



EMPOWERING ASPIRATIONS ENABLING AMBITIONS

Cholamandalam Investment and Finance Company Limited
Annual Report 2023-2024

Note

Across this report, the word 'Chola' refers to 'Cholamandalam Investment and Finance Company Limited.'

Forward-looking statement

In this Annual Report we may have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Empowering Aspirations Enabling Ambitions

Chola's commitment to enriching lives has remained unwavering. For 46 years, Chola has dedicated itself to provide financial assistance that empowers individuals to fulfill their dreams, achieve both short-term and long-term goals, and foster the growth of their businesses. By reaching out to all segments of society including segments with limited access to credit, Chola offers hope for a brighter future, playing a pivotal role in facilitating the transition to a better life. Whether it is a truck driver becoming a fleet owner, a tenant realising the dream of homeownership, a small business expanding with a loan against property, or an entrepreneur growing with an SME loan, Chola empowers aspirations and enables ambitions.





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Corporate Information

Board of Directors

Mr. Vellayan Subbiah
Mr. N. Ramesh Rajan
Mr. Anand Kumar
Ms. Bhama Krishnamurthy
Mr. M. A. M. Arunachalam
Mr. M. R. Kumar
Mr. Ravindra Kumar Kundu

Secretary

Ms. P. Sujatha
Phone: 044 40907172 (B) 40907055 (D)
Fax: 044 25346464
Email: sujathap@chola.murugappa.com

Auditors

M/s. Price Waterhouse LLP,
Chartered Accountant
7th Floor, Menon Eternity, 165,
St. Mary's road, Alwarpet,
Chennai – 600028

M/s. Sundaram & Srinivasan,
Chartered Accountants,
23, CP Ramaswamy Road, Alwarpet,
Chennai 600018

Registered Office

Chola Crest, C54-55 & Super B-4,
Thiru-Vi-Ka Industrial Estate, Guindy,
Chennai - 600032.

Corporate Identity Number

L65993TN1978PLC007576

Registrar & Share Transfer Agent

KFin Technologies Limited
(Unit: Cholamandalam Investment
and Finance Company Limited)
Selenium Building Tower B, Plot 31-32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad,
Rangareddi, Telangana 500 032

Phone No.: 040-67162222 | 79611000

Toll Free No.: 18003094001
Fax No: 040-23001153

Chola's Statement of Purpose



Believe In India

Our beliefs are the heart of our passion, the genes of our genius. We believe India is rising and it will continue to rise. Because, the wisdom of our ancient civilization is now being powered by the aspirations of one of the world's youngest populations.

Believe In Chola

We believe that Chola is uniquely placed to fulfil these aspirations. Armed with a workforce, charged by the fearless spirit of youth, each of our business give wings, to the dreams of millions of young Indians. Dreams that will power and propel Chola to the pinnacle of progress.

We believe we will achieve this fully, by championing our values. Values that allow us to be transparent and grow, so that young India with dreams, can come to us in faith and leave fulfilled.

This is our purpose

And every great cause calls for great leadership. Marching under a banner of meritocracy, we believe in growing great leaders from within. Leaders who are young. Leaders who will make today better than yesterday.

Through transparency, through teamwork, we believe that each one of us is this leader. That each one of us can make a difference. Not just for our customers, but also for our country.

Believe In Yourself

Only one person controls your destiny. That person is you! Chola trusts you and believes in you, so believe in yourself. Believe that you will create Chola of the future.



About Murugappa Group

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

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

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

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

For more information, visit www.murugappa.com

The Spirit of the Murugappa Group

The light of
INTEGRITY
that gives us the courage to
always do the right thing

The light of
RESPONSIBILITY
that gives us the humility to
think about the world around us

The light of
PASSION
that provides us with
the desire to win

The light of
RESPECT
that inspires people
around us to perform

The light of
QUALITY
which makes us
dream of excellence

These five lights guide us as we navigate
through professional and personal decisions.





About Chola

Vision

Enable Customers to Enter a Better Life.

Mission

Customer First

Switch from product focused to customer focused

Improving Efficiencies

Long term Customer focus requires profitability & sustainability

People Power

People are our Primary Asset. Happier People = Happier Customers

Overview

Cholamandalam Investment and Finance Company Limited (Chola), was incorporated in 1978 as the financial services arm of the Murugappa Group. Chola commenced business as an equipment financing company and has today emerged as a comprehensive financial services provider offering vehicle finance, home loans, loan against property, SME loans, secured business and personal loans, consumer & small enterprises loans and a variety of other financial services to customers. Chola operates from 1,387 branches across India with assets under management above ₹ 1,53,718 crore.

The vision of Chola is to enable customers enter a better life. Chola has a growing clientele of over 36.4 lakh happy customers across the nation. Ever since its inception and all through its growth, the company has kept a clear sight of its values. The basic tenet of these values is a strict adherence to ethics and a responsibility to all those who come within its corporate ambit - customers, shareholders, employees and society.

For more information, visit www.cholamandalam.com

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Years of Excellence

54,000+

Strong Workforce

₹ 1,53,718 crore

Assets Under Management

1,387

Branches





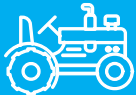









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States & Union Territories

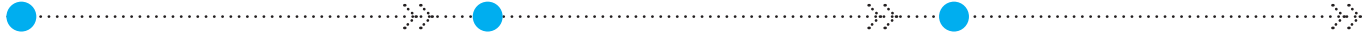
36+ lakh

Happy Customers

Our Products and Services

 <p>Commercial Vehicle Loans</p>	 <p>Passenger Vehicle Loans</p>	 <p>Two Wheeler Loans</p>	 <p>Three Wheeler Loans</p>
 <p>Tractor Loans</p>	 <p>Construction Equipment Loans</p>	 <p>Loan Against Property</p>	 <p>Home Loans</p>
 <p>SME Loans</p>	 <p>Consumer & Small Enterprise Loan</p>	 <p>Secured Business & Personal Loan</p>	 <p>Chola Securities Enter a better life</p> <p>Stock Broking & Depository Participant</p>
 <p>Used Vehicle Marketplace</p>	 <p>Offline Payment Aggregator</p>		

Our Journey



1979-2005

- Commenced Equipment Financing
- Commenced Vehicle Finance business
- Started Chola Securities



2006-2010

- JV with DBS Bank, Singapore
- Commenced Loan Against Property (LAP) Business
- Increased Branch network to 171

AUM at ₹ 6,000 crore ↗

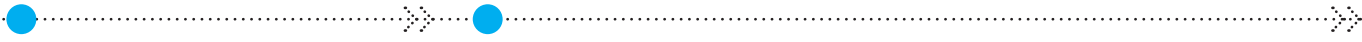
PAT at ₹ 15 crore ↗

2011-2015

- Mobile app rolled out for sales and collections
- Commenced Tractor Loans
- Commenced Home Loans Business
- Commenced Construction Equipment Loans

AUM at ₹ 25,000 crore ↗

PAT at ₹ 400 crore ↗



2016-2020

- Launch of Gaadi Bazaar dealer platform
- Increased branch network to 1,091

AUM at ₹ 60,000 crore ↗

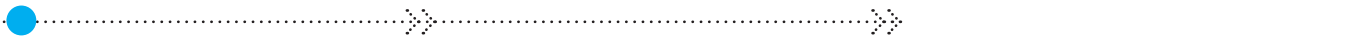
PAT at ₹ 1,000 crore ↗

2021-2023

- Acquired Payswiff Technologies Private Limited
- Launched Consumer & Small Enterprise Loans, Secured Business & Personal Loans and Small and Medium Enterprises Loans business
- Maiden public issue of NCDs

AUM at ₹ 1 lakh crore ↗

PAT at ₹ 2,600 crore ↗

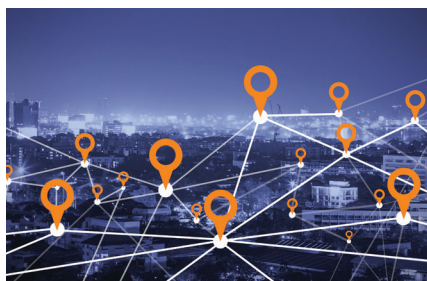


2024

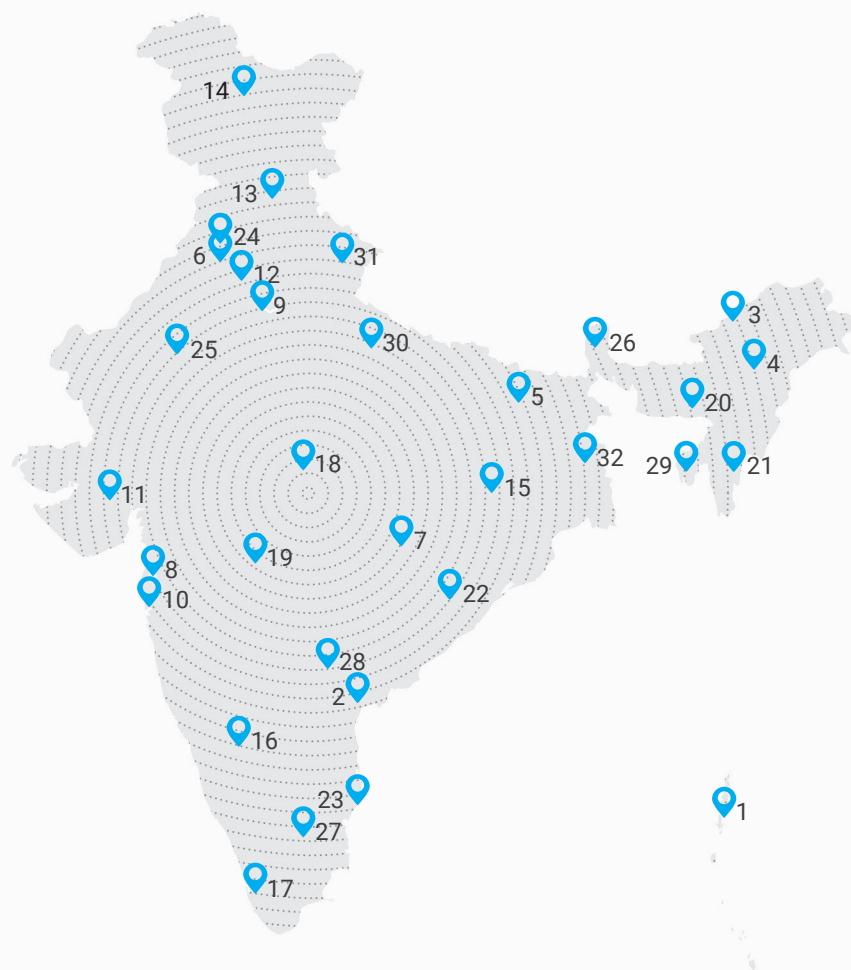
- Customer base crossed 36 lakh
- Raised ₹ 4,000 crore through QIP
- Increased branch network to 1,387

AUM at ₹ 1.5 lakh crore ↗

PAT at ₹ 3,400 crore ↗



Our Presence



1,387
Branches across

26 States / 6 Union territories
as on 31 March, 2024

90%
presence across Tier III - VI towns

1	Andaman & Nicobar	1	11	Gujarat	74	22	Odisha	59
2	Andhra Pradesh	63	12	Haryana	41	23	Puducherry	2
3	Arunachal Pradesh	1	13	Himachal Pradesh	17	24	Punjab	28
4	Assam	36	14	Jammu & Kashmir	7	25	Rajasthan	101
5	Bihar	55	15	Jharkhand	34	26	Sikkim	2
6	Chandigarh	1	16	Karnataka	84	27	Tamil Nadu	158
7	Chhattisgarh	75	17	Kerala	55	28	Telangana	50
8	Dadra & Nagar Haveli	1	18	Madhya Pradesh	94	29	Tripura	6
9	Delhi	6	19	Maharashtra	151	30	Uttar Pradesh	92
10	Goa	3	20	Meghalaya	4	31	Uttarakhand	19
			21	Mizoram	1	32	West Bengal	67

Board of Directors



Mr. Vellayan Subbiah

(54 years) DIN: 01138759
Chairman & Non-Executive Director

- Holds a Bachelor of Technology in Civil Engineering from IIT Madras and an MBA from the University of Michigan.
- Has over 27 years of experience in varied fields such as consulting, technology, projects, financial services and engineering in senior positions across different industries.
- Is the recipient of the 'EY Entrepreneur of the Year™ 2023' and was named as the 'EY World Entrepreneur of the Year™ 2024'.
- Was awarded Extraordinary Entrepreneur of the Year - TIECON 2014.
- Has worked with Mckinsey and Company, 24/7 Customer Inc. etc.
- Is the Executive Vice Chairman of Tube Investments of India Limited.
- Is the Chairman of CG Power and Industrial Solutions Limited and a Director on the Boards of various other companies including SRF Limited and Cholamandalam Financial Holdings Limited.
- Was the Managing Director of Chola from August, 2010 to August, 2017. Has been the non-executive Chairman of Chola since 12 November, 2020.

EY Entrepreneur Of The Year™ 2023

Mr. Vellayan Subbiah was awarded the EY Entrepreneur of the Year™ 2023 for his impeccable leadership, bold strategies and relentless diversification.



EY World Entrepreneur Of The Year™ 2024

Mr. Vellayan Subbiah has been named the EY World Entrepreneur of the Year™ 2024 at a ceremony held in Monte Carlo on 6th June 2024.



Mr. N. Ramesh Rajan

(67 years) DIN: 01628318
Independent Director

- Graduate in Commerce, a fellow member of the Institute of Chartered Accountants of India.
- Has over 42 years of experience in the fields of audit, finance, strategy and operations.
- Was the Chairman and Senior Partner, PwC India responsible for overall strategy and operations of all PwC entities in India.
- As Chairman & Senior Partner had represented India on the Global Strategy Council of PwC International and served as a member on PwC's Central Cluster led by PwC, UK.
- Is on the Boards of TTK Healthcare Limited, Rane (Madras) Limited and Rane Engine Valve Limited.
- Joined the Board of Chola on 30 October, 2018.



Mr. Anand Kumar

(56 years) DIN: 00818724
Independent Director

- Holds an MBA from Vanderbilt University, United States of America.
- Has over 31 years of experience in investments, mergers & acquisitions, equity capital markets and leveraged finance in South and Southeast Asia with a strong network of relationships in the region.
- Is a co-founder and Partner of Gateway Partners, an investment firm focused on growth capital and strategic opportunities across markets in Southeast Asia, South Asia, the Middle East and Africa.
- Prior to co-founding Gateway Partners in 2014, has held leadership positions in several leading investment banks including Standard Chartered Bank and Morgan Stanley.
- Is also on the Boards of TVS Supply Chain Solutions Limited, Medall Healthcare Private Limited, Tube Investments of India Limited and a few other companies in India and abroad.
- Joined the Board of Chola on 16 March, 2021.



Ms. Bhama Krishnamurthy

(69 years) DIN: 02196839
Independent Director

- Holds a Masters degree in science from Mumbai University.
- Had a career spanning over 37 years in IDBI (now IDBI Bank) and SIDBI, an Apex Development Bank for MSMEs in India covering almost all areas of development banking operations.
- Has varied management and leadership experience in resource raising, forex, treasury operations, risk management, credit function, branch operations and human resources division.
- Was on the Boards of various venture capital companies, CIBIL, SBI Global Factors as a nominee director of SIDBI.
- Is the part-time chairperson of CSB Bank Limited and is also on the boards of various companies including Network18 Media and Investments Limited, Five Star Business Finance Limited, Muthoot Microfin Limited, Thirumalai Chemicals Limited, e-Eighteen.com Limited, Reliance Corporate IT Park Limited and Just Dial Limited.
- Joined the Board of Chola on 31 July, 2019.



Mr. M. A. M. Arunachalam (Arun Murugappan)

(57 years) DIN: 00202958
Non-Executive Director

- Holds a Bachelor's degree in commerce from Loyola College, Chennai and Masters in Business Administration from the University of Chicago, USA.
- An Industrialist with over 25 years of experience covering varied fields including engineering, construction and financial services.
- Is the Executive Chairman of Tube Investments of India Limited.
- Is the Chairman of Shanthi Gears Limited, Cholamandalam Home Finance Limited and TI Clean Mobility Private Limited.
- Is on the Boards of CG Power and Industrial Solutions Limited, Great Cycles and Creative Cycles and several other Murugappa Group companies.
- Joined the Board of Chola on 29 January, 2021.



Mr. M R Kumar

(63 years) DIN: 03628755
Independent Director

- Holds a Bachelor's degree in Science from University of Madras.
- Has over 40 years of experience in the fields of insurance, finance and marketing. Has held various positions in Life Insurance Corporation of India (LIC) from 1986 till 2023.
- Was the Chairman of LIC during the period March 2019 to March 2023. Was also the Non-Executive Chairman of LIC Housing Finance Ltd., LIC Pension Fund Ltd., LIC Mutual Fund AMC Ltd., LIC Cards Services Ltd., IDBI Bank, LIC Singapore Pte. Ltd., LIC Lanka Ltd., LIC (International) BSC, Bahrain, LIC Nepal. Ltd.
- Is the non-executive Chairman of Bank of India and Aurobindo Pharma Limited and a Director on the Boards of Ambuja Cements Limited and Aurobindo Pharma USA INC.
- Joined the Board of Chola on 1 May, 2024.



Mr. Ravindra Kumar Kundu

(56 years) DIN: 07337155
Executive Director

- Holds a Bachelor's degree in Commerce and has completed Post Graduate Programme in Management for Senior Executives from the Kellogg School of Management, Indian School of Business and an Executive Programme in Global Business Management from the Indian Institute of Management Calcutta.
- Has over 36 years of experience in automobile and financial services industry including 24 years in Chola.
- Started his career in Chola as Senior Executive - Marketing in the year 2000 and moved ahead to leadership roles heading various functions including credit, collections and businesses in Chola.
- Is the non-executive Chairman of Payswiff Technologies Private Limited.
- Is also on the Boards of Cholamandalam Securities Limited and Cholamandalam Home Finance Limited.
- Has been the Executive Director of Chola since 23 January, 2020.

Message from the Chairman



Dear Shareholders,

The Indian economy continues to demonstrate resilience against global headwinds, recording stronger-than-expected growth in 2023-24 with a positive outlook ahead. The Government's emphasis on capital expenditure is beginning to stimulate private investment, setting the stage for the next phase of growth.

I am pleased to inform you that our company has achieved record-breaking disbursements, collections, and profitability. Alongside the steady growth of our established businesses, our new ventures are making substantial contributions to both volume and value. Chola continues to make significant progress towards our long-term vision of becoming a financial powerhouse.

In FY 24, Chola has implemented numerous initiatives, such as enabling direct-to-customer channels, consolidating various mobile phone apps into a comprehensive Chola One app to drive growth and deliver industry leading customer experience. A few key achievements has been detailed below:

Vehicle Finance business increased its focus on digitization across the value chain - generating digital leads, facilitating seamless disbursements, and enabling collections through tele-calling and digital channels.

Gaadi Bazaar: Our online auto ecosystem has seen strong traction in the used vehicle market, offering generative AI-based search engines and innovative features such as WhatsApp bots. The dealer portal allows dealers to list vehicles, generate leads, and apply for loans, promoting customer excellence and value service.

Loan Against Property has become an industry leader among NBFCs, serving over 65,000 satisfied customers with customized schemes and a simple, digital loan processing interface.

Home Loans has significantly expanded its reach across India, serving a broad customer base of over 1,10,000 active accounts. The business is proud to drive India's financial inclusion with over 24% of its customers being first-time borrowers.

Consumer and Small Enterprise Loans with a customer base of over 1.2 million, has become a significant growth driver for Chola.

Chola Securities has revamped its strategy and is targeting specific customer segments such as private clients, retail broking, institutional broking, and partner alliances. It has launched a customer-friendly app with over 90 features to facilitate seamless and secure trading.

Chola launched a **Belief Campaign** that is focused on creating a better life for our workforce, and promoting community service, environmental protection, and global well-being. The "Believe" statement unites Chola's employees, shaping our future and making a profound impact on everyone's lives.

Industry Review

Even with elevated inflation, tight monetary and financial conditions, and escalating geopolitical tensions, the Indian economy exhibited strength and stability with robust macroeconomic fundamentals and financial stability. Your company has grown stronger in this background.

Vehicle Finance

In FY 24, the Indian Auto sector achieved a notable 12% YoY growth, with the Light Commercial vehicle, Passenger vehicle (Car & MUV) and Two-Wheeler setting all time high sales over any previous year.

Two-Wheelers: This segment grew by 13%, driven by enhanced options, positive market sentiment, the burgeoning electric vehicle market, and strategic premium segment launches.

Three-Wheelers: Achieving about 42% year on year growth, this segment was boosted by cost-effective CNG options, new EV models, expanding urban landscapes, and strong demand for last-mile mobility.

Passenger Vehicles (Car & MUV): The Car & MUV segment grew by 8% due to improved vehicle availability, replacement demand and launch of new models contributing to higher sales in the MUV/SUV segments.

Commercial Vehicles (CV): The CV segment had a flat growth, supported by improved vehicle supply and significant purchases from Government tenders and bulk deals.

Tractors: Tractor segment had a degrowth of 7.5% over last year due to headwinds from a poor monsoon and a high base effect of previous year, the Government support continues in this segment, and FY 25 is expected to see shoots of growth with good rains.

Loan Against Property

Loan Against Property (LAP) industry size is approx. ₹ 10 lakh crore, with approximately 15% growth in FY 24. The emerging small-ticket LAP segment, currently less than 10% penetrated, is expected to grow rapidly due to robust economic conditions and business expansion.

Housing Loans

The Indian Housing Finance market, estimated at ₹ 26 lakh crore, approximately grew by 13-14% in FY 24. Affordable housing finance companies (AHFCs) grew by around 29% during the same period driven by Government initiatives and their ability to cater to underserved markets. NBFCs are expected to grow by 15-16% YoY in FY 25 by leveraging their diversified product offerings.

Other Businesses

Personal and Professional Loans is one of the fastest-growing segments post-pandemic. Despite its rapid expansion, many individuals in India still lack access to formal credit sources. While growth may be muted this year, Chola remains conservative in the personal loans segment, focusing on select business and professional customer segments to mitigate risk and ensure sound portfolio management.

The MSME sector has significantly contributed to entrepreneurship development, especially in semi-urban and rural areas. It plays a crucial role in India's GDP and exports. With rising demand, improved credit performance, and promising economic growth prospects, the market is conducive for lenders to expand MSME credit portfolios.

Company Review

Chola has achieved its best-ever disbursements, collections, and profitability in FY 24, recording a disbursement of ₹ 88,725 crore.

- Vehicle Finance disbursements grew by 22% year on year, supported by steady growth across segments.
- Loan Against Property disbursements grew by 46%, while Home Loans grew by 66%, driven by geographical expansion into Tier 3 and 4 locations.
- Small and Medium Enterprises Loans (SME) disbursements for FY 24 were ₹ 8,106 crore, registering 27% YoY growth.
- Consumer and Small Enterprise Loans (CSEL) disbursements were ₹ 11,281 crore, registering 64% YoY growth.
- Secured Business and Personal Loans (SBPL) disbursements were ₹ 1,074 crore, registering 138% YoY growth.

As of March 31, 2024, Assets Under Management (AUM) stood at ₹ 1,53,718 crore, compared to ₹ 1,12,782 crore as of March 31, 2023, marking a 36% year-over-year growth.

Consolidated Profit Before Tax (PBT) for FY 24 was at ₹ 4,582 crore as against ₹ 3,599 crore in FY 23 registering a growth of 27%.

Your company is categorised as an Upper Layer NBFC (NBFC-UL) by the Reserve Bank of India under the Scale Based Regulatory Framework for NBFCs. To augment capital adequacy for its growing balance sheet and enhanced regulatory requirements, Chola launched a composite QIP issue of equity shares (₹ 2,000 crore at a price of ₹ 1,180 per share) and compulsorily convertible debentures (₹ 2,000 crore at a face value of ₹ 1,00,000), overall aggregating to ₹ 4,000 crore.

Amid regulatory intervention on bank credit to NBFCs, your company broadened its lender base and optimized borrowing costs. Despite rising interest rates and tightening liquidity, your company maintained a focus on ALM, engaging with lenders and market experts to secure funds at optimal rates. The upgrade in long-term rating outlook from AA+ (Stable) to AA+ (Positive) endorses your company's strong business position and sustained profitability.

Chola continued to emphasize sustainable governance and growth across its operations. Initiatives such as EV financing, ESG awareness, implementation of best-in-class data protection tools and providing credit to new and first-time entrepreneurs are yielding benefits. Our Environmental, Social, and Governance (ESG) framework reinforces ESG principles in all aspects of our business, focusing on responsible products, improving efficiency, empowering people, and promoting environmental consciousness.

Chola maintained a strong focus on CSR throughout the year, effectively implementing all board-approved programs and fully utilizing the budget. Your company also participated in the efforts of the Government in providing support to the community.

As always, employees remain Chola's greatest strength. Their extraordinary commitment over the past year has been invaluable, and I extend my gratitude to them and their families. I also thank the board for their ongoing guidance and express special appreciation to the RBI, bankers, and business partners for their continued support. I extend my heartfelt thanks to our valued customers for their loyalty.

I express my deepest gratitude to all of you for your continued trust and patronage as we strive to transform Chola into one of the most relevant NBFCs in India.

