund as a parameter to the total Motor Third Party Premium of direct business as per requirements of General Insurance Council from time to time.

5.7.8 Premium Deficiency reserve

Premium deficiency is recognized if the sum of the expected claim costs, related expenses and maintenance cost (related to claims handling) exceeds related reserve for unexpired risk. Premium deficiency is recognized at segmental revenue level. The expected claim costs are calculated and duly certified by the Appointed Actuary.

5.8 Taxes

5.8.1 Current tax

Current tax comprises amount of tax payable in respect to the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to tax payable or receivable in respect of prior years.

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Group operates and generates taxable income.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to Consolidated Financial Statements

5.8.2 Deferred Tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority and intends to settle on net basis.

5.9 Investment Property

Investment property represents property held to earn rentals or for capital appreciation or both.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Group's estimate of their

useful lives taking into consideration technical factors, which is the same as the period prescribed in Sch II to the Companies Act 2013.

5.10 Property, plant and equipment

Property plant and equipment is stated at cost (net of tax/duty credits availed) excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Cost includes professional fees/charges related to acquisition of property plant and equipment. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure incurred, is capitalised only if it results in economic useful life beyond the original estimate.

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated.

Useful life of assets as per Schedule II:

Asset description	Estimated Useful Life
Buildings	60/30/5 years
Computer Equipment	3 years
Other Equipment	5 years
Leasehold improvements	Lease period or 5 years whichever is lower
Servers	6 years (with effect from April 1, 2024 and was 3 years upto March 31, 2024)

Useful life of assets based on Management's estimation, and which are different from those specified in schedule II:

Asset description	Estimated Useful Life
Furniture and Fixtures	5 years
Vehicles	5 years
Other Equipments	2 to 4 years
Electrical Equipment	4 years

The above estimated useful life is based on respective asset usage policy or pattern of the Group.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes to Consolidated Financial Statements

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item.

5.11 Leases

The Group's lease asset consists of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Group recognises a right-to-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-to-use asset is initially recognised at cost which comprises of the initial amount of lease liability adjusted for lease payments made or prior to commencement date plus any direct cost i.e. lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment loss if any.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-to-Use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term. Right to use assets are evaluated for recoverability whenever events or changes in the circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates in the country of domicile of the leases. The Group has used single discount rate to a portfolio of leases with similar characteristics. Lease liabilities are remeasured with a corresponding adjustment to the related right to use asset if the Group changes its assessment as to whether it will exercise an extension or a termination option.

The Group has opted to present the Right to use as a part of the block of asset to which the lease pertains to and consequently, the Right to use asset has been presented as a part of Property, plant and equipment under the Buildings block, whereas the lease liability is presented under Other Financial Liabilities in the Balance Sheet. Lease payments made by the Group are classified as financing cash flows

5.12 Intangible assets

The Group's intangible assets mainly include the value of computer software.

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, they are carried at cost less accumulated amortisation and impairment losses if any, and are amortised over their estimated useful life on the straight-line basis over a 3-year period or the license period whichever is lower.

The carrying amount of the assets is reviewed at each Balance sheet date to ascertain impairment based on internal or external factors. Impairment is recognised, if the carrying value exceeds the higher of the net selling price of the assets and its value in use.

5.13 Input Tax Credit (Goods and Service Tax)

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted to the extent permitted as per the applicable regulatory laws and when there is no uncertainty in availing / utilising the same. The ineligible input credit is charged off to the respective expense or capitalised as part of asset cost as applicable.

5.14 Provisions and Contingent liabilities

Provisions are recognised only when the Group has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Notes to Consolidated Financial Statements

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liability is disclosed in case of present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligations and the present obligation arising from past events, when no reliable estimate is possible.

5.15 Share Based Payments

Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) of the Group are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Group and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

This cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or Credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. On cancellation or lapse of options granted to employees, the compensation charged earlier will be moved from share-based payment reserve with corresponding credit in retained earnings.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

5.16 Dividend on ordinary shares

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and

the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013 in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is then recognised directly in equity. In case of interim dividend, it is recognised on payment basis as they are revocable till actually paid.

5.17 Revenue recognition - other than financial assets

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is recognised at fair value of the consideration received or receivable when the Group satisfies the performance obligation under the contract with the customer.

5.18 Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established and it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

5.19 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined contribution plans such as provident fund, superannuation and Employee's state insurance scheme
- (b) defined benefit plans such as gratuity

a) Defined Contribution Scheme

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Notes to Consolidated Financial Statements

Employees' State Insurance: The Group contributes to Employees State Insurance Scheme and recognizes such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

Superannuation: The Group contributes a sum equivalent to 15% of eligible employees' salary to a Superannuation Fund administered by trustees and managed by Life Insurance Corporation of India ("LIC"). The Group has no liability for future Superannuation Fund benefits other than its contribution and recognizes such contributions as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

b) Defined Benefit Scheme

Gratuity: The Group makes contribution to a Gratuity Fund administered by trustees and managed by LIC. The Group accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date, determined every year by an independent actuary using the Projected Unit Credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

- Net interest expense or income

- c) Compensated Absences: The Group treats its liability for compensated absences based on actuarial valuation as at the Balance Sheet date, determined by an independent actuary using the Projected Unit Credit method.

Actuarial gains and losses are recognised under OCI in the Statement of Profit and Loss in the year in which they occur and not deferred.

5.20 Earnings Per Share

Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Earnings considered for Earnings per share is the net profit for the period after deducting preference dividend, if any, and attributable tax thereto for the period.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

5.21 Cash Flow Statement

Cash flows are reported using the indirect method, where by profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents as defined above, net of outstanding bank overdrafts as they are considered an integral part of cash management of the Group.

5.22 Segment Information

An operating segment is a component of the Group that engages in the business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by Group's Chief operating decision maker.

Notes to Consolidated Financial Statements

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocable".

Assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the Segment. Assets and liabilities, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocable".

5.23 Service Income

- (i) Fee income from loans are recognised upon satisfaction of following:
 - a. Completion of service and
 - b. Certainty over realisation of the fee income.
- (ii) Servicing and collections fees on assignment are recognised upon completion of service.
- (iii) Advertising income is recognised over the contract period as and when related services are rendered.
- (iv) Revenue from contract with customer is recognised point in time when performance obligation is satisfied (when the trade is executed). These include brokerage fees which is charged per transaction executed.
- (v) Insurance contract policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. These fees are recognised as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognised over those future periods based on completion of such service.

5.24 Contract Balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration

(or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

5A. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future period.

In the process of applying the Group's accounting policies, management has made the following judgements/estimates, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i. Business Model Assessment

The Group from time to time enters into direct bilateral assignment deals, which qualify for de-recognition under Ind AS 109. Accordingly, the assessment of the Group's business model for managing its financial assets becomes a critical judgement.

Further, the Group also made an investment in the Government securities in order to comply the liquidity ratio compliance as required by RBI pursuant to its master directions. The Group intends to hold these assets till maturity and expects that any sale if any necessitated by requirements are likely to be infrequent and immaterial. Accordingly, the related assessment becomes a critical judgement to determine the business model for such financial assets under Ind AS.

ii. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Notes to Consolidated Financial Statements

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair value please see Fair value note in Accounting policy.

iii. Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting estimates include:

- (i) The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- (ii) The segmentation of financial assets when their ECL is assessed on a collective basis
- (iii) Development of ECL models, including the various formulas and the choice of inputs
- (iv) Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward looking information as economic inputs

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

iv. Leases

a) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

b) Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to for its borrowings.

v. Provisions and other contingent liabilities

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the probability of outflow is considered to be possible or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

vi. Insurance Contract Liabilities

For Insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the

Notes to Consolidated Financial Statements

reporting date Incurred But Not Recorded (IBNR) and also claims Incurred But Not Enough Reported (IBNER). It can take a significant period of time before the ultimate claims cost can be established with certainty and for some type of policies, IBNR claims form the majority of the liability in the statement of financial position. The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder. The said liability is determined by Appointed Actuary based on actuarial principles. The Appointed Actuary has certified that the methodology and assumptions used to estimate the liability are appropriate and in accordance with guidelines and norms issued by the Institute of Actuaries of India in concurrence with the applicable regulations.

The main assumption underlying these techniques is that a Group's past claims development experience can be used to project future claims development and hence ultimate claims costs. As such, these methods extrapolate the development of paid and

incurred losses, average costs per claim and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Similar judgements, estimates and assumptions are employed in the assessment of adequacy of provisions for unearned premium. Judgement is also required in determining whether the pattern of insurance service provided by a contract requires amortisation of unearned premium on a basis other than time apportionment.

Note 6A. Cash and Cash Equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	11.98	10.49
Balances with banks		
- In Current Accounts	561.65	296.22
- In Deposit Accounts - Original maturity of 3 months or less	4,797.12	648.75
Cheques, drafts on hand	15.16	17.76
Total	5,385.91	973.22

Note 6B : Bank Balances other than Cash and Cash Equivalents

- In Deposit Accounts - Original maturity of more than 3 months	1,238.98	1,210.08
- In earmarked accounts	98.61	69.92
- Margin account for derivatives	88.01	67.16
- In Unpaid Dividend Accounts	1.10	1.19
- Deposits with banks as collateral towards securitisation loan	2,857.50	2,219.82
- Deposits with banks under lien	9.07	6.57
- Unclaimed Debenture Account	0.59	0.44
- Other deposit accounts	0.08	0.08
Total	4,293.94	3,575.26

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 7. Derivative Financial Instruments

Part I	As at March 31, 2025			As at March 31, 2024		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilities	Notional amounts	Fair Value -Assets	Fair Value -Liabilities
Currency derivatives						
(i) Cross Currency Interest Rate Swap	12,230.47	155.62	53.09	4,349.18	161.33	15.06
Interest rate derivatives						
(i) Interest Rate Swap	8,320.22	-	100.78	3,998.39	-	20.74
(ii) Forward Contracts	701.43	47.70	130.73	917.25	86.49	150.90
Total Derivative financial Instruments	21,252.12	203.32	284.60	9,264.82	247.82	186.70
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
Cash flow hedging:						
Currency derivatives						
(i) Cross Currency Interest Rate Swap	12,230.47	155.62	53.09	4,349.18	161.33	15.06
Interest rate derivatives						
(i) Interest Rate Swap	8,320.22	-	100.78	3,998.39	-	20.74
(ii) Forward Contracts	701.43	47.70	130.73	917.25	86.49	150.90
Total Derivative financial Instruments	21,252.12	203.32	284.60	9,264.82	247.82	186.70

The Group has a Board approved policy for entering into derivative transactions. Derivative transaction represents Currency, Interest Rate Swaps and forward contracts. The Group undertakes such transactions for hedging interest / foreign exchange risk on borrowings. The Asset Liability Management Committee and Business Committee of the respective companies periodically monitors and reviews the risks involved.

The notional amount for interest rate swap represents borrowings on which the Group has entered to hedge the variable interest rate. The Group has not participated in currency future and options during the current and previous year.

Note: 8 Receivables

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Trade Receivables		
Secured - Considered good	13.56	12.10
Unsecured - Considered good	191.98	204.96
Trade Receivables (Gross) (i)	205.54	217.06
Provision for Impairment on receivables (ii)	(1.35)	(2.89)
Trade Receivables (Net) - (A)=(i)+(ii)	204.19	214.17
Trade Receivables credit impaired	0.64	0.73
Provision for Impairment on receivables	(0.64)	(0.73)
(B) Other Receivables		
Considered Good	66.80	140.50
Doubtful	-	-
Other Receivables (Gross) (i)	66.80	140.50
Provision for Impairment on receivables (ii)	(0.65)	-
Other Receivables (B)	66.15	140.50
Total (A)+(B)	270.34	354.67

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note: 9 Insurance Contract Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Due from Insurers (A)	80.89	52.97
Terrorism Pool Receivables (B)	314.58	271.64
Nuclear Pool Receivables (C)	12.33	9.78
Premium Receivable		
- Considered Good (D)	198.38	90.17
- Assets with significant increase in credit risk (E)	15.81	15.81
Less: Expected Credit Loss (F)	(15.81)	(4.57)
- Assets with significant increase in credit risk (Net of Provisions) (G)= (E-F)	-	11.24
Total (A+B+C+D+G)	606.18	435.80

Movement in Provision for Impairment

Particulars	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	4.57	3.69
Expected credit loss allowances provided / (reversed)	11.24	0.88
At the end of the year	15.81	4.57

Note : 10A Reinsurance Assets- Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Recoverable arising from Claims Outstanding	1,688.43	1438.01
Total	1,688.43	1,438.01

Note : 10B Reinsurance Assets - Non Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Recoverable arising from Provision for unearned premiums	1,282.49	1154.05
Total	1,282.49	1,154.05

Note : 11 Loans

(At amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Bills Discounted	464.33	753.77
(ii) Leasing - Finance Lease	22.29	-
(iii) Term loans	1,84,961.90	1,46,230.05
Total (A) Gross	1,85,448.52	1,46,983.82
Less: Impairment Allowance for (i) & (ii)	(3,410.88)	(2,521.17)
Total (A) Net	1,82,037.64	1,44,462.65
(i) Secured	1,69,148.99	1,33,655.72
(ii) Unsecured	16,299.53	13,328.10
Total (B) - Gross	1,85,448.52	1,46,983.82
Less: Impairment Allowance	(3,410.88)	(2,521.17)
Total (B) - Net	1,82,037.64	1,44,462.65

Secured indicates loans secured, wholly or partly, by way of hypothecation of vehicles, tractors and construction equipments and / or pledge of securities and / or equitable mortgage of property and / or equipment. It also includes loans where security creation is in process.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

The Group has not extended any loans where collateral is an intangible asset such as charge over the rights, licences, etc. The unsecured loans disclosed above are without any collateral or security.

Term loans include unsecured short term loans to Joint venture and secured long term loans to a related party. These loans have been classified under Stage 1 Category at the various reporting periods and related impairment provision as per the Company's accounting policy has been created. The details of the same are disclosed below:

Particulars	As at March 31, 2025	As at March 31, 2024
Loan - Outstanding Value		
Payswiff Technologies Private Limited - Joint Venture	17.65	-
EID Parry India Limited - Promoter Group	2.34	-
Impairment Provision		
Payswiff Technologies Private Limited - Joint Venture	0.07	-
EID Parry India Limited - Promoter Group	0.01	-

Note : 11.1 Loans

An analysis of changes in the gross carrying amount and corresponding Expected Credit Loss (ECL) allowances in relation to loans

Particulars	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Bill discounted								
Opening as on April 1, 2024	736.85	4.98	11.94	753.77	5.91	0.48	10.14	16.53
New assets originated / Increase in existing assets (Net)	450.67	1.88	2.92	455.47	1.85	0.19	2.62	4.66
Exposure de-recognised / matured / repaid	(731.00)	(1.00)	(3.01)	(735.01)	(5.88)	(0.10)	(0.80)	(6.78)
Transfer to Stage 1	0.09	-	(0.09)	-	0.03	-	(0.03)	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(6.02)	(3.90)	9.92	-	(0.05)	(0.39)	0.44	-
Impact on account of exposures transferred during the year between stages	-	-	0.03	0.03	-	-	8.05	8.05
Impact of changes on items within the same stage	-	-	-	-	-	-	0.03	0.03
Write off	-	-	(9.93)	(9.93)	-	-	(9.93)	(9.93)
Closing as on March 31, 2025 (A)	450.59	1.96	11.78	464.33	1.86	0.18	10.52	12.56
Term loans								
Opening as on April 1, 2024	1,39,380.37	3,216.81	3,632.87	1,46,230.05	535.93	285.78	1,682.93	2,504.64
New assets originated / Increase in existing assets (Net)	86,785.07	504.04	448.55	87,737.66	312.32	58.95	1,273.35	1,644.62
Exposure de-recognised / matured / repaid	(44,161.49)	(1,683.91)	(2,546.02)	(48,391.42)	(243.42)	(71.12)	(220.51)	(535.05)
Transfer to Stage 1	607.04	(523.29)	(83.75)	-	59.81	(39.35)	(20.46)	-
Transfer to Stage 2	(4,473.17)	4,508.12	(34.95)	-	(24.18)	32.92	(8.74)	-
Transfer to Stage 3	(3,859.15)	(1,341.22)	5,200.37	-	(21.30)	(133.58)	154.88	-
Impact on account of exposures transferred during the year between stages	0.11	14.40	63.95	78.46	-	281.58	717.14	998.72
Impact of changes on items within the same stage	786.87	0.07	111.91	898.85	12.74	1.63	362.63	377.00
Write off *	-	-	(1,591.70)	(1,591.70)	-	-	(1,591.70)	(1,591.70)
Closing as on March 31, 2025 (B)	1,75,065.65	4,695.02	5,201.23	1,84,961.90	631.90	416.81	2,349.52	3,398.23

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Leasing								
Opening as on April 1, 2024	-	-	-	-	-	-	-	-
New assets originated / Increase in existing assets (Net)	22.29	-	-	22.29	0.09	-	-	0.09
Exposure de-recognised / matured / repaid	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Impact on account of exposures transferred during the year between stages	-	-	-	-	-	-	-	-
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off *	-	-	-	-	-	-	-	-
Closing as on March 31, 2025 (C)	22.29	-	-	22.29	0.09	-	-	0.09
Total (A)+(B)+(C)	1,75,538.53	4,696.98	5,213.01	1,85,448.52	633.85	416.99	2,360.04	3,410.88
Bills Discounted								
Opening as on April 1, 2023	915.68	3.98	7.19	926.85	7.49	0.39	5.35	13.23
New assets originated / Increase in existing assets (Net)	736.93	4.90	1.57	743.40	5.90	0.49	1.20	7.59
Exposure de-recognised / matured / repaid	(912.18)	(1.00)	(2.54)	(915.72)	(7.46)	(0.11)	(0.71)	(8.28)
Transfer to Stage 1	0.11	(0.11)	-	-	0.01	(0.01)	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(3.69)	(2.79)	6.48	-	(0.03)	(0.28)	0.31	-
Impact on account of exposures transferred during the year between stages	-	-	0.02	0.02	-	-	4.77	4.77
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off	-	-	(0.78)	(0.78)	-	-	(0.78)	(0.78)
Closing as on March 31, 2024 (A)	736.85	4.98	11.94	753.77	5.91	0.48	10.14	16.53
Term Loans								
Opening as on April 1, 2023	99,058.22	3,939.10	3,214.41	1,06,211.73	437.19	401.84	1,476.66	2,315.69
New assets originated / Increase in existing assets (Net)	75,371.78	399.71	435.75	76,207.24	275.49	43.82	824.80	1,144.11
Exposure de-recognised / matured / repaid	(32,046.13)	(1,574.39)	(2,179.47)	(35,799.99)	(295.94)	(109.04)	(269.51)	(674.49)
Transfer to Stage 1	1,360.86	(1,289.85)	(71.01)	-	137.91	(117.69)	(20.22)	-
Transfer to Stage 2	(2,732.97)	2,765.64	(32.67)	-	(14.99)	23.70	(8.71)	-
Transfer to Stage 3	(2,232.61)	(1,029.67)	3,262.28	-	(13.16)	(115.54)	128.70	-
Impact on account of exposures transferred during the year between stages	1.29	5.37	35.26	41.92	0.17	157.20	378.88	536.25
Impact of changes on items within the same stage	599.93	0.90	87.32	688.15	9.26	1.49	291.33	302.08
Write off *	-	-	(1,119.00)	(1,119.00)	-	-	(1,119.00)	(1,119.00)
Closing as on March 31, 2024 (B)	1,39,380.37	3,216.81	3,632.87	1,46,230.05	535.93	285.78	1,682.93	2,504.64
Total (A)+(B)	1,40,117.22	3,221.79	3,644.81	1,46,983.82	541.84	286.26	1,693.07	2,521.17

ECL across stages have been computed on collective basis.

The Group uses Days past due of the customer to determine the credit quality of loans

* write off includes Loss on disposal of collateral

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 11.2 Overdue greater than 90 days

No. of loan accounts	Principal outstanding (not yet due)	Overdue Instalments #
As on March 31, 2025		
1,96,893	3,167.50	2,172.27
As on March 31, 2024		
1,44,017	2,228.11	1,562.24

Overdue instalments includes principal amount overdue and interest overdue

Note : 12A Investments in Associate & Joint Venture

Particulars	As at March 31, 2025	As at March 31, 2024
Investment in Equity Instruments		
a) Associate	-	-
b) Joint Venture	483.27	476.94
Total (A)	483.27	476.94
Note : 12B Other Investments **		
a) Debt Securities - At amortised cost	6,937.78	5,293.79
b) Debt Securities & Alternate Investment Fund (AIF) - FVTPL	201.13	364.94
c) Debt Securities - FVOCI	14,917.33	12,933.29
d) Equity Instruments - FVTPL	1,315.86	895.00
e) Equity Instruments - FVOCI	15.99	4.58
f) Mutual funds - FVTPL	401.23	90.98
g) Convertible Note - FVTPL	-	-
Total Other Investments (Gross)	23,789.32	19,582.58
Less: Impairment allowance	(1.38)	(1.39)
Total Other Investments (Net) (B)	23,787.94	19,581.19
Asset classified as held for Sale (Investment) (C)	-	37.09
Total Investments (A)+(B)+(C)	24,271.21	20,095.22

* All Investments represented above are made in India

** The Group has designated certain unquoted equity investments at FVOCI on the basis that these are not held for trading.

Note : Analysis of changes in the gross carrying amount and corresponding Expected Credit Loss (ECL) allowances in relation to Investment at Amortised Cost

Particulars	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening as on April 1, 2024	5,293.81	(0.01)	(0.01)	5,293.79	0.09	-	1.30	1.39
Purchased during the year	2,290.14	-	-	2,290.14	-	-	-	-
Net impact of interest accrued during the year and amounts derecognised on maturity/sale	(646.15)	-	-	(646.15)	(0.01)	-	-	(0.01)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-	-	-
Transfer from Stage 1 to Stage 3	-	-	-	-	-	-	-	-
Transfer from Stage 2 to Stage 3	-	-	-	-	-	-	-	-
Investments Written off	-	-	-	-	-	-	-	-
Additional impairment allowances made during the year	-	-	-	-	-	-	-	-
Closing as on March 31, 2025	6,937.80	(0.01)	(0.01)	6,937.78	0.08	-	1.30	1.38

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening as on April 1, 2023	4,949.06	(0.01)	19.97	4,969.02	0.23	-	19.99	20.22
Purchased during the year	599.25	-	-	599.25	-	-	-	-
Net impact of interest accrued during the year and amounts derecognised on maturity/sale	(254.50)	-	-	(254.50)	(0.14)	-	-	(0.14)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-	-	-
Transfer from Stage 1 to Stage 3	-	-	-	-	-	-	-	-
Transfer from Stage 2 to Stage 3	-	-	-	-	-	-	-	-
Investments Written off	-	-	(19.98)	(19.98)	-	-	(19.98)	(19.98)
Additional impairment allowances made during the year	-	-	-	-	-	-	1.29	1.29
Closing as on March 31, 2024	5,293.81	(0.01)	(0.01)	5,293.79	0.09	-	1.30	1.39

Note: 13 Other Financial Assets (at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured - considered good (unless otherwise stated)		
Security Deposits	75.66	217.15
Interest Only Strip receivable	286.63	146.85
Accrued Income on Debt Securities at FVTPL	5.96	5.41
Accrued Income on Debt Securities at FVOCI	367.32	281.06
Other Receivable	44.69	52.74
	780.26	703.21

Note : 14 Deferred Tax

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets		
Impairment on financial instruments	809.18	603.46
Premium Deficiency Reserve (PDR)	54.61	44.44
Unexpired Premium Reserve (UPR)	24.82	157.97
Provision for Contingencies and undrawn commitments	13.58	12.86
Provision for Compensated Absences and Gratuity	51.43	36.53
Fair Value changes related to Debt Instruments - FVTOCI	-	40.73
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961	28.96	47.72
Carry forward of tax losses	0.54	-
Cash flow hedge	45.53	1.50
Others	40.03	21.24
Total - Deferred Tax Assets (A)	1,068.68	966.45
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	0.92	0.93
Impact of Effective interest rate adjustment on Financial Assets	28.18	30.89
Fair value changes relating to Equity & Debt instruments-FVTPL	104.43	78.75
Deferred tax recognised on proposed dividend from subsidiary	6.57	6.57
Others	1.86	25.03
Total Deferred Tax Liabilities (B)	141.96	142.17
Net Deferred Tax Assets (A) - (B)	926.72	824.28

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note : 14 Deferred Tax (cont.)

Part I	As at March 31, 2025		As at March 31, 2024	
	Income Statement	OCI	Income Statement	OCI
Deferred Tax Assets				
Impairment on financial instruments	205.72	-	37.08	-
Premium Deficiency Reserve (PDR)	10.17	-	33.37	-
Unexpired Premium Reserve (UPR)	(133.15)	-	(34.00)	-
Provision for Contingencies and undrawn commitments	0.72	-	(0.06)	-
Provision for Compensated Absences and Gratuity	14.90	-	8.27	-
Fair Value changes related to Debt Instruments - FVTOCI	-	(65.99)	-	(41.58)
Impact of Effective interest rate adjustment on Financial Assets	-	-	(4.76)	-
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961	(18.76)	-	8.84	-
Re-measurement gains / (losses) on defined benefit plans (Net)	-	2.67	-	1.81
Fair value changes relating to Equity-FVTOCI	-	(1.67)	-	0.24
Carry forward of tax losses	0.54	-	(0.65)	-
MAT credit entitlement	-	-	(2.78)	-
Others	18.79	-	15.93	-
Total - Deferred Tax Assets (A)	98.93	(64.99)	61.24	(39.53)
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	(0.01)	-	(0.23)	-
Impact of Effective interest rate adjustment on Financial Assets	(2.71)	-	30.89	-
Fair value changes relating to Equity & Debt instruments -FVTPL	25.68	-	70.08	-
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961.	-	-	-	-
Cashflow Hedge Reserve	-	(44.03)	-	(18.17)
Others	(47.30)	-	8.10	-
Total Deferred Tax Liabilities (B)	(24.34)	(44.03)	108.84	(18.17)
Net Deferred Tax Assets (A) - (B)	123.27	(20.96)	(47.60)	(21.36)

Note: 15 Investment Property

Particulars	Total
Gross carrying amount as at April 01, 2023	28.97
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2024	28.97
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2025	28.97

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Total
Accumulated depreciation and impairment	
Balance as at April 01, 2023	0.01
Depreciation for the year **	-
Depreciation on disposals	-
Balance as at March 31, 2024	0.01
Depreciation for the year **	-
Depreciation on disposals	-
Balance as at March 31, 2025	0.01
Net Carrying amount	
As at March 31, 2024	28.96
As at March 31, 2025	28.96

** represents amount less than ₹1 lakh

The Group's investment property consists of 5 properties, of which one is let out as at March 31, 2025.

i) Income earned and expense incurred in connection with Investment Property

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental Income	0.05	0.05
Direct Operating expense for property that generated rental income	0.01	0.01
Direct Operating expense for property that did not generate rental income	0.01	0.02

ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property.

iii) Leasing Arrangements

Certain investment properties are leased out to tenants under cancellable operating lease.

iv) Fair Value

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Investment Property	32.80	29.68

v) Sensitivity analysis

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair Value (₹ in Crs)	Sensitivity (₹ in Crs)
Investment property As at March 31, 2025	Professional valuer	Price per Sq. feet	₹8,500 - ₹15,000 per Sq. ft.	5%	32.80	1.64
Investment property As at March 31, 2024	Professional valuer	Price per Sq. feet	₹8,500 - ₹16,000 per Sq. ft.	5%	29.68	1.48

vi) The Title Deeds of the Immovable Properties mentioned above are in the name of the respective company(ies).

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note: 16 - Property, Plant And Equipment

Particulars	Freehold Land	Plant & Machinery	Buildings		Computer Equipment		Office Equipment		Furniture and Fixtures	Leasehold Improvements	Vehicles	Total Tangible asset
			Own Assets	Right of Use Asset	Own Assets	Right of Use Asset	Own Assets	Right of Use Asset				
Gross carrying amount as at April 01, 2023	56.12	-	74.26	399.80	217.54	24.22	42.37	40.38	29.93	70.79	87.39	1,042.80
Additions	803.51	3.66	32.95	308.98	58.23	-	30.12	-	40.60	62.58	60.85	1,401.48
Disposals	0.07	-	0.55	16.96	18.28	-	3.71	-	3.98	6.78	11.76	62.09
Gross carrying amount as at March 31, 2024	859.56	3.66	106.66	691.82	257.49	24.22	68.78	40.38	66.55	126.59	136.48	2,382.19
Additions	17.98	-	3.98	320.38	65.94	-	22.23	-	8.92	53.64	49.30	542.37
Disposals	-	-	-	223.13	60.34	-	9.12	-	7.26	13.68	22.21	335.74
Gross carrying amount as at March 31, 2025	877.54	3.66	110.64	789.07	263.09	24.22	81.89	40.38	68.21	166.55	163.57	2,588.82
Accumulated depreciation / amortisation and impairment												
Balance as at April 01, 2023	-	-	6.14	219.40	137.15	21.56	30.60	35.70	25.79	52.63	7.20	536.17
Depreciation for the year	-	0.14	1.72	84.86	52.33	2.66	9.83	4.68	11.99	19.94	25.45	213.60
Depreciation on disposals	-	-	0.03	-	17.82	-	3.51	-	3.96	6.76	5.13	37.21
Balance as at March 31, 2024	-	0.14	7.83	304.26	171.66	24.22	36.92	40.38	33.82	65.81	27.52	712.56
Depreciation for the year	-	0.24	2.10	116.55	61.94	-	12.60	-	11.23	22.43	31.55	258.64
Depreciation on disposals	-	-	-	185.53	60.26	-	8.75	-	7.25	12.71	8.72	283.22
Balance as at March 31, 2025	-	0.38	9.93	235.28	173.34	24.22	40.77	40.38	37.80	75.53	50.35	687.98
Net Carrying amount												
As at March 31, 2024	859.56	3.52	98.83	387.56	85.83	-	31.86	-	32.73	60.78	108.96	1,669.63
As at March 31, 2025	877.54	3.28	100.71	553.79	89.75	-	41.12	-	30.41	91.02	113.22	1,900.84

Note

- Details of Immovable properties of land and buildings whose title deeds have been pledged in favour of Debenture trustees for the benefit of debenture holders as security has been explained in Note 19.1
- The Group has elected to include ROU assets pertaining to lease of buildings as part of the Property, plant and equipment as permitted under paragraph 47 of Ind AS 116.
- The Title Deeds of the Immovable Properties mentioned above are in the name of the respective Companies.
- Group has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2025 (Previous year - None)

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note: 17 Intangible Assets

Particulars	Computer Software
Gross carrying amount as at April 01, 2023	209.03
Additions	31.53
Disposals	10.71
Gross carrying amount as at March 31, 2024	229.85
Additions	51.42
Disposals	6.82
Gross carrying amount as at March 31, 2025	274.45
Accumulated Amortization and impairment	
Balance as at April 01, 2023	164.19
Amortization for the year	33.94
Amortization on disposals	10.71
Balance as at March 31, 2024	187.42
Amortization for the year	37.09
Amortization on disposals	6.31
Balance as at March 31, 2025	218.20
Net Carrying amount	
As at March 31, 2024	42.43
As at March 31, 2025	56.25

Note 18: Other Non Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured - considered good (unless otherwise stated)		
Prepaid expenses	46.33	44.24
Capital Advances	67.83	32.58
Goods and Services Tax Input Credit	176.68	72.52
Other assets	97.81	87.06
	388.65	236.40

Note : 19 Debt Securities (at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
Redeemable Non-Convertible Debentures - Medium Term		
Secured	24,088.19	19,435.62
Compulsory-Convertible Debentures	2,074.06	2,071.45
Commercial Papers - Unsecured	4,060.45	3,305.69
	30,222.70	24,812.76

All debt securities have been contracted in India.

Note - 19.1 Security

- (i) Redeemable Non-Convertible Debentures - Medium-term is secured by way of specific charge on assets under hypothecation relating to Vehicle Finance, Loan against Property and other loans.
- (ii) Terms of the Compulsorily Convertible Debentures (CCD)
Each CCD has a face value of ₹1,00,000 and shall constitute an unsecured and unsubordinated (as between other unsecured creditors) obligation.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Maturity Date

The maturity date for compulsorily conversion of each CCD shall be September 30, 2026.

Conversion

Each CCD holder shall be entitled to convert their CCD into at at agreed rate.

- (iii) The Group has not defaulted in the repayment of dues to its lenders during the year and in the previous year.
- (iv) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in Note 19.2 based on the Contractual terms.

19.2 Details of Debentures - Contractual principal repayment value (before inter-company eliminations)

(i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at		Redemption due in	Rate of interest %
		March 31, 2025	March 31, 2024		
11,500	10,00,000	-	1,150.00	Apr-24	8.62
16,000	10,00,000	-	1,600.00	Jul-24	7.38 to 8.66
4,000	10,00,000	-	400.00	Aug-24	7.67 to 7.69
3,500	10,00,000	-	350.00	Oct-24	6.80
13,600	10,00,000	-	1,360.00	Dec-24	6.63 to 8.81
2,000	10,00,000	-	200.00	Feb-25	9.11
33,49,951	1,000	-	335.00	Mar-25	8.25
4,974	10,00,000	-	497.40	Mar-25	7.08
32,85,035	1,000	328.50	328.50	Jun-25	8.25
5,000	10,00,000	500.00	500.00	Jul-25	7.92
5,000	10,00,000	500.00	500.00	Nov-25	8.45
17,34,226	1,000	173.42	173.42	Dec-25	8.40
6,050	10,00,000	605.00	605.00	Dec-25	8.30
11,35,778	1,000	113.58	113.58	Jan-26	8.45
8,000	10,00,000	800.00	800.00	Jan-26	7.92
60,200	1,00,000	602.00	602.00	Mar-26	8.50
7,000	10,00,000	700.00	700.00	Apr-26	7.32
70,000	1,00,000	700.00	700.00	May-26	8.25
18,72,062	1,000	187.21	187.21	Jun-26	8.30
20,18,847	1,000	201.88	201.88	Sep-26	8.30
250	10,00,000	25.00	25.00	Nov-26	8.55
22,81,860	1,000	228.19	228.19	Dec-26	8.50
1,00,000	1,00,000	1,000.00	-	Dec-26	8.19
51,82,140	1,000	518.21	518.21	Jan-27	8.50
5,000	1,00,000	50.00	50.00	Jan-27	8.40
2,700	10,00,000	270.00	270.00	Mar-27	7.30
1,17,500	1,00,000	1,175.00	-	Mar-27	8.19
2,750	10,00,000	275.00	275.00	Apr-27	7.50
4,550	10,00,000	455.00	455.00	May-27	7.95
50,000	1,00,000	500.00	-	May-27	8.58
50,000	1,00,000	500.00	-	Jul-27	8.50

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

No. of Debentures	Face Value ₹	Balance as at		Redemption due in	Rate of interest %
		March 31, 2025	March 31, 2024		
1,50,000	1,00,000	1,500.00	-	Sep-27	8.40
65,000	1,00,000	650.00	-	Feb-28	8.20
44,02,938	1,000	440.29	440.29	May-28	8.40
89,63,940	1,000	896.39	896.39	Aug-28	8.40
44,73,708	1,000	447.37	447.37	Dec-28	8.60
78,57,218	1,000	785.72	785.72	Jan-29	8.60
1,00,000	1,00,000	1,000.00	1,000.00	Feb-29	8.65
94,100	1,00,000	941.00	941.00	Mar-29	8.60
1,00,900	1,00,000	1,009.00	-	Apr-29	8.54 to 8.59
1,38,650	1,00,000	1,386.50	-	May-29	8.65
51,520	1,00,000	515.20	-	Jun-29	8.64
50,000	1,00,000	500.00	-	Jul-29	8.64
50,000	1,00,000	500.00	-	Oct-29	8.25
1,10,000	1,00,000	1,100.00	-	Nov-34	8.50
		22,079.46	17,636.16		

(ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put call option

No. of Debentures	Face Value ₹	Balance as at		Redemption due in	Redemption price ₹	Premium ₹
		March 31, 2025	March 31, 2024			
350	10,00,000	-	35.00	Oct-24	13,01,025.00	3,01,025.00
250	10,00,000	-	25.00	Dec-24	12,93,960.00	2,93,960.00
1,67,213	1,000	-	16.72	Mar-25	1,156.64	156.64
74,466	1,000	7.45	7.45	Jun-25	1,156.64	156.64
5,000	10,00,000	500.00	500.00	Jun-25	12,56,740.00	2,56,740.00
850	10,00,000	85.00	85.00	Jul-25	13,53,045.00	3,53,045.00
1,250	10,00,000	125.00	125.00	Jul-25	14,61,481.00	4,61,481.00
1,26,294	1,000	12.63	12.63	Dec-25	1,175.32	175.23
1,00,942	1,000	10.09	10.09	Jan-26	1,176.40	176.40
83,500	1,000	8.35	8.35	Jun-26	1,279.15	279.15
1,12,926	1,000	11.29	11.29	Sep-26	1,279.15	279.15
1,12,696	1,000	11.27	11.27	Dec-26	1,277.58	277.58
48,858	1,000	4.89	4.89	Jan-27	1,277.29	277.29
1,000	10,00,000	100.00	100.00	Mar-27	14,22,599.00	4,22,599.00
1,24,336	1,000	12.43	12.43	May-28	1,497.40	497.40
96,548	1,000	9.65	9.65	Aug-28	1,497.41	497.41
89,123	1,000	8.91	8.91	Dec-28	1,511.28	511.28
25,903	1,000	2.59	2.59	Jan-29	1,511.28	511.28
		909.55	986.27			

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

(iii) Compulsory-Convertible Debentures

No. of Debentures	Face Value ₹	Balance as at		Redemption due in	Put option date	Rate of interest %
		March 31, 2025	March 31, 2024			
2,00,000	1,00,000	2,000.00	2,000.00	NA	NA	7.50
		2,000.00	2,000.00			

Note : 20 Borrowings (Other than Debt Securities) at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
A) Term Loans		
i) a) From Banks - Secured		
Rupee Loans	76,466.27	62,118.31
Foreign currency Loans	-	-
External Commercial Borrowings	12,349.08	4,467.39
b) From Banks - Unsecured		
Short Term Loans	-	-
ii) From Other Parties - Secured		
(a) Financial Institutions - Rupee Loans	12,564.31	9,324.77
(b) External Commercial Borrowings	877.28	1,089.47
(c) Securitisation - Rupee Loans	26,666.52	23,781.83
B) Loans repayable on demand		
a) From Banks - Rupee Loans - Secured	4,868.52	3,729.36
	1,33,791.98	1,04,511.13
Borrowings within India	1,20,565.62	98,954.27
Borrowings outside India	13,226.36	5,556.86
	1,33,791.98	1,04,511.13

20.1 Security

- (i) Secured term loans from banks and financial institutions are secured by way of specific charge on assets under hypothecation relating to vehicle finance, home loans, loan against property and *pari passu* charge on immovable property which are owned assets of the Group situated at Chennai.
- (ii) Loan repayable on demand is in the nature of Cash Credit and working capital demand loan from banks and is secured by way of floating charge on assets under hypothecation and other assets.
- (iii) The Group has not defaulted in the repayment of dues to its lenders during the year and in the previous year.
- (iv) Securitisation borrowing represents the net outstanding value (Net of Investment in Pass-through Certificates) of the proceeds received by the Group from securitisation trust in respect of loan assets transferred by the Group pursuant to Deed of Assignment. The Group has provided Credit enhancement to the securitisation trust by way of cash collateral and bank guarantee. Also refer Note 6B.
- (v) The Group has utilised the borrowings for the purpose for which it was obtained.
- (vi) The quarterly statements or returns of current assets filed by the respective companies in the Group with banks are in agreement with books of accounts to the extent applicable.
- (vii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in Note 20.2 based on the contractual terms.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

20.2 Details of term loans - Contractual principal repayment terms

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2025	March 31, 2024
Base Rate / MCLR	< 1year	1	50.00	50.00
		2	1,400.00	-
		3	225.00	75.00
		4	2,998.89	2,615.56
		12	-	200.00
	1 - 2 years	1	500.00	237.50
		2	1,400.00	-
		4	2,598.89	1,565.56
		9	-	150.00
	2 - 3 years	1	500.00	-
		2	1,450.00	-
		3	241.67	-
		4	2,176.67	954.44
	3 - 4 years	2	1,400.00	50.00
		3	232.50	241.67
		4	1,644.44	532.22
	4 - 5 years	1	450.00	-
		2	600.00	-
		3	-	45.00
		4	300.00	200.00
Base Rate/ MCLR + spread (0.05% to 0.20%)	< 1year	1	1,000.00	1,000.00
		2	-	-
		3	-	375.00
		4	2,652.14	2,373.81
	1 - 2 years	1	-	1,000.00
		4	2,652.14	2,373.81
	2 - 3 years	2	428.57	
		3	686.25	-
		4	880.00	2,107.14
	3 - 4 years	2	-	428.57
		3	300.00	637.50
		4	495.00	400.00
	4- 5 years	1	45.00	-
		2	65.00	-
		3	-	300.00
	> 5 Years	1	16.25	-
Rate based on T Bill	> 1year	4	20.00	20.00
	1-2 years	4	20.00	20.00
	2-3 years	4	20.00	20.00
	3-4 years	4	15.00	20.00
	4-5 years	3	-	15.00

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2025	March 31, 2024
Rate based on T Bill + Spread (0.25% to 1.75%)	< 1 year	1	4,460.00	3,255.00
		2	2,238.21	1,200.00
		3	45.00	137.96
		4	7,470.36	5,801.79
	1 - 2 years	1	1,817.14	2,560.00
		2	2,739.29	1,575.71
		3	321.43	45.00
		4	5,468.22	5,470.36
	2 - 3 years	1	1,553.57	2,417.14
		2	2,394.64	1,639.29
		3	750.00	321.43
		4	1,400.36	3,143.22
	3 - 4 years	1	1,100.00	1,553.57
		2	721.50	1,732.14
		4	358.75	400.36
	4 - 5 years	1	250.00	1,100.00
		2	36.40	221.50
		4	-	358.75
	> 5 years	1	-	36.40
Fixed Rate (5.15% to 8.45%)	< 1 year	1	1,684.00	1,516.33
		2	1,032.22	1,012.22
		3	-	102.20
		4	2,119.80	890.80
	1 - 2 years	12	166.67	166.67
		1	1,350.00	1,684.00
		2	932.22	1,032.22
		4	2,024.80	890.80
	2 - 3 years	7	97.22	-
		12	-	166.67
		1	1,007.78	1,350.00
		2	50.00	932.22
	3 - 4 years	3	420.00	-
		4	1,472.80	890.80
		7	-	97.22
		1	113.77	277.78
	4 - 5 years	2	801.00	710.00
		3	68.32	-
		4	1,143.60	890.80
		1	41.10	443.77
	> 5 years	2	-	141.00
		3	435.00	68.32
		4	400.00	163.60
		1	-	41.10
		2	200.00	-

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2025	March 31, 2024
Repo rate	< 1year	1	-	176.19
		2	450.00	121.00
		3	37.50	251.79
		4	3,114.05	1,872.38
	1 - 2 years	2	460.00	150.00
		3	-	18.75
		4	3,119.05	1,186.67
	2 - 3 years	1	50.00	-
		2	661.11	160.00
		3	450.00	-
		4	1,876.83	1,166.67
	3 - 4 years	1	64.88	50.00
		2	743.65	361.11
		3	468.75	-
		4	975.00	524.44
	4 - 5 years	1	75.00	12.50
		2	300.00	372.22
		4	600.00	-
	> 5 Years	1	-	75.00
Overnight MIBOR (0.89% to 1.55%)	< 1 year	2	111.11	111.12
		4	352.52	285.83
	1 - 2 years	1	43.75	-
		2	111.11	111.11
		4	194.08	285.83
	2 - 3 years	1	55.56	43.75
		2	-	111.11
		4	62.44	110.84
	3 - 4 years	1	55.56	-
		2	-	111.11
		4	83.25	-
	4 - 5 years	2	41.63	-
USD 3M SOFR + Spread	< 1year	4	243.52	237.37
	1-2 years	4	243.52	237.37
	2-3 years	1	3,636.30	-
		4	243.52	237.37
	3 - 4 years	1	60.88	-
		4	-	237.37
	4 - 5 years	1	-	59.34
USD 6M SOFR + Spread	< 1year	1	855.60	767.28
	1-2 years		2,994.60	834.00
	2-3 years	1	2,883.37	2,919.00
EURO 3M EURIBOR +Spread	2-3 years	1	2,082.15	-
Total			1,03,948.87	77,644.44

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Rate of Interest	Maturity	Amount outstanding	
		March 31, 2025	March 31, 2024
Fixed (4.9% to 8%)	Less than 1 year	11,113.27	9,448.78
	1-2 year	8,121.35	7,184.46
	2-3 year	4,833.49	4,526.29
	3-4 year	1,870.72	1,959.39
	4-5 year	458.84	345.33
	more than 5 years	115.99	85.16
Total		26,513.66	23,549.41
Floating Base Rate/ Marginal Cost of Funds based Lending Rate (MCLR) - spread (0.75% to 1.30%)	Less than 1 year	19.89	29.75
	1-2 year	17.14	27.01
	2-3 year	14.56	26.55
	3-4 year	11.12	22.47
	4-5 year	9.07	18.66
	more than 5 years	36.99	78.94
Total		108.77	203.38

20.3 No borrowings are guaranteed by directors and / or others.

Note : 21 Subordinated Liabilities (At Amortised Cost)

Particulars	As at March 31, 2025	As at March 31, 2024
Perpetual Debt - Unsecured	2,594.38	1,614.19
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	511.10	510.96
b) Other Subordinated Debts	7,246.28	2,564.96
	10,351.76	4,690.11

21.1

- (i) All Subordinated liabilities have been contracted in India except for Rupee denominated bonds.
- (ii) The Group has not defaulted in the repayment of dues to its lenders during the year and in the previous year.
- (iii) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in Note 21.2 based on the Contractual terms.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

21.2 Details of Subordinated Liabilities - Contractual principal repayment value (before inter-company eliminations)

(i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put call option

No. of Debentures	Face Value ₹	Balance as at		Redemption due in	Rate of interest %
		March 31, 2025	March 31, 2024		
250	10,00,000	-	25.00	Apr-24	11.00
50	10,00,000	-	5.00	May-24	11.00
150	10,00,000	-	15.00	Jun-24	11.00
100	10,00,000	10.00	10.00	Nov-26	9.20
2,500	10,00,000	250.00	250.00	Jun-27	8.78 to 8.80
1,500	10,00,000	150.00	150.00	Aug-27	8.53
5,300	10,00,000	530.00	530.00	Mar-28	9.05
3,000	10,00,000	300.00	300.00	Aug-28	9.75
11,000	1,00,000	110.00	-	Apr-31	9.00
2,00,000	1,00,000	2,000.00	-	Jun-31	9.10
20,000	1,00,000	200.00	200.00	Oct-29	9.00
200	1,00,00,000	200.00	200.00	Oct-31	7.90
150	1,00,00,000	150.00	150.00	Feb-32	8.10
1,00,000	1,00,000	1,000.00	-	Mar-32	9.05
290	1,00,00,000	290.00	290.00	Dec-32	8.65
20,500	1,00,000	205.00	205.00	Oct-33	8.85
20,000	1,00,000	200.00	200.00	Nov-33	8.85
20,010	1,00,000	200.10	200.10	Mar-34	8.85
400	1,00,00,000	400.00	400.00	Jan-30	9.75
30,000	1,00,000	300.00	300.00	May-30	8.75
15,000	1,00,000	150.00	-	Jun-34	9.00
1,00,000	1,00,000	1,000.00	-	Dec-34	8.92
50,000	1,00,000	500.00	-	Jan-35	9.00
		8,145.10	3,430.10		

ii) Key terms of debentures issued by CMSGICL

Issue size (₹ Crores)	100.00
Security Name	Chola MS 8.47% NCD 2032
Coupon Rate	8.47%
Date of Allotment	June 02, 2022
Call option	At the end of five years from the Deemed date of allotment or every year thereafter. Such call option may be exercised by the Issuer with the prior approval of IRDAI and in accordance with the IRDAI Regulations.
Type of Instrument	Unsecured, rated, subordinated, fully paid-up, listed, redeemable and non-convertible debentures.
Security of debentures issued	The debenture issued is Unsecured, subordinated, fully paid-up, listed, redeemable and non-convertible debentures (the "Debentures"). The claims of the Debenture Holders shall be superior to the claims of the investors in preference shares and equity shares of the Issuer in that order but shall be subordinated to the claims of the policyholders and all other creditors.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

(iii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at		Call option Date #	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31, 2025	March 31, 2024		
500	5,00,000	-	25.00	Jun-24	12.90
174	10,00,000	-	17.40	Jul-24	12.90
500	5,00,000	-	25.00	Aug-24	12.80
5,000	5,00,000	250.00	250.00	Feb-29	10.88
1,120	5,00,000	56.00	56.00	Mar-29	10.83
1,000	5,00,000	50.00	50.00	Dec-29	10.75
900	5,00,000	45.00	45.00	Nov-30	9.30
2,000	5,00,000	100.00	100.00	Mar-31	9.25
2,000	5,00,000	100.00	100.00	May-31	9.20
800	5,00,000	40.00	40.00	Jul-31	9.05
30	1,00,00,000	30.00	30.00	Sep-31	8.98
25	1,00,00,000	25.00	25.00	Mar-32	9.1
45	1,00,00,000	45.00	45.00	May-32	9.2
1,200	5,00,000	60.00	60.00	Aug-32	9.15
480	5,00,000	24.00	24.00	Sep-32	9.15
21	1,00,00,000	21.00	21.00	Oct-32	9.15
400	5,00,000	20.00	20.00	Dec-32	9.15
400	5,00,000	20.00	20.00	Jan-33	9.15
6,000	5,00,000	300.00	300.00	Mar-33	9.45
460	5,00,000	23.00	23.00	Mar-33	9.40
340	5,00,000	17.00	17.00	Mar-33	9.40
600	5,00,000	30.00	30.00	Jun-33	9.40
200	1,00,00,000	200.00	200.00	Jun-33	9.25
400	5,00,000	20.00	20.00	Sep-33	9.25
1,00,000	1,00,00,000	1,000.00	-	Aug-34	9.50
		2,476.00	1,543.40		

Group can redeem using Call option on the maturity date with prior approval of RBI.

Note : 22 Insurance Contract Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Claims Outstanding	11,788.29	10,589.97
Unclaimed amount of policy holders	8.89	5.99
Agents' balances	96.54	209.56
	11,893.72	10,805.52

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

(i) Movement in Claims Outstanding

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
At the beginning of the year - Gross Liability	10,589.97	8,730.14
- Reinsurance Asset (Note 10A)	(1,438.01)	(789.56)
- Net Liability	9,151.96	7,940.58
Claims incurred in the year (for loss occurred in the year)	4,533.76	4,116.48
Adjustment to claims incurred in prior years due to changes in assumptions	(247.69)	(294.97)
Claims paid during the year	(3,338.17)	(2,610.13)
At the end of the year - Net Liability	10,099.86	9,151.96
- Gross Liability	11,788.29	10,589.97
- Reinsurance Asset (Note 10A)	(1,688.43)	(1,438.01)

(ii) Movement in Unclaimed Amount of policy Holders

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
At the beginning of the year	5.99	5.61
Adjustments during the year	2.90	0.38
At the end of the year	8.89	5.99

(iii) Movement in Agent's balances

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
At the beginning of the year	209.56	70.07
Adjustments during the year	(113.02)	139.49
At the end of the year	96.54	209.56

Note : 22A Other Financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Unpaid dividend	1.10	1.19
Advances from customers	48.96	47.99
Security Deposits received	7.71	5.83
Collections towards derecognised assets pending remittance	90.10	47.31
Lease liability	589.44	408.17
Other liabilities	127.75	133.15
	865.06	643.64

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note : 23 Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
- Compensated absences	194.38	168.18
	194.38	168.18
Other Provisions		
Provision for Contingencies and Service Tax claims	39.54	39.54
Provision for Undrawn commitments	14.42	10.37
	53.96	49.91
	248.34	218.09

Note : 24 Other Non Financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Insurance Contract Liabilities		
Provision for unearned premiums (Refer Note (i) below)	6,455.04	5,939.24
Unallocated premium (Refer Note (ii) below)	193.38	155.66
Provision for premium deficiency (Refer Note (iii) below)	108.08	96.49
Premium received in advance (Refer Note (iv) below)	30.37	28.40
Total (A)	6,786.87	6,219.79
Others		
Income received in advance	5.41	5.14
Statutory Liabilities	176.68	162.76
Other Liabilities	1.64	2.93
Total (B)	183.73	170.83
Total (A) + (B)	6,970.60	6,390.62

(i) Movement in Provision for unearned premiums

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
At the beginning of the year - Gross Liability	5,939.24	5,443.32
- Reinsurance Asset (Note 10A)	(1,154.05)	(1,036.18)
- Net Liability	4,785.19	4,407.14
Premium written in the year	6,192.96	5,457.08
Premium recognised during the year	(5,805.60)	(5,079.03)
At the end of the year - Net Liability	5,172.55	4,785.19
- Gross Liability	6,455.04	5,939.24
- Reinsurance Assets (Note 10B)	(1,282.49)	(1,154.05)

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

(ii) Movement in Unallocated premium

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
At the beginning of the year	155.66	304.37
Adjustments during the year	39.58	(148.71)
At the end of the year	193.38	155.66

(iii) Movement in Provision for premium deficiency

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
At the beginning of the year	96.49	44.00
Recognised during the year	11.59	52.49
At the end of the year	108.08	96.49

(iv) Movement in Premium received in advance

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
At the beginning of the year	28.40	14.76
Incurred during the year	(429.19)	(558.93)
Premium recognised during the year	431.16	572.57
At the end of the year	30.37	28.40

Note 25 : Equity Share Capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
AUTHORISED				
Equity Shares of ₹1 each	43,00,00,000	43.00	43,00,00,000	43.00
		43.00		43.00
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of ₹1 each	18,77,77,462	18.78	18,77,77,462	18.78
		18.78		18.78

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
Equity Shares				
At the beginning of the year	18,77,77,462	18.78	18,77,77,462	18.78
Issued during the year	-	-	-	-
Outstanding at the end of the year	18,77,77,462	18.78	18,77,77,462	18.78

b) Terms/rights attached to Equity shares

The Parent has only one class of equity shares having par value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. The Parent declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend.