Best Wishes

Vellayan Subbiah
Chairman

Business Highlights

(₹ in crore)

KEY FIGURES (STANDALONE)					
Particulars	FY 24	FY 23	FY 22	FY 21	FY 20
Branch Network (in nos.)	1,387	1,191	1,145	1,137	1,091
Disbursement	88,725	66,532	35,490	26,043	29,091
Assets Under Management (AUM)	1,53,718	1,12,782	82,904	76,518	66,943
Net Income Margin (NIM)	9,986	7,229	5,840	5,000	4,123
Operating profit	5,904	4,449	3,771	3,416	2,545
Profit Before Tax (PBT)	4,582	3,600	2,891	2,038	1,586
Profit After Tax (PAT)	3,423	2,666	2,147	1,515	1,052

Key Ratios (in %)					
NIM	7.5	7.7	7.9	7.3	6.9
Expense Ratio	3.1	3.0	2.8	2.3	2.6
Gross NPA / Gross Stage 3 Assets	3.5/2.5	4.6/3	6.8/4.4	4.0	3.8
Net NPA / Net Stage 3 Assets	2.3/1.3	3.1/1.6	4.8/2.6	2.2	2.2
Tier I Capital	15.1	14.8	16.5	15.1	15.3
Tier II Capital	3.5	2.4	3.1	3.9	5.4
Capital Adequacy Ratio	18.6	17.1	19.6	19.1	20.7
Return on Total Assets - PBT	3.4	3.8	3.9	3.0	2.7
Return on Equity	20.6	20.6	20.4	16.9	15.2

Growth Ratios (in %)					
AUM Growth	36.3	36.0	8.3	14.3	16.3
Disbursement Growth	33.4	87.5	36.3	-10.5	-4.5
Book Value per Share Growth	33.9	22.0	22.3	16.9	26.2

Branch Efficiency Ratios (in crore)					
Disbursements per Branch	64.0	55.9	31.0	22.9	26.7
NIM per Branch	7.2	6.1	5.1	4.4	3.8
PAT per Branch	2.5	2.2	1.9	1.3	1.0

Note: Refer glossary section for terms and ratios

Financial Summary

Disbursements ▲

FY24	₹ 88,725 crore
FY23	₹ 66,532 crore
FY22	₹ 35,490 crore
FY21	₹ 26,043 crore
FY20	₹ 29,091 crore

CAGR	YOY
32 %	33 %

Business AUM (Net) ▲

FY24	₹ 1,45,572 crore
FY23	₹ 1,06,498 crore
FY22	₹ 76,907 crore
FY21	₹ 69,996 crore
FY20	₹ 60,549 crore

CAGR	YOY
25 %	37 %

Profit After Tax ▲

FY24	₹ 3,423 crore
FY23	₹ 2,666 crore
FY22	₹ 2,147 crore
FY21	₹ 1,515 crore
FY20	₹ 1,052 crore

CAGR	YOY
34 %	28 %

Networth ▲

FY24	₹ 19,557 crore
FY23	₹ 14,296 crore
FY22	₹ 11,708 crore
FY21	₹ 9,560 crore
FY20	₹ 8,172 crore

CAGR	YOY
24 %	37 %

Loan Losses & Provisions

FY24	1.0 %
FY23	0.9 %
FY22	1.2 %
FY21	2.0 %
FY20	1.6 %

PBT - ROTA %

FY24	3.4 %
FY23	3.8 %
FY22	3.9 %
FY21	3.0 %
FY20	2.7 %

VEHICLE FINANCE

Going the Distance

Chola's vehicle finance division, spanning rural, semi-urban, and urban markets, thrives on enduring relationships. Its commitment to innovation fuels tailored product offerings and personalised services through one of the nation's largest direct-to-customer sales and after-sales teams. Leveraging advanced analytics and digitised processes, Chola ensures rapid turnaround and delivers exceptional customer experiences, cementing its status as the trusted choice for all vehicle financing needs.



My journey with Chola

I have 25 years of experience in the vehicle industry and have been a customer of Chola since 2008. Based on Chola's excellent funding and service in both urban and rural areas around Tirupattur, I secured a loan for my maxi cab passenger vehicle. The loan was sanctioned at a competitive interest rate, and I've been connected with Chola ever since. My timely repayments earned me even better rates, allowing me to expand my fleet. Today, Meenakshi Travels is a well-known name for hiring passenger vehicles in and around Tirupattur. I believe, and we believe in Chola.

Saravanan M, Tirupattur



4 decades in the vehicle finance business



Dominant in **Tier III and IV** markets



AUM of **₹ 84,000** crore



23 lakh+ customers



1,334 branches & **545** resident locations



Launch of **D2C** (Direct to Customer) loans for existing customers

Diversified Asset Portfolio



3W - 3 Wheeler, UV - Used Vehicle, CE - Construction Equipment, 2W - 2 Wheeler, LCV - Light Commercial Vehicle, HCV - Heavy Commercial Vehicle, MUV - Multi Utility Vehicle, EV - Electric Vehicle

Key Differentiators

- Dominant player with strong presence in rural, semi-urban and urban markets
- Strong & long-lasting relationships with dealers and manufacturers
- Tailored product customization and personalized offerings
- Efficient internal control systems for enhanced productivity & swift turnaround
- Data-driven underwriting and collections powered by advanced analytics
- Centralized lead generation through digital channels
- Robust Online to Offline funnel process established for lead conversion
- Digitized customer journeys & automation of service requests

Disbursements ▲

FY24	₹ 48,348 crore
FY23	₹ 39,699 crore
FY22	₹ 25,439 crore
FY21	₹ 20,249 crore
FY20	₹ 23,387 crore

CAGR	YOY
20 %	22 %

Business AUM (Net) ▲

FY24	₹ 84,498 crore
FY23	₹ 66,938 crore
FY22	₹ 52,881 crore
FY21	₹ 50,415 crore
FY20	₹ 44,206 crore

CAGR	YOY
18 %	26 %

Income ▲

FY24	₹ 11,274 crore
FY23	₹ 8,851 crore
FY22	₹ 7,721 crore
FY21	₹ 7,440 crore
FY20	₹ 6,624 crore

CAGR	YOY
14 %	27 %

PBT ▲

FY24	₹ 2,532 crore
FY23	₹ 2,272 crore
FY22	₹ 2,054 crore
FY21	₹ 1,287 crore
FY20	₹ 945 crore

CAGR	YOY
28 %	11 %

Loan Losses & Provisions

FY24	1.2 %
FY23	1.2 %
FY22	1.4 %
FY21	2.5 %
FY20	1.9 %

PBT - ROTA %

FY24	3.4 %
FY23	3.9 %
FY22	4.1 %
FY21	2.7 %
FY20	2.2 %

LOAN AGAINST PROPERTY

Empowering Entrepreneurs

Chola's Loan Against Property (LAP) stands out in the Indian NBFC LAP industry, managing assets worth over ₹29,800 crore. With over 17 years of presence in the market, LAP has established itself as a reliable player, proudly serving over 65,000 happy customers.

Over 97% of LAP customers are self-employed non-professionals and 78% of the portfolio is financed against self-occupied residential property as collateral.

In the last few years, the business has expanded its market presence, introducing new product schemes and making the loan journey digital-oriented and seamless for the customers and partners. By embracing digital tools for on-boarding, verification and collections, LAP business commits to providing a hassle-free experience.



Key to my financial needs

I have been in the business of manufacturing for the last 8 years. I met with Chola LAP team for the first time about funds for my business. When the Chola LAP team visited for the first time, I explained what I was looking for. They not only heard me out patiently but also came up with a very good proposal to fulfil my business needs. The LAP team delivered to me what was committed.

I am truly thankful and I appreciate the time & effort of the Chola LAP team in solving my business needs.

Mr. Aditya Vikram Singh, Panchkula, Haryana



Catering to MSME sector -
Backbone of
the Indian Economy



17 years of expertise in
LAP industry



AUM of
₹ 29,800 crore



Widespread coverage
with **779** branches
across India

Products that Empower



Business loans
for self-occupied
residential property



Business loans for
commercial and
mixed-use properties



Balance transfer of
existing property
loans

Key Differentiators

- 17 years of market presence
- Widespread geographical presence with a robust team of 4,900+ employees
- 779 branches with a strong footprint in rural and semi-urban locations
- Customised product schemes to match customer funding requirements
- Simplified loan processing with digital interface

Disbursements ▲

FY24	₹ 13,554 crore
FY23	₹ 9,299 crore
FY22	₹ 5,536 crore
FY21	₹ 3,627 crore
FY20	₹ 3,662 crore

CAGR
39 %

YOY
46 %

Business AUM (Net) ▲

FY24	₹ 29,859 crore
FY23	₹ 21,588 crore
FY22	₹ 16,795 crore
FY21	₹ 14,777 crore
FY20	₹ 12,960 crore

CAGR
23 %

YOY
38 %

Income ▲

FY24	₹ 3,208 crore
FY23	₹ 2,292 crore
FY22	₹ 1,807 crore
FY21	₹ 1,642 crore
FY20	₹ 1,479 crore

CAGR
21 %

YOY
40 %

PBT ▲

FY24	₹ 973 crore
FY23	₹ 759 crore
FY22	₹ 469 crore
FY21	₹ 306 crore
FY20	₹ 244 crore

CAGR
41 %

YOY
28 %

Loan Losses & Provisions

FY24	-0.2 %
FY23	0.1 %
FY22	0.7 %
FY21	1.1 %
FY20	0.8 %

PBT - ROTA %

FY24	3.9 %
FY23	4.0 %
FY22	3.0 %
FY21	2.2 %
FY20	2.0 %

HOME LOANS

Products that Empower

Chola has emerged as a prominent player in the home loan sector, catering specifically to the needs of middle and lower-middle-income families in rural, urban and semi-urban markets. With Assets Under Management (AUM) exceeding ₹ 13,000 crore, Chola's Home Loan business directly contributes to empower these crucial segments across the nation. What sets Chola apart is its extensive reach and underwriting capabilities, enabling access to home financing for borrowers from all walks of life, even in the smallest villages and towns.

Chola's home loan division concentrated on expanding its channel partner network to serve a broader customer base, thereby establishing a nationwide presence. This included recent expansions into Uttar Pradesh, Bihar, West Bengal, Orissa, Assam, and Jharkhand, as well as expanding branch network in existing states. Chola's Home Loan business continues its mission of enabling and empowering customers with accessible and affordable home financing solutions.



Chola's trust and digital support made homeownership possible

My lifelong dream of building a home on our ancestral land seemed like a challenge. As someone earning weekly cash payments, I faced countless rejections from banks and finance companies, deeming me unworthy of credit. However, everything changed when I turned to Chola. Their unwavering trust and seamless digital process not only enabled me to start construction with confidence, but also provided excellent support throughout the journey. Thanks to Chola, I am now on the brink of becoming a proud homeowner. Grateful beyond words for their support.

Mr. Mariala Lazer, Nagercoil



Over **1.10 lakh** active loan accounts



Average ticket size of **13.2 lakh**

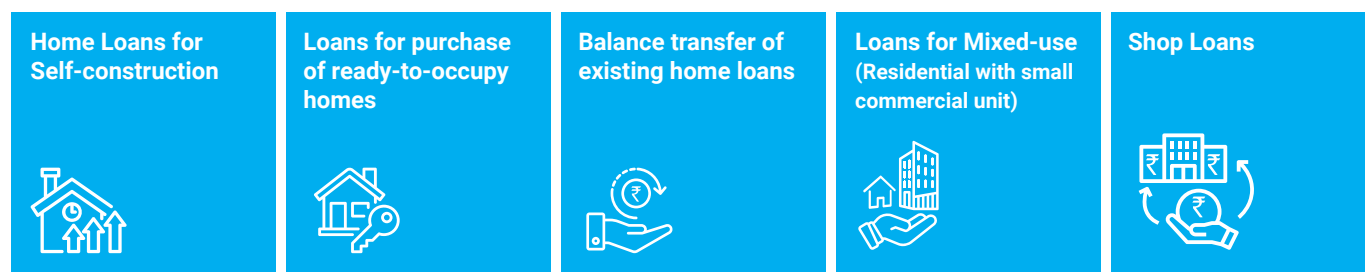


701 touchpoints across 20 states



24% of customers are first-time borrowers

Products that Empower



Key Differentiators

- In-person income assessment for micro business owners and cash-salaried
- Self-Service App for new loan and loan servicing features
- Pan India presence with a significant presence in Tier II, III, IV towns
- Expertise in self-construction with a unique product offering
- Direct-to-customer and digital onboarding process
- Minimal documentation

Disbursements ▲

FY24	₹ 6,362 crore
FY23	₹ 3,830 crore
FY22	₹ 1,896 crore
FY21	₹ 1,542 crore
FY20	₹ 1,505 crore

CAGR	YOY
43 %	66 %

Business AUM (Net) ▲

FY24	₹ 13,404 crore
FY23	₹ 8,451 crore
FY22	₹ 5,590 crore
FY21	₹ 4,345 crore
FY20	₹ 3,125 crore

CAGR	YOY
44 %	59 %

Income ▲

FY24	₹ 1,756 crore
FY23	₹ 971 crore
FY22	₹ 692 crore
FY21	₹ 519 crore
FY20	₹ 357 crore

CAGR	YOY
49 %	81 %

PBT ▲

FY24	₹ 489 crore
FY23	₹ 321 crore
FY22	₹ 222 crore
FY21	₹ 112 crore
FY20	₹ 64 crore

CAGR	YOY
66 %	52 %

Loan Losses & Provisions

FY24	0.2 %
FY23	0.3 %
FY22	0.9 %
FY21	1.5 %
FY20	0.8 %

PBT - ROTA %

FY24	4.5 %
FY23	4.8 %
FY22	4.5 %
FY21	3.1 %
FY20	2.5 %

CONSUMER AND SMALL ENTERPRISE LOAN

Diverse Needs, Customised Solutions

The Consumer and Small Enterprise Loan (CSEL) division of Chola offers a range of financial solutions tailored to both salaried and self-employed professionals, as well as small businesses in the manufacturing, trading, and services sectors.

CSEL's vision is to become "the most secured" unsecured lending business in the industry. With this vision, CSEL has focused on stabilising its direct-to-customer business through the Chola One app. This commitment to innovation and customer-centricity underscores Chola's dedication to empowering individuals and businesses through accessible and efficient financial solutions.



**Doubled my
business revenue,
thanks to Chola**

I run a FMCG trading business in Gaya, a Tier-II city in Bihar. In 2022, I decided to expand my business and I got in touch with Chola for my working capital requirement. Chola's seamless personalized approach impressed me and I received my loan amount within 2 days. This timely funding played a pivotal role in my business due to which I was able to achieve my goal and elevate my business to the next level. My business turnover has doubled since then and I thank Chola for being my trusted financial partner in success.

Abhishek Traders, Gaya



Achieved over **₹ 10,000** crore disbursement in FY 23-24



Active customer base of **12+ lakh**



Best-in-class pre-approved D2C journey through **Chola One App**



Launched Consumer Durable business in partnership with **Samsung**



400+ branches covering 25 states and 4 union territories



Quick and **paperless** digital processing

SECURED BUSINESS AND PERSONAL LOAN

Small Loans that Enable Big Dreams

Chola's Secured Business and Personal Loan (SBPL) division serves micro-enterprises often overlooked by formal financial institutions. Targeting Tier II, III, IV and V town micro-business owners, Chola's collateral-backed loans support their operations and aspirations. With unique form-based credit assessment techniques and cash flow projections, Chola customises offerings to meet the customers' specific needs.

In FY 2024, digitisation and field force expansion enhanced customer experience, reinforcing Chola's commitment to grassroots empowerment.



Lending a lifeline

I have taken Secured Business Loan of ₹ 5.26 lakh from Chola. With this loan, I purchased additional stock for my shop using ₹ 4 lakh and the balance amount was utilised for paying off some debts.

Through this loan, I am able to streamline my financial needs and improve stock at shop which helps me to improve my business.

Thanks to Chola and all the staff members who supported me in this process.

Swapnil Digambar Dhephale, Tanwadi, Maharashtra



AUM
₹ 1,400 crore



Unique assessed
income program for
business owners



Over **34,000**
customers



265+
branches



Transparent **end-to-end**
digital process



Form based credit
assessment

SMALL AND MEDIUM ENTERPRISES LOANS

Great Financing Solutions for the Growth Engine of the Country

The Micro, Small, and Medium Enterprises (MSMEs) sector plays a pivotal role in driving the country's socio-economic development. However, over half of them lack access to credit from formal sources. Chola fills this gap by offering tailored financing solutions designed specifically for MSMEs. With a diverse range of products, Chola addresses the varied needs of MSMEs, providing essential support for both working capital and capital expenditure requirements.



Enabling the growth engine

I am delighted to share our positive experience with Chola. Their support through a SME loan has been instrumental in our company's growth and success. The process was seamless, with professional guidance and flexible terms that met our needs perfectly.

Anil Kumar, Chairman,
SD Empire Edtech Pvt Ltd.



5,700 customers



Loans from **₹ 10 lakh** to **₹ 15 crore**



Strong data-driven underwriting and risk management capabilities



4 AUM of **₹ 5,000** crore



70 branches across **20** states



Strategic partnerships with over **16 OEMs** and **10** Fintech companies

Products



Secured Term Loans



Equipment Funding



Vendor Invoice Discounting and Channel Finance



Loan Against Securities

FINANCE

Finance function played a pivotal role in ensuring the company's continued growth and success through a multifaceted approach encompassing Financial Planning & Analysis (FP&A) and meticulous adherence to Accounting Standards. FP&A team functioned as the strategic arm of the department, providing insightful analysis and financial modelling to support informed decision-making across the organization. The team streamlined the budgeting and planning process, ensuring a more collaborative and efficient approach for the company's growth and profitability. The FP&A team further leveraged data analytics to generate deeper insights into the financial performance, market trends, and potential risks. These insights were instrumental in driving strategic decision-making and profitability improvement.

The team fostered clear and concise communication with stakeholders, providing timely and accurate financial information. This enhanced transparency and built trust amongst Investors and other key stakeholders. Finance in co-ordination with compliance function maintained close vigil on evolving RBI regulations, thereby ensuring timely implementation and adherence to all regulatory guidelines.

TREASURY

FY 24 witnessed tight liquidity conditions, hardening interest rates and regulatory developments on bank credit to NBFCs. The treasury function ensured liquidity in spite of interest rate challenges and funded the growing business by widening the lender base and improving the borrowing mix. This was achieved by increasing the share of borrowings from securitisation, external commercial borrowings and through public issue of debentures.

During the year, the Company raised ₹ 4,000 crore through an innovative structure (by way of equity and compulsorily convertible debenture) from marquee investors. The issue was oversubscribed significantly, reflecting the strong ability of the company in raising capital. In December, 2023, ICRA upgraded Chola's long term rating outlook from AA+ "Stable" to AA+ "Positive", reflecting Chola's established market position and sustained profitability among other factors.

COMPLIANCE

In the rapidly evolving financial sector, a robust compliance culture is a strategic enabler that fosters trust, enhances reputation and ensures long-term growth of an organisation. By championing compliance, companies can navigate the complexities of the financial landscape with confidence and credibility. Chola has established a strong governance & compliance culture, embedded with ethical practices and integrity across all levels of the organisation. This thriving culture is fostered through clear "compliance first" approach from board and top management, demonstrating a zero-tolerance towards non-compliance supplemented by continuous education and training to employees, robust policies & procedures and a proactive approach of compliance risk management. By leveraging technology, compliances are monitored real time and vigilantly tracked for implementation by a team of 20+ independent qualified professionals having collective experience of over 200+ years.

At Chola, a structured approach of three-tier compliance testing process through its compliance, internal audit and enterprise risk management teams ensures effective oversight and adherence to all regulatory standards and further strengthens the company's overall governance framework. Chola maintains a good reputation amongst its regulators for high standards of compliance culture.

ENTERPRISE RISK MANAGEMENT

Chola has always focused on creating a robust organisational risk culture designed on operating procedures, internal controls, and contingency planning to enhance its risk management. Chola believes in transforming itself continually to reinforce the existing risk mitigates and also to meet the new & emerging risks.

The company has carried out stress testing of capital and liquidity to assess resilience and addressed risks like cyber threats through anti-hacking, anti-ransomware, phishing simulation, maturity assessment and other measures. Risk function imbibes strategic & macroeconomic aspects into risk evaluation. Chola endeavours to design its ERM framework considering COSO guidelines & requirements.

OPERATIONS

Optimising for Excellence

The Operations adopted various hyperdrive initiatives focused on improving productivity and operational efficiency by cultivating a culture of ongoing digitisation resulting in elevated customer experience. The Company strives to give best customer experience through continuous training and awareness programmes. During the year over 231 Kaizen process improvements were implemented in customer facing app and call centres by leveraging analytics.



Won the Platinum award in the 6th CII National competition in 'Best Competitive Automation, Technology & Solutions Providers' category.

HUMAN RESOURCES

Empowering Talent

Human Resource (HR) function plays a pivotal role in empowering excellence within the organization. Chola has a robust HR strategy which fosters a culture of growth and excellence. With over 54,000 employees, spanning across diverse business divisions, Chola continuously focuses on attracting and retaining talent through best-in-class HR practices. By aligning employee practices with business goals, HR function stimulates a culture of continuous improvement and optimum performance, thereby empowering the employees to achieve their potential and contribute to organization's success.

Learning and development team conducts continuous training programs for employees across all levels in the organization. These targeted training programs facilitates the workforce to hone their knowledge and skills to excel in their roles. Through various wellness programs, the HR function promotes mental and physical well-being of employees.

ANALYTICS

Growth Through Efficiency

Chola's analytics initiatives are geared towards facilitating disbursements, enabling cost savings and improving process efficiency, ushering in a new era of growth and performance. The pre-approved & pre-qualified offer generation witnessed robust growth in monthly disbursements for key businesses during FY 2023-24, along with exceptional portfolio performance with significantly lower bounce and delinquency rates.

The analytics team leveraged a variety of data sources from both active and former customers, as well as past applicants and the mobile application user base, to create targeted campaign pools. CIBIL Watch as a Marketing channel scaled up during FY 2023-24. Underwriting processes have undergone enhancement with sharper segmentation.

Chola's collections optimisation strategies started in FY 2024 and have yielded positive outcomes. Implementation of an EMI reminder calling approach based on the customer's likelihood of bouncing, alongside segmentation strategies for digital collections, has enhanced collection rates and cost efficiency. Enrichment from credit bureaus has further aided in tracing hard bucket and written-off customers, significantly improving recovery rates.



Disbursement Focused

- Additional Loans
- New Acquisition
- Customer Retention



Cost Saving

- Skip Trace
- Fraud Models
- Late Bucket - Scrub/Enrichment driven



Process Efficiency

- Propensity
- EWS / Roll Forward
- UW Models

INFORMATION TECHNOLOGY

Driving Digital Transformation

Chola drives innovation and efficiency through key focus areas that align with its digital transformation goals. These initiatives underscore Chola’s commitment in enhancing customer experiences, optimising operational processes, harnessing the power of data, and fortifying cybersecurity measures:



Digital Experience: Seamlessly connect employees, partners, and customers through enhanced digital interfaces.



Process Automation: Lead with an automation-first approach to streamline operations across functions and business units.



Data-Driven Enterprise: Deliver timely and cohesive insights from data to support informed decision-making.



Cyber Security: Strengthen technology risk management to maintain a secure environment through rigorous threat monitoring and governance.

Chola’s digital strategy encompasses comprehensive system development across all operational layers. The ‘Systems of Engagement’ manages customer touchpoints through CRM, loan origination systems, apps, and partner integrations. The ‘System of Records’ centralises and maintains databases efficiently. A dedicated ‘System of Intelligence’ focuses on data visualisation and MIS reporting.

In FY 2023-24, the IT team significantly enhanced digital capabilities within the Loan Origination System, integrating e-KYC at sourcing, automated bureau checks during underwriting, and advanced bank statement analysis. The team also introduced digital document management, e-signing, and e-stamping in the disbursement stage. Additionally, the digital Collection Management System received upgrades leveraging automation, analytics, and technology for streamlined end-to-end collection processes.

Digital focus area

- Digital experience for all stakeholders
- Automation first approach
- Leverage all data to build customer experiences
- Fortify with strong cyber security

System of Engagements

- Loan Origination System
- Customer Relationship Management
- Direct to Customer (Gaadi Bazaar, Chola One)
- Partner Integration

System of Intelligence

- Data Repository
- MIS / Reporting
- Data Visualization



System of Records

- Loan Management Suite
- Customer Database
- Collections
- Accounting
- Treasury

Other Core Areas

- Technology Risk
- People
- Core Function Applications

CHOLA ONE

Seamless, Secure & Simplified

Chola One App, developed entirely in-house, revolutionises customer experience with its seamless online process. Users can enjoy real-time access to their account information, payments, and financial tracking, all at their fingertips.

During the year, the Company consolidated its various apps into the comprehensive Chola One app, streamlining customer service. Looking ahead, the app will undergo further enhancements to seamlessly integrate new features, functionalities and to further improve user experience given the Company's commitment towards technological improvement and innovation.

Seamless experience with Chola One App

Chola One has truly impressed me with its efficiency and seamless process. Upon receiving a pre-approved loan message via SMS, the user-friendly interface made the 15-minute application process a breeze. What sets Chola One apart is the remarkable speed - my loan was approved within a day! The transparency throughout, from application to disbursal, instilled confidence. The prompt service and hassle-free experience make Chola One my go-to for personal loans.

Play store review by
Anjali G on 29 January, 2024



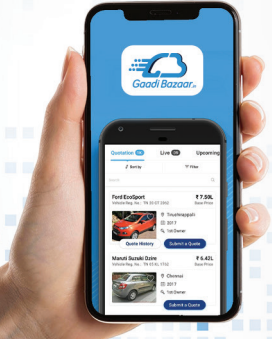
GAADI BAZAAR





Chola's Digital Auto-Eco System

In the last few years, India has seen a tremendous growth in the used vehicle market. A significant percentage of passenger and commercial vehicle buyers are opting for pre-owned vehicles. This shift is a result of several factors, like the rising middle class and youth population, affordability, changing market trends and the desire for newer experiences.






Gaadi Bazaar, an online auto eco-system created by Chola, has seen excellent traction in the used vehicle space and offers generative AI based search engines and other innovative features like WhatsApp bots for promoting used vehicle sales. The application of technology backed by a strong dealership network leveraged from its Vehicle Finance division gives Gaadi Bazaar a solid foundation for building a successful digital driven business. Buyers and sellers are given a transparent platform to take informed decisions.

Used Vehicles Marketplace



-  7.5 lakh live listings
-  Selling vehicles via WhatsApp bot
-  25,000+ active sellers
-  1,300+ dealers empanelled

Repo Platform

-  Transparent auction processes
-  34,000 vehicles sold in repo bidding
-  ₹ 4.8 crore subscription fee collected
-  ₹ 7.5 crore convenience fee
-  2,500+ active repo subscribers

Dealer Portal Services

Gaadi Bazaar's dealer portal acts as a hub for dealers, allowing them to list vehicles, generate leads, and apply for loans and trade advances on the customers' behalf. With over 3,000 active trade advance dealers using the platform, the company's strong financial support and engagement are showcased through ₹ 18,513 crore of trade advance disbursements made online in FY 2024.



37 lakh+ Registered users in Gaadi Bazaar



98% Service Request Automation



1,100+ crore Collected as EMI through Gaadi Bazaar



Direct to Customer **PAL** disbursal

OUR SUBSIDIARIES

CHOLAMANDALAM SECURITIES LIMITED

Elevate your Investing Experience

Established in 1994 under Cholamandalam Investment and Finance Company Limited, Cholamandalam Securities Limited (CSEC) boasts over 29 years of financial service expertise. With a seasoned team and a dedication to excellence, CSEC provides tailored investment solutions to its customers. Its approach emphasises research and technology, ensuring informed decision-making. Transparency, integrity, and confidentiality are major priorities in safeguarding customer’s financial well-being. Customers trust CSEC to optimise investments for both present and future financial goals.

The 4Ps that creates a customer-centric foundation



People



Platform & Technology





Precise Research







Prosperity of Customers

During FY 2024, CSEC has made some major developments to improve the investing experience for customers.

-  Launch of the new Chola Securities App with over 90 features.
-  A new website to showcase the offerings.

4 verticals that cater to client segments

-  Private Client Group: caters to ultra-high-networth clients (UHNIs).
-  Retail Broking: Acquiring and servicing retail clients.
-  Institutional Broking: Leverage the parent company’s co-lineage to acquire institutional clients and build a strong research and sales team.
-  Partner Alliances: Building on the acquisition of Digi Partners, Phyigital Authorised Partners, and Chola Securities franchisees.

The services we offer:

Retail Broking – Thematic Baskets, Margin Trade Funding, SLBM, Options, Derivatives, Fixed Deposits & Bonds Distribution- Insurance, Mutual Funds, Alternate Investment Funds, & Portfolio Management Services

FY 2024 Highlights



28,000 active clients
- a 63% surge



Improved position
as a broker in the
country



MTF book witnessed
growth of 124%, reaching
₹ 175 crore



Launched comprehensive
mobile app with 90+
advanced features

PAYSWIFF TECHNOLOGIES PRIVATE LIMITED

Payswiff Technologies Private Limited (Payswiff) is engaged in the business of offline payment aggregator services 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 solutions.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Driving Growth with Purpose

Chola's Environmental, Social and Governance (ESG) division remains dedicated to embedding sustainable governance and fostering growth across all facets of the business. Through its diverse product offerings, the company ensures financial inclusion for marginalised segments of the society.

Chola's business practices are inline with The United Nation's Sustainable Development Goals (UN SDGs) to achieve a sustainable future.



Number of 2
Projects

- + Financial inclusion of marginalized groups and raising their standard of living through support programs.
- + Contribution to disaster relief measures to help those struck by devastation to rebuild their lives.



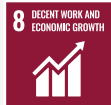
Number of 13
Projects

- + National Conservation Foundation (NCF) and Chola developed educational materials to create nature conservation awareness among children.
- + 'My Dream' Scholarship initiative for children of commercial vehicle crew members.



Number of 2
Projects

- + Provided RO units for villages.
- + Installed smart toilets in villages of Tamil Nadu.
- + Hygiene and sanitation facilities to truckers in Raipur.



- + Chola supports small and medium business owners through their SME loans.



- + Chola respects and values diversity among employees.
- + Business activities such as hiring, promotion, and compensation of employees are conducted transparently.



- + Chola promotes the use of recycled paper and double-sided printing.
- + Digitization has reduced paper consumption.
- + Effective e-waste management.



Number of 2
Projects

- + Chola supports the Madras Crocodile Bank Trust for the conservation initiatives.



Number of 23
Projects

- + Health insurance coverage for employees.
- + Health support for trucking and transportation communities and scholarships for their wards.
- + Well-being webinars organised for employees and their families.



Number of 13
Projects

- + Chola is an equal opportunities employer.
- + Prioritizing women borrowers.
- + Provided sports kits to 400 women and children.
- + Female Golf Players sponsorship.



Number of 3
Projects

- + Chola supports micro businesses in the renewable energy sector and has initiated steps to minimise its carbon footprint.



- + Centralized data centre to improve data management.
- + AI and biometric-based KYC processes.
- + Chatbots for customer care.



- + Chola has 252 branches in under-banked districts identified by RBI and 80+ branches in Aspirational Districts.
- + Chola presence across 90% branches Tier III – VI towns.



- + Implemented energy efficiency measures in the office premises.
- + Initiated the funding of electric vehicles.



- + Partnered with NCF in the Himalayan desert valley of Spiti, to sustain its livestock.

CORPORATE SOCIAL RESPONSIBILITY

BENEFICIARIES

A Decade of Driving Empowerment

At Chola, Corporate Social Responsibility (CSR) programs seamlessly integrate with business objectives. While making finance accessible and individuals credit-worthy is the focus in business, CSR efforts contribute to nation-building through healthcare, education, infrastructure development and people empowerment.

During the year, Chola launched the Socially Responsible Corporate Citizenship Program (SRCCP) to engage employees in giving back to the community. SRCCP emphasizes employee ownership and involvement, empowering communities to foster positive change and instilling a sense of social responsibility among Chola's workforce.

38,83,700
Health



3,750
Disaster Relief

130
Livelihood



1,42,813
Rural Development



1,066
Environment Sustainability

2,05,784
WASH



11,68,632
Education



15
Senior Citizens Support



773
Arts & Culture

127
Sports





Over 54 lakh lives impacted across 21 states



Saving lives with funding for congenital heart surgeries



Supporting Commercial Vehicle Crew Members' (CVCMs) well-being



Providing drinking water and school infrastructure



Scholarships spanning primary to higher education



Preserving cultural heritage through historical monument conservation



Prayas: Rural financial literacy program



Sports support for talented athletes



Chola Helping Hand: Employee volunteering program



Socially Responsible Corporate Citizenship Program (SRCCP) – introduced 11 projects with a funding of ₹ 1 crore

Ten Years of Impact 54,06,790 Beneficiaries



Clear vision and prompt care

As a 45-year-old truck driver from Ludhiana, I recently visited the Raahi center for the second time to have my eyes examined. During this visit, I discovered that my prescription had changed since my last check-up. The team was incredibly supportive, and I received tailored spectacles. When I was diagnosed with a near vision issue, they provided prompt assistance and I got my new spectacles quickly. The entire experience was smooth and efficient, thanks to the dedicated team at Raahi.

Sanjay Kumar
Ludhiana



FINANCIAL HIGHLIGHTS

(₹ in crore)

Financial Year Ended	FY 24	FY 23	FY 22	FY 21	FY 20
Operational Results					
Total Income	19,216	12,978	10,139	9,576	8,715
Profit Before Tax (PBT)	4,582	3,600	2,891	2,038	1,586
Profit After Tax (PAT)	3,423	2,666	2,147	1,515	1,052
Assets					
Loans (net) - Ind AS / Receivables under financing activity - IGAAP	1,44,424	1,04,748	74,149	65,839	55,403
Cash, Bank and Cash Equivalents	4,320	2,961	4,220	5,232	6,959
Others	7,707	5,806	3,994	3,477	1,640
Total Assets	1,56,451	1,13,515	82,363	74,548	64,002
Liabilities and Equity					
Borrowings	1,34,474	97,356	69,174	63,730	55,005
Others	2,421	1,863	1,482	1,258	825
Equity	19,556	14,296	11,708	9,560	8,172
Total Liabilities	1,56,451	1,13,515	82,363	74,548	64,002
Key Indicators*					
Earnings per Equity Share - Basic (₹)	41.20	32.45	26.16	18.48	13.37
Earnings per Equity Share - Diluted (₹)	41.09	32.40	26.11	18.45	13.35
Dividend per Equity Share (%)	100%	100%	100%	100%	85%
Book Value per Equity Share (₹)	232.64	174.02	142.59	116.58	99.71

*Equity shares have been divided into face value of ₹ 2 per share, consequently previous year figures have been adjusted.

Note: Numbers are as per IND AS from FY 2018 onwards and rest of the years are as per IGAAP.

FINANCIAL HIGHLIGHTS

(₹ in crore)

Financial Year Ended	FY 19	FY 18	FY 17	FY 16	FY 15
Operational Results					
Total Income	7,049	5,529	4,660	4,194	3,691
Profit Before Tax (PBT)	1,823	1,401	1,106	871	657
Profit After Tax (PAT)	1,186	918	719	568	435
Assets					
Loans (net) - Ind AS / Receivables under financing activity - IGAAP	52,622	42,253	28,414	25,910	22,184
Cash, Bank and Cash Equivalents	3,675	888	471	490	341
Others	1,129	949	1,710	1,488	1,348
Total Assets	57,426	44,090	30,595	27,888	23,873
Liabilities and Equity					
Borrowings	50,567	38,330	24,109	22,576	19,475
Others	683	662	2,201	1,655	1,225
Equity	6,176	5,098	4,285	3,657	3,173
Total Liabilities	57,426	44,090	30,595	27,888	23,873
Key Indicators*					
Earnings per Equity Share - Basic (₹)	15.2	11.8	9.2	7.5	6.0
Earnings per Equity Share - Diluted (₹)	15.2	11.7	9.2	7.5	6.0
Dividend per Equity Share (%)	65%	65%	55%	45%	35%
Book Value per Equity Share (₹)	78.99	65.22	54.84	47.32	40.70

*Equity shares have been divided into face value of ₹ 2 per share, consequently previous year figures have been adjusted.
Note: Numbers are as per IND AS from FY 2018 onwards and rest of the years are as per IGAAP.

Board's Report

Your directors have pleasure in presenting the forty sixth annual report together with the audited accounts of the company for the year ended 31 March, 2024.

FINANCIAL RESULTS

Particulars	₹ in crores	
	2023-24	2022-23
Gross Income:	19,216.28	12,977.98
Profit Before Tax (PBT)	4,582.10	3,599.69
Profit After Tax (PAT)	3,422.76	2,666.20
Total Comprehensive income	3,362.65	2,700.01
Appropriation:		
Transfer to statutory and other reserves	690.00	1,540.00
Dividend – Equity	166.72	164.36

SHARE CAPITAL

During the year, pursuant to the approval of shareholders by way of postal ballot on 7 September, 2023, the company had allotted 1,69,49,152 equity shares of face value of ₹ 2 each to 106 Qualified Institutions Buyers (QIBs) at ₹ 1,180 per equity share aggregating to ₹ 2,000 crores and 2,00,000 compulsory convertible debentures (CCD) at a face value of ₹ 1,00,000 per CCD aggregating to ₹ 2,000 crores to 23 QIBs on 5 October, 2023.

Hence, there was an increase in paid up capital by ₹ 3.58 crores, consequent to allotment of shares to QIBs and upon exercise of stock options by employees under the company's employee stock option schemes.

Total paid up equity share capital of the company as at 31 March, 2024 was ₹ 168.06 crores.

OPERATIONS

India's automobile industry bounced back in FY24. Automobile industry registered sales of 24.8 million units driven by the passenger vehicle segment's best-ever sales of 4.21 million units in FY 24. On-book loan portfolio of Affordable Housing Finance Companies continued to report strong YoY growth of 26% in FY 24 and exceeded ₹ 1,04,000 crores as of 31 December, 2023. Large NBFCs share of consumer loans has been increasing steadily on unsecured, small-ticket and small-tenor loans in the consumer and small business loan segments.

Your company achieved its highest ever disbursements, collections, and profitability in FY 24. The disbursements for FY 24 grew by 33% to ₹ 88,725 crores. Disbursements in Vehicle Finance (VF) business grew by 21% in FY 24 to ₹ 48,347 crores. Disbursements in Loan

against property (LAP) business grew by 46% to ₹ 13,554 crores in FY 24. Disbursements in Home Loans (HL) stood at ₹ 6,362 crores in FY 24, which is a growth of 66% Year on Year (YoY). Disbursements in Small and Medium Enterprises (SME) stood at ₹ 8,106 crores in FY 24 which is a growth of 27% YoY. Disbursements in Consumer and Small Enterprise Loans (CSEL) stood at ₹ 11,281 crores in FY 24 which is a growth of 64% YoY. Disbursements in Secured Business & Personal Loans (SBPL) stood at ₹ 1,074 crores in FY 24 which is a growth of 138% YoY. The business AUM of the company stood at ₹ 1,45,572 crores which is a growth of 37% YOY.

The profit before tax of the company for FY 24 was ₹ 4,582 crores as against ₹ 3,600 crores for FY 23, which is a growth of 27% YoY. The company continues to hold a strong liquidity position with ₹ 7,898.62 crores as cash balance as at end of Mar'2024 (including ₹ 2,979.24 crores invested in Gsec / TBill & ₹ 599.25 crores invested in Strips shown under investments), with a total liquidity position of ₹ 8,314.94 crores (including undrawn sanctioned lines).

The Asset Liability Management (ALM) was comfortable with no negative cumulative mismatches across all time buckets.

OUTLOOK

GDP for the country is projected to grow at 7.2% during FY 25 supported by resilient domestic activity, robust investment and government consumption. Commercial Vehicle (CV) industry growth will largely come from improvement in macroeconomic environment and healthy traction in underlying industries such as mining, infrastructure, and construction. Credit demand across majority of retail assets to remain strong. Asset quality to remain at

healthy levels. Favourable demographics, moderating affordability, and low inventory to result in sustained end-user demand in residential real estate. The underpenetrated market and the Government's thrust on 'housing for all' are likely to support growth. Micro MSME segment is leading growth within India's MSME credit market and credit growth momentum to continue in FY 25.

CHANGE IN NATURE OF BUSINESS

There has been no change in the existing nature of business and operations of the company. During the year, the Insurance Regulatory and Development Authority of India ("IRDAI") had granted a license to the Company to act as composite corporate agent for solicitation and procurement of insurance business for life insurers, general insurers and health insurers as specified under IRDAI Regulations.

DIVIDEND

Dividend distribution policy

The company has formulated a dividend distribution policy in compliance with regulation 43A of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Listing Regulations), a copy of which is available on the website of the company. (*weblink: <https://www.cholamandalam.com/files/dividend-distribution-policy>*)

Payment of dividend

The company paid an interim dividend on the equity shares at the rate of 65% (₹ 1.30/- per equity share) as approved by the Board on 25 January, 2024 for the year ended 31 March, 2024.

Your directors are pleased to recommend a final dividend of 35% (₹ 0.70/- per equity share) on the equity shares of the company. With this, the total dividend will be 100% (₹ 2/- per equity share) for the year ended 31 March, 2024.

TRANSFER TO RESERVES

Your company transferred a sum of ₹ 690 crores to statutory reserve as required under the Reserve Bank of India Act, 1934. During the year, no amount was transferred to general reserves.

FIXED DEPOSITS

The company is a non deposit taking NBFC. The company does not hold or accept deposits as of the date of balance sheet.

RBI LICENSE

The company is a NBFC - Investment and Credit Company (NBFC-ICC). The company has been notified as a NBFC in Upper Layer (NBFC-UL) by the Reserve Bank of India under the Scale Based Regulatory Framework for NBFCs.

CAPITAL ADEQUACY

The company's capital adequacy ratio was at 18.57% as on 31 March, 2024 as against the statutory minimum capital adequacy of 15% prescribed by RBI. The Common Equity Tier 1 (CET1) capital was at 14.74 % and Tier I capital was at 15.10% as against the statutory

minimum requirement of 9% and 10% respectively. Tier II capital was at 3.47 % as on 31 March, 2024.

EMPLOYEE STOCK OPTION (ESOP) SCHEME

Pursuant to the approval accorded by the shareholders on 3 January, 2017 the nomination and remuneration committee had formulated an employee stock option scheme 2016 (ESOP 2016).

During the year, the company made grants aggregating to 10,90,200 options to 107 employees. The total number of options issued as on 31 March, 2024 under ESOP 2016 was at 53,23,901.

The scheme is in compliance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEB) Regulations) and the Companies Act, 2013 (the Act).

The certificate from secretarial auditor M/s. R. Sridharan & Associates, company secretaries confirming implementation of ESOP 2016 scheme in accordance with the SEBI (SBEB) Regulations and shareholders resolutions has been obtained and will be available for inspection of the shareholders at the ensuing annual general meeting (AGM). The details of the scheme as on 31 March, 2024 are disclosed on the website of the company. (*weblink: <https://www.cholamandalam.com/investors/esop>*)

DIRECTORS

Appointment / Re-appointment

Mr. M R Kumar, former chairman of Life Insurance Corporation of India was appointed as an additional director in the capacity of Independent director with effect from 1 May, 2024. He holds office upto the date of ensuing AGM as additional director. The appointment of Mr. M R Kumar as an independent director upto 5 years from the date of his appointment has been recommended for approval of the shareholders at the ensuing AGM of the company.

Ms. Bhamu Krishnamurthy, independent director completes her first term of 5 years on 30 July, 2024 and considering her significant contributions, the board considered her re-appointment for a second term of 5 years and is recommended to the shareholders for approval.

Mr. Ravindra Kumar Kundu, executive director who retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment and is recommended to the shareholders for approval.

Retirement

Mr. Rohan Verma, independent director retired from the board with effect from the close of business hours of 24 March, 2024, upon completion of his first five-year term. Mr. Rohan Verma informed the board his intent not to proceed with the second term as an independent director of the company in view of his time commitments.

The company had received confirmation from Mr. Rohan Verma that there are no other material reasons other than what has been stated in the letter. The board places on record its deep appreciation for contributions made by Mr. Rohan Verma to the Board deliberations during his term and for his guidance and support as the Chairman of IT Strategy Committee.

DECLARATION FROM INDEPENDENT DIRECTORS

All the independent directors (IDs) have submitted their declaration of independence, as required pursuant to section 149(7) of the Act, confirming that they meet the criteria of independence as provided in section 149 (6) of the Act. In the opinion of the board, the IDs fulfil the conditions specified in the Act and the rules made there under for appointment as IDs including integrity, expertise and experience and confirm that they are independent of the management. All the IDs of the company have registered their names with the data bank of IDs and completed online proficiency self-assessment test as per the timeline notified by the Ministry of Corporate Affairs (MCA).

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Act read with the rules made there under, the following employees were the whole time key managerial personnel of the company during FY 24:

- a) Mr. Ravindra Kumar Kundu, Executive Director
- b) Mr. D. Arulseivan, Chief Financial Officer and
- c) Ms. P. Sujatha, Company Secretary

DIRECTORS' RESPONSIBILITY STATEMENT

The directors' responsibility statement as required under section 134(5) of the Act, reporting the compliance with accounting standards, is attached and forms part of the board's report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status of the company and its future operations.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no significant material changes and commitments affecting the financial position of the company that occurred between the end of financial year and the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

The management discussion and analysis report (MDA), highlighting the business-wise details are attached and forms part of this report. MDA also contains the details of the risk management framework of the company including the development and implementation of risk management policy and the key risks faced by the company.

CORPORATE GOVERNANCE REPORT

A report on corporate governance as per the SEBI (Listing Obligations and Disclosure Requirements), 2015 (Listing Regulations) is attached and forms part of this report. The report also contains the details as required to be provided on the composition and category of directors, number of meetings of the board, composition of the various committees, annual board evaluation, remuneration policy, criteria for board nomination and senior management appointment, whistle blower policy / vigil mechanism, disclosure of relationships between directors inter-se, state of company's affairs, etc.

The executive director and the chief financial officer have submitted a compliance certificate to the board regarding the financial statements and other matters as required under regulation 17(8) of the Listing Regulations.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The company being in top 1000 listed entities based on market capitalization, in terms of Regulation 34(2)(f) of SEBI Listing Regulations read with SEBI master circular dated 11 July, 2023, a business responsibility and sustainability report is attached and forms part of this report. Further, as per SEBI circular on BRSR Core – Framework for assurance and ESG disclosures for value chain dated 12 July, 2023, the company being in top 150 listed entities, has undertaken reasonable assurance of the BRSR Core during the year.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statement has been prepared in accordance with the Act and the relevant accounting standards and forms part of this annual report.

AUDITORS

M/s. Price Waterhouse LLP, and M/s. Sundaram & Srinivasan, chartered accountants are the joint statutory auditors of the company. They were appointed as joint statutory auditors at the 43rd AGM held on 30 July, 2021 for a period of three years commencing from the conclusion of 43rd AGM till the conclusion of 46th AGM. The statutory audit report is attached with financial statements and forms part of this report and does not contain any qualification, reservation or adverse remarks.

The Board of directors have proposed to appoint M/s. B.K. Khare & Co. and M/s. KKC & Associates LLP as joint statutory auditors of the company for a period of three years from the closure of 46th AGM till the closure of 49th AGM, and recommended the same to the shareholders for approval.

SECRETARIAL AUDIT

Pursuant to the provisions of the Act and the rules framed there under, M/s. R. Sridharan & Associates, company secretaries had undertaken a secretarial audit of the company for FY 24. The secretarial audit report is attached and forms part of this report and does not contain any qualification, reservation, or adverse remarks.

COST RECORD AND COST AUDIT ANNUAL RETURN

Maintenance of cost records and requirements of cost audit as prescribed under the provisions of section 148(1) of the Act is not applicable for the business activities carried out by the company.

ANNUAL RETURN

In accordance with sections 134(3)(a) and 92(3) of the Act, the annual return in form MGT-7 is placed on the website of the company and is available on the (*weblink: <https://www.cholamandalam.com/files/annual-return-fy-2023-2024>*)

CORPORATE SOCIAL RESPONSIBILITY

The Murugappa group is known for its tradition of philanthropy and community service. The group's philosophy is to reach out to the community by establishing service-oriented philanthropic institutions in the field of education and healthcare as the core focus areas. The company upholds the group's tradition by earmarking a part of its income for carrying out its social responsibilities.

The company has been carrying out corporate social responsibility (CSR) activities for many years even before it was mandated under the Act. The company has in place a CSR policy. The policy along with composition of CSR committee and projects approved by the board are available on the website of the company. (*Weblink: <https://www.cholamandalam.com/files/csr-policy>*)

As per the provisions of the Act, the company is required to spend at least 2% of the average net profits of the company made during the three immediately preceding financial years. This amount aggregated to ₹ 56.86 crores and the company had spent a marginally higher amount of ₹ 56.98 crores towards CSR activities during FY 24, the details of which are annexed to and forms part of this report.

INTERNAL FINANCIAL CONTROLS

The company has in place a comprehensive Internal control framework including clear delegation of authority and standard operating procedures that are established and laid out across all businesses and functions. The framework is reviewed periodically at all levels. The risk and control matrices are reviewed on a quarterly basis and control measures are tested and documented. These measures have helped in ensuring the adequacy of internal financial controls commensurate with the scale of operations of the company. The internal financial controls with reference to the financial statements were tested and reported adequate.

RELATED PARTY TRANSACTIONS

The company has in place a policy on related party transactions as approved by the board and the same is available on the website of the company (*weblink: <https://www.cholamandalam.com/files/policy-on-related-party-transactions>*)

All transactions with related parties that were entered into during the financial year were in the ordinary course of business and were on an arm's length basis. There were no materially significant transactions with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the company at large. There were no contracts or arrangements entered into with related parties during the year to be disclosed under sections 188(1) and 134(h) of the Act in form AOC-2. All proposed transactions with related parties were placed before the audit committee for prior approval at the beginning of the financial year/quarter. Omnibus approval for transactions that cannot be foreseen or envisaged were obtained as permitted under the applicable laws and the thresholds are periodically reviewed. The transactions entered into pursuant to the approval so granted were placed before the audit committee for its review on a quarterly basis.

INFORMATION AS PER SECTION 134(3)(m) OF THE ACT

During the year under review, the company had no major impact on account of conservation of energy or technology absorption. Foreign currency expenditure / remittances amounting to ₹ 479.47 crores towards repayment of overseas borrowing and interest, software license fees, travel and other professional charges were incurred during the year under review. The company does not have any foreign exchange earnings.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Being a NBFC, the disclosures regarding particulars of loans given, guarantees given and security provided is exempted under the provisions of section 186(11) of the Act. With regard to investments made by the company, the details of the same are provided under note 10 in standalone financial statements and note 12 in consolidated financial statements of the company for the year ended 31 March, 2024.

DISCLOSURE OF REMUNERATION

The disclosure with respect to remuneration as required under section 197 of the Act read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached and forms part of this report.

PARTICULARS OF EMPLOYEES

In accordance with section 136 of the Act, the financial statements are being sent to the members and others entitled thereto. The statement prescribed under rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available for inspection of the shareholders at the ensuing annual general meeting (AGM). If any member is interested in obtaining a copy, such member may send an e-mail to the company secretary in this regard.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The company complied with all the provisions of secretarial standards issued by the Institute of Company Secretaries of India in respect of meetings of the board of directors and general meetings held during the year.

INTERNAL COMPLAINTS COMMITTEE

The company has in place a policy for prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). The company has complied with the provisions relating to constitution of internal complaints committee (ICC) under the POSH Act. ICC has been set up to redress complaints received regarding sexual harassment. All employees including contract workers, probationer, trainee, apprentice or any person so employed at the workplace called by any other such name are covered under this policy. During the year, the company conducted awareness for employees about POSH Act. During the calendar year ended 31 December, 2023, neither any complaints of sexual harassment were received by the Internal Compliance Committee, nor were there any complaints relating thereto which required any disposal thereof.

OTHER DISCLOSURES

There was no fraud reported by auditors of the company as given under Section 143 (12) of the Companies Act, 2013 (Read with Companies (Audit and Auditors) Rules, 2014).

During the year ended 31 March, 2024, the company had not made any application under the Insolvency and Bankruptcy Code, 2016 ("the Code"). As at 31 March, 2024, total number of applications filed and pending under the Code are 10 cases amounting to ₹ 49.65 crores. No proceeding is pending against the company under the Code. During the year, the company had not made any one-time settlement with banks or financial institutions.

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES / ASSOCIATES AND JOINT VENTURES

CHOLAMANDALAM SECURITIES LIMITED (CSEC)

In FY 24, CSEC focused on verticalization of client segment into private client group, retail, institution and partner alliance channels,

which resulted growth in broking and other businesses and a growth in Profit Before Tax (PBT). CSEC achieved a gross income of ₹ 156.85 crores for the year ended 31 March, 2024 and made a PBT of ₹ 84.20 crores as against a PBT of ₹ 8.68 crores in the previous year. The mutual fund AUM was at ₹ 925.41 crores. During the year, CSEC declared special / interim dividends cumulating to 298.50%.

CHOLAMANDALAM HOME FINANCE LIMITED (CHFL)

CHFL recorded a gross income of ₹ 186.05 crores for the year ended 31 March, 2024 and made a profit before tax of ₹ 63.25 crores as against profit of ₹ 7.66 crores in the previous year. CHFL declared interim dividends cumulating to 112%. CHFL has submitted an application for surrender of the corporate agency license with IRDAI. The application is pending for approval.

VISHVAKARMA PAYMENTS PRIVATE LIMITED (VPPL)

The company forms part of the consortium for retail payments – VPPL that had applied for a New Umbrella Entity (NUE) License for retail payments with Reserve Bank of India in the year March 2021. The company holds 21% of equity share capital of VPPL. The application is pending for approval hence, the company is in principle looking to exit from the consortium formed for the purpose of obtaining NUE license.

PAYSWIFF TECHNOLOGIES PRIVATE LIMITED (PTPL)

PTPL recorded a gross income of ₹ 135.57 crores for the year ended 31 March, 2024 and made a loss of ₹ 2.17 crores as against a loss of ₹ 12.03 crores in the previous year. As on 31 March, 2024, the company holds 74.68% of the equity share capital of PTPL.

ACKNOWLEDGEMENT

The directors wish to thank the company's customers, vehicle manufacturers, vehicle dealers, channel partners, banks, mutual funds, rating agencies and shareholders for their continued support. The directors also thank the employees of the company for their contribution to the company's operations during the year under review.

On behalf of the board

Place : Chennai

Date : 30 April, 2024

Vellayan Subbiah

Chairman

Directors' Responsibility Statement

The board of directors have instituted / put in place a framework for internal financial controls and compliance systems, which is reviewed by the management and the relevant board committees, including the audit committee and independently reviewed by the internal auditors, joint statutory auditors and secretarial auditors.

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, confirm that:

- a) in the preparation of the annual accounts, 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 joint 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 31 March, 2024 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 accounts 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 31 March, 2024; 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 31 March, 2024.