Repayment of capital will be in proportion to the number of equity shares held.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

c) Details of shareholding more than 5% shares in the Parent

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity Shares				
Ambadi Investments Limited	7,07,66,595	37.69	7,07,66,595	37.69

As per records of the Parent, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d) Shareholding of Promoters

S. No.	Name of the Promoter (P) / Promoter Group (PG)	Category	As on 31-Mar-2025		As on 31-Mar-2024		% Change during the year
			No. of shares	% to shares	No. of shares	% to shares	
1.	Ambadi Investments Limited	Promoter	7,07,66,595	37.69	7,07,66,595	37.69	-
2.	Arun Alagappan	Promoter	7,41,090	0.39	8,33,090	0.44	(11.04)
3.	M A Alagappan	Promoter	7,10,000	0.38	7,10,000	0.38	-
4.	M V Murugappan - HUF (Valli Arunachalam holds shares in the capacity as karta)	Promoter	NA (Refer Note A)		5,43,330	0.29	(100.00)
5.	A Venkatachalam	Promoter	5,13,610	0.27	5,13,610	0.27	-
6.	M A M Arunachalam	Promoter	8,42,760	0.45	8,42,760	0.45	-
7.	A Vellayan	Promoter	6,31,900	0.34	3,82,400	0.20	65.25
8.	M M Murugappan HUF(M M Murugappan holds shares in the capacity as kartha)	Promoter	3,55,330	0.19	3,55,330	0.19	-
9.	V Arunachalam	Promoter	3,38,990	0.18	3,38,990	0.18	-
10.	V Narayanan	Promoter	2,81,140	0.15	2,81,140	0.15	-
11.	M M Muthiah HUF (M M Murugappan hold shares in the capacity as kartha)	Promoter	2,77,360	0.15	2,77,360	0.15	-
12.	A Venkatachalam (Hold shares in the capacity as Kartha of HUF)	Promoter	2,52,000	0.13	2,52,000	0.13	-
13.	A Vellayan (Hold shares in the capacity as Kartha of HUF)	Promoter	-	0.00	2,49,500	0.13	(100.00)
14.	M M Murugappan	Promoter	2,09,715	0.11	2,09,715	0.11	-
15.	Arun Venkatachalam	Promoter	2,00,000	0.11	2,00,000	0.11	-
16.	M V Subbiah (Hold shares in the capacity as Kartha of HUF)	Promoter	1,71,200	0.09	1,71,200	0.09	-
17.	M A M Arunachalam (in the capacity of Karta of HUF)	Promoter	1,48,660	0.08	1,48,660	0.08	-
18.	M A Alagappan HUF(M A Alagappan hold shares in the capacity as kartha)	Promoter	1,30,660	0.07	1,30,660	0.07	-
19.	M M Venkatachalam	Promoter	4,000	0.00	4,000	0.00	-
20.	Carborundum Universal Limited	Promoter	1,000	0.00	1,000	0.00	-
21.	A M Meyyammai	Promoter Group	93,150	0.05	93,150	0.05	-
22.	Lakshmi Ramaswamy Family Trust(AA Alagammai & Lakshmi Ramaswamy holds shares on behalf of Trust)	Promoter Group	7,43,000	0.40	7,43,000	0.40	-
23.	Murugappa Educational and Medical Foundation	Promoter Group	7,26,200	0.39	7,26,200	0.39	-
24.	Shambho Trust (M V Subbiah & S Vellayan are trustees of the trust)	Promoter Group	5,97,340	0.32	5,97,340	0.32	-

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

S. No.	Name of the Promoter (P) / Promoter Group (PG)	Category	As on 31-Mar-2025		As on 31-Mar-2024		% Change during the year
			No. of shares	% to shares	No. of shares	% to shares	
25.	MA Murugappan Holdings LLP	Promoter Group	5,46,860	0.29	5,46,860	0.29	-
26.	Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah are trustees of the trust)	Promoter Group	5,15,180	0.27	5,15,180	0.27	-
27.	MA Alagappan Holdings Private Limited	Promoter Group	5,29,860	0.28	5,29,860	0.28	-
28.	Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan are trustees of the trust)	Promoter Group	5,00,000	0.27	5,00,000	0.27	-
29.	MM Muthiah Family Trust (MM Murugappan & MM Muthiah holds shares on behalf of the Trust)	Promoter Group	4,78,055	0.25	4,78,055	0.25	-
30.	MM Veerappan Family Trust (MM Murugappan & Meenakshi Murugappan holds shares on behalf of the Trust)	Promoter Group	4,68,055	0.25	4,68,055	0.25	-
31.	MV Muthiah Family Trust (MM Venkatachalam & M V Muthiah holds shares on behalf of the Trust)	Promoter Group	4,59,830	0.24	4,59,830	0.24	-
32.	M V Subramanian Family Trust (Mr. MM Venkatachalam & MV Subramanian hold shares on behalf of Trust)	Promoter Group	4,59,830	0.24	4,59,830	0.24	-
33.	MV AR Meenakshi	Promoter Group	4,49,630	0.24	4,49,630	0.24	-
34.	MM Venkatachalam Family Trust (MM Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	Promoter Group	4,03,900	0.22	4,03,900	0.22	-
35.	AR Lakshmi Achi Trust	Promoter Group	3,91,510	0.21	3,91,510	0.21	-
36.	Lakshmi Venkatachalam Family Trust (MM Venkatachalam & Lakshmi Venkatachalam are trustees of trust)	Promoter Group	3,79,905	0.20	3,79,905	0.20	-
37.	Meyyammai Venkatachalam	Promoter Group	3,58,580	0.19	3,58,580	0.19	-
38.	MM Muthiah Research Foundation	Promoter Group	2,80,920	0.15	2,80,920	0.15	-
39.	MM Murugappan Family Trust (MM Murugappan & Meenakshi Murugappan are trustees of the trust)	Promoter Group	2,31,800	0.12	2,31,800	0.12	-
40.	Sigapi Arunachalam	Promoter Group	2,27,990	0.12	2,27,990	0.12	-
41.	Umayal.R.	Promoter Group	2,26,580	0.12	2,26,580	0.12	-
42.	Arun Murugappan Children's Trust (MAM Arunachalam & Sigappi Arunachalam hold on behalf of trust)	Promoter Group	2,20,278	0.12	2,20,278	0.12	-
43.	MA Alagappan Grand Children Trust (Arun Alagappan & AA Alagammai hold shares on behalf of Trust)	Promoter Group	2,16,777	0.12	2,16,777	0.12	-
44.	Murugappan Arunachalam Children Trust (Sigapi Arunachalam alongwith others hold shares of Trust)	Promoter Group	2,15,410	0.11	2,15,410	0.11	-
45.	Lakshmi Chockalingam	Promoter Group	6,24,410	0.33	6,24,410	0.33	-
46.	Valli Annamalai	Promoter Group	1,57,127	0.08	1,57,127	0.08	-
47.	M Vellachi	Promoter Group	NA (Refer Note A)		5,97,425	0.32	(100.00)
48.	AMM Vellayan Sons P Ltd	Promoter Group	38,430	0.02	38,430	0.02	-
49.	Pranav Alagappan	Promoter Group	28,050	0.01	28,050	0.01	-
50.	Valliammai Murugappan	Promoter Group	17,032	0.01	17,032	0.01	-

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

S. No.	Name of the Promoter (P) / Promoter Group (PG)	Category	As on 31-Mar-2025		As on 31-Mar-2024		% Change during the year
			No. of shares	% to shares	No. of shares	% to shares	
51.	M V Seetha Subbiah Benefit trust (M.V.Subbiah & S Vellayan hold shares on behalf of the Trust)	Promoter Group	14,500	0.01	14,500	0.01	-
52.	Valli Subbiah Benefit Trust (S Vellayan & M V Subbiah hold shares on behalf of the Trust)	Promoter Group	14,500	0.01	14,500	0.01	-
53.	Dhruv M Arunachalam	Promoter Group	11,000	0.01	11,000	0.01	-
54.	Solachi Ramanathan	Promoter Group	8,500	0.00	8,500	0.00	-
55.	M.M.Muthiah Sons Private Ltd	Promoter Group	4,200	0.00	4,200	0.00	-
56.	A V Nagalakshmi	Promoter Group	3,600	0.00	3,600	0.00	-
57.	V Vasantha	Promoter Group	2,300	0.00	2,300	0.00	-
58.	Uma Ramanathan	Promoter Group	2,000	0.00	2,000	0.00	-
59.	Lakshmi Venkatachalam	Promoter Group	1,200	0.00	1,200	0.00	-
60.	Valli Alagappan	Promoter Group	-	0.00	1,020	0.00	(100.00)
61.	A Keertika Unnamalai	Promoter Group	500	0.00	500	0.00	-
62.	Meenakshi Murugappan	Promoter Group	70	0.00	70	0.00	-
63.	Valli Arunachalam	Promoter Group	NA (Refer Note A)		4,96,095	0.26	100.00
Total P/PG Holdings			8,72,24,069	46.45	8,89,53,939	47.37	
Paid up share capital			18,77,77,462		18,77,77,462		

Note A: Based on the shareholders' request, they were classified as 'public' shareholders with effect from December 2024.

Note 26 - Other Equity

26a. Statutory Reserve

As per the requirements of Section 45-IC of the Reserve Bank of India Act, 1934, every Non Banking Finance Company (NBFC) is required to transfer 20% of the total profits after tax for the year to a specific reserve by name of Statutory Reserve. Two entities (CFHL & CIFCL) in the Group, based on the above regulation, transferred an amount equivalent to 20% of the total profits after tax for the current year to such reserve.

26b. Capital Reserve

Capital Reserve represents the amount that has been received as a capital grant from the Government of Maharashtra for the set up of a unit in 2008-09 based on the fulfillment of certain conditions in connection with the set up of such unit. Pursuant to the Scheme of Arrangement for demerger in the year 2016-17, this amount has been retained in the Company.

26c. Capital Reserve On Consolidation

Capital reserve on consolidation represents the effect on reserves on account of additional investment in CIFCL during the year 2019-20.

26d. Debenture Redemption Reserve

As one of the entity (CMSGICL) in the Group has issued redeemable non-convertible debentures, it has created Debenture Redemption Reserve (DRR) in accordance with the requirements of The Companies (Share capital and Debentures) Rules, 2014. Pursuant to amendment vide Ministry of Corporate Affairs notification no. G. S. R 574 (E) dated August 16, 2019 of Companies (Share Capital and Debenture) Rules, 2014 CMSGICL is not required to create any additional DRR. Other entities in the Group are either exempt or creation of DRR is not applicable. Accordingly the Group continues to hold the existing DRR of ₹10 crores as at March 31, 2025.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

26e. Capital Redemption Reserve

Capital redemption reserve represents the amount equal to the nominal value of shares that were redeemed during the prior years. The reserve can be utilized only for specific purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

26f. Securities Premium Account

Securities Premium Account is used to record the premium on issue of shares. The reserve can be utilised only for specific purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

26g. General Reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year. Consequent to introduction of Companies Act, 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the entities in the Group can optionally transfer any amount from the surplus of profit or loss to the General reserves.

26h. Share Based Payments Reserve

Under IND AS 102, "Share based payment", fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service. Stock options granted but not vested as on the transition date were valued for expired period, calculated from the grant date till date of transition, and were credited to Share Based Payment reserve.

26i. Retained Earnings

The amount that can be distributed by the entities in the Group as dividends to its equity shareholders is determined based on the financial statements of the respective entities in the Group and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

26j. Cashflow hedge reserve

Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Group accounting policies.

26k. FVOCI reserve

The Group has elected to recognise changes in the fair value of certain investments in equity securities in Other Comprehensive Income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

26l. Share Application Money pending Allotment at the end of the year

Pertains to money received for the allotment of shares pursuant to the Employee Stock Options Scheme. The money collected based on the exercise of the option as per the ESOP scheme will get included here and subsequently on allotment of shares, the balances will be appropriated to share capital and share premium balances.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

26m. Proposed Dividend

The Board of Directors of the Parent at their meeting held on May 09, 2025, have recommended a final dividend of 130% being ₹1.30 per equity share of face value of ₹1/- of the Parent, for the year ended March 31, 2025 which is subject to approval by the shareholders at the ensuing Annual General Meeting.

Note 27

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from Operations		
Note: 27A		
Interest Income		
(a) Loans		
-Bills Discounting	101.43	98.03
-Term Loans	22,977.72	17,058.66
(b) Debt Securities	1,069.55	960.29
(c) Alternate Investment Fund & Long term financial assets	15.19	9.54
(d) Terrorism Pool (under IRDA Regulations)	21.42	19.37
(e) Bank Deposits		
-Bank Deposits under lien	175.58	104.62
-Other Bank Deposits free of lien	165.49	148.17
(f) Others -Gsec/T-bill/STRIPS	328.84	221.43
Total (A)	24,855.22	18,620.11
Note: 27B		
Fees & Commission income *		
-Term Loans	771.12	667.21
-Insurance and Reinsurance Commission	1,202.30	899.76
-Other services	0.13	0.02
Total (B)	1,973.55	1,566.99
*Services are transferred at a point in time		
Note: 27C		
Premium earned (net of re-insurance)	5,784.62	5,074.10
Total (C)	5,784.62	5,074.10
Gross Earned Premium		
Premium from Direct Business Written	8,317.12	7,472.26
Premium on re-insurance accepted	203.36	65.00
Gross Written Premium	8,520.48	7,537.26
Adjustments for Change in Provision for Unexpired Risks	(515.81)	(495.91)
Total Premium Earned (Gross)	8,004.67	7,041.35
Less: Premium ceded to reinsurers (a)	(2,348.49)	(2,085.12)
Adjustments for Change in Provision for Unexpired Risks on reinsurance ceded (b)	128.44	117.87
Net premium ceded to reinsurers (a) -(b)	(2,220.05)	(1,967.25)
Total Premium income (net of reinsurance)	5,784.62	5,074.10

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Note: 27D		
Investment income		
-Dividend income	24.61	18.23
Total (D)	24.61	18.23
Note: 27E		
Net gain on fair value changes		
Profit on Sale of Investments - Equity Instruments		
- Realised Gains/(Loss) on Sale of Equity Instruments (net)	276.41	227.80
- Gain on conversion of equity shares	8.63	-
- Fair Value changes of Equity Instruments - Gain /(loss)	2.77	-
Net gain on fair value changes on FVTPL - Unrealised		
-Equity Shares	3.15	274.95
-Convertible Note	-	(10.92)
-Debt Instruments	-	1.79
Profit on Sale of Investments - Debt Instruments (net)		
- Realised Gains/(Loss) on Sale of Debt Instruments - FVTPL	0.07	0.12
- Realised Gains/(Loss) on Sale of Debt Instruments - FVTOCI	25.83	5.92
- Realised Gains/(Loss) on Sale of Debt Instruments - At amortised cost	2.79	0.02
- Fair Value changes of Debt Instruments through Profit and Loss Account - Gain / (loss)	5.13	-
Total (E)	324.78	499.68
Note: 27F		
Service Income		
(a) Servicing and Collection fee on Assignment	3.51	2.24
(b) Other Service Income	-	22.17
Total (F)	3.51	24.41
Note: Timing of revenue recognition		
Services transferred at a point of time	3.51	24.41
Services transferred over a period of time	-	-
Total	3.51	24.41

Note : 28 Other Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on Income tax refund	67.97	2.78
Profit on sale of Investments	2.76	23.43
Recovery of Bad debts	253.70	254.26
Rent	1.00	0.68
Miscellaneous Income	9.16	2.09
	334.59	283.24

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note : 29 Finance Costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on financial liabilities measured at amortised cost		
- Debt Securities	2,287.85	1,845.00
- Borrowings Other than Debt securities	9,401.90	6,863.54
- Subordinated Liabilities	692.14	457.39
Others		
- Bank charges	67.29	56.69
- Interest on lease liability	44.37	26.84
- Interest on Income tax	0.51	-
	12,494.06	9,249.46

Note : 30 Insurance Claims

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Gross claims paid	4,562.46	3,669.77
Changes in Gross claims outstanding	1,198.19	1,859.84
Change in premium deficiency provision	11.58	52.50
Gross Incurred claims (A)	5,772.23	5,582.11
RI Recovery		
RI Recovery on Claims paid	1,224.28	1,059.64
Change in premium deficiency provision	(28.81)	(80.09)
Change in contract liabilities ceded to reinsurers	279.23	728.54
Total RI Recovery (B)	1,474.70	1,708.09
Net Incurred Claims (A-B)	4,297.53	3,874.02

Note : 31 Impairment On Financial Instruments

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Impairment provision (net of reversals) on		
Loans-measured at amortised cost	2,495.46	1,310.37
Receivable and other Financial Assets - measured at amortised cost	(1.15)	2.34
Terrorism Pool Assets/other assets/ receivables	(4.57)	0.88
Debt Securities-measured at amortised cost	(53.33)	(20.13)
Investments Written Off	-	10.32
Provision for Diminution in Value of Equity Investment	-	4.89
Impairment of other receivables	15.81	-
	2,452.22	1,308.67

Note : 32 Employee Benefits Expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, Bonus and Commission	3,460.56	2,737.80
Contribution to Provident and Other Funds		
-Employees' Provident Fund	158.53	119.85
-Superannuation Fund	7.84	5.88
Share based employee payments	74.45	55.40
Gratuity Expense	38.39	31.35
Staff Welfare Expenses	50.43	43.88
	3,790.20	2,994.16

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note : 33 Other Expenditure

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rent and facility charges	38.56	33.09
Rates and Taxes	54.94	49.79
Energy cost	31.38	25.36
Repairs and Maintenance	14.30	13.45
Communication Costs	52.44	50.93
Brokerage	12.55	11.77
Commission on insurance business	1,633.64	1,376.60
Printing and Stationery	34.58	31.57
Advertisement and publicity Expenses	40.91	54.95
Directors Fees, allowances and expenses	6.17	8.32
Marketing expenses	47.26	29.17
Auditors' Remuneration (Note 1 below)	2.57	2.32
Legal and Professional Charges	218.59	191.23
Insurance	49.94	51.26
Travelling and Conveyance	211.64	165.11
Information Technology Expenses	153.26	161.84
Loss on Sale of Property, Plant and Equipment (Net)	2.01	0.86
Fair value loss on financial instruments at fair value through profit or loss	-	1.63
Recovery Charges	440.88	397.99
Corporate Social Responsibility Expenditure	79.54	62.70
Outsource cost	513.79	392.65
Miscellaneous Expenses	91.35	102.37
	3,730.30	3,214.96
Less : Expenses Recovered	0.32	(1.88)
	3,730.62	3,213.08

Note 1

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Auditors' remuneration of Parent	0.25	0.22
Auditors' remuneration of Subsidiaries	2.32	2.10
	2.57	2.32

34. Earnings Per Share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit After Tax (₹ crs)	2,173.66	1,772.52
Weighted Average Number of Equity Shares (Basic)	18,77,77,462	18,77,77,462
Add: Dilutive effect relating to ESOP	-	-
Weighted Average Number of Equity Shares (Diluted)	18,77,77,462	18,77,77,462
Earnings per Share – Basic (₹)	115.76	94.39
Earnings per Share – Diluted (₹)	115.76	94.39
Face Value Per Share (₹)	1	1

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

35. Income tax reconciliation

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax	6,399.56	5,199.83
Income tax rate of 25.17% (March 31, 2024 – 25.17%)	1,630.89	1,361.24
Effects of:		
Difference in tax base for Donation & CSR expense	20.02	28.60
Share based payment expense – No deduction claimed under tax	17.75	13.22
Deduction u/s 57 of the Income Tax Act, 1961	-	(0.91)
Deduction u/s 80JJA of the Income Tax Act, 1961	(1.92)	(31.25)
Impact of Sale transactions taxable at differential rates (net)	(0.72)	(3.55)
Tax free interest income accrued	(0.58)	(0.39)
Deductions u/s 80M of the Income Tax Act, 1961	(2.60)	(2.60)
Other disallowance of the Income Tax Act, 1961	1.57	0.92
Other adjustments	0.35	9.58
Adjustments in respect of prior years	0.82	(13.51)
Income tax expense reported in statement of Profit and Loss	1,665.58	1,361.35

36. Transfer of financial assets

36.1 Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

(A) Securitisation

The Group has Securitised certain loans, however the Group has not transferred substantially all risks and rewards, hence these assets have not been de-recognised.

Particulars	As at March 31, 2025	As at March 31, 2024
Securitisations		
Carrying amount of transferred assets measured at amortised cost	27,870.58	24,652.21
Carrying amount of associated liabilities (Borrowings other than Debt securities - measured at amortised cost)	28,490.72	25,335.89
Fair value of assets	27,480.89	24,196.47
Fair value of associated liabilities	26,577.68	23,561.48
Net position at Fair Value	903.20	634.99

(B) Direct bilateral assignment

The Group has transferred certain loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Group's balance sheet.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	As at March 31, 2025	As at March 31, 2024
Assignment		
Carrying amount of de-recognised financial asset	2,816.48	1,221.85
Carrying amount of Retained Assets at amortised cost	317.24	141.14

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Assignment		
Gain on sale of the de-recognised financial asset	159.04	-

36.2 The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

37. Micro, Small and Medium Enterprises

Based on and to the extent of the information received by the Group from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the relevant particulars as required under MSMED Act, are furnished below:

Particulars	As at/year ended March 31, 2025	As at/year ended March 31, 2024
Principal amount due to suppliers as at the year end	14.82	8.10
Interest accrued and due to suppliers on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers (other than Section 16)	-	-
Interest paid to suppliers (Section 16)	-	-
Interest due and payable to suppliers for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers	0.03	-

38. Retirement Benefit

(A) Defined contribution plan

A defined contribution plan is a pension plan under which the Group pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Group recognised ₹158.53 Crores (Previous Year – ₹119.85 Crores) to Provident Fund under Defined Contribution Plan, ₹7.84 Crores (Previous Year – ₹5.88 Crores) for Contributions to Superannuation Fund and ₹6.42 Crores (Previous Year – ₹6.11 Crores) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

(B) Gratuity

The Group's defined benefit gratuity plan is a final salary plan for Indian employees, which requires contributions to be made to a separately administered fund. The gratuity plan is funded with Life Insurance Corporation of India (LIC). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the respective plans :

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Details of Actuarial Valuation:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Benefit obligation		
Projected Benefit Obligation at the beginning of the year	179.25	120.56
Current Service Cost	37.41	27.69
Interest Cost	12.69	10.21
Remeasurement Losses/(Gains)		
a) Effect of changes in demographic Assumptions	(1.25)	(0.19)
b) Effect of experience adjustments	6.33	5.47
c) Effect of changes in financial assumptions	4.70	(0.26)
Benefits paid	(12.72)	(10.19)
Transfer in / Out	0.49	25.96
Projected Benefit Obligation at the end of the year	226.90	179.25
B. Change in Plan Assets		
Fair Value of Plan Assets at the beginning of the year	141.36	113.89
Expected Returns on Plan Assets	11.71	8.78
Employer's Contribution	3.74	4.69
Benefits paid	(12.72)	(8.09)
Return on plan assets (excluding interest income)	(1.40)	(2.06)
Transfer in / Out	0.58	24.15
Fair Value of Plan Assets at the end of the year	143.27	141.36
C. Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the end of the year	143.27	141.36
Liability at the end of the year	226.90	179.25
Amount Recognised in the Balance Sheet - (Liability) / Asset	(83.63)	(37.89)
D. Cost of the Defined Benefit Plan for the year		
Current Service Cost	37.41	29.92
Net interest (income) / expense	12.69	10.21
Expected Return on Plan Assets	(11.71)	(8.78)
Net Cost recognized in the statement of Profit and Loss	38.39	31.35
E. Remeasurement Losses /(Gains)		
a) Effect of changes in demographic assumptions	(1.25)	(0.19)
b) Effect of experience adjustments	6.33	5.47
c) Return on plan assets (excluding interest income)	1.40	2.06
d) Effect of changes in financial assumptions	4.70	(0.27)
e) Share of OCI pertaining to Joint Venture	(0.56)	0.11
Net cost recognised in Other Comprehensive Income	10.62	7.18
F. Assumptions	6.50%-8.00% p.a	7.15%-8.00% p.a
Discount Rate	7.25%-7.50% p.a	7.25%-7.50% p.a
Future salary increase		
Attrition Rate	25% p.a.	25% p.a.
CFF Grade	13% to 17% p.a	13% to 17% p.a
Other Grade		
Expected rate of return on Plan Assets	7.00% to 7.67% p.a.	6.70% to 7.50% p.a.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
G. Expected Payment for future years		
Within the next 12 months (next annual reporting period)	35.29	28.30
Between 2 and 5 years	115.83	95.23
Between 5 and 10 years	100.89	81.76
Beyond 10 Years	87.36	70.54
Total Expected Payments	339.37	275.83

H. Sensitivity Analysis:

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount Rate (+/- 0.50% - 1%)	215.52	239.93	170.63	189.13
Salary Growth Rate (+/- 0.50% - 1%)	238.40	216.54	188.13	171.39
Attrition Rate (+/- 50% of attrition rates)	195.22	214.75	151.78	160.75
Mortality Rate (+/- 10% of mortality rates)	203.41	203.40	155.90	155.88

I. Notes:

- (i) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
- (ii) The Group's best estimate of contribution during the next year is ₹123.45 Cr.
- (iii) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.
- (iv) The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).
- (v) The above sensitivity analysis are based on change in an assumption which is holding all the other assumptions constant. In practice, this is unlikely to occur, and changes in some assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant actuarial assumptions the same method of present value of defined benefit obligations calculated with Projected unit cost method at the end of the reporting period has been applied while calculating defined benefit liability recognised in the balance sheet.
- (vi) The method and type of assumptions used in preparing the sensitivity analysis does not change compared to the prior periods.

J. Description of Risk exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Group is exposed to various risks in providing the above gratuity benefit which are as follows:

- (a) **Interest Rate risk:** The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

- (b) **Liquidity Risk:** This is the risk that the Group is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
- (c) **Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- (d) **Demographic Risk:** The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- (e) **Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹20,00,000).
- (f) **Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Group to market risk for volatilities/fall in interest rate.
- (g) **Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on an particular investment.

(C) Compensated Absences

Assumptions	Year ended March 31, 2025	Year ended March 31, 2024
Discount Rate	6.50% to 7.15% p.a.	6.97% to 7.15% p.a.
Future salary increase		
- CFF Grade	7.50% p.a.	7.50% p.a.
- Other Grades	7.25% - 8.00% p.a.	7.25% - 7.50% p.a.
Attrition Rate		
- CFF Grade	-	-
- Other Grades	13% - 20% p.a.	13% - 17% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes:

- (i) The Group has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2025.
- (ii) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
- (iii) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

39. Segment Information

The Group's operations are organised into two primary products/service segments viz. Financial Services and Insurance and allied services.

During year ending March 31, 2025, the nature of segments are as under:

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the financial statements. However, income taxes are managed on a legal entity as whole basis and are not allocated to operating segments.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

A. Segment revenue and segment results

Particulars	Year ended March 31, 2025					
	Financing	Insurance	Others	Unallocable	Inter-segment revenue	Total
Revenue from Operations						
- Interest Income	23,747.74	1,166.36	1.32	-	(60.20)	24,855.22
- Dividend Income	0.07	24.24	74.88	-	(74.58)	24.61
- Premium Income (net)	-	5,805.60	-	-	(20.98)	5,784.62
- Fee & Commission Income	1,739.12	552.71	-	-	(318.28)	1,973.55
- Net gain on derecognition of financial instruments under amortised cost category	159.04	-	-	-	-	159.04
- Net gain on Fair value change on financial instrument	196.57	128.21	-	-	-	324.78
- Service & Other Income	3.51	-	10.00	-	(10.00)	3.51
Segment revenue from Operation	25,846.05	7,677.12	86.20	-	(484.04)	33,125.33
Expenses						
- Finance costs	12,494.53	59.73	-		(60.20)	12,494.06
- Insurance claims	-	4,297.53			-	4,297.53
- Impairment of Financial Instruments	2,494.31	(42.09)	-		-	2,452.22
- Employee benefits expense	3,327.75	460.59	1.86		-	3,790.20
- Depreciation and amortisation expense	244.83	50.87	0.03		-	295.73
- Other expenses	1,849.89	2,228.25	1.74		(349.26)	3,730.62
Segment Expenses	20,411.31	7,054.88	3.63	-	(409.46)	27,060.36
Segment Profit before taxation	5,741.45	650.12	82.57	-	(74.58)	6,399.56
Tax expense						1,665.58
Share of Profit/(Loss) from Associate/Joint Venture						5.90
Profit for the year						4,739.88

A. Segment revenue and segment results

Particulars	Year ended March 31, 2024					
	Financing	Insurance	Others	Unallocable	Inter-segment revenue	Total
Revenue from Operations						
- Interest Income	17,627.11	1,027.95	1.22	-	(36.17)	18,620.11
- Dividend Income	0.30	17.68	74.83	-	(74.58)	18.23
- Premium Income (net)	-	5,079.03	-	-	(4.93)	5,074.10
- Fee & Commission Income	1,342.12	487.92	-	-	(263.05)	1,566.99
- Net gain on Fair value change on financial instrument	145.98	353.70	-	-	-	499.68
- Service and Other Income	24.41	-	9.95	-	(9.95)	24.41
Segment revenue from Operations	19,139.92	6,966.28	86.00	-	(388.68)	25,803.52
Expenses						
- Finance costs	9,230.75	51.25	3.63		(36.17)	9,249.46
- Insurance claims	-	3,874.02			-	3,874.02
- Impairment of Financial Instruments	1,317.60	(8.93)	-		-	1,308.67
- Employee benefits expense	2,478.60	513.93	1.63		-	2,994.16
- Depreciation and amortisation expense	198.06	49.47	0.01		-	247.54

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Year ended March 31, 2024					
	Financing	Insurance	Others	Unallocable	Inter-segment revenue	Total
- Other expenses	1,589.55	1,899.74	1.72		(277.93)	3,213.08
Segment Expenses	14,814.56	6,379.48	6.99	-	(314.10)	20,886.93
Segment Profit / (loss) before taxation	4,605.31	590.09	79.01	-	(74.58)	5,199.83
Tax expense						1,361.35
Share of Profit from Associate/Joint Venture						12.08
Profit for the year						3,850.56

B. Segment assets and liabilities

Particulars	Financing	Insurance	Others	Unallocable	Total
As on March 31, 2025					
Segment Assets	2,00,720.08	23,271.73	103.82	-	2,24,095.63
Unallocable Assets	-	-	-	1,367.13	1,367.13
Inter-segment Assets				(846.81)	(846.81)
Total Assets					2,24,615.95
Segment Liabilities	1,78,218.07	20,291.25	4.14	-	1,98,513.46
Unallocable Liabilities	-	-	-	-	-
Inter-segment Liabilities				(846.60)	(846.60)
Total Liabilities					1,97,666.86
As on March 31, 2024					
Segment Assets	1,55,671.52	20,368.70	33.80	-	1,76,074.02
Unallocable Assets	-	-	-	1,465.82	1,465.82
Inter-segment Assets				(622.17)	(622.17)
Total Assets					1,76,917.67
Segment Liabilities	1,37,093.17	18,320.79	1.65	-	1,55,415.61
Unallocable Liabilities	-	-	-	0.22	0.22
Inter-segment Liabilities				(622.18)	(622.18)
Total Liabilities					1,54,793.65

40. Disclosure in respect of Related Parties

a) List of Related Parties

I. Entity having Significant influence

Ambadi Investments Limited

II. Subsidiaries of Entity having significant influence

a. Parry Enterprises India Limited

b. Parry Agro Industries Limited

III. Entity having Substantial voting power in a Subsidiary, CMSGIL

Mitsui Sumitomo Insurance Company Limited

IV. Joint Venture of Parent

Cholamandalam MS Risk Services Limited

V. Joint Venture of CIFCL

Payswiff Technologies Private Limited and its subsidiaries

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

VI. Associates of CIFCL

- a. White Data Systems India Private Limited (upto March 28, 2023)
- b. Vishvakarma Payments Private Limited (from March 30, 2021)
- c. Paytail Commerce Private Limited (upto March 21, 2024)

VII. Promoter

- a. Coromandel International Limited (Upto December 28, 2023)
- b. EID Parry India Limited
- c. Tube Investments of India Limited

VIII. Promoter Group

- a. Chola Business Services Limited
- b. Coromandel Engineering Company Limited (upto December 28, 2023)
- c. Murugappa Morgan Thermal Ceramics Limited
- d. Net Access India Limited
- e. Murugappa Management Services Private Limited
- f. AR Lakshmi Achi Trust
- g. M A Murugappan Holdings LLP
- h. AMM Foundation
- i. TI Clean Mobility Private Limited
- j. CG Power and Industrial Solutions Limited
- k. Chola Foundation
- l. Mavco Investments Private Limited

IX. Key Management Personnel (Pursuant to Companies Act, 2013)

- a. Mr. N. Ganesh - Manager & Chief Financial Officer
- b. Ms. E. Krithika - Company Secretary

X. Non-Executive Directors

- a. Mr. M. M. Murugappan
- b. Mr. B Ramaratnam
- c. Mr. Sridharan Rangarajan
- d. Ms. Vasudha Sundararaman
- e. Mr. Vellayan Subbiah
- f. Mr. K Balasubramanian

XI. Private companies in which a director or manager or his relative is a member or director

- a. Cherry Tin Online Private Limited
- b. Zetwork Manufacturing Business Private Limited
- c. Finance Industry Development Council
- d. Medall Healthcare Private Limited
- e. CE Info Systems Private Limited (Upto March 24, 2024).

XII. Firm, in which a director, manager or his relative is a partner

Kadamane Estates Co

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

b) Transactions with Related Parties

Nature of Transactions	Year ended March 31, 2025	Year ended March 31, 2024
Dividend Payments (Equity Shares)		
a) Ambadi Investments Limited	10.63	10.63
b) Parry Enterprises India Limited	*	*
c) Directors	-	0.01
d) M A Murugappan Holdings LLP	0.02	0.02
e) Mitsui Sumitomo Insurance Company Limited	0.30	0.25
f) A R Lakshmi Achi Trust	0.10	0.10
g) Kadamane Estates Co	0.07	0.07
h) Promoters and Promoter Group	3.57	4.10
Dividend Receipts (Equity Shares)		
a) Cholamandalam MS Risk Services Limited	0.30	0.25
Contribution to CSR Activity		
a) AMM Foundation	26.19	19.16
Expenses – Reimbursed		
a) Cholamandalam MS Risk Services Limited	0.05	0.13
Services Received		
a) Parry Enterprises India Limited	37.24	14.62
b) Cholamandalam MS Risk Services Limited	0.05	0.04
c) Chola Business Services Limited	642.40	611.88
d) Coromandel Engineering Company Limited	-	1.98
e) Murugappa Management Services Private Limited	0.34	0.28
f) Net Access India Limited	15.12	14.71
g) Tube Investments of India Limited	-	0.09
h) Payswiff Technologies Private Limited	1.32	0.46
i) CE Info Systems Private Limited	-	0.06
Interest Income		
a) Medall Healthcare Private Limited	-	1.52
b) Zetwork Manufacturing Business Private Limited	0.29	0.04
c) E.I.D. Parry (India) Ltd	0.16	-
d) Payswiff Technologies Private Limited	1.78	-
Debenture Interest paid to Promoters and Promoter Group		
a) Promoter and Promoter Group	27.42	22.76
Services Paid – Technical & Advisory fee		
a) Cholamandalam MS Risk Services Limited	2.31	2.58
b) Chola Business Services Limited	-	26.15
Expenses recovered – Rent receipts		
a) Coromandel International Limited	-	0.20
b) Tube Investments Of India Limited	0.72	0.35
Expenses incurred – Rent & Maintenance		
a) E.I.D. Parry (India) Limited	0.23	2.63

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(All amounts are in crores of Indian rupees, unless otherwise stated)