On behalf of the board

Place : Chennai
Date : 30 April, 2024

Vellayan Subbiah
Chairman

Annexure-I

Secretarial Audit Report

for the financial year ended 31st March, 2024

[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 24 A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

The Members,

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

CIN: L65993TN1978PLC007576,

Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate,
Guindy, Chennai - 600032

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED** [Corporate Identification Number: L65993TN1978PLC007576] (hereinafter referred as "the Company") for the financial year ended 31st March, 2024. 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 on 31st March, 2024, 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 on 31st March, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External

Commercial Borrowings. There was no Foreign Direct Investment and Overseas Direct Investment during the year under review;

- (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;
 - 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;
 - f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - 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 during the year under review); and
 - i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (not applicable during the year under review);

- (vi) Other laws specifically applicable to the Company are –
- Reserve Bank of India Act, 1934, Rules, Regulations, guidelines, circulars, directions, notifications made thereunder.
 - Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.
 - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.
 - NBFC Auditors Report 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 the 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:

- Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (Revised effective from October 1, 2017) and the Guidance Note on Meetings of the Board of Directors and General Meetings (revised) issued by The Institute of Company Secretaries of India.
- The Uniform Listing Agreement entered into with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (hereinafter referred 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 Executive Director, Non-Executive Directors, Woman Independent Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and the listing regulations.

Adequate notice is given to all directors before schedule of 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. Notes on agenda which are circulated less than

the specified period, the necessary compliances under the Act and Secretarial Standards on Meetings of Board of Directors are complied with.

During the year under review, Directors/Members have participated in the Board / Committees 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 number of votes cast against the resolution(s) by the members has been recorded.

We further report that based on review of compliance mechanism established by the Company on the basis of our review and audit of the records and books and the Compliance certificates issued by the Chief Financial 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 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 Securities and Exchange Board of India.

We further report that as per the information and explanations provided by the Management, the Company does not have any Material Unlisted Subsidiary(ies) Incorporated in India as defined in Regulation 16(1)(c) and Regulation 24A of the Listing Regulations as amended during the period under review.

We further report that during the audit period, the Company has

- Made public issue of secured, rated, listed redeemable non-convertible debentures of the face value of ₹ 1,000 each ("NCDs") with a base Issue size of ₹ 500 crores with an option to retain any oversubscription up to ₹ 500 crores, aggregating up to ₹ 1,000 crores within the shelf limit of ₹ 5000 crores.
- Obtained the approval of Board of Directors at their meeting held on 3rd May, 2023, for availing bank loan borrowings up to a limit not exceeding ₹ 1,00,000 crores .

Annexure-I

Secretarial Audit Report

for the financial year ended 31st March, 2024 (Contd.)

3. Allotted with 22,35,265 Compulsory Convertible Preference Shares of TVS Supply Chain Solutions Limited at a face value of ₹ 1/- pursuant to Share Swap Agreement between TVS Supply Chain Solutions Limited and White Data Systems India Private Limited.
4. Obtained the approval of Board of Directors at their meeting held on 1st August, 2023 for:
 - a) Issue/ re-issuance of 3,00,000 secured and/or unsecured, redeemable, non-convertible debentures of a face value of ₹ 10 lakhs each aggregating to ₹ 30,000 crores (including partly paid-up debentures).
 - b) Issue/ re-issuance of 50,000 unsecured, redeemable, non-convertible debentures of a face value of ₹ 10 lakhs each aggregating to ₹ 5,000 crores, in or more series on a private placement basis for raising subordinated debt.
 - c) Issue of 30,000 unsecured redeemable, non-convertible debentures of a face value of ₹ 10 lakhs each aggregating to ₹ 3,000 crores, in or more series on a private placement basis.
 - d) Issue of equity shares and / or convertible securities by way of qualified institutional placement to eligible qualified institutional buyer upto an amount not exceeding ₹ 4000 crores in one or more tranches.
5. Obtained the approval of shareholders at the Annual General meeting held on 1st August, 2023 for:
 - a) increasing the borrowing powers of the company to ₹ 2,00,000 crores.
 - b) alteration of Articles of Association (AoA) of the Company by substituting the existing clause 17.8 to include the terms of appointment of nominee director as required under SEBI (Debenture Trustees) Regulations, 1993.
6. Obtained the approval of the Board of Directors at their meeting held on 1st August, 2023, for shifting the Registered Office of the Company from 'Dare House', No.2, N.S.C. Bose Road, Parrys, Chennai - 600001, to "Chola Crest", No.C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai - 600 032.
7. Obtained the approval of the Board of Directors at their meeting held on 1st August, 2023, for sale of 24,01,359 equity shares of TVS Supply Chain Solutions Limited upon its IPO allotment and listing on stock exchanges.
8. Obtained approval from the Board of Directors at their meeting held on 25th January, 2024, for re-classification of certain members belonging to the Promoters and Promoter Group of the Company to "Public" Category pursuant to family arrangement.
9. Obtained approval from the Board of Directors at their meeting held on 25th January, 2024, for purchase of immovable property being vacant land measuring 4.67 acres for an aggregate amount not exceeding Rs.750 crores.

Place : Chennai
Date : 30 April, 2024

For **R. Sridharan & Associates**
Company Secretaries

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO.657/2020

UIN: S2003TN063400
UDIN: F004775F000235291

*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 INVESTMENT AND FINANCE COMPANY LIMITED

CIN: L65993TN1978PLC007576,

Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate,
Guindy, Chennai - 600032

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.

Place : Chennai
Date : 30 April, 2024

For R. Sridharan & Associates
Company Secretaries

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO.657/2020
UIN: S2003TN063400
UDIN: F004775F000235291

Annexure-II

CSR Report

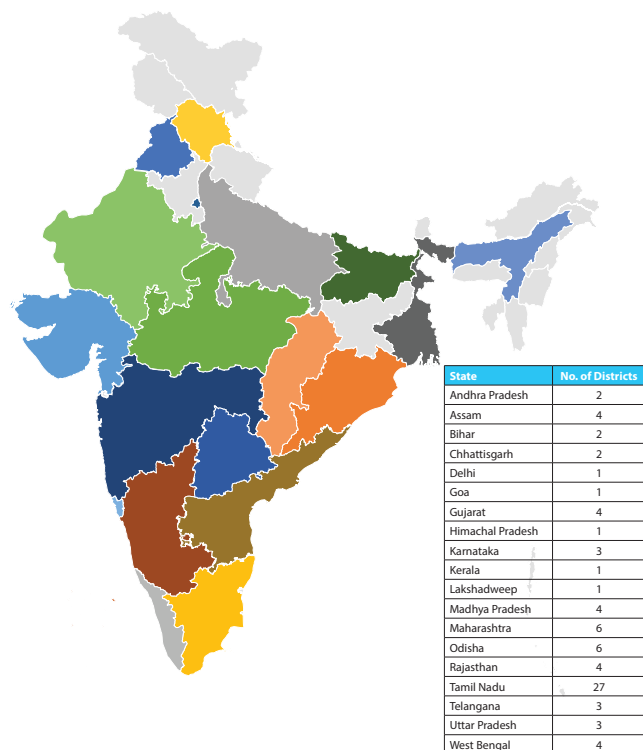
Annual Report on Corporate Social Responsibility (CSR) Activities:

1. Brief outline on CSR policy of the company:

Rooted in a commitment to national development and inclusion, Chola exemplifies this ethos through its steadfast dedication to Corporate Social Responsibility (CSR) initiatives across India.

At the core of Chola's philanthropic endeavours lies a profound commitment to enabling individuals to "Enter a Better Life," a mission that resonates deeply with its stakeholders. Embracing this ethos, Chola diligently upholds its tradition of CSR, engaging in a multitude of projects that address pressing societal needs.

CSR - Geographical Distribution



Recognizing that sustainable impact requires continuous effort, Chola ensures the longevity and efficacy of its initiatives through rigorous monitoring and adaptation.

In FY 24, Chola continued its unwavering dedication to enhancing the lives of Commercial Vehicle Crew Members (CVCs) through a multifaceted approach encompassing health, education, and Water, Sanitation, and Hygiene (WASH) initiatives. Rooted in the belief that sustainable development fosters economic prosperity, social well-being, and environmental preservation, Chola's

Corporate Social Responsibility (CSR) endeavors are designed for enduring impact rather than short-lived interventions. Each project undertaken by Chola is meticulously structured to align with the principles of sustainability and to fulfil the targets of the Sustainable Development Goals (SDGs). Over the past decade, Chola's commitment to social investment has yielded remarkable returns.

A decade of impact: Enhancing Lives through Infrastructure, Health Care, and Education

In its ongoing mission to uplift communities and improve quality of life, Chola is proud to share the impactful initiatives it has undertaken in the realms of infrastructure development, health care, and educational support. Through these endeavours, the company has touched the lives of thousands, fostering positive change and sustainable progress.

Infrastructural Support:

Within the realm of infrastructure, Chola's efforts have been directed towards addressing fundamental needs that underpin a healthy and thriving society. Across various regions, Chola constructed 438 toilets, installed 106 RO water plants, and facilitated the implementation of solar panels in 18 villages reaching out to thousands of beneficiaries.

Chola established 20 vision centers, enhancing access to eye care services, renovated 3 schools and hospitals each, creating conducive environments for learning and healing.

Health Care Initiatives:

Chola's commitment to health care has been unwavering, with a focus on maternal health, congenital heart surgeries, and vision care. Through dedicated efforts, the company has provided maternal health care services to 399 expectant mothers, performed 528 life-saving congenital heart surgeries, and distributed spectacles to 1,79,071 individuals, significantly improving their vision and quality of life. Furthermore, our comprehensive eye health care initiatives have reached 4,46,883 people.

Educational Support Programs:

Empowering individuals through education is paramount to fostering long-term prosperity and social advancement. In pursuit of this goal, Chola has awarded scholarships to 2,672 deserving students, enabling them to pursue their academic aspirations. Chola's financial literacy programs has equipped 94,450 individuals with essential knowledge and skills, promoting financial independence and empowerment. By investing in education, we've empowered 97,122 individuals to realize their potential and contribute meaningfully to society.

Understanding Aspirational Districts:

Aspirational districts are regions identified by the Indian government as requiring special attention for development due to their socio-economic challenges. Chola directs its focus towards upliftment in India's aspirational districts, aligning with the national agenda of bolstering these regions.

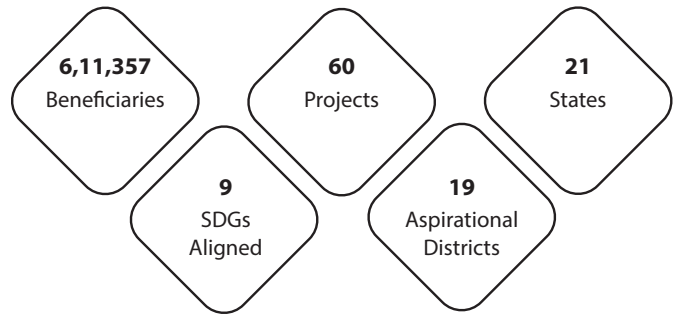
Empowering Aspirational Districts: The Role of Chola

Non-Banking Financial Companies (NBFCs), like Chola plays a crucial role in India's financial ecosystem, it has also stepped up to contribute to CSR endeavours in Aspirational Districts of India:

S. No.	State	Aspirational District
1	Andhra Pradesh	Visakhapatnam
2	Bihar	Aurangabad
3		Kaimur
4	Gujarat	Kutch
5	Haryana	Palwal
6	Madhya Pradesh	Jhabua
7		Satna
8	Odisha	Dhenkanal
9		Nayagarh
10	Tamil Nadu	Ramanathpuram
11		Sivaganga
12		Perambalur
13		Pudhukottai
14		Karur
15		Nilgiris
16	Uttar Pradesh	Villupuram
17		Gorakhpur
18	Prayagraj	
19	Uttarakhand	Haridwar

Through collaborative efforts with stakeholders and a steadfast commitment to social responsibility, Chola is making a tangible difference in the lives of many across aspirational districts, paving the way for a brighter and more inclusive future of India.

Key Highlights



The core themes

Health care domain:

Truck drivers in India suffer from many lifestyles related health problems. Providing primary health care services to truck drivers is essential to improve their overall health and well-being. Long driving hours, alcohol and tobacco use, irregular eating schedule, and erratic sleep timings not only affect truck driver's physical health but also the emotional and mental health. Chola is committed towards improving the wellbeing of its stakeholders. CVCMs are one of the key stakeholders of the company. To address the healthcare needs of the trucking community, the company has established 20 centres in hubs spanning 20 states, providing healthcare facilities at the doorsteps of this community,

Vision Care:

The worldwide economic burden attributed to vision impairment and blindness is a staggering \$411 billion annually, equivalent to roughly 0.3% of the global GDP. People with vision loss experience 30% relative reduction in employment, and have a higher mortality risk.

This underscores the growing emphasis on value within the healthcare industry. Hospitals and health systems are transitioning

from traditional volume-based reimbursement models to value-driven approaches. This shift is evident in initiatives like the 'Raahi Drishti Kendras,' part of the company's comprehensive project for the holistic welfare of CVCMS (Comprehensive Welfare of Commercial Vehicle Community Members). These centers, strategically located at 30 sites across India, primarily along the Golden Quadrilateral network, offer both mobile health camps and fixed facilities.

Indicators	Male	Female
Eye Screening	1,44,531	455
Spectacles	66,340	214

A key strength of the program lies in its real-time data management capabilities, enabling CVCMS to receive eye screening services at one location and collect spectacles from their preferred location if necessary.

Initially focused on eye health services along critical points of the Golden Quadrilateral frequented by CVCMS, the company's flagship project has evolved over the past eight years. It has been meticulously developed and expanded to cater to the diverse needs of CVCMS, including drivers, helpers, single truck owners, mechanics, and their families nationwide.

Awareness on Tuberculosis:

Tuberculosis (TB) is the second leading infectious killer after COVID-19. To support the Government of India's National Strategic Plan for eliminating TB by 2025, Chola began its TB awareness initiative in FY 24. Chola has partnered with the Ministry of Health and Family Welfare (Central TB Division), The Union, and USAID and established screenings at transshipment hubs to provide testing and treatment facilities for its beneficiaries.

Non-Communicable Disease:

Based on the findings from the vision centres, diabetes and high blood pressure were identified as two significant risks that affect truck drivers. In order to address the problem, the company added testing facility for both the risks. Diabetes screening and blood pressure check-ups are conducted across the healthcare centres.

Rural Eye Health:

In rural areas where access to eye care services is limited, Chola establishes static and mobile centres known as Drishti Kendra's. These centres deliver comprehensive eye care services, including retinopathy check-ups, ensuring that people in remote regions receive essential eye care.

Particulars	No of Male	No of Female	No of children
No. of people screened	8,202	9,949	31
No. of cataract operations performed	2,696	3,482	-
No. of refractions	6,130	7,750	449
No. of people prescribed spectacles	2,055	2,566	154

Maternal and Child Health:

The Divine Mother and Child Health Programme underscores our commitment to maternal health. This initiative aims to enhance accessibility and capacity for quality maternal care through comprehensive consultation, screening, detection, and intervention for pregnant women and their children. Operating both from partner hospitals and through mobile services, the program reaches peri-urban and economically disadvantaged areas, ensuring equitable access to essential healthcare services.

Particulars	Nos.	Female
No. of heart surgeries	315	455
No. of beneficiaries in maternal and child health	201	214

Healing Little Hearts embodies the concept of investing in early childhood. While investments typically imply financial outlays with anticipated returns, early childhood programs offer returns that extend beyond monetary gains. Chola's initiative has supported the surgeries of 315 children with Congenital Heart Defects (CHDs) from CVCM families across India, providing complete treatment free of charge.

Chola has partnered with numerous hospitals and institutions across India, providing financial support for rehabilitating children recovering from cancer. Enhanced healthcare services are expected to boost the nation's productivity by reducing absenteeism and fostering a more energetic workforce. During the year, Chola has also supported research to develop indigenous medical equipment, aiming to mitigate shortages and conserve foreign exchange.

Education Domain:

Chola prioritizes impacting young minds through various educational initiatives. In addition to the 'Education through Art' program, the company offers scholarships through the 'My Dream Scholarship' program, providing 100% scholarships for the education fees of children of CVCMS in Tamil Nadu.

Through the 'My Dream Scholarship Project, Chola provides scholarships to support the educational aspirations of CVCMS' children, thereby opening doors to brighter futures.

Particulars	Nos.
Number of scholarships provided	446

Chola also promotes research incubators through partnerships with institutions like the Indian Institute of Technology Madras (IIT-M) and supports education for differently-abled children and primary school students. Its educational interventions have reached over 150,000 students through various projects.

Water, Sanitation, and Hygiene (WASH) Domain:

India generates over 0.16 million Tons of waste Per Day (TPD), out of which about 0.15 million (TPD) is collected, which is approximately 95.4%. Out of the total waste generated per day, 31.7% waste generated remains unaccounted. To address the issue of Solid Waste Management and supporting the Clean India campaign, Chola is working in rural and disadvantaged communities in many states like Odisha, Assam and Tamil Nadu providing purified drinking water and building toilets sustainably and installing Sewage treatment plant. It's also exploring sewage water treatment methods to prevent pollution of water sources, piloting projects in regions like Assam and TN. Projects like Swaccha Maharashtra, Swaccha Odisha, and Swaccha Telangana aim to provide clean drinking water facilities and water purification plants in areas facing water scarcity or contamination.

Biodiversity Conservation

Chola, committed to environmental stewardship, has implemented comprehensive conservation initiatives in the delicate ecosystem of Spiti Valley. Through partnerships with local communities and NGOs, they focus on preserving the unique biodiversity of the region while promoting sustainable tourism practices to minimize the ecological footprint.

2. Composition of CSR Committee (as on March 31, 2024):

Sl. No.	Name of the Member	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Vellayan Subbiah	Non-executive / Promoter Director / Chairman	2	2
2	Ms. Bhama Krishnamurthy	Non-executive / Independent Director	2	2
3	Mr. M.A.M. Arunachalam	Non-executive / Promoter Director	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. - <https://www.cholamandalam.com/community-relations>

In Lakshadweep, Chola champions ecosystem conservation by supporting marine protected areas, coral reef restoration projects, and initiatives to mitigate climate change impacts on the island chain. Moreover, their sustainable agricultural facilities leverage innovative techniques like precision farming, organic cultivation, and water management practices to enhance productivity while minimizing environmental impact.

Additionally, Chola collaborates with farmers to establish Farmer Producer Organizations (FPOs), empowering them with knowledge, resources, and market access to foster sustainable agriculture and rural development, ensuring a thriving future for both the environment and local communities.

Sports Domain:

Recognizing the importance of sports in nation-building, Chola aims to support Indian athletes financially and logistically to propel the country towards becoming a sporting superpower. It supports training fees for women golf players and supports chess players in Tamil Nadu and Karnataka.

Other Domains:

Chola continues to support various initiatives such as arts, music, wildlife conservation, and community development across different regions of India. Its CSR initiatives are evaluated based on the REES - Relevance Effectiveness Efficiency Social Impact Sustainability framework, ensuring projects are relevant, effective, efficient, sustainable, and have a positive social impact.

Way Forward:

Chola plans to closely monitor developments within India and globally, contributing to various spheres of activity to bring support and improvement to disadvantaged communities. Planned initiatives include livelihood and financial inclusion projects for the unorganized sector workforce and gender sensitization and accessibility awareness programs to promote the rights of marginalized women.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of Sub-rule (3) of rule 8:-

The programme objectives were evaluated using the REES framework. REES framework measures the performance of the projects on five parameters – Relevance, Effectiveness, Efficiency, Sustainability and Social Impact. Key findings of the impact assessment are given below.

Detailed report can be accessed at <https://www.cholamandalam.com/files/csr-impact-assessment-report>

Project	Relevance	Effectiveness	Efficiency	Social Impact	Sustainability
Isha Sadhanapada	Addresses mental health issues and tackles economic hardships and societal pressure	Fosters overall spiritual growth and learning, emotional management and enhances coping mechanisms	Promotes productivity, work-life balance, and participant satisfaction through clear communication and supportive environments	Enhances physical and mental well-being by reducing stress, improves productivity and promotes personal growth	Driving positive transformations by integrating spiritual practices in education and organizations for sustainable and inclusive outcomes.
Conservation in High Altitude & Ocean Program	Conservation initiatives contribute to protecting endangered species, restoring degraded habitats, and promoting sustainable resource management.	NCF has successfully protected endangered species, restored degraded habitats, and mitigated human-wildlife conflicts.	Strategic resource allocation, effective partnerships, and innovative conservation methodologies that maximizes conservation outcomes to protect India's rich biodiversity for future generations.	Promotes environmental stewardship, empowering local communities, and fostering sustainable livelihoods	Fosters a harmonious relationship between people and nature, laying the groundwork for sustainable practices.
Isha Action for Rural Rejuvenation	Addresses the healthcare gap in rural and tribal areas in and around Coimbatore and Salem, targeting underprivileged communities and geriatric populations.	The program has successfully reached 48,924 patients directly, with an additional 3,474 utilizing laboratory services.	The program provides low-cost healthcare, offering free medical camps and affordable tests also ensures timely services and post-treatment follow-ups diligently.	Ensures access, availability, affordability, acceptability, and accommodation of healthcare services. Reduces inequalities, improves health and well-being, and promotes inclusivity.	Empowering communities with health education fosters self-sufficiency. Collaborations with government and private healthcare providers amplify resources, ensuring support for beneficiaries and promoting sustainability.
Research and Development on Sustainable Agricultural Practices	Supports small, vulnerable farmers by promoting sustainable agricultural practices, reducing reliance on external products.	Developing bio farm products to reduce pest attack incidents and increase soil fertility, crop yield, and crop immunity.	Majority of farmers have access to bio inputs and use them in their fields.	The program positively impacts crop protection, productivity, soil fertility, access to better water, and sanitation.	Farm inputs/ products locally produced and are readily available, ensuring the impact's timeframe.

Project	Relevance	Effectiveness	Efficiency	Social Impact	Sustainability
Isha Farmer Producers Organization (FPOs)	ISHA FMRC provides essential support to marginalized farmers, addressing challenges like limited access to credit and market fluctuations.	Establishment of 24 FPOs, Awareness of rights, leadership development, and market understanding were enhanced.	FMRC facilitates market access, adding value and improving competitiveness. Interventions and M&E decision-making for long term sustainability and community involvement.	Improved accessibility, affordability, acceptability, accommodation, and availability of resources and knowledge for FPOs ensuring farmers' empowerment.	FPOs generate revenue, soil testing promotes sustainable farming ensuring sustainability and growth by preparing FPOs to adapt challenges proactively.
Promoting Quality Health Care and Education to Marginalized Section	The scholarship program directly addresses the needs of economically disadvantaged families by supporting higher education.	High graduation rates (84%), positive feedback (92% satisfaction), sustained engagement in the football academy, and significant improvement in student well-being	The installation of solar panels at educational institutions and hospitals showcases efficient use of resources by reducing electricity costs and enhancing operational efficiency.	A profound impact on various aspects such as education, health, and community development	The recurrent utilization and positive health outcomes of the Mobile Health Van project and integration of solar panel highlight its sustainability.
Healthcare Services for Rural community and Hydrogeological Study to map water bodies in and around Oonaiyur	The addition of advanced diagnostic facilities in AMM Pallathur Hospital and the patient-centric approach of AMM Arunachalam Hospital directly address the healthcare needs of underserved populations.	Improved patient care and increased capacity, as indicated by significant health improvements reported by patients.	The free treatments alongside improved diagnostic capabilities at AMM Pallathur Hospital suggests efficient utilization of resources to benefit patients.	The initiatives have a significant impact on community health and environmental sustainability.	The provision of advanced diagnostic facilities and patient-centric services at AMM hospitals likely contributes to sustained improvements in healthcare outcomes
My Dream Scholarship Program	The program provided scholarships to the children of the truck driving community & families belonging to disadvantaged socio-economic groups, in the eight districts of Tamil Nadu	The easy application process for scholarships facilitated almost all the students in accessing the scholarships to pay their tuition fees and continue their education.	The students received their scholarships within a month and no additional scholarship was required by the students.	Students can pursue further education due to the program initiatives, the indirect and broader impact is the overall socioeconomic alleviation of the truck driving community.	The adequacy of the scholarships in helping students complete their education appears as a sustainable impact as this enables them for a long term and allows them to come by better opportunities for future growth.

Project	Relevance	Effectiveness	Efficiency	Social Impact	Sustainability
Truckers Eye Health Project- Phase VI	The program provides eye health check-up camps in 18 different locations of the country to ensure road safety & enhance the quality of life by enabling clear eye vision among commercial truck drivers & allied workers.	It provides easy access to mobile and static health camps as these were strategically organised near petrol pumps or transport offices, location where the truck drivers would often go.	A majority of truck drivers received diagnosis necessitating use of corrective eyewear for myopia, hypermetropia leading the drivers to embrace use of these spectacles in their daily life.	A majority of the drivers acknowledged that the program had a positive impact on their vision. There was also a heightened sense of focus while driving and a direct financial impact of the program by the accessibility of free eye examinations and the eyewear for the truck drivers.	The improvement in the eye health of the truck drivers through the diagnosis provided by the camps appear to be sustainable in nature by helping them professionally and in daily life.
Indigenous State of Art Ultrasound Scanner for Maternal and Fetal Healthcare Project	Project addresses critical maternal and fetal health challenges in rural India, aligning with national goals, emphasizing the need for accessible maternal healthcare.	The prototype introduces advanced technologies, improving diagnostic capabilities and enhancing image quality, while its cost-effectiveness and indigenous development ensure affordability and accessibility in healthcare delivery.	Prioritized initiatives showcasing efficiency in skill development, cost-saving measures, indigenous development, and after-sales service capabilities.		The project's sustainability lies in its environmental, social, economic, and technological dimensions, promoting indigenous development, reducing carbon footprint, fostering social inclusion, and ensuring long-term affordability, accessibility, and adaptability of advanced healthcare services.