Nature of Transactions	Year ended March 31, 2025	Year ended March 31, 2024
Premium Income		
a) Parry Enterprises India Limited	0.31	0.56
b) Parry Agro Industries Limited	0.28	0.17
c) Cholamandalam MS Risk Services Limited	1.18	0.59
d) Mr. K Balasubramanian	-	0.01
Amount recovered towards Reimbursement of expenses		
a) Murugappa Morgan Thermal Ceramics Limited	0.03	0.03
b) Payswiff Technologies Private Limited	1.66	0.09
c) Tube Investments of India Limited	0.31	0.15
d) Mavco Investment Private Limited	0.09	-
e) Mavnu Investments Private Limited	0.19	-
Expenses recovered – Management expenses		
Mitsui Sumitomo Insurance Company Limited	5.50	3.75
Rental deposits received		
Tube Investments of India Limited	-	0.15
E.I.D. Parry (India) Ltd	0.40	-
Advances/Loans given		
a) Payswiff Technologies Private Limited	30.00	1.00
b) Zetwork Manufacturing Business Private Limited	9.95	1.27
c) Parry Enterprises India Limited	2.86	4.58
Advances/Loans recovered		
a) Payswiff Technologies Private Limited	12.50	1.00
b) Zetwork Manufacturing Business Private Limited	9.95	1.27
c) Medall Healthcare Private Limited	-	6.40
d) E.I.D. Parry (India) Ltd	0.05	-
Reinsurance Ceded		
a) Mitsui Sumitomo Insurance Company Limited	94.31	83.91
Reinsurance Commission Received		
a) Mitsui Sumitomo Insurance Company Limited	18.84	17.79
Reinsurance Recovery Claims		
a) Mitsui Sumitomo Insurance Company Limited	20.18	46.22
Gross Insurance Claims		
a) Parry Agro Industries Limited	-	0.18
b) Cholamandalam MS Risk Services Limited	-	0.55
c) Parry Enterprises India Limited	-	0.32
Commission and Sitting fees to Non-executive directors	0.91	0.91

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

c) Balances Outstanding at the year end

Particulars	As at March 31, 2025	As at March 31, 2024
Other Receivables /(Payable)		
a) Parry Enterprises India Limited	(1.15)	(1.15)
b) Mitsui Sumitomo Insurance Company Limited	(13.81)	0.18
c) Tube Investments of India Limited	0.09	0.15
d) Payswiff Technologies Private Limited	17.69	(0.08)
e) Chola Business Services Limited	(54.49)	(49.54)
f) Murugappa Management Services Private Limited	-	(0.08)
g) Net Access (India) Limited	(2.93)	(4.59)
h) E.I.D. Parry (India) Limited	2.32	(0.02)
Receivable due from other entities carrying on insurance business		
a) Mitsui Sumitomo Insurance Company Limited	-	2.93

d) Key Managerial Personnel

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Short-term employee benefits	1.82	1.59
Post-employment pension (Defined Contribution)	0.04	0.04

41. Contingent Liabilities and Commitments

a) Contested Claims not provided for:

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax and Interest on Tax issues where the Group has gone on appeal	35.48	103.78
Decided in the Group's favour by Appellate Authorities for which the Income Tax Department is on further appeal	0.28	0.28
Sales Tax issues pending before Appellate Authorities in respect of which the Group is on appeal.	27.41	27.41
Decided in the Group's favour by Appellate Authorities for which the Department is on further appeal with respect to Sales Tax	1.02	1.02
Service Tax & GST issues pending before Appellate Authorities in respect of which the Group is on appeal.	264.48	427.21
Disputed claims against the Group lodged by various parties under litigation (to the extent quantifiable)	164.48	118.90

- The Group is of the opinion that the above demands are not sustainable and expects to succeed in its appeals / defence.
- It is not practicable for the Group to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings.
- The Group does not expect any reimbursement in respect of the above contingent liabilities.
- Future Cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

b) Commitments

Particulars	As at March 31, 2025	As at March 31, 2024
Capital commitments	59.03	76.69
Disbursements – Undrawn lines	4,383.66	4,001.56

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

c) Bank Guarantee

Particulars	As at March 31, 2025	As at March 31, 2024
Outstanding bank guarantees given to Stock exchanges/Stock Holding Corporation of India Limited to meet margin requirements	60.00	48.00

42. Changes in Provisions (Refer Note 23)

Particulars	As at March 31, 2024	Additional Provision	Utilisation/ Reversal	As at March 31, 2025
Provision for Contingencies and Service Tax claims	39.54	-	-	39.54
Provision for Undrawn commitments	10.37	9.23	5.18	14.42

Particulars	As at March 31, 2023	Additional Provision	Utilisation/ Reversal	As at March 31, 2024
Provision for Contingencies and Service Tax claims	39.53	0.01	-	39.54
Provision for Undrawn commitments	11.79	6.15	7.57	10.37

Undrawn loan commitments are commitments under which the Group is required to provide a loan under pre-sanctioned terms to the customer.

The undrawn commitments provided by the group represents limits provided for automobile dealers, bill discounting customers and partly disbursed loans for other loans.

The Group creates expected credit loss provision on the undrawn commitments outstanding as at the end of the reporting year.

43. Shares reserved for issue under options

All the stock options issued were either exercised or lapsed.

Note : 44 Change in liabilities arising from financing activities

Particulars	March 31, 2024	Cash flows	Exchange Difference	Others	March 31, 2025
Debt Securities	24,812.76	5,121.15	-	288.79	30,222.70
Borrowings other than debt securities	1,04,511.13	29,280.67	-	0.18	1,33,791.98
Subordinated liabilities	4,690.11	5,451.60	-	210.05	10,351.76
Total	1,34,014.00	39,853.42	-	499.02	1,74,366.44

Particulars	April 01, 2023	Cash flows	Exchange Difference	Others	March 31, 2024
Debt Securities	19,653.58	2,834.60	-	2,324.58	24,812.76
Borrowings other than debt securities	73,186.19	31,276.31	(2.75)	51.38	1,04,511.13
Subordinated liabilities	4,351.26	322.49	-	16.36	4,690.11
Total	97,191.03	34,433.40	(2.75)	2,392.32	1,34,014.00

- (i) Others includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.,
- (ii) Total Liabilities comprise Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note : 45 Maturity Analysis

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	Maturity		
	Amount	Within 12 months	After 12 months
As on March 31, 2025			
Financial Assets			
Cash and Cash Equivalents	5,385.91	5,385.91	-
Bank balances Other than Cash and Cash Equivalents	4,293.94	1,912.74	2,381.20
Derivative financial instruments	203.32	53.84	149.48
Receivables			
i) Trade Receivables	204.19	204.19	-
ii) Other Receivables	66.15	66.15	-
iii) Insurance Contract Assets	606.18	279.27	326.91
iv) Re-insurance Assets	1,688.43	594.16	1,094.27
Loans	1,82,037.64	44,522.00	1,37,515.64
Investment in Associate & Joint Venture	483.27	-	483.27
Other Investments	23,787.94	5,355.45	18,432.49
Other Financial Assets	780.26	119.13	661.13
Total Financial Assets	2,19,537.23	58,492.84	1,61,044.39
Non- Financial Assets			
Current tax assets (Net)	395.86	-	395.86
Deferred tax assets (Net)	928.55	-	928.55
Goodwill on Consolidation	42.72	-	42.72
Investment Property	28.96	-	28.96
Intangible assets under development	50.71	-	50.71
Property, Plant and Equipment	1,900.84	-	1,900.84
Capital Work in Progress	3.69	-	3.69
Other Intangible assets	56.25	-	56.25
Re-insurance Assets	1,282.49	432.40	850.09
Other Non-Financial Assets	388.65	274.02	114.63
Total Non- Financial Assets	5,078.72	706.42	4,372.30
Financial Liabilities			
Derivative financial instruments	284.60	34.75	249.85
Payables			
i) Trade Payables	666.43	666.31	0.12
ii) Other Payables	1,622.82	1,574.60	48.22
iii) Other Insurers	746.09	746.09	-
Debt Securities	30,222.70	9,595.85	20,626.85
Borrowings(Other than Debt Securities)	1,33,791.98	47,163.65	86,628.33
Subordinated Liabilities	10,351.76	440.09	9,911.67
Insurance Contract Liabilities	11,893.72	1,587.76	10,305.96
Other Financial Liabilities	865.06	335.71	529.35
Total Financial Liabilities	1,90,445.16	62,144.81	1,28,300.35
Non-Financial Liabilities			
Current tax Liabilities	0.93	0.93	-
Deferred Tax Liabilities	1.83	-	1.83
Provisions	248.34	-	248.34
Insurance Contract Liabilities	6,786.87	1,412.57	5,374.30
Other Non-Financial Liabilities	183.73	176.68	7.05
Total Non-Financial Liabilities	7,221.70	1,590.18	5,631.52

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Maturity		
	Amount	Within 12 months	After 12 months
As on March 31, 2024			
Financial Assets			
Cash and Cash Equivalents	973.22	973.22	-
Bank balances Other than Cash and Cash Equivalents	3,575.26	1,424.34	2,150.92
Derivative financial instruments	247.82	126.24	121.58
Receivables			
i) Trade Receivables	214.17	214.17	-
ii) Other Receivables	140.50	140.50	-
iii) Insurance Contract Assets	435.80	143.14	292.66
iv) Re-insurance Assets	1,438.01	827.17	610.84
Loans	1,44,462.65	36,888.61	1,07,574.04
Investment in Associate & Joint Venture	476.94	-	476.94
Other Investments	19,581.19	2,363.11	17,218.08
Other Financial Assets	703.21	238.15	465.06
Asset classified as held for Sale - Investment	37.09	37.09	-
Total Financial Assets	1,72,285.86	43,375.74	1,28,910.12
Non- Financial Assets			
Current tax assets (Net)	598.64	-	598.64
Deferred tax assets (Net)	824.46	-	824.46
Goodwill on Consolidation	42.72	-	42.72
Investment Property	28.96	-	28.96
Intangible assets under development	34.52	0.22	34.30
Property, Plant and Equipment	1,669.63	-	1,669.63
Other Intangible assets	42.43	-	42.43
Re-insurance Assets	1,154.05	462.55	691.50
Other Non-Financial Assets	236.40	146.74	89.66
Total Non- Financial Assets	4,631.81	609.51	4,022.30
Financial Liabilities			
Derivative financial instruments	186.70	28.36	158.34
Payables			
i) Trade Payables	498.60	498.60	-
ii) Other Payables	1,323.02	1,262.43	60.59
iii) Other Insurers	713.28	713.28	-
Debt Securities	24,812.76	10,057.28	14,755.48
Borrowings(Other than Debt Securities)	1,04,511.13	37,144.27	67,366.86
Subordinated Liabilities	4,690.11	293.28	4,396.83
Insurance Contract Liabilities	10,805.52	1,403.17	9,402.35
Other Financial Liabilities	643.64	279.39	364.25
Total Financial Liabilities	1,48,184.76	51,680.06	96,504.70
Non-Financial Liabilities			
Deferred Tax Liabilities	0.18	-	0.18
Provisions	218.09	0.05	218.04
Insurance Contract Liabilities	6,219.79	1,192.15	5,027.64
Other Non-Financial Liabilities	170.83	160.60	10.23
Total Non-Financial Liabilities	6,608.89	1,352.80	5,256.09

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note: 46 Non-Controlling Interest

Financial information of Subsidiaries having Non-Controlling Interest is given below.

As at March 31, 2025

Name of the Subsidiary	Country of Incorporation	As on March 31, 2025	Profit allocated to non controlling interest	Other comprehensive income allocated to non controlling interest	Total comprehensive income allocated to non controlling interest
Cholamandalam Investment and Finance Company Limited (CIFCL)	India	55.66%	2,372.56	(78.53)	2,294.03
Cholamandalam MS General Insurance Company Limited (CMSGICL)	India	40.00%	193.66	79.38	273.04

As at March 31, 2024

Name of the Subsidiary	Country of Incorporation	As on March 31, 2025	Profit allocated to non controlling interest	Other comprehensive income allocated to non controlling interest	Total comprehensive income allocated to non controlling interest
Cholamandalam Investment and Finance Company Limited (CIFCL)	India	55.61%	1,901.80	(39.34)	1,862.46
Cholamandalam MS General Insurance Company Limited (CMSGICL)	India	40.00%	176.24	49.75	225.99

The summarised financial information of the Subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

Summarised Statement of Profit and Loss

Particulars	As at March 31, 2025		As at March 31, 2024	
	CIFCL	CMSGICL	CIFCL	CMSGICL
Income	26,152.76	7,705.00	19,419.87	6,969.57
Expenses	20,411.31	7,054.88	14,814.56	6,379.48
Profit Before Tax	5,741.45	650.12	4,605.31	590.09
Tax Expense	1,481.45	165.96	1,194.57	149.49
Share of Loss from associate	2.70	-	9.32	-
Profit for the year	4,262.70	484.16	3,420.06	440.60
- Attributable to the owners of the Company	1,890.14	290.50	1,518.26	264.36
- Attributable to the non-controlling interest	2,372.56	193.66	1,901.80	176.24
Other Comprehensive Income				
- Attributable to the owners of the Company	(62.56)	119.07	(31.40)	74.63
- Attributable to the non-controlling interest	(78.53)	79.38	(39.34)	49.75
Total Comprehensive Income				
- Attributable to the owners of the Company	1,827.58	409.57	1,486.86	338.99
- Attributable to the non-controlling interest	2,294.03	273.04	1,862.46	225.99

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Summarised Balance Sheet

Particulars	As at March 31, 2025		As at March 31, 2024	
	CIFCL	CMSGICL	CIFCL	CMSGICL
Financial Assets	1,98,799.36	21,456.75	1,53,989.22	18,885.33
Non Financial Assets	3,087.40	1,979.28	2,697.19	1,897.63
Financial Liabilities	1,77,885.35	13,379.87	1,36,814.60	11,990.41
Non Financial Liabilities	332.72	6,911.38	278.57	6,330.38
Total Equity				
- Attributable to the owners of the Company	10,495.05	1,886.87	8,697.99	1,477.30
- Attributable to the non-controlling interest	13,173.64	1,257.91	10,895.25	984.87

Summarised Cash Flow Statement

Particulars	As at March 31, 2025		As at March 31, 2024	
	CIFCL	CMSGICL	CIFCL	CMSGICL
Net cash inflow / (outflow) in operating activities	(32,413.15)	1,751.28	(35,682.85)	1,807.31
Net cash outflow from investing activities	(2,948.12)	(1,770.80)	(2,854.59)	(1,829.91)
Net cash inflow / (outflow) in financing activities	39,795.28	5.91	38,471.23	0.56
Net Increase / (Decrease) in Cash and Cash equivalents	4,434.01	(13.61)	(66.21)	(22.04)

Note : 47A (i) - Investment in Joint Venture

As at March 31, 2025, the Group has 49.50% interest in Cholamandalam MS Risk Services Limited ("CMSRSL") and this entity has been treated as Joint Venture in the consolidated Ind AS financial statements. The following table illustrates the summarised financial information of the Group's investment in CMSRSL:

Particulars	March 31, 2025	March 31, 2024
Current assets	48.64	40.98
Non-current assets	15.17	15.81
Current liabilities	(13.85)	(12.59)
Non-current liabilities	(0.74)	(1.36)
Equity	49.22	42.84
Proportion of the Group's ownership	49.50%	49.50%
Group's share in the Equity of the Joint Venture	24.36	21.21

Particulars	2024-25	2023-24
Revenue from Operations	80.12	69.14
Other Income	3.08	2.13
Employee benefit	(45.42)	(40.84)
Other expense	(28.25)	(22.25)
Profit before tax	9.53	8.18
Income tax expense	(2.46)	(2.10)
Profit for the year (continuing operations)	7.07	6.08
Total comprehensive income for the year (continuing operations)	7.07	6.08
Group's share of profit	3.50	3.01
Less: Dividend	(0.30)	(0.25)
Group's share of profit (considered in consolidated statement of Profit and loss)	3.20	2.76

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

The Group has the following share of contingent liabilities and capital commitments in the Joint venture as at March 31, 2025.

Particulars	March 31, 2025	March 31, 2024
Contested Liabilities Not provided for in respect of Income Tax matters pending before Appellate Authorities	3.59	2.00
Capital commitments	0.04	0.04

Note : 47A (ii) - Investment in Joint Venture and Jointly Controlled Entity

The Group has acquired equity shares of Payswiff Technologies Private Limited (Payswiff), from its founders and other existing shareholders towards strategic investment. This resulted in the Group holding to 74.63% of the equity capital of Payswiff. Payswiff is engaged in the business of enabling online payment gateway services for e-commerce businesses and provides e-commerce solutions. Payswiff is an omni channel payment transaction solution that lets business owners accept payments from their customers in-store, at home deliveries, online, and on-the-go using mPOS and POS solution.

Particulars	March 31, 2025	March 31, 2024
Value of Investment in Joint Venture	456.83	456.83
Less: Cumulative Share of Loss of from Joint Venture	1.93	(1.13)
Closing value of Investment	458.76	455.70

Even though, the Group holds 74.63% of the paid up equity capital of Payswiff, however, in view of founder reserved matters and dispute resolution mechanism envisaged in the shareholder agreement executed between the Group and founders of Payswiff, the Group is considered to have joint control over the entity as per Ind AS 28 read with Ind AS 110. Hence, it is classified as investment in Joint Venture.

Particulars	March 31, 2025	March 31, 2024
Current assets	30.61	44.35
Non-current assets	76.94	97.22
Current liabilities	(55.03)	(95.58)
Non-current liabilities	(21.55)	(19.21)
Equity	30.97	26.78
Proportion of the Group's ownership	74.63%	74.69%
Group's share in the Equity of the Joint Venture	23.11	20.00

Chola Foundation (Public Trust) is a jointly controlled entity, managed by Cholamandalam Investment and Finance Company Limited, Tube Investments of India Limited and CG Power and Industrial Solutions Limited. The objective of the trust is towards promoting CSR activities which shall be funded by any of the three entities. The trust has four trustees of which two is from Cholamandalam Investment and Finance Company Limited and one each from other two entities.

The earnings of the trust is consolidated with Cholamandalam Investment and Finance Company Limited as jointly controlled entity (having two trustees) representing a share of 50%.

Particulars	March 31, 2025
Value of investment in Trust	0.01
Less: Cumulative Share of Loss of from Jointly controlled entity	(0.01)
Closing value of Investment	-

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

48. Capital Management

The Group maintains an actively managed capital base to cover risks inherent in the business, meeting the capital adequacy requirements of Reserve Bank of India (RBI), compliance with solvency requirements prescribed by the Insurance Regulatory and Development Authority of India (IRDAI), maintain strong credit rating and healthy capital ratios in order to support business and maximise shareholder value. The adequacy of the Group's capital is monitored by the Board using, among other measures, the regulations issued by RBI and IRDAI.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

The Group has complied in full with the capital and solvency requirements prescribed by RBI and IRDAI respectively over the reported period.

48.1 Financial Risk Management

The key financial risks faced by the Group are credit and market risks comprising liquidity risk, interest rate risk and foreign currency risks.