5. a) Average net profit of the company as per section 135(5) - ₹ 2,843.02 crores
b) Two percent of average net profit of the company as per section 135(5) - ₹ 56.86 crores
c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil
d) Amount required to be set off for the financial year, if any - Nil
e) Total CSR obligation for the financial year (5b+5c-5d) - ₹ 56.86 crores
6. a) CSR amount spent on Projects (both ongoing and other than ongoing projects) - ₹ 55.39 crores
b) Amount Spent in administrative overheads - ₹ 1.15 crores
c) Amount Spent on Impact assessment - ₹ 0.44 crores
d) Total amount spent for the financial year (a+b+c) - ₹ 56.98 crores

Total Amount Spent for the Financial year (₹ in crores)	Amount Unspent (in crores)				
	Total Amount transferred to unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per Second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
56.98			Nil		

f) Excess amount for set off, if any

Sl. No.	Particulars	Amount ₹ in crores
(i)	Two percent of average net profit of the company as per section 135(5)	56.86
(ii)	Total amount spent for the financial year	56.98
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.12
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)- (iv)]	0.12

7. Details of unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in unspent CSR Account under subsection (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹ lacs)	Amount transferred to a Funds as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Year (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
Not Applicable								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in Financial Year - No

The details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in Financial Year:

Sl No	Short Particular of the Property or asset(s) [including Complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address
Not applicable							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.
Not Applicable

On behalf of the Board

Place : Chennai
Date : 30 April, 2024

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman - CSR Committee

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 and forming part of the board's report for the year ended 31 March, 2024

Nature of Disclosure	Particulars		
a) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Name of the Director / Designation	% increase of Remuneration in 2024 as compared to 2023	Ratio of Remuneration to Median Remuneration of employees
	Non-Executive Directors		
	Mr. Vellayan Subbiah, Non-executive Director / Chairman	Nil	22.48:1
	Mr. N. Ramesh Rajan, Non-executive / Independent Director	100%	5.40:1
	Ms. Bhama Krishnamurthy, Non-executive / Independent Director	100%	4.50:1
	Mr. M.A.M. Arunachalam, Non-executive Director	100%	4.50:1
	Mr. Anand Kumar, Non-executive / Independent Director	100%	4.50:1
	Mr. Rohan Verma, Non-executive / Independent Director (Up to 24 March, 2024)	96.71%	4.42:1
	Executive Director		
	Mr. Ravindra Kumar Kundu, Executive Director	25.99%	96.61:1
b) Percentage increase in remuneration of Chief Financial Officer and Company Secretary in the financial year	Name of the KMP / Designation	% increase in remuneration in 2024 as compared to 2023	
	Mr. D. Arulselvan, Chief Financial Officer	19.37%	
	Ms. P. Sujatha, Company Secretary	16.38%	
c) Percentage increase in median remuneration of employees in the financial year	-44% decrease in remuneration is on account of movement of over 20,000 off-roll employees to the rolls of the company during the year at entry level.		
d) Number of permanent employees on the rolls of company (as of 31 March, 2024)	38,235		

Nature of Disclosure	Particulars		
e) 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 the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	For employees other than managerial personnel who were in employment for the whole of FY 23 and FY 24, the average increase is 10%. The average increase for managerial personnel is 20.58%.		
f) key parameters for any variable component of remuneration availed by the director	The remuneration to the non executive director takes in the form of commission on profits. The remuneration to executive director comprises of fixed & variable components and stock options. The increments in salary is determined by the nomination & remuneration committee basis the company's performance, experience and pay scales prevailing in the industry.		
g) Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is in line with the remuneration policy of the company.		

Note: Considering the significant increase in the size of operations of the company and enhanced role of the Board and Committees pursuant to the increased compliance requirements, the Board considered a revision in the remuneration payable to non-executive directors.

On behalf of the board

Place : Chennai
Date : 30 April, 2024

Vellayan Subbiah
Chairman

Management Discussion and Analysis

MACROECONOMIC OVERVIEW

The Indian economy had a strong GDP growth of 8.20% in real terms in FY 24, against an advance estimate of 7.6%. The growth was driven by capital formation and investment for the most part and to a lower extent by private and public consumption. The year was marked by sound fundamentals, with inflation trending towards RBI's target level of 4%, forex reserves at all time high levels and interest rates held at the same level with an accommodative stance to spur growth. The RBI deployed a range of monetary tools in order to manage liquidity and forex at desired levels and ensured that the daily call rate was aligned with the policy rate. While there was no change in stance of the monetary policy, the market reading of the monetary policy statements indicated that the interest rate had peaked. The impact of global geopolitical events on India was limited to slowing global demand, volatility in fuel prices and foreign exchange.

The building blocks are largely in place for a growth of 7.2% in FY 25. Monsoons are as expected and this is likely to be a positive trigger for rural consumption. Government cash balances are bolstered with largesse from the RBI by way of higher than expected dividends. The fiscal deficit is likely to be within the target of 5.1% in FY 25. Corporate balance sheets are largely de-leveraged & healthy and private investment is on track. The interest rate environment is likely to be benign with the bond market being robust. While central banks around the world have divergent views on the outlook for interest rates, the RBI maintains that the domestic conditions would set the path for interest rates in India. Consequently, the growth estimate for FY 25 has been revised upwards to 7.2%.

The challenges to the growth trajectory are geo-political risks, food inflation triggered by heatwaves and climate risks, rising non-fuel commodity input prices of corporates and job creation for a rising population.

INDUSTRY GROWTH PROSPECTS

Automobile Industry

The Indian commercial vehicle (CV) industry reported a flat growth in FY 24 after two years of strong growth. The Heavy Commercial Vehicle (HCV) and Light Commercial Vehicle (LCV) segments had a growth of 2% and 3% respectively for FY 24 while the Small Commercial Vehicle (SCV) segment had a 6% de-growth in FY 24. The growth in commercial vehicle segment is expected to continue at a single digit growth in FY 25. The Passenger Vehicle (Car & MUV) segment had a growth of 8% in FY 24, driven by replacement

demand and the launch of new models especially in the MUV segment. The Two-wheeler industry had a growth of 13% in FY 24 and this segment is expected to grow at a moderate pace in the coming year supported by a recovery in rural demand.

Construction Equipment Industry

The Construction Equipment industry had a growth of 23% in FY 24 driven by an accelerated government spend on infrastructure. There might be a moderation in demand in the near future after two years of double-digit growth.

Tractor Industry

The Tractor industry had a de-growth of 6% in FY 24 due to the high base effect of the previous year. This segment is expected to grow at a modest pace with expectations of normal monsoon and an uptick in rural demand.

Loan Against Property

The industry size of the Loan Against Property segment stands at around ₹ 10 lakh crore. Out of this, NBFCs & HFCs have a market share of 46%. The NBFC LAP portfolio is expected to grow by 21-23% in FY 25 driven by a favourable economic environment and increase in business activities.

Housing Finance (Home loans)

The size of the Affordable Housing Finance segment (AHFC) with an industry size of ₹ 1 lakh crore continues to deliver a robust growth of 26%. The growth is spurred by government initiatives aimed at achieving "housing for all." AHFCs constitutes 13% of the housing finance industry. This is expected to maintain a healthy growth rate of 12-14% per annum on the back of a revival in demand for affordable housing.

Personal and Professional Loan Segment

The personal and professional loans sector stands out as one of the fastest-growing segments in the Indian financial services industry. This sector experienced a surge in activity following the pandemic and is expected to further grow. Despite this rapid expansion, there remains a significant portion of individuals in India who lack access to formal sources of credit.

In addition, the demand for credit within the Micro Small and Medium Enterprises (MSME) sector is consistently increasing year on year with the credit deficit in this sector estimated to be about ₹ 42 lakh crore with over 60 percent of MSMEs not having access to institutional credit. Recognizing the need for greater financial inclusion in both the consumer and small enterprises sector,

Chola entered this space in November 2021. Considering the increasing size and scope of digital lending in India and the growth in the consumer durable lending space, the CSEL division added the direct-to-consumer journey and consumer durable lending business to its portfolio.

The CSEL division offers collateral-free personal and professional loans to both salaried and self-employed professionals, as well as business loans tailored for small enterprises in the manufacturing, trading, and services sectors. It also offers consumer durable loans for mobile phones through a tie up with Samsung. The division engages with potential customers through a mix of traditional, direct-to-customer, and digital partnership channels.

Small and Medium Enterprises (SME)

The MSME sector is a major contributor to the socio-economic development of the country. In India, the sector has gained significant importance due to its contribution to Gross Domestic Product (GDP) of the country and exports. The sector also offers opportunities for entrepreneurship development especially in semi-urban and rural areas of India.

With rising demand, improved credit performance and promising economic growth prospects, it is an opportune time for lenders to expand their MSME credit portfolios. The number of MSMEs in the country is expected to grow from 6.3 crore, (of which only 2.5 crore have ever availed credit from formal sources) to approximately 7.5 crore in the coming times, growing at a projected CAGR of 2.5%.

While traditional banks have focused on MSME lending through models such as co-lending, Non-Banking Financial Companies (NBFCs) have emerged as lenders on the back of bank credit for onlending policies introduced by RBI and have grown their MSME loans over three times faster. NBFCs offer custom-fit financing solutions, a major advantage for MSMEs with unique needs.

BUSINESS ANALYSIS

VEHICLE FINANCE (VF)

The vehicle finance disbursements during the year were at an all-time high of ₹ 48,348 crores as against ₹ 39,699 crores in the previous year with a growth of 22%. The VF division was able to grow in the new passenger vehicle segment over last year by 31% in line with industry growth. Disbursements in Two-Wheeler grew by 38% over last year. The used vehicle disbursements also grew by 33% over the previous year. Assets Under Management (AUM) for the business grew by 26% to ₹ 84,498 crores in FY 24 compared to ₹ 66,938 crores in FY 23. The PBT during the year was ₹ 2,532 crores as against ₹ 2,272 crores in the previous year with a growth of 11%. The VF division restricted gross stage 3 assets to 3.02% in FY 24 as against 3.20% in FY 23 through its intense focus on collections.

The VF business will endeavour to maintain higher marginal yields across its segments considering the increase in borrowing rates and focus on driving higher disbursals in the high yield segments which will help in improving Net Income Margin (NIM).

The VF business will focus on increasing its reach in Tier 4 & Tier 5 markets thereby de-risking business concentration and enabling better spread of field force for new acquisition of customers, collection coverage and efficiency.

Retaining its existing customers through innovative technology and mobile applications with limited intervention of field force will be a key focus. Analytics based credit underwriting with pre-approved offers for both new and existing customers will help in faster loan delivery. The in-house Gaadi Bazaar platform helps in improving customer experience for all service-related queries, cross-selling and vehicle discovery needs. AI based collection monitoring and digital modes of collection in early buckets will help to curtail flows and reduce costs. Collection infrastructure at the field level will be aligned at a product and stage wise bucket level to further improve efficiencies.

LOAN AGAINST PROPERTY (LAP)

LAP business has achieved ₹ 13,554 crores of disbursements in FY 24, which is 46% higher than FY 23 disbursements. The AUM for the business grew by 38% to ₹ 29,859 crores in FY 24 compared to ₹ 21,588 crores in FY 23. Pan-Indian 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.

LAP is one of the major sources of funding for the MSME community in India. LAP business is an active contributor to MSME growth by way of lending to them for business expansion and working capital requirements. 97% of LAP disbursements in FY 24 is towards Self Employed Non-Professionals (SENP) community.

As of FY 24, LAP business has 615 branches in rural locations, which is 78% of total LAP branches across India. In FY 24, LAP business has disbursed ₹ 5,165 crores 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 78% of the portfolio being residential properties and an average loan ticket size of less than ₹ 50 lakhs. Average Loan-to-Value (LTV) ratio at origination is consciously maintained at 50% levels which provides adequate security cover to the business.

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. Stage 3 assets of LAP business stand at 2.4% as of March 2024 compared to 4.02% as of March 2023.

HOME LOANS (HL)

As of March 31, 2024, the HL business had 1.10 lac live accounts (58% growth Y-o-Y) with an AUM of ₹ 13,404 crores (59% growth Y-o-Y). 97% of the portfolio is from Tier II, III, IV cities and towns. The disbursements grew by 66% Y-o-Y from ₹ 3830 crores in FY 23 to ₹ 6362 crores in FY 24. The target group remains the lower middle income group customer. The average ticket size is ₹ 13 lakhs with

an average LTV of 50%. 83% of the portfolio comprises business owners with semi-formal income and significant business vintage and 24% of customers are first time borrowers. The HL business leverages Chola's strength in reaching out and underwriting lower and middle-income borrowers across the country, penetrating to the smallest villages and towns. Chola offers loans for self-construction, purchase of resale flats, purchase of new flats uses, balance transfer from other financiers, mortgage of existing house for business use and shop loans.

Chola enjoys a significant presence in Tier II, III, IV towns and cities. Apart from expanding its reach in states where HL already has established presence, HL established Pan Indian presence by expanding its branch network to states such as Uttar Pradesh, Bihar, West Bengal, Orissa, Assam and Jharkhand. Home loans are serviced through 701 touchpoints across 20 states. The business has been strengthening the channel partner network in order to reach out to more customers. Chola continues to build a strong ecosystem of channel partners, coupled with its digital offerings for customer service and on-boarding making it a trustworthy choice for customers pan India.

CONSUMER & SMALL ENTERPRISE LOAN (CSEL)

As of 31 March, 2024, the CSEL business has been serving close to 12 lakh customers with an AUM of ₹ 11,280 crores. The business has expanded across the country covering 25 states and 4 union territories with over 205 area offices. The division has active strategic partnerships with eight prominent Fintech firms, in order to enhance financial inclusion, particularly among economically active individuals who lack sufficient access to formal credit. In FY 23, the division launched Direct to Customer (D2C) digital lending journey through the Chola One application and in FY 24 it launched consumer durables lending vertical through a tie up with a leading mobile phone manufacturer for mobile phones.

The division's primary strengths encompass a transparent end-to-end digital process, an exceptional customer experience journey, robust data-driven underwriting, and risk management capabilities. These factors coupled with the trust instilled by the Chola brand, position the division favourably to emerge as a leading player in this segment.

SMALL AND MEDIUM ENTERPRISES LOAN (SME)

As of 31 March 2024, the SME business has around 20,000 MSME customers with an AUM of ₹ 5,000 crores. The business has expanded across the country covering 20 states with over 70 branches. The division has entered into strategic partnerships with more than 16 OEMs and 10 leading Fintech companies to drive greater financial inclusion in the market.

With growing Small and Medium Enterprises ecosystem, Chola's SME loans business division provides a bouquet of products to meet the requirements of working capital and capex of SMEs.

Product & Customer Segment: The SME division focuses on the following product segments:

- **Secured Term loan:** Secured Term Loans are offered to formal SME Segments with loan amounts ranging from ₹ 50 Lacs to ₹ 15 crs, which are backed by land & building as primary collateral. End use of loan is usually for capacity expansion, branch expansion and Long-term working capital requirements. Assessment is done basis audited financial statements, GST returns, banking behaviour and positive cash flow from operations with average LTV ranges from 60% to 70% of the estimated market value of the property.
- **Equipment funding:** These are term loans provided to MSME clients against hypothecation of machinery. The targeted market segment under this division are machine tools, plastic and packaging, textiles, medical equipment and printing industries. Chola collaborates with a select group of top OEMs in the industry to offer the equipment funding facility. Assessment is done basis audited financial statements, viability of the machine, GST returns, banking conduct etc. LTV offered ranges from 65% to 75% depending on the machine categorization, OEM Tie-ups and marketability of the asset.
- **Vendor Invoice discounting and Channel finance:** Major growth drivers for the supply chain finance market in the country, has been the increasing demand for working capital financing with growing adoption of digital technologies. These are short term revolving credit of upto 90 days tenure with sanctions valid for one year backed by invoice to vendors or dealers. This is mainly based on Anchor tie up with Mid and large Corporates by way of MOU. Chola intends to boost MSME's access to working capital funds through these alliances and direct channels.
- **Loan Against Securities:** Loan against securities offers loans to Retail and HNI investors and promoters against the pledge of securities and Mutual funds units. Instead of selling their securities and incurring capital gains taxes or disrupting long-term investment strategies, investors can utilize the value of their investment portfolio to secure a loan.

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.

An added challenge to this scenario is that many Indian households live in rural areas where banking services are scarce and inadequate. This creates an unmet demand for financial services and an opportunity for the sector to tap into. 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 on the basis of the credit assessment and cashflow projections of these businesses. Depending on eligibility and type of property, customers may avail loans with ticket sizes between ₹ 2 lakhs to ₹ 8 lakhs at a loan-to-value (LTV) of up to 50%. The loan will be given for a tenure of up to 10 years.

As of March 31, 2024, the SBPL business had crossed 34,000 live accounts with an AUM of ₹ 1,404 crores. The average ticket size is around ₹ 4.30 lakhs with average tenure of 6 years. SBPL vertical is currently operating across over 260 branches spanning 11 states and plans to expand its reach to over 360 branches spanning 12 states by end of FY 25, with the primary focus on Tier 3 to Tier 6 cities. This business has digitised the entire customer loan journey for a hassle-free loan.

Key Differentiators include personalized doorstep service to customers, unique assessed income programme for business owners, transparent end-to-end digital process and customized product focusing on new to credit customers.

ASSET LIABILITY MANAGEMENT (ALM)

The year FY 24 started off with the expectation of interest rate cuts, globally and in India. Inflation was in focus and there was a steady guidance by RBI to steer it to the targeted rate. The RBI maintained its policy stance through the year, managing liquidity and supporting growth of the economy. Geopolitical factors, erratic monsoon and deficit in liquidity in Q3, impacted the interest rate environment adversely. The interest rates in the economy were relatively soft in the first half of FY 24 with the 10 year G-Sec trending down from 7.40% to as low as 7.10%; however there was an upward shift in the yield curve in the second half of FY 24 and the 10 year G-Sec touched a high of 7.50% mid-October. The regulatory intervention by RBI in Q3 on bank credit to NBFCs, resulted in a dip in availability of credit to NBFCs and a spurt in the spreads and cost of funds.

The company ensured that the liquidity risk and interest rate risk were mitigated by ensuring a pipeline of fund availability through broad-basing of sources of funds, bringing in new investors and lenders. ALM was managed by borrowing an appropriate mix of long term and short-term borrowings.

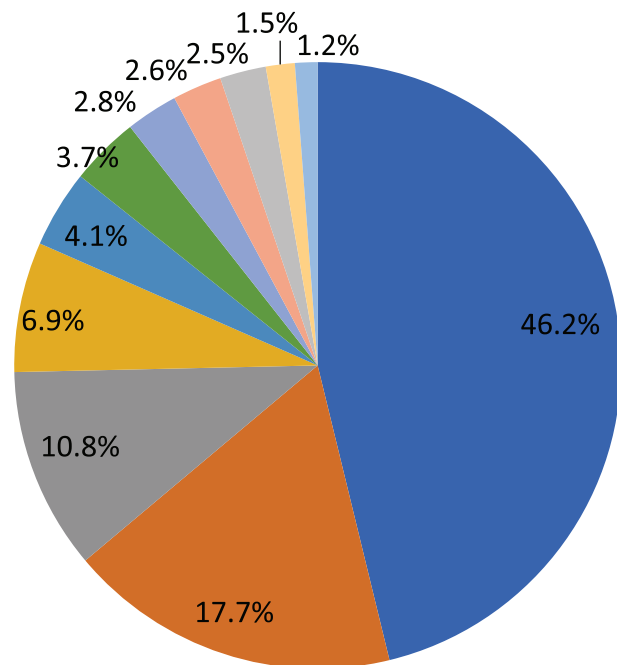
The first public issue of NCDs, for which a shelf prospectus for ₹ 5,000 cr. was filed in March 2023, was fully raised in four tranches. All the tranches received sound response from investors and were subscribed fully. The success of the issue resulted in inclusion of retail investors in the company's funding base.

Securitisation, as an avenue of borrowing increased from 10% to 17.7%. Years of strong relationship with lenders, investors and intermediaries enabled the company to manage the cost of funds in spite of the difficult liquidity and interest rate conditions in the economy in H2. The company had a revision in the rating outlook by ICRA in December '23. The outlook for the rating was changed from "Stable" to "Positive".

RESOURCES & TREASURY

During the year, the company 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. The borrowing profile as on 31 March, 2024, is given below:



- Bank Term Loans
- Securitisation
- Non-Convertible Debentures (Private)
- Indian Financial Institutions (IFI)
- External Commercial Borrowing (ECB)
- Non-Convertible Debentures (Public)
- Working Capital Demand Loans (incl CC)
- Sub-ordinated Debt
- Commercial Papers
- Compulsory Convertible Debenture - CCD
- Perpetual Debt Instruments

BANK BORROWING

In FY 24, the company mobilised ₹ 40,882 crores (net) of medium-term loans & ECB and ₹ 900 crores (net) as working capital / cash credit / short term loan facilities from banks. The company continued getting support for its money market issuances from banks through subscription of Commercial Papers (CPs) and Non-convertible Debentures (NCDs), and for Securitisation through investment in PTCs. The company continued to enjoy strong relationship with all lending banks helped manage the borrowing plan for FY 24.

MARKET BORROWING

During FY 24, the company raised CP of ₹ 17,330 crores of which ₹ 13,930 crores were repaid by March '24. CP outstanding as at the end of the year was ₹ 3,400 crores. Medium and long-term secured NCDs to the tune of ₹ 2,691 crores by private placement and ₹ 4,772 crores by public placement were mobilised at competitive rates. At the end of FY 24, outstanding NCD stood at ₹ 18,622 crores. Company issued maiden Compulsory Convertible Debenture – (CCD) of ₹ 2,000 crores in the FY 24. The Tier II borrowings raised during the year was ₹ 250 crores of Perpetual debt and ₹ 905 crores of Sub Debt. As at the end of FY 24, Tier II borrowings stood at ₹ 4974 crores.

MOVEMENT IN INTEREST COST

The company managed to cap the increase in interest cost by optimising on the mix of marginal borrowings. As a percentage of average borrowings, interest cost stood at 7.9% in FY 24 as compared to 7.0% in FY 23. Cost of funds spurted in FY 24, due to stringent monetary policy and restricted access to funds.

CAPITAL ADEQUACY RATIO (CAR)

As at the end of FY 24, the capital adequacy ratio stood at 18.57% (Tier I: 15.10% and Tier II: 3.47%). The company raised ₹ 4,000 cr. in a QIP placement. The issue had an equity component of ₹ 2,000 cr. and a Compulsory Convertible Debenture of ₹ 2,000 cr. The CCDs are scheduled to be converted over 4 quarters commencing Sep '26. The issue received resounding response and was oversubscribed.

INVESTMENTS

The company's investments of ₹ 4,100 crores include investments in G-sec of ₹ 1,539 crores, investments in treasury bill of ₹ 1,440 crores, investments in GSTRIPS ₹ 599 crores, investments in subsidiaries, joint ventures, and associates of ₹ 522 crores.

FINANCIAL REVIEW

The company's aggregate disbursements grew by 33% from ₹ 66,532 crores in FY 23 to ₹ 88,725 crores in FY 24. The AUM for the company grew by 36% (YoY) and the growth of on-balance sheet assets was 37%. The business AUM (including on book and assigned net of provisions) in FY 24 grew by 37% and stood at ₹ 1,45,572 crores as against ₹ 1,06,498 crores in FY 23.

HUMAN RESOURCES (HR)

Human Resources as a function in Chola, has been evolving over the years from business partnering to strategic partnering. In the last financial year, HR as a function played a pivotal role in altering the business outlook in the Industry. Creation of Centres of Excellence, marked a significant transition in the way HR organization was positioned in Chola. While the larger focus remained in Talent sourcing, development and retaining, the launch of collaborative spaces, creating visibility through rewards, connecting every single employee through a common theme, employee partnering initiatives for mental wellbeing were phenomenal investments in creating future leaders for the organization.

I believe – Our way of being:

A campaign launched in the month of November 2023 covering Pan – India, with a purpose.

- **Our Purpose Statement:** At Chola, we believe in channelling our energy into building an unparalleled financial institution that will last generations.
- **The Idea – A brief:** The campaign focused on spreading the message that would alter the way we see ourselves, our environment, and our world. "Believe" – a powerful purpose statement that united Cholaites, carving our future and making a profound impact in our lives. This campaign was aimed to ingrain the Believe statement in each one of us and make it the way of living. 19 different torches travelled across branches spreading the believe messages. 674 torch bearers travelled across branches in 125 days.

Talent Management:

Talent management stands at the cusp of a valuable treasure trove of data and technology solutions. HR is poised to grow more strategically and contribute significantly to enable HR leaders to drive strategic change. This requires companies to look at talent management as a multi-faceted, deeply diverse and holistic process. Our journey in the year FY 23-24 was a full-fledged metamorphosis of a part of HR team from transitional role to strategic business partnering role.

Talent managers were provided training on product, process, financials, understanding employee pulse and to understand business nitty-gritties and facilitate strategic solutions. Based on employee feedback the initiatives highlighted below were rolled-out.

The team focussed on talent management by offering the following:

- Aspiration fulfilment
- Automatic Career Progression
- High potential team identification and nurturing
- Talent resourcing for new businesses
- Employee wellness

TECHNOLOGY INITIATIVES

Digital has shifted from being in the periphery to the core of the business itself. The technology stacks built and made available by the government, regulators and the ecosystem over the last decade has facilitated this transition. In tune with these changes, Chola has been transforming to a digitally driven business from being an organization that conducts business digitally.

In line with this vision of a digitally driven business, our integrated super app – Chola One was launched last year. It has progressively scaled to become a single point solution for the customers to be able to access any of the loan origination and servicing requirements across the various businesses of Chola.

As part of our continued focus on vehicle ecosystem, the company continues to enhance the ease of experience for our dealers, through its Gaadi Bazaar offering. Gaadi Bazaar offers services to buy, sell new, and used cars, auction repossessed vehicles, and serve vehicle brokers gain better visibility of their products.

To manage risks related to external technology partners, Chola has progressively moved towards being self-reliant for solution development. In this mission, Chola has put in place a team of in-house developers to promote and enable faster turnaround to its business. Self-reliance in development team also helps in greater velocity to change and improve internal processes. The objective of this exercise is to transition to a cost-effective and time-bound approach for solution delivery. This is being executed without any compromise to select features made available by cloud partners, enabling the company to have best of both the worlds.

The increasing reality of being digital brings with it the challenges around cyber security. Chola has been building and investing in the people, processes, and tools necessary to be able to identify and mitigate the risks around cyber security to protect the increasing volume of data and digital assets built in multiple layers of increasing complexity.

Cutting edge areas of Gen AI & ML are being looked at for development of analytical tools necessary to gain insights from the digital trails of each customer with the objective of being able to understand and service them better.

Upholding regulatory compliance remains paramount. We are committed to staying abreast of evolving regulations, ensuring that our technology initiatives adhere to regulatory standards and mitigate compliance risks effectively. Additionally, we are actively adopting data privacy practices in every point of storage and use of customer data in alignment with recent government regulations on data privacy.

Looking ahead, we remain committed to fostering a culture of innovation and harnessing technology to drive sustained growth through talent development, strategic partnerships and solution delivery aligned with business.

RISK MANAGEMENT

The risk management process of the Company, 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 risk management process broadly comprises of the following steps:

- Risk Identification
- Risk measurement
- Risk monitoring
- Risk reporting
- Risk control/ Mitigation

The respective risk related policies viz. credit policy, market risk policy etc. shall define the steps to be followed for risk identification, tools / techniques/ indicators to be used .Risk parameters are applied on capital adequacy ratios, NPA ratios, liquidity ratios, profitability ratios, etc. for measuring risks and tolerance limits fixed for various risks against which the risk levels are monitored. Control / mitigation measures are tracked for different risks.

The Material Risk Identification aims to provide the senior management with appropriate information pertaining to the risk profile of the Company in a comprehensive and timely manner. The performance indicators are risk metrics and/or statistics that provide insight into the company's risk exposure.

Key Performance Indicators (KPIs) provide insight into the status of operational processes to evaluate operational weaknesses, failures, and potential loss. Escalation triggers provide alerts when risk levels approach or exceed thresholds or limits and prompt mitigation plans.

Risk Identification is a dynamic and a continuous process. Risk Management Division works with the product process owners to identify the risks and controls and records them in the risk register. The Internal Audit reports / Loss events data, if any, are also be considered to identify any new risks.

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 Risk Management Team co-ordinates these activities and provide support in identifying risks and controls. Once the risk universe is identified, the materiality of risks is assessed and all material risks are covered in the ICAAP framework. The categorization of each identified risk to the various materiality levels requires identifying the criteria and assessing size, complexity etc.

The Company periodically revisits the risk universe and update appropriately. In case of product changes and additions the respective teams appraise the Risk Management Team of the new risks faced.

CREDIT RISK

The Company's credit risk management builds on the principles of –

- 1) appropriate risk diversification within the scope of the mission;
- 2) thorough risk assessment at the credit appraisal stage;
- 3) risk-based pricing and risk mitigation;
- 4) continuous risk monitoring at the individual counterparty level as well as portfolio level;
- 5) avoidance of undesirable risks to the extent possible.

Credit risk is defined as the potential loss arising from a borrower or counterparty failing to meet its obligations in accordance with the agreed terms. The Company is exposed to credit risk in both its lending and treasury activities, as borrowers and treasury counterparties could default on their contractual obligations.

Credit risk may also materialise in the form of rating downgrades, cross-default on payment obligations or during the transaction settlement process. Overall, credit risk is a function of the amount of credit exposure and the credit quality of the borrower or transaction.

The key parameters to access the credit risk are the Expected Credit Loss (ECL) and the Net Non-Performing Assets which are regulatory parameters

OPERATIONAL RISK

The Company's operational risk management focuses on proactive measures in order to ensure business continuity, the accuracy of information used internally and reported externally, a competent and well-informed staff and its adherence to established rules and procedures as well as on security arrangements to protect the physical and IT infrastructure of the Company.

The Company focuses on the following core procedures to manage the operational risk faced by the Company:

- Development of manuals, standard operating procedures and providing appropriate training on procedures to staff to create the risk culture through-out the organisation
- Emphasis on process design that has a maker- checker mechanism and sound internal audit system
- Ensure appropriate complaints handling mechanism and emphasis on the whistle blower policy
- Internal Audit of branches, frequency and coverage based on grading determined by key factors.
- Process of fraud investigation and action on employees
- Independent Disciplinary Committee to take decisions on fraud related matters.

COMPLIANCE RISK

Compliance risk is composed of integrity risk and operational compliance risk. In the day-to-day operations the three lines of defence model defines the roles and responsibilities for compliance and integrity risk in the Company. The first line of defence lies with the respective departments and units, which are responsible for ensuring that compliance risks are identified, understood and reported to the decision-making bodies of the Company. The second line of defence lies with Risk Management Team, which assesses and monitors the compliance and integrity risks and coordinates its control activities with the Risk Management functions, as necessary. Internal Audit is the third line of defence. In managing compliance and integrity risks, the Company places particular emphasis on preventing fraud and corruption.

RISK GOVERNANCE AND REPORTING

The Company has strong governance arrangements consistent with other principles and guidance embedded in the risk data aggregation capabilities and risk-reporting practices.

The Company has a robust Management Information Reporting (MIS) to provide the Board and senior management in a clear and concise manner with timely and relevant information concerning the risk profile. Senior management is informed of the assumptions behind and limitations inherent in specific risk measures.

These measures are developed to improve the senior management's ability to evaluate the impact of various types of economic and financial shocks that could probably affect the Company.

They are flexible, adaptable and responsive to changes in the Company's underlying risk assumptions and incorporate multiple perspectives of risk exposure to account for uncertainties in risk measurement. It helps in ensuring that appropriate actions are initiated before the risk in providing threshold based limit trading.

RISK APPETITE AND STRATEGY

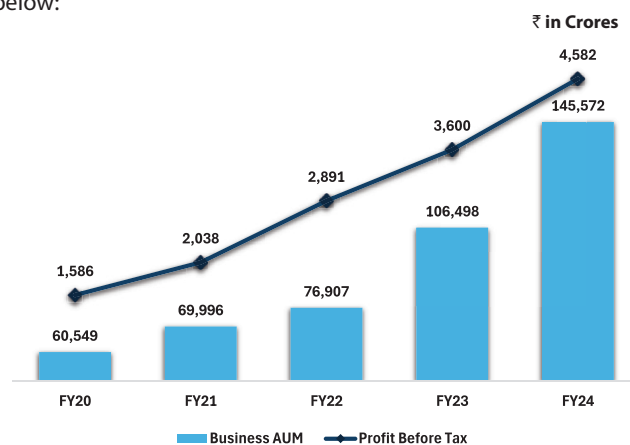
The Board approved Risk Appetite Statement at the Company addresses the following key elements:

- The articulation in written form of the aggregate level and types of risk that the Company is willing to accept in the pursuit of its strategic objectives and business
- Quantification of risk limits in terms of earnings (earnings perspective)
- The level of risk that the Company is willing to take for each material risk.
- The limits and thresholds for monitoring the risk appetite of the organization
- The quantitative measures that can be translated into thresholds for risk limits applicable to the entire company
- The qualitative statements for non-quantifiable risks.

The Company has defined its risk appetite and tolerance limits within its Risk Management Policy Framework for specific organizational objectives.

RESULT OF OPERATIONS

The company's balance sheet size has steadily grown, compared to the previous year. A summarized version of the same is given below:



STATEMENT OF PROFIT & LOSS

₹ in Crores

Particulars	Mar-23	Mar-24	Growth %
Disbursements	66,532	88,725	33%
Income	12,978	19,216	48%
Cost of Funds	-5,749	-9,231	61%
Net Margin	7,229	9,986	38%
Operating Expenses	-2,779	-4082	47%
Provisions and Losses	-850	-1322	56%
Profit Before Tax (PBT)	3,600	4,582	27%
Current and Deferred Tax	-934	-1159	24%
Profit After Tax (PAT)	2,666	3,423	28%

BALANCE SHEET

₹ in Crores

Particulars	Mar-23	Mar-24	Growth %
Assets			
Business Assets	1,04,748	1,44,424	38%
Cash & Bank Balances	2,961	4,320	46%
Other Liquid Assets	3,077	3,578	16%
Other Assets	2,729	4,129	51%
TOTAL	1,13,515	1,56,451	38%
Liabilities			
Net worth	14,296	19,556	37%
Borrowings	87,373	1,10,692	27%
Securitisation	9,983	23,782	138%
Other Liabilities	1,863	2,421	30%
TOTAL	1,13,515	1,56,451	38%

KEY OPERATING MEASURES

Particulars	Mar-23	Mar-24	Change*
Net Income Margin	7.7%	7.5%	-0.2%
Operating Expenses to Assets	-3.0%	-3.1%	-0.1%
Return on Total Assets - PAT	2.8%	2.6%	-0.3%
Return on Equity - PAT	20.6%	20.6%	-0.0%
Profit Before Tax to Income	27.7%	23.8%	-3.9%
Total Assets under Management – ₹ in crores	1,12,782	1,53,718	36%
Gross Stage 3 Assets	3.0%	2.5%	-0.5%
Stage 3 (Net off ECL) Assets	1.6%	1.3%	-0.3%
Provision Coverage	46.0%	46.5%	0.5%
Earnings Per Share - Basic in ₹	32.6	41.2	26%
Book Value Per share	174.0	232.6	34%
Price to Book Ratio (no. of times)	4.4	5.0	14%
Market Capitalisation – ₹ in crores	62,607	97,229	55%
CAR	17.1%	18.6%	1.5%

Note: *With respect to values, it is growth between periods and with respect to ratios, it is movement between periods

CONSOLIDATED RESULTS

The consolidated profit after tax for the year under review was ₹ 3,420.05 crores, as against ₹ 2,664.85 crores in FY 23.

On behalf of the board

Place : Chennai
Date : April 30, 2024

Vellayan Subbiah
Chairman

Report on Corporate Governance

Corporate governance focuses largely on upholding the highest order of ethical values and responsible business practices. It is also about how an organization's structure, culture, policies, and stakeholder interactions are managed efficiently. An effective corporate governance is to maintain accuracy and timely disclosure of financial position and company performance to stakeholders.

CORPORATE GOVERNANCE PHILOSOPHY

The company is committed to the highest standards of corporate governance in every facet of its operations.

The board, senior management and all employees share a common goal of following ethical and lawful business practices while adhering to the highest standard of corporate governance. The board is committed to keep utmost transparency in disseminating comprehensive information while recognizing the dynamic nature of governance including regulatory changes, ESG concerns, and technological advancements.

Practicing strong corporate governance is critical for consistent performance, smooth operations, attracting investments, protecting stakeholders' rights, and increasing stakeholder value. The company's activities are spearheaded by high standards of corporate governance that reflect its core values. The company follows this principle:

"The fundamental principle of economic activity is that no party you transact with should incur a loss."

The company's corporate governance philosophy is based on following fundamental principles:

- Adhere to corporate governance standards beyond the letter of law;

- Maintain high degree of transparency and disclosures;
- Maintain a clear distinction between personal interest and corporate interest;
- Have a transparent corporate structure driven by business needs; and
- Ensure compliance with applicable laws.

BOARD OF DIRECTORS

The corporate governance practices of the company ensure that the board of directors (the board) remains informed, independent, and involved in the company and that there are ongoing efforts towards better governance to mitigate "non-business" risks.

The board is fully aware of its fiduciary responsibilities and recognizes its responsibilities to shareholders and other stakeholders to uphold the highest standards in all matters concerning the company and has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review mechanisms.

The board is committed in representing the long-term interests of the stakeholders and in providing effective governance over the company's affairs and exercise reasonable business judgment on the affairs of the company. The company's day to day affairs is managed by the executive director (ED) and an experienced competent management team, under the overall supervision of the chairman and the board. The company has in place an appropriate risk management framework covering various risks that the company is exposed to, including fraud risks, which are discussed and reviewed by the management on an ongoing basis and by the, audit committee, risk management committee and the board every quarter.

Composition

The board has been constituted in a manner as per regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the Companies Act, 2013 (the Act). The board has a mix of executive / non-executive and independent directors, including a woman independent director to ensure proper governance and management.

The board members have collective experience in diverse fields like banking and financial services, audit, finance, risk, compliance, data science and technology. The directors are appointed based on their qualification, expertise and experience in varied fields. None of the directors are inter-se related.

Core Skills / Expertise / Competencies

In terms of Listing Regulations, the following are the list of core skills / expertise / competencies identified by the board in the context of the company's business and sector for effective functioning:

Core Skills / expertise / competencies	Status
Finance	Competency available
Strategy, planning and marketing	
Technology	
Governance and Risk	
Management and leadership	

The names of directors who have the above skills / expertise / competencies are as follows:

Name of the director	Skills/expertise/competencies
Mr. Vellayan Subbiah	Finance, strategy, planning and marketing, technology, governance and risk, management and leadership
Mr. N. Ramesh Rajan	Finance, governance and risk, technology, management and leadership
Ms. Bhama Krishnamurthy	Finance, governance and risk, management and leadership
Mr. M.A.M. Arunachalam	Strategy, planning and marketing, governance and risk, management and leadership
Mr. Anand Kumar	Finance, strategy, technology, governance and risk, management and leadership
Mr. Ravindra Kumar Kundu	Finance, strategy, planning and marketing, technology, governance and risk, management and leadership

Formal induction and familiarisation programme for directors

The company's independent directors are eminent professionals with several decades of collective experience in banking and financial services industry, technology, finance, governance,

risk management, analytics, and management areas and are fully conversant and familiar with the business of the company.

The company has an ongoing familiarisation programme for all directors with regard to their roles, duties, rights, responsibilities in the company, nature of the industry in which the company operates, the business model of the company, etc. The programme is embedded in the regular meeting agenda where alongside the review of operations, information on the industry, competition and company strategy are presented and deliberated on a quarterly basis. The details of the familiarisation programme attended by directors are available on the website of the company (*weblink: <https://www.cholamandalam.com/files/familiarisation-programme>*).

At the time of induction of a director on the board of the company, a formal invitation to join the board of the company is sent out along with a brief introduction about the company. A copy of the company's latest annual report and the schedule of the upcoming board / committee meetings for the calendar year are forwarded to the director. The director is explained in detail the compliances required of him / her under the Act, the Listing/RBI Regulations and other relevant regulations and his / her affirmation is taken with respect to the same.

By way of an introduction, the company conducts a familiarisation program covering all the businesses, functions and regulations impacting the company to new directors. Additionally, the company's code of conduct which inter-alia explains the values and beliefs of the company, functions, duties, and responsibilities as a director of the company, including the duties of independent directors in terms of the Act is given to the director at the time of joining and on an annual basis.

Further, there is a detailed quarterly discussion and presentation on review of operations of the company and the regulatory updates impacting the business which helps the director familiarize himself / herself with the company, its business, and the regulatory framework in which the company operates.

The details of directors as of 31 March, 2024, including the details of their other board directorship and committee membership reckoned in line with regulation 26 of the Listing Regulations and the Act as well as their shareholdings are given below:

Name of the director	Executive / Non-executive / Independent / Promoter	No. of directorship including Chola* (Out of which as chairman)	No. of shares held in the company	No. of board committee membership including Chola** (Out of which as chairman)
Mr. Vellayan Subbiah	Non-executive / Promoter director/ Chairman	12(2)	Nil	3 (1)
Mr. N. Ramesh Rajan	Non-executive / Independent director	6 (1)	Nil	7 (5)
Ms. Bhama Krishnamurthy	Non-executive / Independent director	8 (1)	Nil	7
Mr. M.A.M. Arunachalam	Non-executive / Promoter director	13 (7)	1,65,752	5 (1)
Mr. Anand Kumar	Non-executive / Independent director	5	Nil	2
Mr. Ravindra Kumar Kundu	Executive Director	4 (1)	2,47,555	1

*For the purpose of directorship / committee membership, all public / private companies and section 8 companies have been considered.

**only chairmanship / membership of audit committee and stakeholders' relationship committee have been considered.

The names of the other listed entities where the directors are holding directorship as at 31 March, 2024 are given below:

Name of the director	Name of the listed entity	Category of directorship
Mr. Vellayan Subbiah	SRF Limited	Non-executive Director
	Tube Investments of India Limited	Executive Vice Chairman / Promoter
	Cholamandalam Financial Holdings Limited	Non-executive Director / Promoter
	CG Power and Industrial Solutions Limited	Non-executive Director / Chairman / Promoter
Mr. N. Ramesh Rajan	Indo - National Limited	Non-executive / Independent Director / Chairman
	TTK Healthcare Limited	Non-executive / Independent Director
	Rane (Madras) Limited	
	Rane Engine Valve Limited	
Ms. Bhama Krishnamurthy	CSB Bank Limited	Non-executive / Independent Director / Part-time Chairperson
	Network 18 Media & Investments Limited	Non-executive / Independent Director
	Thirumalai Chemicals Limited	
	Five Star Business Finance Limited	
Mr. M.A.M. Arunachalam	Tube Investments of India Limited	Executive Chairman / Promoter
	CG Power and Industrial Solutions Limited	Non-executive Director / Promoter
	Shanthi Gears Limited	Non-executive Chairman / Promoter
Mr. Anand Kumar	Tube Investments of India Limited	Non-executive / Independent Director
	TVS Supply Chain Solutions Limited	Non-executive / Nominee Director
Mr. Ravindra Kumar Kundu	-	-

In the opinion of the board, the independent directors of the company fulfill the conditions specified in Listing Regulations / Companies Act, 2013 and are independent of the management of the company. All the board members, including independent directors, have the opportunity and access to interact with the management.

Separate meeting of independent directors

During the year, in line with the requirement under section 149(8) and schedule IV of the Act, the independent directors had a separate meeting on 21 March, 2024, without the presence of non-independent directors and management team.

Board Meetings

The board meets at regular intervals with an annual calendar and a formal schedule of matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. The board is

regularly briefed and updated on the key activities of the business and is provided with comprehensive briefings and presentations on operations, compliance, risk management system, internal controls, asset liability management, risk & IT framework, new products, fraud control, quarterly financial statements and other matters concerning the company. Besides, information about statutory compliances, minutes of all the subsidiary companies and committees of the board and information as required under the Listing Regulations and RBI directions are also provided to the directors on a quarterly basis. The board at every meeting also reviews the key regulatory changes and its impact on the company operations between two meetings.

The board and the committee have a system of follow up mechanism on actions taken by the management on matters advised/ suggested by the board / committees and the same is updated to them at the subsequent meetings.

The dates of the board meetings are fixed in advance for the calendar year to enable maximum attendance from directors. During the year, the board met five times on 3 May, 2023, 1 August, 2023, 2 November, 2023, 25 January, 2024 and 21 March, 2024.

The Companies Act, read with the relevant rules made there under and the Listing Regulations, facilitates the participation of a director in board / committee meetings through video conferencing or other audio-visual means. Accordingly, the company provided the option to directors to participate in meetings through video conferencing.

The board periodically reviews the matters required to be placed before it and inter-alia reviews and approves the quarterly financial statements, corporate strategies, business plan, annual budgets, revised estimates and capital expenditures. It monitors the overall performance and reviews other matters which require the board's attention.

The board also takes on record the declarations and confirmations made by the executive director, chief financial officer, and company secretary regarding compliances of all laws on a quarterly basis.

Certificate from Company Secretary in Practice

Mr. R. Sridharan of M/s. R. Sridharan & Associates has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as director of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority. A certificate to this effect has been enclosed with this report.

COMMITTEES OF THE BOARD

The board has constituted various committees to support the board in discharging its responsibilities. The seven committees of the board are audit committee, stakeholders' relationship committee, corporate social responsibility committee, nomination and remuneration committee, risk management committee, IT strategy committee and business committee. Besides, the board has constituted customer service committee, IT steering committee and IT security committee as per the RBI Master Directions.

The board at the time of constitution of each committee defines the terms of reference and the role and responsibilities of the committees and delegates powers which is reviewed by the board from time to time. Various recommendations of the committees are submitted to the board for approval. During the year, the board had accepted all recommendations of the committees.

AUDIT COMMITTEE

Terms of Reference

The committee acts as a link between the board, the statutory auditors, and the internal auditors. The role of the audit committee includes overseeing the financial reporting process and disclosure of financial information, review of financial statements, adequacy of internal financial controls and risk management systems, review and approval of transactions with related parties, findings of internal audits / investigations, whistle blower policy, monitoring the usage of funds from issue proceeds, review the financial statements, in particular, the investments made by the unlisted

subsidiary companies, review of usage of loans, advances received, investment in the subsidiaries exceeding ₹ 100 crores or 10% of the asset size of the subsidiary, review of compliance with the provisions of SEBI Prohibition of Insider Trading Regulations at least once a financial year. Besides, the committee recommends the appointment / removal of chief compliance officer, chief financial officer and the joint statutory auditors, the internal auditors and fixing their remuneration and review of the effectiveness of audit process, consider and comment on cost benefits / impact of schemes involving merger and demerger, approval of risk based internal audit plan, review of performance of internal auditor, formulation of quality assurance and improvement program of the internal audit function, review of consolidated position of major risks faced by the organization, review of pending high and medium risk observations, approving information system (IS) audit policy, reviewing processes and system of internal audit of all outsourced activities.

Composition & Meetings

As at 31 March, 2024, the committee comprised of four non-executive directors - three independent directors and one promoter director. The committee comprised of Mr. N. Ramesh Rajan, independent director as the chairman, Ms. Bhama Krishnamurthy, Mr. Anand Kumar, and Mr. M.A.M. Arunachalam, as its members. Mr. Vellayan Subbiah, chairman of the board and Mr. Ravindra Kumar Kundu, executive director are permanent invitees to the committee. The company secretary acts as the secretary to the committee. During the year, the committee met nine times. All members of audit committee have knowledge of financial management, audit, and accounts. The joint statutory auditors, the internal auditors and senior management are invited to attend the meetings of the committee. The company has in place a system for meetings of the audit committee members with the joint statutory auditors and Head – Internal Audit without the presence of executive director and management team. The committee accordingly had meetings with the joint statutory auditors as well as internal auditors during the year.

During the year under review, in line with the requirement under RBI regulations, the committee had separate meetings every quarter with Head – Internal Audit of the company without the presence of the executive director and the management team.

NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The role of the committee is to determine the company's policy on remuneration to executive directors and senior management, including periodic increments in salary and implementation of compensation policy of the company. The committee is also empowered to determine the annual commission / incentives of the executive directors and the minimum remuneration of the executive directors in the event of inadequacy of profits besides implementing, remuneration including commission payable to non-executive directors, administering, and monitoring the employee stock option plan / scheme of the company. The terms of reference inter-alia includes to consider and recommend persons who are qualified for board positions, evaluate directors performance prior to recommendation for re-appointments, assess

the fit and proper criteria of all the directors, identify persons who are qualified to be in senior management and recommend their appointments, remuneration payable and removal. Formulate the criteria for determining qualifications, positive attributes and independence of a director and devising a policy on board diversity, determine whether to extend or continue the terms of appointment of independent director on the basis of the report of performance evaluation. Decisions for selecting a director is based on the merit, qualification, competency, and the company's business needs. Such candidates shall be free of conflict of interest that would interfere with their ability to discharge their duties. Further, the committee shall work with risk management committee to achieve effective alignment between compensation and risks.

Composition & Meetings

As at 31 March, 2024, the committee comprised of Mr. Anand Kumar, independent director as the chairman, Mr. Vellayan Subbiah and Mr. N Ramesh Rajan as its members. The majority of the members of this committee are independent directors. The committee had two meetings during the year ended 31 March, 2024.

REMUNERATION OF DIRECTORS

Remuneration Policy

The success of any organization in achieving good performance and governance depends on its ability to attract quality individuals on the board. The company has in place a remuneration policy which is guided by the principles and objectives as enumerated in section 178 of the Act, regulation 19 read with Part D of Schedule II of the Listing Regulations and the Master Directions on Scale Based Regulations issued by Reserve Bank of India.

Mr. Ravindra Kumar Kundu is the executive director (ED) on the board. The compensation to Mr. Ravindra Kumar Kundu is within the scale approved by the board and shareholders. The elements of compensation comprise a fixed component, performance incentive and employee stock options. The compensation is determined based on the level of responsibility and scales prevailing in the industry. ED is not paid sitting fees for any board / committee meetings attended by him. The board upon recommendation of the NRC, may decide the quantum/portion of variable pay (cash and non-cash components) that will be subject to deferral based on the time horizon of the risks. Claw back provisions for deferred variable pay including cancellation of vested and unexercised ESOPs may be invoked by the board based on the recommendation of NRC as per policy. The remuneration policy is posted on the company's website ([weblink: https://www.cholamandalam.com/files/remuneration-policy](https://www.cholamandalam.com/files/remuneration-policy)).

The compensation to the non-executive directors takes the form of commission on profits. Though the shareholders have approved payment of commission up to one per cent of the net profits of the company for each year calculated as per the provisions of section 198 of the Act, the actual commission paid to the directors is restricted to a fixed sum within the above limit annually and is paid on the basis of their tenure in office during the financial year.

The sum is reviewed periodically taking into consideration of various factors such as performance of the company, industry standards, time devoted by each of the directors in attending

to the affairs and business of the company and the extent of responsibilities cast on the directors under various laws and other relevant factors. The chairman of the board and audit committee are paid differential commission in view of their enhanced role on the board/ committees. The non-executive directors are also paid sitting fees subject to the statutory ceiling for all board and committee meetings attended by them.

Criteria for Board Nomination

The nomination and remuneration committee is responsible for identifying persons for initial nomination as directors and evaluating incumbent directors for their continued service. The committee has formulated a charter in terms of the provisions of the Act, regulation 19(4) of the Listing Regulations and RBI directions applicable for non-banking finance companies, which *inter-alia*, deals with the personal traits, competencies, experience, background, and other fit and proper criteria. These attributes shall be considered for nominating candidates for board positions/re-appointment of directors.

Criteria for appointment in senior management

The nomination and remuneration committee is responsible for identifying and recommending persons who are qualified to be appointed in senior management including recommending their promotion / remuneration. The committee has formulated the charter in terms of the provisions of the Act and the Listing Regulations, which *inter-alia*, deals with the criteria for identifying persons who are qualified to be appointed in senior management and periodical review of succession planning for board and senior management. These attributes shall be considered for nominating candidates for senior management position.

Performance Evaluation

In terms of the provisions of the Act and the Listing Regulations, the board carries out an annual performance evaluation of its own performance. The directors individually including the ED carry out a self as well as a peer evaluation. Individual committees carry out an evaluation of the working of the committees. The performance evaluation of the independent directors is carried out by the entire board. The performance evaluation of non-independent directors are carried out by the independent directors at their separate meeting held during the year. Chairman anchors the sessions on self, peer, committee, and board effectiveness evaluations. Chairman of the nomination and remuneration committee anchors the session on chairman evaluation.

The executive director's evaluation is carried out based on leadership qualities, strategic planning, communication, engagement with the board etc. The board evaluation process is completely conducted internally in secured digital mode.

Policy on board diversity

The nomination and remuneration committee has devised a policy on board diversity which sets out the approach to diversity on the board of the company. The policy provides for having a truly diverse board, comprising of appropriately qualified people with a broad range of experience relevant to the business of the company.

Remuneration of executive director

Details of the remuneration of the executive director for the year ended 31 March, 2024 are as follows:

Name of the Director	₹ in crores				
	Salary	Allowance	Incentive (provisional)	Perquisites & Contributions	Total
Mr. Ravindra Kumar Kundu	1.61	1.00	1.23	0.46	4.30

Note:

Mr. Ravindra Kumar Kundu is not eligible for any severance fee. Service contract and the notice period are as per the terms of agreement entered into by him with the company.

Remuneration of non-executive directors

Directors of the company were paid sitting fees of ₹ 1,00,000/- for every meeting of board and ₹ 50,000/- for every meeting of audit committee, stakeholders' relationship committee, nomination and remuneration committee, risk management committee, corporate social responsibility committee, IT strategy committee and business committee during the FY 24.

In view of the considerable amount of time spent with the company management in reviewing the performance of various businesses on a periodic basis, devising the long-term strategy and giving strategic directions to the management, in line with the last two years practice, a differential commission of ₹ 1 crore is proposed to be paid to Mr. Vellayan Subbiah for the financial year ended 31 March, 2024. The commission provided below will be paid subject to approval of the shareholders for the audited accounts for FY 24.

The details of commission provided / sitting fees paid to non-executive directors for the year ended 31 March, 2024 are as follows:

Name of the director	₹ in crores		
	Commission	Sitting Fees paid	Total
Mr. Vellayan Subbiah	1.00	0.10	1.10
Mr. N. Ramesh Rajan	0.24	0.13	0.37
Ms. Bhama Krishnamurthy	0.20	0.13	0.33
Mr. Rohan Verma*	0.20	0.03	0.23
Mr. M.A.M. Arunachalam	0.20	0.15	0.35
Mr. Anand Kumar	0.20	0.12	0.32
TOTAL	2.04	0.64	2.68

Note:

Commission will be paid subject to deduction of tax as applicable.