48.2 Credit Risk

Lending

Credit risk in lending business arises when a borrower is unable to meet financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in future. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

Assessment Methodology

The Group has comprehensive and well-defined credit policies across various businesses, products and segments, which encompass credit approval process for all businesses along with guidelines for mitigating the risks associated with them. The appraisal process includes detailed risk assessment of the borrowers, physical verifications and field visits. The Group has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals. This enables it to implement necessary changes to the credit policy, whenever the need arises. Also, being in asset financing business, most of the Group's lending is covered by adequate collaterals from the borrowers. The Group developed application scoring model to assess the credit worthiness of the borrower for underwriting decisions for its Vehicle Finance, Loan Against Property and Home Loan business.

The Group also has a well-developed business planning model for the Vehicle Finance portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio.

Risk Management and Portfolio Review

The Group has a robust portfolio review mechanism. Key metrics like early delinquency, default rates are tracked, monitored and reviewed daily. Business teams review key trends in these Key Risk Indicators and location level strategies are adopted.

Insurance – Investments

Insurance Business is subject to credit risk in connection with issuers of securities held in its investment portfolio and reinsurers. Losses may occur when a counterparty fails to make timely payments pursuant to the terms of the underlying contractual arrangement or when the counterparty's credit rating or risk profile otherwise deteriorates. Credit risk can occur at multiple levels, as a result of broad economic conditions, challenges within specific sectors of the economy, or from issues affecting individual companies. Events that result in defaults, impairments or downgrades of the securities in our investment portfolio would cause the Company to record realized or unrealized losses and increase provisions for asset default, adversely impacting earnings.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Governance structure, in the form of Investment Committee and well defined investment policies and processes are in place to ensure that the risks involved in investments are identified and acceptable levels are defined. All Regulatory and Internal norms are built in the Investment system which monitors the investment limits and exposure norms on a daily basis.

The policyholders' funds are invested in accordance with regulatory norms. Most of the investment is made in the government securities having sovereign rating and debt securities issued by reputed corporate having appropriate rating as per Investment Committee.

48.3 Risk Management and Portfolio Review

The Group has a robust portfolio review mechanism. Key metrics like early delinquency, default rates are tracked, monitored and reviewed daily. Business teams review key trends in these Key Risk Indicators and location level strategies are adopted.

48.3.1 ECL Methodology

Lending

The Group records allowance for expected credit losses for all financial assets including loan commitments, other than those measured at FVTPL. Equity instruments carried at cost are not subject to impairment under the ECL methodology.

48.3.2 Assumptions and Estimation techniques

Lending

The Group calculates ECLs to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. ECL is computed on collective basis. The portfolio is segmented based on shared risk characteristics for the computation of ECL.

The key elements of the ECL are summarised below:

48.3.2.1 PD

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. While computing probability of default, significant outlier events are suitably handled to ensure it does not skew the outcomes.

A 12M marginal PD is computed by creating cohorts of accounts starting in Stage 1 at the beginning of the year and subsequently moving to Stage 3 at any point in time during the year.

A conditional average probability of default is computed by taking cohort of which were in Stage 2 at the beginning the year and subsequently moved to Stage 3 anytime in each subsequent year

48.3.2.2 EAD

The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred.

48.3.2.3 LGD

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The recoveries are discounted back to the default date using customer IRR. This present value of recovery is used for LGD computation. A recovery rate (RR) computed as the ratio of present value of recovery to the EAD $(1 - RR)$, gives the LGD.

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48.3.2.4 Mechanics of the ECL method

Stage 1:

All loans (other than purchased credit impaired asset) are categorised as Stage 1 on initial recognition. The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:

Loans which are past due for more than 30 days are categorised as Stage 2. When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3:

Loans which are past due for more than 90 days are categorised as Stage 3. For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%

Restructured loans are categorised as Stage 3 on the date of restructuring and remain so for a period of one year. Post this, regular staging criteria applies.

Loans which have been renegotiated or modified in accordance with RBI Notifications for COVID-19 related stress has been classified as Stage 2 due to significant increase in credit risk.

The Post Implementation Staging of Loans restructured under Covid Resolution framework shall follow the Days Past Due of respective loan agreements.

In respect of new lending products, where historical information is not available, the group follows simplified matrix approach for determining impairment allowance based on industry practise. These loans constitute around 13% of the total loan book.

Loan Movement across stages during the year is given in a note 11.1

Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

Other Financial assets:

The Group follows 'simplified approach' for recognition of impairment loss allowance on other financial assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Based on Management's assessment of ECL on trade receivables/ other financial assets, the provisions are not material to financial statements (Nil as at March 31, 2024).

48.3.2.5 Incorporation of forward looking statements in ECL model

The Group considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, Inflation, Government Expenditure etc., as considered relevant so as to determine the impact of macro-economic factors on the Group's ECL estimates.

The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

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Annual data from 2018 to 2028 (including forecasts for 4 years) were obtained from World Economic Outlook, October 2023 published by International Monetary Fund (IMF). IMF provides historical and forecasted data for important economic indicators country-wise. The data provided for India is used for the analysis. Macro variables that were compared against default rates at segment level to determine the key variables having correlation with the default rates using appropriate statistical techniques. Vasicek model has been incorporated to find the Point in Time (PIT) PD. The Group has formulated the methodology for creation of macro-economic scenarios under the premise of economic baseline, upside and downside condition. A final PIT PD is arrived as the scenario weighted PIT PD under different macroeconomic scenarios.

48.3.2.6 Macro economic variables

segment	Macro-Economic Variables correlated for each segment	
Two Wheeler	Gross domestic product per capita, current prices	Volume of imports of goods and services
Three Wheeler	Total investment	Gross domestic product, current prices
Construction Equipment - New	Gross domestic product per capita, current prices	Total investment
Construction Equipment - Used	Gross domestic product, current prices	Inflation, end of period consumer prices
Commercial Vehicle Shubh	Gross domestic product per capita, current prices	Volume of imports of goods and services
Commercial Vehicle - Used	General government gross debt Gov Debt	Gross domestic product per capita, current prices
Heavy Commercial Vehicle - New	Gross domestic product, current prices	Inflation, average consumer prices
Home Loan	Total investment	Gross domestic product, current prices
Loan Against Property	Total investment	Gross domestic product, current prices
Light Commercial Vehicle - New	Gross domestic product per capita, current prices	Volume of exports of goods and services
Mini Light Commercial Vehicle- New	Inflation, end of period consumer prices	Gross domestic product per capita, current prices
Passenger Vehicle - New (Car/MUV)	Gross domestic product per capita, current prices	Volume of imports of goods and services
Passenger Vehicle Shubh (Car/ MUV)	Total investment	Gross domestic product, current prices
Passenger Vehicle - Used (Car/ MUV)	Gross domestic product, current prices	Inflation, average consumer prices
Tractor - New	Gross domestic product per capita, current prices	Volume of exports of goods and services
Tractor - Used	Gross domestic product, current prices	Volume of exports of goods and services

Since the company has used Gross Domestic Product (GDP) as a predominant macro economic variable the sensitivity around the same is given below

Year ended	Increase/(Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31,2025	Decrease by 5%	(9.72)
March 31,2025	Increase by 5%	39.01

Year ended	Increase/(Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31,2024	Decrease by 5%	(20.23)
March 31,2024	Increase by 5%	29.53

48.3.2.7 Concentration of credit risk and Collateral and Credit Enhancements

48.3.2.7.1 Concentration of credit risk

Concentration of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in same geographical area or industry sector so that collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions. The Group is in retail lending business on pan India basis targeting primarily customers who either do not get credit or sufficient credit from the traditional banking sector. Vehicle Finance (consisting of new and used Commercial Vehicles, Passenger Vehicles, Tractors, Construction Equipment and Trade advance to Automobile dealers) is lending against security (other than for trade advance) of Vehicle/ Tractor / Equipment and contributes to 55% of the loan book of the Group as of March 31, 2025 (58% as of March 31, 2024). Hypothecation endorsement is made in favour of the Group in the Registration Certificate in respect of all registerable collateral. Portfolio is reasonably well

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diversified across South, North, East and Western parts of the country. Similarly, sub segments within Vehicle Finance like Heavy Commercial Vehicles, Light Commercial Vehicles, Car and Multi Utility Vehicles, three wheeler and Small Commercial Vehicles, Refinance against existing vehicles, older vehicles (first time buyers), Tractors and Construction Equipment have portfolio share between 6% and 6% leading to well diversified sub product mix.

Loan Against Property is mortgage loan against security of existing immovable property (primarily self-occupied residential property) to self-employed non-professional category of borrowers and contributes to 21% of the lending book of the Group as of March 31, 2025 (20% as of March 31, 2024). Portfolio is concentrated in North 29% with small presence in East 6%. South has 44% and West contributes 21% of the overall exposure of the Group. Home Loan is loan provided to buy or construct new/existing homes and contributes 9 % of the lending book of the Company as of March 31, 2025 (9% as of March 31, 2024). Portfolio is concentrated in South 66% followed by East at 12%, North and West at 11% each of the overall exposure of this segment.

The Concentration of risk is managed by Group for each product by its region and its sub-segments. Group did not overly depend on few regions or sub-segments as of March 31, 2025.

48.3.2.7.2 Collateral and Credit enhancements

Although collateral can be an important mitigation of credit risk, it is the Group's practice to lend on the basis of the customer's ability to meet the obligations out of cash flow resources other than placing primary reliance on collateral and other credit risk enhancements.

The Group obtains first and exclusive charge on all collateral that it obtains for the loans given. Vehicle Finance and Loan Against Property are secured by collateral at the time of origination. In case of Vehicle loans, Group values the vehicle either through proforma invoice (for new vehicles) or using registered valuer for used vehicles. In case of Loan Against Property loans, the value of the property at the time of origination will be arrived by obtaining two valuation reports from Group's empanelled valuers.

Hypothecation endorsement is obtained in favour of the Group in the Registration Certificate of the Vehicle/ Tractor / Equipment funded under the vehicle finance category.

Immovable Property is the collateral for Loan Against Property. Security Interest in favour of the Group is created by Mortgage through deposit of title deed which is registered wherever required by law.

In respect of Other loans, Home loans follow the same process as Loan Against Property and pledge is created in favour for the Group for loan against securities. 91% of the Group's term loan are secured by way of tangible Collateral.

In respect of some unsecured lending, the Group obtains First Loss Default Guarantee or similar arrangement from external service providers as partial cover against potential credit default.

Fair value of collateral held against credit impaired assets - March 31,2025

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
5,213.01	3,358.23	1,452.02	864.28	(461.52)	2,360.05

Fair value of collateral held against credit impaired assets - March 31,2024

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
3,644.81	2,793.62	1,605.03	280.70	(1,034.54)	1,693.07

Note: Column (b), (c), (d) of the above table, represents fair value of collateral

Valuation of Collateral:

- a) Vehicles including construction equipment and tractors are valued at original cost less 20% depreciation per year on WDV
- b) Immovable property is valued based on the amount as per the valuation report at the time of sanctioning of loan
- c) Other loans – Book debts at Cost or Securities at market value

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48.3.3 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices.

Lending

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates. The Group's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The Group is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the Group's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee. In addition, the Group has put in an Asset Liability Management (ALM) support group which meets frequently to review the liquidity position of the Group.

Insurance

The Group is exposed to financial and capital market risks – the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes or volatility in market prices. Market risk includes equity market and interest rate risks.

The Group has investment policy in place which deals with guidelines set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities.

48.3.3.1 Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Group has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The Group also has lines of credit that it can access to meet liquidity needs. These are reviewed by the Asset Liability Committee (ALCO) on a monthly basis. The ALCO provides strategic direction and guidance on liquidity risk management. A sub-committee of the ALCO, comprising members from the Treasury and Risk functions, monitor liquidity risks on a weekly basis and decisions are taken on the funding plan and levels of investible surplus, from the ALM perspective. This sets the boundaries for daily cash flow management.

Analysis of Financial assets and Financial liabilities by remaining contractual maturities given in note-50.

48.3.3.2 Interest Rate Risk

The Group being in the business of lending raises money from diversified sources like market borrowings, term Loan from banks and financial institutions, foreign currency borrowings etc. Financial assets and liabilities constitute significant portion, changes in market interest rates can adversely affect the financial condition. The fluctuations in interest rates can be due to internal and external factors. Internal factors include the composition of assets and liabilities across maturities, existing rates and re-pricing of various sources of borrowings. External factors include macro-economic developments, competitive pressures, regulatory developments and global factors. The movement in interest rates (upward / downward) will impact the Net Interest Income depending upon rate sensitivity of the asset or liability. The Group uses traditional gap analysis report to determine the vulnerability to movements in interest rates. The Gap is the difference between Rate Sensitive Assets (RSA) and Rate Sensitive Liabilities (RSL) for each time bucket. A positive gap indicates that the Group can benefit from rising interest rates while a negative gap indicates that the Group can benefit from declining interest rates. Based on market conditions, the Group enters into interest rate swap to mitigate interest rate risk.

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48.3.3.3 Foreign Currency Risk

Foreign currency risk for the Group arise majorly on account of foreign currency borrowings. The Group manages this foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group holds derivative financial instruments such as Cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate.

The Counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

48.3.3.4 Hedging Policy

The Group's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment and hence the hedge ratio is 1:1.

48.4 Disclosure of Effects of Hedge Accounting

As at March 31, 2025

Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crore)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crore)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crore)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cash Flow Hedge								
Cross Currency Interest rate swap	6	3	155.62	53.09	July 19, 2022 to March 27, 2028	(102.53)	221.55	Borrowings
Interest rate swaps	-	13	-	100.78	March 10, 2023 to September 10, 2029	100.78	-	Borrowings
Forward contracts	1	1	47.70	130.72	July 01, 2020 to June 20, 2028	83.02	90.02	Borrowings
Fair Value Hedge								
Interest rate swaps	-	-	-	-	-	-	-	NA
Cash flow Hedge		Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crore)		Hedge Effectiveness recognised in profit and loss (₹ in crore)		Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in crore)		Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk		(174.92)		-		-		NA

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As at March 31, 2024

Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crore)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crore)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crore)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cash Flow Hedge								
Cross Currency Interest rate swap	2	2	161.33	15.06	June 03, 2024 to Feb 22, 2027	(146.27)	171.10	Borrowings
Interest rate swaps	-	7	-	20.74	March 27, 2026 to December 29, 2028	20.74	-	Borrowings
Forward contracts	1	1	86.49	150.90	June 01, 2024 to June 20, 2028	64.40	91.59	Borrowings
Fair Value Hedge								
Interest rate swaps	-	-	-	-	-	-	-	NA
Cash flow Hedge		Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crore)		Hedge Effectiveness recognised in profit and loss (₹ in crore)		Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in crore)		Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk		(72.19)		-		-		NA

48.5 Insurance Risk

The principal risk, the Group faces under insurance contracts, is that the actual claims and benefit payments or the timing thereof differ from expectations. This is influenced by frequency of claims and severity of claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The principal assumption underlying the liability estimates is that the Group's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of frequency and severance considered based on past trends. The general insurance claim liabilities are sensitive to the key assumptions. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities. It is not possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non-linear.

For sensitivity analysis and claims development table, refer note below. The method used for deriving sensitivity information and significant assumptions did not change during the presented periods.

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Sensitivity Analysis of claims outstanding Liabilities *

As at March 2025

Scenario	Increase/ (Decrease) in Net Liabilities	Increase/ (Decrease) in Gross Liabilities	Increase/ (Decrease) in Profit before taxes	Increase/ (Decrease) in Equity
Increase in Insurance Claims Liability Estimate by 2.5%	23.70	29.96	(23.70)	(17.74)
Increase in Insurance Claims Liability Estimate by 5%	47.40	59.92	(47.40)	(35.47)
Decrease in Insurance Claims Liability Estimate by 2.5%	(23.70)	(29.96)	23.70	17.74
Decrease in Insurance Claims Liability Estimate by 5%	(47.40)	(59.92)	47.40	35.47

As at March 2024

Scenario	Increase/ (Decrease) in Net Liabilities	Increase/ (Decrease) in Gross Liabilities	Increase/ (Decrease) in Profit before taxes	Increase/ (Decrease) in Equity
Increase in Insurance Claims Liability Estimate by 2.5%	30.28	46.50	(30.28)	(22.66)
Increase in Insurance Claims Liability Estimate by 5%	60.56	93.00	(60.56)	(45.32)
Decrease in Insurance Claims Liability Estimate by 2.5%	(30.28)	(46.50)	30.28	22.66
Decrease in Insurance Claims Liability Estimate by 5%	(60.56)	(93.00)	60.56	45.32

Insurance Liability (Claims) Development pattern *

As at March 2025

Ultimate Net Loss Cost - Re-estimated	YE 31- Mar-18	YE 31- Mar-19	YE 31- Mar-20	YE 31- Mar-21	YE 31- Mar-22	YE 31- Mar-23	YE 31- Mar-24	YE 31- Mar-25
End of Accident Year	1,906.10	2,104.34	2,451.93	2,305.88	2,835.90	3,241.86	4,116.48	4,533.76
One Year Later	1,890.66	2,117.02	2,444.61	2,231.37	2,762.31	3,150.57	3,982.95	-
Two Year Later	1,891.36	2,112.21	2,383.66	2,197.65	2,670.54	3,103.17	-	-
Three Year Later	1,884.11	1,997.07	2,248.77	2,157.10	2,633.04	-	-	-
Four Year Later	1,799.50	1,894.71	2,162.80	2,164.63	-	-	-	-
Five Year Later	1,742.01	1,859.23	2,099.97	-	-	-	-	-
Six Year Later	1,718.05	1,818.42	-	-	-	-	-	-
Seven Year Later	1,710.83	-	-	-	-	-	-	-

As at March 2024

Ultimate Net Loss Cost - Re-estimated	YE 31- Mar-17	YE 31- Mar-18	YE 31- Mar-19	YE 31- Mar-20	YE 31- Mar-21	YE 31- Mar-22	YE 31- Mar-23	YE 31- Mar-24
End of Accident Year	1,552.59	1,906.10	2,104.34	2,451.93	2,305.88	2,835.90	3,241.86	4,116.48
One Year Later	1,529.45	1,890.66	2,117.02	2,444.61	2,231.37	2,762.31	3,150.57	-
Two Year Later	1,598.50	1,891.36	2,112.21	2,383.66	2,197.65	2,670.54	-	-
Three Year Later	1,630.91	1,884.11	1,997.07	2,248.77	2,157.10	-	-	-
Four Year Later	1,625.49	1,799.50	1,894.71	2,162.80	-	-	-	-
Five Year Later	1,562.08	1,742.01	1,859.23	-	-	-	-	-
Six Year Later	1,559.78	1,718.05	-	-	-	-	-	-
Seven Year Later	1,548.85	-	-	-	-	-	-	-

* The sensitivity analysis of claims outstanding liability and Insurance Liability (claim) development table are presented net off Re-insurance.