*Mr. Rohan Verma retired as an independent director effective close of business hours on 24 March, 2024.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The role of the committee includes formulation of shareholders' servicing plans and policies, share transmissions, issue of letter of confirmation in lieu of duplicate shares, for share split, consolidation of shares, etc. The committee also monitors and reviews the mechanism of dematerialisation of shares and payment of dividends, adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent, measures taken for effective exercise of voting rights by shareholders, approve transfer of shares to the Investors Education and Protection Fund. It further looks into the redressing of shareholders' grievances like non-receipt of balance sheet, non-receipt of declared dividends, determining, monitoring and reviewing the standards for resolution of shareholders' grievances.

During the year, the company had received four complaints from the shareholders which have been resolved. There were no investor complaints pending as at 31 March, 2024 and no complaints that were not solved to the satisfaction of shareholders.

Composition & Meetings

As at 31 March, 2024, the committee comprised of Mr. M.A.M. Arunachalam, non-executive director as the chairman, Ms. Bhama Krishnamurthy and Mr. Ravindra Kumar Kundu as its members. Ms. P. Sujatha, company secretary is the compliance officer. During the year, the committee had two meetings.

RISK MANAGEMENT COMMITTEE

Terms of Reference

The role of the committee includes formulation and review of the risk management policy, ensures appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business and liquidity risk being a non-banking finance company. The committee also monitors and oversees implementation of the risk management policy, including evaluating the adequacy of risk management systems, appointment, removal, and terms of remuneration of the chief risk officer, reviews the annual risk management framework document including action plan and its progress. Besides, the committee periodically monitors the critical risk exposures by specialized analysis and quality reviews and reports to the board the details of any significant developments, identifies and makes recommendations to the board, reviews outsourcing risks, secures attendance of outsiders with relevant expertise, where required and carries out any other function as may be necessary to ensure that an effective risk management system is in place, review of IT/ cyber security related risks in consultation with IT strategy committee and evaluate the overall risks faced by the company including liquidity risk.

Composition & Meetings

As at 31 March, 2024, the committee comprised of Ms. Bhama Krishnamurthy as the chairperson, Mr. N. Ramesh Rajan, Mr. M.A.M. Arunachalam and Mr. Ravindra Kumar Kundu as its members and Executive Committee and Head - Internal Audit of the company as permanent invitees. The committee had four meetings during the year ended 31 March, 2024.

Meetings with chief risk officer

During the year under review, in line with the requirement under RBI regulations, the committee had separate meetings every quarter with chief risk officer of the company without the presence of the executive director and the management team.

IT STRATEGY COMMITTEE

Terms of Reference

The role of committee includes approving information technology (IT) strategy and policy documents and ensuring that the management has put an effective strategic planning process to ensure that IT delivers value to the business, approve IT budget /capacity requirements, ensuring IT investments represent a balance of risks and benefits, ensuring processes for assessing and managing IT, information security and cybersecurity risks, ensuring proper balance of IT investments for sustaining company's growth, review of adequacy and effectiveness of the business continuity planning and disaster recovery management.

Composition & Meetings

As at 31 March, 2024, the committee comprised of Mr. Anand Kumar as chairman, Mr. N Ramesh Rajan and Mr. Vellayan Subbiah as its members. The committee had three meetings during the year ended 31 March, 2024.

BUSINESS COMMITTEE

Terms of Reference

The role of the committee includes review of the business of the company, including approval and review of business proposals beyond certain financial limits, approve investments / borrowings,

Particulars of Senior Management

The particulars of senior management as per Regulation 16(1) (d) of the Listing Regulations are as follows:

Name	Designation
Mr. Ravindra Kumar Kundu	Executive Director
Mr. D Arulselvan	Chief Financial Officer
Ms. P Sujatha	Company Secretary & Chief Compliance Officer
Mr. R Chandrasekar	Head – Human Resource
Mr. Mahesh Waikar	Head – Operations
Mr. S Manickam	Head – Internal Audit
Mr. Durgaprasad Swaminathan	Chief Information Officer
Mr. Ajay Bhatia	Chief Risk Officer

During the year, there was no change in the senior management.

ATTENDANCE AT BOARD, COMMITTEE AND GENERAL MEETINGS

Name of the directors	Board (Attendance %)	Audit committee	Stakeholders relationship committee	Nomination & remuneration committee	Business committee	Risk management committee	Corporate social responsibility committee	IT strategy committee	Attendance at last AGM
Mr. Vellayan Subbiah	5 (100%)	NA	NA	2 (100%)	2 (100%)	NA	2 (100%)	3 (100%)	Yes
Mr. N. Ramesh Rajan	5 (100%)	9 (100%)	NA	2(100%)	NA	4(100%)	NA	NA	Yes
Ms. Bhama Krishnamurthy	5 (100%)	9 (100%)	NA	NA	NA	4 (100%)	2 (100%)	NA	Yes
Mr. Rohan Verma	2 (40%)	NA	1 (50%)	NA	NA	NA	NA	1 (33%)	Yes
Mr. M.A.M. Arunachalam	5 (100%)	9 (100%)	2 (100%)	NA	2 (100%)	4 (100%)	2 (100%)	NA	Yes
Mr. Anand Kumar	5 (100%)	9 (100%)	NA	2 (100%)	NA	NA	NA	3 (100%)	Yes
Mr. Ravindra Kumar Kundu	5 (100%)	NA	2 (100%)	NA	2 (100%)	4 (100%)	NA	NA	Yes

assignment of receivables as per the limits prescribed by the board and oversee the asset liability management system of the company.

Composition & Meetings

As at 31 March, 2024, the business committee comprised of Mr. Vellayan Subbiah as the chairman, Mr. M.A.M. Arunachalam and Mr. Ravindra Kumar Kundu as its members. The senior management is invited to attend the meetings of the committee. The committee had two meetings during the year ended 31 March, 2024.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of Reference

The role of the committee includes formulation and recommendation of a corporate social responsibility (CSR) policy for the company, formulate an annual action plan for the CSR activities, recommend the amount of expenditure to be incurred on the CSR activities, monitor the CSR policy of the company from time to time and institute a transparent monitoring mechanism for implementing the CSR activities and carry out any other function or activity as may be required to ensure that the CSR objectives are met.

Composition & Meetings

As at 31 March, 2024, the committee comprised of Mr. Vellayan Subbiah as the chairman, Ms. Bhama Krishnamurthy and Mr. M.A.M. Arunachalam as its members. The committee had two meetings during the year ended 31 March, 2024

GENERAL BODY MEETINGS

Particulars of venue, date and time of the previous three annual general meetings are given below:

Year	Date and Time	Venue
2021	30 July, 2021 at 3.30 p.m.	Video conferencing
2022	29 July, 2022 at 4.00 p.m.	Video conferencing
2023	1 August, 2023 at 4.00 p.m.	Video conferencing

DETAILS OF SPECIAL RESOLUTIONS PASSED

Particulars of special resolutions passed in the previous three annual general meetings are given below:

Date of AGM	Details
30 July, 2021	- Issue of securities on private placement basis under section 42 of the Act
29 July, 2022	- Increase in the borrowing powers of the company - Payment of commission to non-executive chairman for financial year ended 31 March, 2022 - Alteration of memorandum of association for change in the object clause of the company
1 August, 2023	- Increase in the borrowing powers of the company - Payment of commission to non-executive chairman for financial year ended 31 March, 2023 - Re-appointment of Mr. N Ramesh Rajan as an independent director of the company - Re-appointment of Mr. Rohan Verma as an independent director of the company - Alteration of Articles of Association of the company for substituting the existing clause 17.8

POSTAL BALLOT

During the year the company passed a special resolution through postal ballot for issuance of equity shares and / or compulsorily convertible securities for an aggregate amount not exceeding ₹ 4,000 crores by way of qualified institutional placements (QIP) in accordance with the Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

The postal ballot was conducted in accordance with the procedure laid down under section 110 of the Act read with rule 22 of the Companies (Management and Administration) Rules, 2014. Mr. R. Sridharan of M/s. R. Sridharan & Associates, company secretaries acted as the scrutiniser for postal ballots. All the resolutions were passed with requisite majority by the shareholders.

The details of voting pattern of the postal ballot are as follows:

Special resolution pertaining to issue of equity shares and/or compulsorily convertible securities by way of qualified institutions placement to eligible qualified institutional buyers:

Particulars	No. of ballots / e-voting	No. of shares (votes)	% on total shares (votes) received
Assent	2,476	70,50,89,868	99.99
Dissent	50	65,669	0.01
Total	2,526	70,51,55,537	100

COMPLIANCE REPORT

A detailed compliance report is placed before the board every quarter and highlights of the report is circulated to the board along with the agenda every quarter. The company secretary submits a compliance certificate to the board on a quarterly basis. The board reviews the compliance of all applicable laws every quarter and gives appropriate directions, wherever necessary.

SECRETARIAL AUDIT

The company annually conducts a secretarial audit by an independent practicing company secretary. For the year ended 31 March, 2024, M/s. R. Sridharan & Associates, company secretaries,

had conducted the secretarial audit and the certificate was placed before the board and attached to this annual report.

RECONCILIATION OF SHARE CAPITAL AUDIT

As required by the Securities and Exchange Board of India (SEBI), quarterly audit of the company's share capital is being carried out by an independent auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The certificate issued by an independent practicing company secretary is submitted to the stock exchanges on a quarterly basis and is also placed before the board of directors.

CODE FOR PREVENTION OF INSIDER TRADING

The board has adopted a code to regulate, monitor and report trading by insiders in securities of the company. The code inter-alia requires pre-clearance for dealing in the securities of the company and prohibits the purchase or sale of securities of the company while in possession of unpublished price sensitive information in relation to the company and during the period when the trading window is closed. The board has further approved the code for practices and procedures for fair disclosure of unpublished price sensitive information and policy governing the procedure of inquiry in case of actual or suspected leak of unpublished price sensitive information. The code has also been hosted on the website of the company. The company has also put in place a structured digital database as required under regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The certificate on compliance of corporate governance norms from an independent practicing company secretary is annexed to the report.

CEO/CFO CERTIFICATION

Executive director and chief financial officer have given a compliance certificate to the board with regard to financial statements and internal control systems as contemplated under regulation 17(8) of the Listing Regulations.

SUBSIDIARY COMPANIES

A policy on material subsidiaries has been formulated and the same is posted on the company's website ([weblink: https://www.cholamandalam.com/files/policy-on-material-subidiaries](https://www.cholamandalam.com/files/policy-on-material-subidiaries)). The financial statements of subsidiary companies are tabled at the audit committee and board meetings every quarter.

DISCLOSURES

Related party transactions

All transactions with related parties that were entered into during the financial year were in the ordinary course of business and were on an arm's length basis. There were no material transactions with related parties i.e., transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries, or relatives, etc., that may have potential conflict with the interest of company at large. Suitable disclosures as required in compliance with accounting standards with related parties are disclosed in note 37 of the financial statements in the annual report.

The board has put in place a policy on related party transactions and the same has been uploaded on the company's website ([weblink: https://www.cholamandalam.com/files/policy-on-related-party-transactions](https://www.cholamandalam.com/files/policy-on-related-party-transactions))

Disclosure by listed entity and its subsidiaries of 'Loans and advances' in the nature of loans to firms/companies in which directors are interested by name and amount:

Suitable disclosures as required in compliance with accounting standards in which directors are interested are disclosed in note 37 of the financial statements in the annual report.

Details of material subsidiaries of the listed entity including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

The company does not have any material subsidiary whose income or net worth exceeds 10% of the consolidated income or net worth of the company during the immediately preceding financial year.

Fee disclosures as required by clause 10(k), Part C, Schedule V of the Listing Regulations:

Total fees for all services paid by the company and its subsidiaries, on a consolidated basis, to M/s. Price Waterhouse LLP and M/s. Sundaram & Srinivasan, Chartered Accountants, joint statutory auditors of the company and other firms in the network entity of which the statutory auditor is a part, as included in the consolidated financial statements of the company for the year ended 31 March, 2024 is as follows:

Particulars	₹ in crores
	Amount
Fees for audit and related services paid to joint statutory auditors and affiliates firms and to entities of the network of which the statutory auditor is a part	6.89
Other fees paid to joint statutory auditors & affiliates firms and to entities of the network of which the statutory auditor is a part	-
Total fees*	6.89

*Includes input tax credit expensed wherever applicable

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

During the year, the company had not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Whistle blower policy / vigil mechanism

The company has established a whistle blower mechanism to provide an avenue to raise concerns. During the year, the whistle blower mechanism was reviewed and a revised framework has been approved by the Board. The mechanism provides for adequate safeguards against victimization of customers / employees / directors who avail of the mechanism and constitution of whistle blower committee who will deal with the complaints received.

The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct access to the chairperson of the audit committee. During the year, no personnel have been denied access to the audit committee. The policy is available on the website (*weblink: <https://www.cholamandalam.com/files/whistle-blower-policy>*).

Penalties

There were no penalties, strictures imposed on the company by any statutory authority / regulatory authority, on any matter related to capital markets, during the last three years.

COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

The company has complied with all mandatory requirements of corporate governance norms as enumerated in chapter IV of the Listing Regulations. The requirements of regulation 17 to regulation 27 of the Listing Regulations and clauses (b) to (i) of the sub-regulation (2) of regulation 46 to the extent applicable to the company have been complied with as disclosed in this report. The company has also adopted the following discretionary requirements specified in Part E of Schedule II in terms of regulation 27(1) of the Listing Regulations:

- i. Modified opinion(s) in audit report: Company's financial statements have unmodified audit opinions.

- ii. Separate posts of chairperson and the executive director: chairperson of the company is a non-executive director and he is not related to the executive director of the company.

MEANS OF COMMUNICATION

The audited financial results, quarterly results, and other major announcements like notices of annual general meeting and book closures were published in Business Line and Dinamani and are also available on the company's website <https://www.cholamandalam.com/investors>. Press releases are given in the leading newspapers and also posted on the company's website. The investors' presentations and call transcripts are posted on stock exchange and company's websites. The company has posted a shareholder' satisfaction survey on its website to ascertain the level of the shareholders satisfaction. Further, the shareholding pattern and presentations made to analysts and investors from time to time are also displayed on the website of the company.

MANAGEMENT DISCUSSION & ANALYSIS

A management discussion & analysis forms part of the annual report.

GENERAL SHAREHOLDER INFORMATION

A separate section on the above has been included in the annual report.

On behalf of the board

Place: Chennai

Date: 30 April, 2024

Vellayan Subbiah
Chairman

Declaration on Code of Conduct

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 31 March, 2024 as envisaged in Schedule V under regulation 34 (3) of the Listing Regulations.

Place: Chennai
Date: 30 April, 2024

Ravindra Kumar Kundu
Executive Director

Certificate from Company Secretary in Practice

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

The Members,

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

Chola Crest, C54-55 & Super B-4,

Thiru-Vi-Ka Industrial Estate, Guindy,

Chennai – 600 032

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED (CIN: L65993TN1978PLC007576)** having its Registered Office at Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600 032, (hereinafter referred to as “The Company”) as 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 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, 2024 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 APPOINTMENT
1.	01138759	Vellayan Subbiah	Non-Executive – Non-Independent/ Promoter Director/Chairman	11/11/2020
2.	01628318	N Ramesh Rajan	Non-Executive - Independent Director	30/10/2018
3.	02196839	Bhama Krishnamurthy	Non-Executive - Independent Director	31/07/2019
4.	00202958	M A M Arunachalam	Non-Executive – Non-Independent Director	29/01/2021
5.	00818724	Anand Kumar	Non-Executive - Independent Director	16/03/2021
6.	07337155	Ravindra Kumar Kundu	Executive Director	23/01/2020

Ensuring the eligibility 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 **R. Sridharan & Associates**
Company Secretaries

CS. R. Sridharan

CP No. 3239

FCS No. 4775

PR.NO.675/2020

UIN: S2003TN063400

UDIN: F004775F000235401

Place : Chennai

Date : 30 April, 2024

Independent certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

Chola Crest, C54-55 & Super B-4,
Thiru-Vi-Ka Industrial Estate, Guindy,
Chennai – 600 032

We have examined documents, books, papers, minutes, forms and returns filed and other relevant records maintained by **CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED (CIN: L65993TN1978PLC007576)** [hereinafter referred to as “the Company”] having its Registered Office at Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600 032, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter called “SEBI (LODR) Regulations 2015”) for the financial year ended 31st March, 2024. 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, 2024.

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 **R. Sridharan & Associates**
Company Secretaries

CS. R. Sridharan
FCS No. 4775
CP No. 3239

PR NO.657/2020

UIN: S2003TN063400

UDIN: F004775F000235390

Place : Chennai
Date : 30 April, 2024

General Shareholders Information

REGISTERED OFFICE

"Chola Crest", C-54 & 55, Super B-4, Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600032.

CORPORATE IDENTITY NUMBER (CIN)

L65993TN1978PLC007576

ANNUAL GENERAL MEETING

Date	Time	Mode
26 July, 2024	3.30 p.m.	The annual general meeting (AGM) will be held through video conference in compliance with applicable guidelines and circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI).

FINANCIAL YEAR

1 April to 31 March.

DATES OF BOOK CLOSURE

Saturday, 20 July, 2024 to Friday, 26 July, 2024 (both days inclusive)

DIVIDEND PAYMENT DATE

The board at its meeting held on 25 January, 2024 had approved payment of interim dividend on the equity shares for the year ended 31 March, 2024 at the rate of 65% (₹ 1.30 per equity share of ₹ 2 each) and fixed the record date as 7 February, 2024. The interim dividend was paid to all the shareholders on 20 February, 2024.

The board at its meeting held on 30 April, 2024 has further recommended payment of final dividend of 35% (₹ 0.70 per equity share of ₹ 2 each), for the year ended 31 March, 2024. The same will be paid within 30 days upon declaration by the shareholders at the ensuing annual general meeting.

LISTING ON STOCK EXCHANGES

Equity Shares:

BSE Limited Floor 25, Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai - 400 001. Stock Code: 511243	National Stock Exchange of India Limited Exchange Plaza, Plot No.C-1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Stock Code: CHOLAFIN EQ
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Debt Securities:

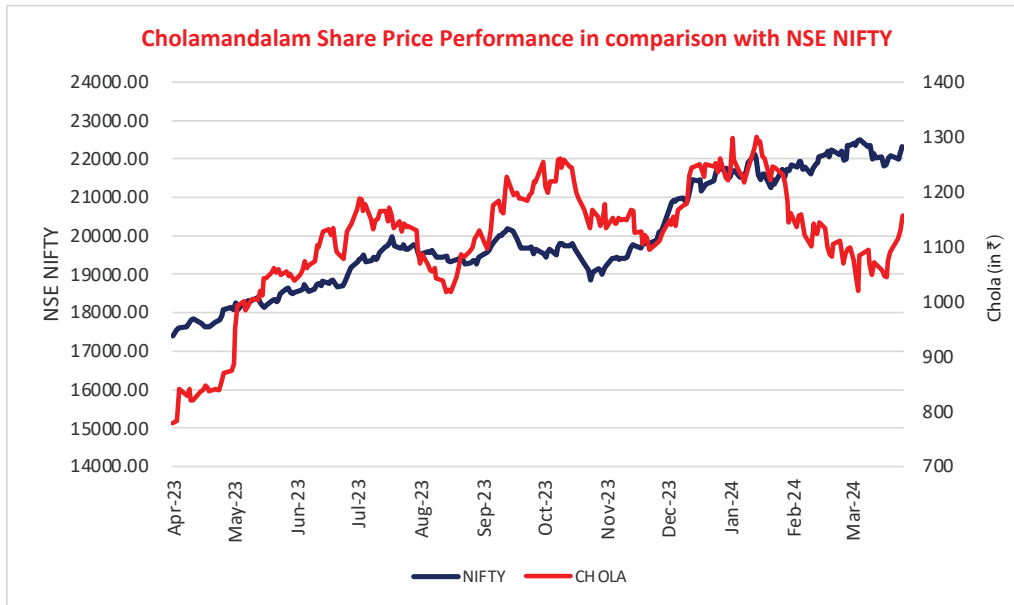
Debt securities are listed in the Wholesale Debt Market (WDM) Segment of NSE and F - Class Segment of BSE Limited.

Payment of Listing fees

The listing fees for FY 25 has been paid to the above stock exchanges.

SHARE PRICE DATA

Month	BSE Limited			National Stock Exchange of India Limited		
	High (in ₹)	Low (in ₹)	Vol.	High (in ₹)	Low (in ₹)	Vol.
April, 2023	871.30	778.75	8,32,224	871.10	778.60	3,82,08,024
May, 2023	1060.90	874.40	21,59,629	1060.65	874.70	5,46,01,277
June, 2023	1141.75	1039.10	5,27,682	1142.00	1039.30	2,58,71,675
July, 2023	1187.10	1127.40	10,40,270	1187.25	1127.40	3,34,15,430
August, 2023	1130.65	1016.65	11,81,171	1130.45	1016.95	4,35,74,216
September, 2023	1227.60	1096.85	9,98,930	1227.10	1096.75	4,81,07,007
October, 2023	1259.45	1134.55	8,25,519	1259.70	1134.50	3,81,33,779
November, 2023	1178.30	1094.75	7,08,168	1177.45	1094.50	3,53,00,300
December, 2023	1260.25	1128.50	8,10,764	1259.80	1128.20	3,88,44,178
January, 2024	1299.05	1184.15	7,52,619	1299.45	1184.15	3,88,75,412
February, 2024	1160.95	1069.20	11,95,397	1160.85	1069.70	3,85,60,301
March, 2024	1156.60	1019.95	11,75,666	1156.60	1019.60	3,86,42,633

**REGISTRAR AND SHARE TRANSFER AGENT**

KFin Technologies Limited (KFin) is the Registrar and Share Transfer Agent (RTA) for handling the physical and electronic registry work. The shareholders are requested to send their share related requests / queries to the RTA.

The contact details of the RTA are as follows:**KFIN Technologies Limited**

(Unit: Cholamandalam Investment and Finance Company Limited) Selenium Building, Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana 500 032

Phone No.: 040-67162222, 79611000 | Toll Free No.: 18003094001 | Fax No: 040-23001153

Email: einward.ris@kfintech.com | Website: www.kfintech.com or <https://ris.kfintech.com/>

Contact person: Mr. Rajkumar Kale - Assistant Vice President - Corporate Registry

TRUSTEES FOR THE DEBENTURE HOLDERS

The company has appointed the debenture trustees registered with SEBI - IDBI Trusteeship Services Limited, Catalyst Trusteeship Limited and SBICAP Trustee Company Limited, as the trustees on behalf of the debenture holders.

The contact details of the Trustees are as follows:

1. IDBI Trusteeship Services Limited

Ground Floor, Sir P.M. Road,
Universal Insurance Building, Fort, Mumbai - 400001
Phone : 022 40807073
Website : www.idbitrustee.com
E-mail : itsl@idbitrustee.com
Contact person : Ms. Jindal Shah, Analyst

2. Catalyst Trusteeship Limited

GDA House, Plot No. 85, Bhusari Colony (Right),
Paud Road, Pune - 411 038
Phone : 020-6680 7200/7223/7224-209
Website : www.catalysttrustee.com
E-mail : dt@ctltrustee.com
Contact person : Ms. Shamal Nalawade-Asst. VP

3. SBICAP Trustee Company Limited

4th Floor, Mistry Bhavan, 122, Dinshaw Vaccha Road,
Churchgate, Mumbai - 400020
Phone : 8866400223
Website : www.sbicaptrustee.com
Email : Aayushi.Sanghavi@sbicaptrustee.com
Contact person : Ms. Aayushi Sanghavi, Company Secretary

Dematerialisation of shares and liquidity

The company's shares are tradable in the electronic form only. The company has established connectivity with National Securities Depository Limited and Central Depository Services (India) Limited. As of 31 March, 2024, 99.91% of the company's shares were held in dematerialised form. The company's shares are regularly traded on National Stock Exchange of India Limited and BSE Limited under the ISIN: INE121A01024. Those shareholders who hold shares in physical mode are requested to convert their shareholding to demat mode at the earliest.

Share Transfer System

Effective 1 April, 2019, SEBI has disallowed listed companies from accepting request for transfer of securities which are held in physical form. The shareholders who continue to hold shares in physical form after this date, will not be able to lodge the shares with company / its RTA for further transfer. Shareholders shall mandatorily convert them to demat form if they wish to effect any transfer.

In continuation of its efforts to enhance ease of dealing in securities market by investors, SEBI vide circular dated 25 January, 2022 has simplified the process for transmission of shares and issue of duplicate share certificates and mandated the listed entities to issue securities only in dematerialised form for the service requests such as 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, transmission and transpositions.

The manner and process for submission of service request is available on the company's website at <https://www.cholamandalam.com/investors/sebi-norms>. After processing the service request, a letter of confirmation (LOC) will be issued to the shareholder and shall be valid for a period of 120 days, with which the shareholder shall make a request to the depository participant for dematerialising those shares. Unclaimed shares beyond 120 days will be transferred to the suspense escrow demat account held by the company. Shareholders can claim these shares by submission of necessary documents.

Updation of KYC details

SEBI vide circulars dated 16 March, 2023, has mandated furnishing of details like PAN, nomination, mobile number, email address, specimen signature, bank details by the respective shareholders who are holding securities in physical mode. Effective 1 January, 2022, any service requests or complaints received from the shareholder, will not be processed by RTA till the aforesaid details / documents are provided to RTA. The shareholders shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1 April, 2024. Relevant details and forms prescribed by SEBI in this regard are available on the website of the company at <https://www.cholamandalam.com/investors/sebi-norms>.

FAQs with respect to Investor Service Requests processed by Registrar to an Issue & Share Transfer Agents (RTAs) published by SEBI in its website can be viewed at <https://www.cholamandalam.com/files/sebi-faqs>.

Nomination facility

As per the SEBI circular dated 3 November, 2021, facility for registering nomination is available for 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 to RTA. The said forms can be downloaded from the Company's website <https://www.cholamandalam.com/investors/sebi-norms>. The shareholders holding shares in dematerialised form are requested to submit their nomination form to the concerned depository participants.

Payment of dividend through NACH

The company uses National Automated Clearing House (NACH) facility for payment of dividends directly to the bank accounts of shareholders. The shareholders may use the facility by providing their bank account number to the depository participant / RTA, as may be relevant, to enable the company to effect the dividend payment through the NACH mode.

Green initiative in corporate governance

The Companies Act, 2013 and the underlying rules permit companies to send various documents including the financial statements through electronic mode to the shareholders. In compliance with the circulars issued by MCA and SEBI, electronic copies of the notice of the AGM and annual report for FY 24 will be sent to all the shareholders whose email addresses are registered with the company / depository participants. Shareholders are requested to register their e-mail ID with their depository participant, if the holding is in electronic mode. If shares are held in physical mode, the shareholders are requested to furnish their email addresses to RTA for receiving the above documents by electronic mode.

Details of complaints received and redressed

During the year, four investor complaints relating to correction of name, clarification regarding shares and KYC submission with RTA were received and redressed. No investor complaint was pending as at 31 March, 2024.