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49. Goodwill

The Goodwill of ₹39.08 crores recognised with respect to CIFCL represents the significant portion of the total Goodwill carried by the Group. The quoted market value of shares of CIFCL as on March 31, 2025 is significantly higher than the acquisition price. Accordingly, based on the assessment of goodwill done by the group, it believes that the carrying amount of goodwill is recoverable and no impairment has been considered.

The Goodwill of ₹3.64 crores recognised on the acquisition of other subsidiary – CMSGICL is not significant and the Group believes that the carrying amount of the Goodwill is recoverable.

Note : 50 Analysis of Financial Liabilities by remaining contractual maturities

The table below summarises the expected utilisation or settlement of liabilities

As at March 31, 2025

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
Financial Liabilities								
Derivative financial instruments	-	8.07	8.50	18.17	145.45	104.41	-	284.60
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro & small enterprises	14.82	-	-	-	-	-	-	14.82
ii) Total outstanding dues of creditors other than micro and small enterprises	563.28	60.91	12.25	15.05	0.12	-	-	651.61
(II) Other Payables								
i) Total outstanding dues of micro & small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	1,523.73	0.68	-	-	-	-	-	1,524.41
(II) Other Insurers								
i) Total outstanding dues of micro & small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	-	-	746.09	-	-	-	-	746.09
Debt Securities	1,211.84	4,068.35	1,216.25	4,230.70	13,882.02	9,715.33	1,567.50	35,891.99
Borrowings(Other than Debt Securities)	5,418.85	10,140.70	14,851.91	23,151.44	76,123.60	17,386.37	204.85	1,47,277.72
Subordinated Liabilities	54.09	63.21	356.42	517.22	2,789.61	2,909.46	10,291.03	16,981.04
Insurance Contract Liabilities	439.42	499.69	715.86	1,345.36	3,200.76	2,364.00	7,422.41	15,987.50
Other Financial Liabilities	367.76	22.12	32.82	73.28	237.58	201.48	167.44	1,102.48
Total Undiscounted financial liabilities	9,593.79	14,863.73	17,940.10	29,351.22	96,379.14	32,681.05	19,653.23	2,20,462.26

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Note : 50 Analysis of Financial Liabilities by remaining contractual maturities (contd.)

As at March 31, 2024

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
Financial Liabilities								
Derivative financial instruments	-	6.39	-	21.97	89.21	69.13	-	186.70
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro & small enterprises	8.10	-	-	-	-	-	-	8.10
ii) Total outstanding dues of creditors other than micro and small enterprises	463.07	0.56	13.19	13.67	-	-	-	490.49
(II) Other Payables								
i) Total outstanding dues of micro & small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	1,279.43	-	0.81	-	-	-	-	1,280.24
(III) Other Insurers								
i) Total outstanding dues of micro & small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	-	-	713.28	-	-	-	-	713.28
Debt Securities	2,694.23	1,376.20	2,575.73	4,985.89	11,679.20	6,121.63	-	29,432.88
Borrowings(Other than Debt Securities)	5,664.91	8,323.71	11,011.07	19,174.24	58,857.84	16,021.82	340.92	1,19,394.51
Subordinated Liabilities	80.31	172.65	160.06	300.34	839.97	2,191.13	11,623.21	15,367.67
Insurance Contract Liabilities	471.57	395.66	598.38	1,129.14	3,087.47	2,142.29	5,891.06	13,715.57
Other Financial Liabilities	323.56	16.86	24.20	54.26	177.10	108.09	115.25	819.32
Total Undiscounted financial liabilities	10,985.18	10,292.03	15,096.72	25,679.51	74,730.79	26,654.09	17,970.44	1,81,408.76

Note 51 Disclosures in connection with IND AS 116 - 'Leases'

The Group has taken office premises and related assets on lease for its operations.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases of machinery with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of lease liabilities included under financial liabilities and right to use asset included in Property, Plant and Equipment and the movements during the period:

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Other Disclosures

(i) (a) Movement in the carrying value of the Right to Use Asset for the year ended March 31, 2025

Particulars	Amount		
	Building	Office Equipment	Computer Equipment
Opening Balance	387.56	-	-
Depreciation charge for the Period	(116.55)	-	-
Additions during the Period	320.38	-	-
Adjustment/Deletion	(37.60)	-	-
Closing Balance	553.79	-	-

(i) (b) Movement in the carrying value of the Right to Use Asset for the year ended March 31, 2024

Particulars	Amount		
	Building	Office Equipment	Computer Equipment
Opening Balance	180.40	4.68	2.66
Depreciation charge for the Period	(84.86)	(4.68)	(2.66)
Additions during the Period	308.98	-	-
Adjustment/Deletion	(16.96)	-	-
Closing Balance	387.56	-	-

(ii) Classification of current and non current liabilities of the lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Current Liabilities	100.40	79.75
Non Current Liabilities	489.04	328.42
Total Lease liabilities	589.44	408.17

(iii) Movement in the carrying value of the Lease Liability during the year

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Balance	408.17	211.99
Interest Expense	44.37	26.84
Lease Payments [Total Cash Outflow]	(145.26)	(70.23)
Short term rent concession	-	-
Additions during the year	318.86	294.83
Adjustment/Deletion	(36.70)	(55.26)
Closing Balance	589.44	408.17

(iv) Contractual Maturities of Lease liability outstanding

Particulars	As at March 31, 2025	As at March 31, 2024
Less than One year	139.54	105.31
One to Five years	433.59	278.37
More than Five years	167.44	115.25
Total	740.57	498.93

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

(v) The following are the amount recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation expense of right-of-use assets	116.55	92.20
Interest expense on lease liabilities	44.37	26.84
Expense relating to short-term leases (included in other expenses)	38.56	33.09
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
Total amount recognised in Statement of Profit and Loss	199.48	152.13

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 8% to 12%.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to the lease liabilities as and when they fall due.

The Group has several lease contracts that includes extension and termination contracts. These options are negotiated by the management of the respective entities to provide flexibility in managing the leased-asset portfolio and align with Group's business needs. The management of the respective entities exercises significant judgement in determining whether these extension and termination are reasonably certain to be exercised.

The Group has not defaulted in its lease obligations.

Note : 52

Note : 52.1 Fair value of financial instruments

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group 's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

Particulars	March 31, 2025		March 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash and Cash Equivalents	5,385.91	5,385.91	973.22	973.22
Bank balances Other than Cash and Cash Equivalents	4,293.94	4,293.94	3,575.26	3,575.26
Receivables				
i) Trade Receivables	204.19	204.19	214.17	214.17
ii) Other Receivables	66.15	66.15	140.50	140.50
iii) Insurance Contract Assets	606.18	606.18	435.80	435.80
iv) Reinsurance Assets	1,688.43	1,688.43	1,438.01	1,438.01
Loans	1,82,037.64	1,84,541.00	1,44,462.65	1,46,221.22
Other Investments	23,787.94	24,099.60	19,581.19	19,344.22
Other Financial Assets	780.26	816.62	703.21	756.20
Total Financial Assets	2,18,850.64	2,21,702.02	1,71,524.01	1,73,098.60
Financial Liabilities				
Payables				
i) Trade Payables	666.43	666.43	498.60	498.60
ii) Other Payables	1,622.82	1,622.82	1,323.02	1,323.02
iii) Other Insurers	746.09	746.09	713.28	713.28
Debt Securities	30,222.70	30,520.79	24,812.76	24,884.85
Borrowings (Other than Debt Securities)	1,33,791.98	1,30,191.78	1,04,511.13	1,04,800.39

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	March 31, 2025		March 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Subordinated Liabilities	10,351.76	11,153.54	4,690.11	5,230.09
Insurance Contract Liabilities	11,893.72	11,893.72	10,805.52	10,805.52
Other Financial Liabilities	865.06	863.88	643.64	641.70
Total Financial Liabilities	1,90,160.56	1,87,659.05	1,47,998.06	1,48,897.45

The Group assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable and payables approximates their carrying amount largely due to short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values of financial assets or liabilities disclosed under level 2 category.

- Derivatives are fair valued using market observable rates and publishing prices.
- The fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.
- The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate near to report date based on comparable rate / market observable data.
- The fair values of quoted equity investments are derived from quoted market prices in active markets.
- The fair value investment in Government securities are derived from rate near to the reporting date of the comparable product.

Note 52.2 - Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2025

Particulars	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value				
FVTOCI Equity Instruments	14.70	0.73	1.96	12.01
FVTOCI Debt Instruments	14,917.33	-	15,367.33	-
FVTPL Debt Instruments & AIF	201.13	-	397.13	-
FVTPL Equity Instruments & Mutual Funds	1,355.66	1,314.25	-	41.41
Derivative financial instruments	203.32	-	203.32	-
Assets for which fair values are disclosed				
Investments-At Amortised cost	6,937.78	9,238.66	1,165.14	-
Investment Properties *	28.96	-	-	32.80
Loans	1,82,037.64	-	-	1,84,541.00

There have been no transfers between different levels during the period.

* Fair value of investment property is calculated based on valuation given by external independent valuer.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2025

Particulars	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	284.60	-	284.60	-
Liabilities for which fair values are disclosed				
Debt Securities	30,222.70	-	30,520.79	-
Borrowings (Other than Debt Securities)	1,33,895.33	-	1,30,295.13	-
Subordinated Liabilities	11,021.32	-	11,050.19	-

There have been no transfers between different levels during the period.

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2024

Particulars	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value				
FVTOCI Equity Instruments	4.58	0.92	-	2.37
FVTOCI Debt Instruments	12,933.29	-	13,383.29	-
FVTPL Debt Instruments & AIF	364.94	-	364.94	-
FVTPL Equity Instruments & Mutual Funds	985.98	893.49	-	1.51
Derivative financial instruments	247.82	-	247.82	-
Assets for which fair values are disclosed				
Investments-At Amortised cost	5,293.79	3,447.81	1,789.89	-
Investment Properties *	28.96	-	-	29.68
Loans	1,44,462.65	-	-	1,46,221.22

There have been no transfers between different levels during the period.

* Fair value of investment property is calculated based on valuation given by external independent valuer.

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2024

Particulars	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair value				
Derivative financial instruments	186.70	-	186.70	-
Liabilities for which fair values are disclosed				
Debt Securities	24,884.85	-	24,884.85	-
Borrowings (Other than Debt Securities)	1,04,800.38	-	1,04,800.38	-
Subordinated Liabilities	5,230.09	-	5,230.09	-

There have been no transfers between different levels during the period.

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Note 52.3 Summary of Financial assets and liabilities which are recognised at amortised cost

Particulars	As at	
	Mar 31, 2025	Mar 31, 2024
Financial Assets		
Cash and Cash Equivalents	5,385.91	973.22
Bank balances other than Cash and Cash Equivalents	4,293.94	3,575.26
Loans	1,82,037.64	1,44,462.65
Investments	6,937.78	5,293.79
Other Financial Assets	780.26	703.21
Financial Liabilities		
Debt Securities	30,222.70	24,812.76
Borrowings(Other than Debt Securities)	1,33,791.98	1,04,511.13
Subordinated Liabilities	10,351.76	4,690.11
Other Financial liabilities	865.06	643.64

52.4 Refer Note 15 for sensitivity analysis for investment property, whose fair value is disclosed under the level 3 category.

Note : 53 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

As at and for the year ended March 31, 2025

Name of the entity	Net Assets (i.e. total assets less total liabilities)		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
I. Parent								
Cholamandalam Financial Holdings Limited	0.41%	111.32	(0.40%)	(18.77)	14.51%	9.74	(0.19%)	(9.03)
II. Subsidiaries								
Cholamandalam Investment and Finance Company Limited	40.09%	10,803.03	34.37%	1,629.22	(93.23%)	(62.56)	32.59%	1,566.66
Cholamandalam MS General Insurance Company Limited	4.14%	1,114.53	11.76%	557.31	177.45%	119.07	14.07%	676.38
Non-Controlling Interests in all subsidiaries	53.57%	14,433.81	54.14%	2,566.22	1.27%	0.85	53.40%	2,567.07
III. Associates & Joint Venture								
White Data Systems India Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Vishvakarma Payments Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Cholamandalam MS Risk Services Limited	0.09%	24.51	0.07%	3.20	0.00%	-	0.07%	3.20
Payswiff Tehnologies Private Limited	1.70%	458.76	0.06%	2.70	0.00%	-	0.06%	2.70
Paytail Commerce Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total Share of Holding and Non-Controlling Interest	100.00%	26,945.96	100.00%	4,739.88	100.00%	67.10	100.00%	4,806.98

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

As at and for the year ended March 31, 2024

Name of the entity	Net Assets (i.e. total assets less total liabilities)		Share in profit or loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
I.Parent								
Cholamandalam Financial Holdings Limited	0.00%	47.51	(0.60%)	(21.46)	(0.52%)	(0.28)	(0.56%)	(21.74)
II.Subsidiaries								
Cholamandalam Investment and Finance Company Limited	40.00%	8,803.64	33.40%	1,285.76	(58.86%)	(31.41)	32.13%	1,254.35
Cholamandalam MS General Insurance Company Limited	4.00%	913.64	12.90%	496.14	139.86%	74.63	14.62%	570.77
Non-Controlling Interests in all subsidiaries	54.00%	11,882.29	54.00%	2,078.04	19.52%	10.42	53.50%	2,088.46
III. Associate & Joint Venture								
White Data Systems India Private Limited	0.00%	-	(0.10%)	(2.97)	0.00%	-	(0.07%)	(2.97)
Vishvakarma Payments Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Cholamandalam MS Risk Services Limited	0.00%	21.31	0.10%	2.76	0.00%	-	0.07%	2.76
Payswiff Tehnologies Private Limited	2.00%	455.63	0.30%	12.29	0.00%	-	0.31%	12.29
Paytail Commerce Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total Share of Holding and Non-Controlling Interest	100.00%	22,124.02	100.00%	3,850.56	100.00%	53.36	100.00%	3,903.92

Note 53 (A) - Additional Disclosures Under Schedule III Division III

Part I -Ageing Analysis

A(i) Trade Receivables ageing schedule as on March 31,2025

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	204.78	0.51	0.22	0.02	0.01	205.54
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	0.55	0.09	-	-	-	0.64
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Gross Total	205.33	0.60	0.22	0.02	0.01	206.18
Less: Impairment Allowance						(1.99)
Total	205.33	0.60	0.22	0.02	0.01	204.19

A(ii) Trade Receivables ageing schedule as on March 31,2024

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	214.02	0.61	2.43	-	-	217.06
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	0.66	0.07	-	-	-	0.73
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Gross Total	214.68	0.68	2.43	-	-	217.79
Less: Impairment Allowance						(3.62)
Total	214.68	0.68	2.43	-	-	214.17

B(i) Capital Work In Progress (CWIP) ageing schedule as on March 31,2025

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	3.69	-	-	-	3.69
Projects Temporarily Suspended	-	-	-	-	-

B(ii) Capital Work In Progress (CWIP) ageing schedule as on March 31,2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-

C(i) Intangible assets under development aging schedule as on March 31, 2025

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	49.94	0.77	-	-	50.71
Projects Temporarily Suspended	-	-	-	-	-

Notes to Consolidated Financial Statements

(All amounts are in crores of Indian rupees, unless otherwise stated)

C(ii) Intangible assets under development aging schedule as on March 31,2024

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	24.44	0.05	10.03	-	34.52
Projects Temporarily Suspended	-	-	-	-	-

D(ii) Trade Payables ageing schedule as on March 31,2025

Particulars	Outstanding for following periods from due date of Transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises	14.82	-	-	-	14.82
(ii) Others	642.65	7.48	1.33	0.15	651.61
(iii) Disputed dues – Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	657.47	7.48	1.33	0.15	666.43

D(ii) Trade Payables ageing schedule as on March 31,2024

Particulars	Outstanding for following periods from due date of Transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises	8.10	-	-	-	8.10
(ii) Others	485.96	0.08	1.62	2.84	490.50
(iii) Disputed dues – Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	494.06	0.08	1.62	2.84	498.60

Note 53 (A) - Additional Disclosures Under Schedule III Division III

Part - II - Other Disclosures

53.1 No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

53.2 Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

53.3 The Group does not have any outstanding amount arising out of transactons with struck off Companies during the year.

53.4 There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period as at the end of the year.

53.5 The Group as part of its normal lending business, grants loans and advances to its customers, other entities and persons ensuring adherence to all regulatory requirements. Further, the Group has also borrowed funds from banks, financial institutions in compliance with regulatory requirements in the ordinary course of business.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has also not received any fund from any parties (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries during the year.

53.6 Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2025.

53.7 Group has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

53.8 Group has not entered into any scheme of arrangements which has an accounting impact on current/previous financial year.

53.9 There is no income surrendered/disclosed as income during the current/previous year in the tax assessments under Income Tax Act, 1961, that has not been recorded in the books of accounts.

54. Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

55. Prior period information

Previous year figures have been regrouped / re-classified wherever necessary to conform to current year's classification.

As per our report of even date

For R.G.N. Price & Co.,

Chartered Accountants

ICAI Firm Regn No.002785S

For and on behalf of the Board of Directors

K Venkatakrishnan

Partner

Membership No: 208591

Sridharan Rangarajan

Director

DIN:01814413

B Ramaratnam

Director

DIN:07525213

Date : May 9, 2025

Place : Chennai

E Krithika

Company Secretary

N Ganesh

Manager & Chief Financial Officer

Notes:

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The Murugappa Group Companies



CAUTIONARY STATEMENT

Certain expectations and projections regarding the future performance of the Company referenced in the Annual Report constitute forward-looking statements. These expectations and projections are based on currently available competitive, financial and economic data, along with the Company's operating plans and are subject to certain future events and uncertainties, which could cause actual results to differ materially from those indicated by such statements.



murugappa

Cholamandalam Financial Holdings Limited

CIN: L65100TN1949PLC002905

Registered Office: 'Dare House', No. 234, NSC Bose Road, Chennai - 600 001.

Contact Number: 044-40907638 / 25306486

E-mail: investorservices@cfhl.murugappa.com | Website: www.cholafhl.com