Contact details of the designated official for assisting and handling investor grievances

In terms of regulation 46(2)(k) of the Listing Regulations, the contact details of the designated official for assisting and handling investor grievances are as below:

Ms. P. Sujatha, Company Secretary

Chola Crest, C-54 & 55, Super B-4, Thiru-vi-Ka Industrial Estate, Guindy, Chennai – 600032

Phone: 044-40907172 (bd.) 40907055 (d) | Fax: 044-40906464

E-mail: sujathap@chola.murugappa.com | investors@chola.murugappa.com

CREDIT RATING

The credit rating details of the company as at 31 March, 2024 are as follows:

Rating Agency	Term	Type	Rating as on 31 March, 2024	Revisions during the year	Obtained on
ICRA	LT	NCD / SD / CC / TL	[ICRA]AA+ with Positive Outlook	NA	NCD MLD - March 11, 2024 NCD - March 11, 2024 LTL / CC - March 11, 2024
	LT	PD	[ICRA]AA with Positive Outlook	NA	PDI - March 11, 2024
	ST	CP / CDL	[ICRA]A1+	NA	CP - March 11, 2024
CRISIL	ST	CP	[CRISIL]A1+	NA	CP - February 29, 2024
CARE	LT	SD	CARE AA+	NA	SD - December 07, 2022
	LT	NCD	CARE AA+	NA	NCD - January 06, 2023
	LT	PD	CARE AA	NA	PD - December 07, 2022
INDIA Ratings and Research Pvt Ltd	LT	NCD / SD	IND AA+ with Stable Outlook	NA	NCD / SD - March 14, 2024
	LT	PD	IND AA with Stable Outlook	NA	PD - March 14, 2024

Note: Note: LT – Long term loan, ST – Short term loan, NCD – Non-convertible debenture, SD – Subordinated debt instrument, CC – Cash credit, TL – Term loan, CP – Commercial paper, WC DL – Working capital demand loans, PD – Perpetual debt instrument

Payment of unclaimed / unpaid dividend

In respect of unclaimed dividends, the company sends periodical reminders to the shareholders before transferring the unclaimed dividends to the investor education and protection fund (IEPF) established by the central government. The dividends that are lying unclaimed / unpaid with the company for a period of seven consecutive years are transferred from time to time to IEPF. The company has remitted ₹ 0.09 crores to IEPF during the year.

Year wise details of the dividends to be transferred to IEPF are given below:

FY to which the dividend relates	Date of declaration	Due date for transfer to IEPF
2017 - Final	27 July, 2017	31 August, 2024
2018 - Interim	30 January, 2018	06 March, 2025
- Final	26 July, 2018	30 August, 2025
2019 - Interim	30 January, 2019	06 March, 2026
- Final	30 July, 2019	03 September, 2026
2020 - Interim I	12 December, 2019	16 January, 2027
- Interim – II	26 February, 2020	02 April, 2027
2021 - Interim	29 January, 2021	05 March, 2028
- Final	30 July, 2021	03 September, 2028
2022 - Interim	01 February, 2022	08 March, 2029
- Final	30 July, 2022	01 September, 2029
2023 - Interim	31 January, 2023	07 March, 2030
- Final	1 August, 2023	05 September, 2030
2024 - Interim	25 January, 2024	01 March, 2031

Transfer of Equity Shares to IEPF

In accordance with the provisions of section 124 and 125 of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the underlying shares of all dividends which remain unpaid/unclaimed for a period of seven consecutive years be transferred to IEPF. As required under the said rules, the company had published a notice in the newspapers inviting the shareholders attention.

The company had also sent individual communication to the concerned shareholders whose shares are liable to be transferred to IEPF Account. Pursuant to the said rules, the details of such shareholders and shares due for transfer are displayed on the website of the company at <https://www.cholamandalam.com/investors/unclaimed-dividend-amounts>.

During the year, the company had transferred 26,155 shares pertaining to 64 shareholders to the demat account maintained by IEPF authority. Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any, can be claimed from IEPF authority, as per the procedure prescribed in the rules. No claim shall lie in respect thereof with the company.

Unclaimed Suspense Account

Pursuant to regulation 34(3) of the Listing Regulations, the company does not have any shares in the demat suspense account or unclaimed suspense account as on March 31, 2024.

Distribution of Shareholding as on 31 March, 2024

Sl. No.	Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Equity
1	1 – 500	1,48,802	91.26	1,21,54,688	1.45
2	501 – 1000	6,874	4.22	49,05,999	0.58
3	1001 – 3000	4,197	2.57	72,01,668	0.86
4	3001 – 10000	1,685	1.03	91,81,529	1.09
5	10001 – 20000	416	0.26	59,92,122	0.71
6	20001 – 100000	585	0.36	2,69,24,400	3.21
7	100001 and above	494	0.30	77,36,08,556	92.10
TOTAL		1,63,053	100.00	83,99,68,962	100.00

SHAREHOLDING PATTERN

Category (Shares)	As at 31 March, 2024	
	No. of Shares	% of shareholding
Promoter and promoter group	42,29,62,095	50.35
Foreign Portfolio Investors / Foreign Institutional Investors	21,83,83,744	26.00
Mutual Funds / Trust / Banks / Financial Institutions / AIFs / QIBs	14,31,04,884	17.04
Private Corporate Bodies / NBFCs	63,71,407	0.76
Resident Individuals and others	4,91,46,832	5.85
TOTAL	83,99,68,962	100.00

OUTSTANDING GDRs/ADRs ETC.

The company has not issued any GDR / ADR or any convertible instruments that is likely to impact the equity share capital of the company.

COMMODITY PRICE RISK / FOREIGN EXCHANGE RISK AND COMMODITY HEDGING ACTIVITIES

The company is in financial services business and has no exposure to commodity price risk and commodity hedging activities and hence the disclosure pertaining to SEBI circular dated 15 November, 2018 is not applicable. In respect of certain computer related purchases involving payment in foreign currency, the payment is made basis the rate prevailing on the date of payment and as per the terms mentioned in contract. To this extent, if the currency movement is adverse, the payment would be impacted by such currency exposure.

LOCATION

The company's registered office is in Chennai and it operates out of 1,387 branches across the country.

On behalf of the board

Place : Chennai
Date : 30 April, 2024

Vellayan Subbiah
Chairman

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L65993TN1978PLC007576
2	Name of the Listed Entity	Cholamandalam Investment and Finance Company Limited
3	Year of incorporation	17 August, 1978
4	Registered office address	Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai - 600032.
5	Corporate address	Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai - 600032.
6	E-mail	investors@chola.murugappa.com
7	Telephone	044 - 4090 7172
8	Website	www.cholamandalam.com
9	Financial year for which reporting is being done	April 1, 2023 – March 31, 2024
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited
11	Paid-up Capital	168 Crores
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	DIN: 07337155 Name: Mr. Ravindra Kumar Kundu Designation: Executive Director Telephone number: 044 - 4090 7172 E-mail id: kundur@chola.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).	The disclosures under this report are made on standalone basis for Cholamandalam Investment and Finance Company Limited.
14	Name of assurance provider	M/s. Sundaram & Srinivasan, Chartered Accountants
15	Type of assurance obtained	BRSR reasonable assurance has been provided on BRSR core indicators

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
(i)	Financial Services – Lending	The company provides Vehicle Finance, Home Loans, Loan Against Property, Secured Business and Personal Loans Consumer and Small Enterprises Loans and Small and Medium Enterprises Loans.	94.75%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
(i)	Financial Services (Lending) - Vehicle Finance, Home Loans, Loan Against Property, Secured Business and Personal Loans, Consumer and Small Enterprises Loans, and Small and Medium Enterprises Loans (SME).	K649	94.75%

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

Location	Number of plants	Number of offices	Total
National	0	1,387	1,387
International	0	0	0

19. Markets served by the entity:**a. Number of locations**

Locations	Number
National (No. of States)	26 States / 6 Union Territories
International (No. of Countries)	0

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

Not Applicable

c. A brief on types of customers

The company primarily focuses on retail customers comprising first time borrowers (FTB), new to credit customers (NTCC), unserved and the underserved, and micro business owners thereby ensuring financial inclusion and economic upliftment. Following are the types of customers based on products:

- a. Vehicle Financing: Focus on transport entrepreneurs, FTB and NTCC predominantly in geographies with limited presence of banks and other organized financiers
- b. Loan against Property: Focus on lending to small business entrepreneurs against the collateral of self-occupied residential property, commercial office property etc.,
- c. Affordable Housing: Self-Construction Loans, Loans for Purchase of Resale Flat/Independent Houses, Loans for Purchase of New Flat/Independent House, Loans for Mixed-Use (Residential with small commercial unit), Home-Extension Loans, Balance Transfer of Existing Loans from other financiers
 - i. focus on underserved customers in tier III, IV, V, VI cities to enable them to achieve their dream of owning a home
 - ii. customers from unorganized segments who receive their salaries in cash
 - iii. women borrowers
- d. Secured Business & Personal Loans: Funding to the under-served self-employed non-professional customers (eg. grocery shop, dairy owners, unskilled labourers, low salaried/cash salaried workers).
- e. Small & Medium Enterprise Loans: business loans created exclusively for small and medium enterprises to grow and diversify their business by 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, 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 requirement.
- f. Consumer & Small Enterprise Loans: offers personal loans, business loans and professional loans through unsecured lending to retail customers including NTCC through partnership business to support lower income segment people, salaried, self employed and proprietorships/partnerships etc.

IV. Employees**20. Details as at the end of Financial Year:****a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	38,235	37,164	97%	1,071	3%
2.	Other than permanent (E)	6	5	83%	1	17%
3.	Total employees (D+E)	38,241	37,169	97%	1,072	3%
Workers						
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	Total workers (F + G)					

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	18	17	94%	1	6%
2.	Other than permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D+E)	18	17	94%	1	6%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)		Not Applicable			
5.	Other than permanent (G)					
6.	Total differently abled workers (F+G)					

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors#	6	1	16.67 %
Key Management Personnel	2	1	50%

#includes executive director, who is also the KMP of the company.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	32.87%	23.92%	32.61%	18.30%	16.20%	15.36%	15.3%	18.5%	15.4%
Permanent Workers	Not Applicable								

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23. (a) Names of holding / subsidiary / associate companies / joint ventures**

S.No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / or 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 Financial Holdings Limited	Holding	-	No
2	Cholamandalam Securities Limited	Subsidiary	100%	No
3	Cholamandalam Home Finance Limited	Subsidiary	100%	No
4	Payswiff Technologies Private Limited*	Subsidiary	74.68%	No
5	Vishvakarma Payments Private Limited	Associate	21%	No

*For the purpose of preparation of Financial Statements under IND AS, the company is treated as joint venture applying principles of IND AS 28.

VI. CSR Details**24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes

(ii) Turnover (in ₹) - ₹ 18,845.22 Cr

(iii) Net worth (in ₹) - ₹ 19,556.51 Cr

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 2023-24			FY 2022-23		
		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	Yes https://www.cholamandalam.com/files/business-responsibility-policy	0	0	--	0	0	--
Investors (other than shareholders)	Yes https://www.cholamandalam.com/files/business-responsibility-policy	0	0	--	0	0	--
Shareholders	Yes https://www.cholamandalam.com/files/business-responsibility-policy	4	0	--	6	0	--
Employees and workers	Yes https://www.cholamandalam.com/files/whistle-blower-policy	1	0	--	0	0	--
Customers	Yes https://www.cholamandalam.com/contact-us/grievance-redressal	1,308	50*	--	747	0	--
Value Chain Partners	Yes https://www.cholamandalam.com/files/business-responsibility-policy	0	0	--	0	0	--
Other (please specify)		Not Applicable					

*all the cases have been closed as of April 2024

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

S. No.	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	O	To fulfil the company's corporate vision to enable customers to enter a better life		Positive Implication
2	Corporate Governance (Transparency and Disclosures)	O	Ethical governance is central to the Company's values and way of doing business		Positive Implication
3	Data Privacy and Cyber Security	R	To ensure protection of customers' personal data and privacy and compliance with applicable regulations	The company has secured 100% of its customers' data in 1380+ branches and have deployed the latest multi-layer protection technology company – wide, including encryption tools to protect stakeholders' personal information against breaches of privacy. The company has supported employees with awareness and training programs in order to maintain cyber privacy and security.	Negative Implication
4	Regulatory Compliance	R	Ensures adherence to all applicable regulations and monitoring of upcoming regulations.	The company conducts its business with highest level of compliance of all regulatory and legal norms and does not carry out any activities which are in breach of the regulatory requirements. Compliance plays a key role in responsible lending and the company strives to ensure complete adherence to the regulatory requirements.	Positive Implication
5	Employee Growth and Development	O	Catalyzes employee potential to enable professional and personal growth.		Positive Implication
6	Employee Wellbeing (Health and Safety)	O	Enables employees to develop health as a personal asset and emphasizes the company as an organization that prioritizes employee wellbeing		Positive Implication

	Positive Implication	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)
7	Customer Support and Satisfaction	O	To be the preferred choice for customers' financial needs		Positive Implication
8	Geographical Expansion	O	Enables greater financial inclusion of Indians across the country		Positive Implication
9	Human Rights	O	Ensures respect for individual rights and minimizes discrimination on grounds of demographic and social differences		Positive Implication
10	CSR	O	The company's brand is leveraged as a force for good to support community development		Positive Implication
11	Branding and Reputation	O	Enhances credibility and trust among diverse stakeholders, emphasizes the company's reputation as an ethically managed business.		Positive Implication
12	Climate Change (emissions, renewables/ energy efficiency)	R	This has implications for managing impact on the climate and is key to transitioning to a carbon neutral business	The company has proactively undertaken several measures due to which the new office buildings of the company will necessarily follow sustainable design and architecture principles and be LEED (Leadership in Energy and Environmental Design) certified green buildings.	Positive Implication
13	Operational eco- efficiency and emission Waste	O	Represents responsible operations and management of waste in compliance with the applicable regulations		Positive Implication
14	Diversity and Inclusiveness	O	Reiterates the company's commitment to social inclusion and merit-based engagement of employees, customers, suppliers etc		Positive Implication
15	Local Employment	O	Ensures financial inclusion and enables a sensitive understanding of customers' socio – cultural context and needs		Positive 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 National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
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://www.cholamandalam.com/investors/company-policy								
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.			ISO 30408:2016						ISO 9001:2015 Quality Management System
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Ensure 0% data breaches in customer data protection	Increase EV loan disbursements by 5% YOY from 2023-2025	To achieve and sustain Zero accident culture through the company's road safety awareness initiatives and programs. Implement digitization solutions for enhanced learning and development purposes.			Achieve green building status for corporate office by 2024. Replace 100% of CFL lighting with LED systems at all operations by 2025. Reduce water consumption across the company operations through efficient water flow solutions			Attain ISMS certification by the year 2025

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	0% breach in data security in FY 2023-24	EV disbursement target of 5% improvement Y-o-Y was achieved and exceeded. ₹ 298.41 cr disbursed in FY 24, while ₹ 115 Cr was disbursed in FY 23.	To achieve zero accident culture e-modules are assigned to all the employees and road safety mailers are circulated periodically.			Green building status will be achieved in 2024; 100% of branches were fitted with water aerators			Stage 1 audit completed for ISO 27001 in applicable Information Technology domains

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)

I am pleased to present the BRS report of Cholamandalam Investment and Finance Company Limited, committed to drive positive change in the society and environment. The range of solutions offered by the company includes Vehicle Finance, Home Loans, Loan Against Property, Secured Business and Personal Loans, Consumer and Small Enterprises Loans and Small and Medium Enterprises Loans.

The company recognises that it has the dual responsibility of ensuring sustainable finance and protect the environment in its day-to-day activities.

Additionally, the company has transitioned itself to digital processes to reduce paper wastage and embraced energy-efficient lighting fixtures and electronic equipments to conserve energy. Water-saving measures have also been adopted to optimise the usage of water.

Chola is fully dedicated to promote Environmental, Social and Governance (ESG) practices. The company has incorporated ESG principles into its operations and are committed in creating a sustainable future for all.

Ravindra Kumar Kundu
Executive Director

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Ravindra Kumar Kundu Executive Director DIN: 07337155
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, the company has a committee of the board to monitor various aspects of social, environmental and governance responsibilities of the Company. The company's business responsibility performance is reviewed by the CSR Committee and board of directors on a periodic basis. During the year, the CSR committee/board discussed and reviewed the update on the sustainable and responsive business conduct initiatives. In addition, the risk management committee also assesses internal/external risks pertaining to sustainability as identified

10. Details of Review of NGRBCs by the Company:

	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	Board Committee									Quarterly								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Steering Committee									Quarterly								

Section B: Management and process disclosures

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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.	No, the company has in place an internal task force which evaluates the working of this policy.								

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

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	5	The company ESG strategy awareness (BRSR Principle 1-9)	100%
Key Managerial Personnel	5	The company ESG strategy awareness (BRSR Principle 1-9)	100%
Employees other than BoD and KMPs	50	Employees of the company undergo various training programmes throughout the year. Trainings undertaken during the year includes Induction data as 5 Lights, ESG (Principle 1 & 6), Business Continuity Plan (Principle 2), Mental Health, Defensive driving (Principle 3), POSH (Principle 5), Fair Practice Code, KYC guidelines (Principle 7)	70%
Workers	Not Applicable		

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					
	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					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	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
	Not applicable

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.

Yes, the company has an anti-bribery policy in place. The policy extends to the company, its subsidiaries and its business associates. The company's commitment to ethical and lawful business conduct is a fundamental shared value of the board of directors, the senior management, and all employees of the company. The company adopts highest governance standards, and its employees adhere to the robust "Code of Conduct and Ethics Policy". The employees are also required to comply with relevant legal, regulatory, and internal compliance requirements in letter and spirit. Web link: <https://www.cholamandalam.com/investors/company-policy>

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

	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs		
Employees		
Workers		

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

	FY 2023-24	FY 2022-23
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		

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.

Not Applicable

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

	FY 2023-24	FY 2022-23
Number of days of accounts payables	Not Applicable *	Not Applicable *

*Considering the nature of business of the entity, cost of goods sold/services procured cannot be ascertained & 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 24	FY 23
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
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)	0.24%	0.17%
	d. Investments (Investments in related parties / Total Investments made)	12.61%	14.90%

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	%age of value chain partners covered (by value of business done with each partner) under the awareness programmes
NA	NA	--

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. Please refer Code of Conduct for Directors and Senior Management <https://www.cholamandalam.com/files/code-of-conduct-board-senior-management>

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**

	FY2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	Not Applicable		
Capex	3.05 (0.28%)	8.30 crores	Replacement of all the CFL's to LED's across all our operations
	0.20 (0.02%)		Solar panels are incorporated for head office premises.
	8.99 (0.84%)		Energy Saving and reduction of carbon foot print must be weighed carefully, wherever applicable, before making a procurement decision, so we procure electronics based on the star rating
	0.11 (0.01%)		Water Treatment
	0.46 (0.04%)		EV vehicles for employees
	0.78 (0.07%)		In our quest to be a technology-led _financial services leader, Chola's digital initiatives focus on elimination of friction at process and data level for all participants across the product value chain – customers, employees, and ecosystem partners. For customers this includes digital processes that deliver seamless user experience across personal and _financial profile portions of customer journey, offer a paperless flow during onboarding, and provide a wide array of digital options for disbursement & payment processing.
	0.13 (0.01%)		Water and light sensor- reduce company's environmental footprint and to decarbonize

2. a. Does the entity have procedures in place for sustainable sourcing?

Yes, the company have procedures in place for sustainable sourcing

2. b. If yes, what percentage of inputs were sourced sustainably?

Yes, the company has a policy for sustainable sourcing, that covers recycled A4 sheets for its head office and central processing unit. In FY 24, 100% of A4 sheets used at these locations were sourced sustainably.

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 (Hazardous waste and (d) other waste.

Not Applicable

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 - No

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
Not Applicable					

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
Not Applicable		

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 2023-24	FY 2022-23
Not Applicable		

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:

	FY 2023-24			FY 2022-23		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	Not Applicable			Not Applicable		
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
Not Applicable	

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	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	37,164	28,620	77%	25,401	68%	NA	NA	37,164	100%	4	0.01%
Female	1,071	806	75%	733	68%	806	75%	NA	NA	6	0.02%
Total	38,235	29,426	77%	26,134	68%	806	2%	37,164	97%	10	0.03%
Other than Permanent Employees											
Male	5	5	100%	0	0%	0	0%	0	0%	0	0%
Female	1	1	100%	0	0%	0	0%	0	0%	0	0%
Total	6	6	100%	0	0%	0	0%	0	0%	0	0%

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	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent Workers											
Male	Not Applicable										
Female											
Total											

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

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.48%	0.43%

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

Benefits	FY 2023-24			FY 2022-23		
	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/NA)	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/NA)
PF	100%	Not Applicable	Yes	100%	Not Applicable	Yes
Gratuity*	100%		Yes	100%		Yes
ESI*	100%		Yes	100%		Yes
Others – please specify	-	-	-	-	-	-

*Applicable for eligible employees

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 premises / offices of the entity are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016. Branches in Tier III, Tier IV, Tier V and Tier VI cities may not always have such facilities as all our branches are rented facilities.

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 company has implemented equal opportunity policy across all its operating facilities in accordance with the Rights of Persons with Disabilities Act, 2016. The policy is available to all our employees through the company's intra-net portal.

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	94.1%	90.9%	NA	NA
Female	77.7%	78.5%	NA	NA
Total	85.97%	84.74%	NA	NA

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	Not Applicable
Permanent Employees	Yes. The company has a whistle blower policy which <i>inter-alia</i> lays down the process to be followed for dealing with concerns / complaints raised under vigil mechanism. https://www.cholamandalam.com/files/whistle-blower-policy
Other than Permanent Employees	

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

Category	FY 2023-24			FY 2022-23		
	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)	% (C / D)
Total Permanent Employees	Nil					
Male						
Female						
Total Permanent workers	Not Applicable					
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	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	37,164	8,626	23%	10,339	28%	12,814	4,184	33%	7,265	57%
Female	1,071	442	41%	226	21%	434	150	35%	175	40%
Total	38,235	9,068	24%	10,565	28%	13,248	4,334	33%	7,440	56%
Workers										
Male	Not Applicable									
Female										
Total										

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	37,164	11,492	31%	12,814	7,953	62%
Female	1,071	391	37%	434	233	54%
Total	38,235	11,883	31%	13,248	8,186	62%
Workers						
Male	Not Applicable					
Female						
Total						

*eligible employees are covered under performance and career development review

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 of such system?**

Yes, the company aims to inculcate a culture of 'behaviour safety' across the business operations through a strengthened occupational health and safety management system. This will enable better safety practices and emergency preparedness and response among employees.

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 company uses employee feedback and walk-through approach across all locations to identify work-related hazards and risks on a regular basis.

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

Not Applicable

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

Yes

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

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	0	0
	Workers	Not Applicable	Not Applicable
No. of fatalities	Employees	0	0
	Workers	Not Applicable	Not Applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	Not Applicable	Not Applicable

*Including in the contract work force

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The company has given safety in workplace the utmost importance. It upholds the highest standards of health, safety and wellbeing for its employees. The company has a dedicated environment health and safety team that focuses on this aspect. At the workplace, the company has made it mandatory for all its employees to wear a helmet while commuting to office. The employees are covered under health and accident insurance. It is also made sure that a doctor is available all the time to cater to any incidents in the office. Moreover, safety measures are taken in the office premises like sign boards on electrical devices, emergency exit marking, and fire extinguishers. The employees are also provided with regular safety awareness programs.

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

	FY 2023-24			FY 2022-23		
	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	0	0	--	0	0	--
Health & Safety	0	0	--	0	0	--

14. Assessments for the year:

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

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 has been no concern or significant risk arising from health & safety practices and working conditions, hence, no corrective action taken.

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of:**

(A) **Employees** - Yes

(B) **Workers** - Not Applicable

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

A clause to ensure compliance with statutory acts have been made mandatory as part of the engagement agreements executed with value chain partners (material vendors).

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:

	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 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil	Nil	Nil	Nil
Workers	Not Applicable			

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?

No

5. Details on assessment of value chain partners:

	% 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 has been 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 company 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 includes customers, local communities, NGO partners, Investors, Regulators, Banks and Employees.

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
Customers	No	Digital platforms and applications. In - person engagement	Periodic	<ul style="list-style-type: none"> Product customization and personalization Consistently enable better lives for a larger number and diverse segments of Indians Ensure protection of personal information Consistent improvement in customer satisfaction

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
Local Communities	Yes	Corporate social responsibility initiatives	Periodic	<ul style="list-style-type: none"> Improved quality of life via improved health and access to education and skill development Preservation of natural resources and environment Disaster relief (as required) Supporting cultural heritage
NGO partners	No	Corporate social responsibility initiatives	Periodic	<ul style="list-style-type: none"> Managerial support and capacity building
Investors	No	Press releases and publications; Investor conferences; Annual General Meeting; Stock exchange announcements; Website disclosures; Through RTA(Registrar and Transfer Agent)	Periodic	<ul style="list-style-type: none"> Updating the financial performance Business updates ESG performance Understanding shareholders expectations
Regulators	NA	Mandatory compliance filings; in person meetings	Periodic	<ul style="list-style-type: none"> Statutory compliance requirements: governance, social, environmental Filing online returns through FIDC/SICCI/SIHPA (Finance Industry Development Council/ Southern India Chamber Of Commerce And Industries/ South India Hire Purchase Association)
Banks	No	In person and online meetings	Periodic	<ul style="list-style-type: none"> Transparent financial transactions Timely repayment of debt
Employees	No	Internal communication platforms; E-learning platforms and capability development program Employee connect tool and personalized help desk	Periodic	<ul style="list-style-type: none"> Continuous value creation Fulfilment of company's vision, mission and achieving sustainability objectives Professional capacity building

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 company 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 communications.

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. The key ESG material issues of the company have been identified in consultation with various stakeholders. Activities and implementation plans 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 company's vehicle finance and home loan business offer a highly diversified range of products in diverse rural, semi – urban and urban geographies ensuring financial inclusion of especially those who are disadvantaged, vulnerable and marginalized. The company believes that affordable and appropriate access to financial services is a key driver of economic growth, poverty alleviation and prosperity. Hence, the company provides finance for home loans, acquisition of new assets for economic upliftment as well as for working capital/ vehicle maintenance, and financing insurance to protect their assets and life.

The company has set up 90% of its branches in Tier-III, Tier-IV, Tier V and Tier-VI towns ensuring financial inclusion. With reference to Reserve Bank of India circular (RBI-circular no RBI/2016-17/60 dated 1 September, 2016) the company has 250+branches in the under-banked districts identified by RBI.

Further to this, the company also has a corporate social responsibility committee in place which works on strategies to include expectations of different stakeholders including customers & communities who are at the bottom of the social pyramid. The company initiates various projects through their CSR initiatives for the upliftment of the stakeholders. The major focus areas of CSR are:

- Health Care,
- Water & Sanitation,
- Education,
- Arts & Culture,
- Sports,
- Rural Development,
- Environmental Sustainability,
- Research and Development,
- Road Safety.

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 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	38,235	10,622	28%	13,248	5,248	40%
Other than permanent	0	0	0	0	0	0
Total	38,235	10,622	28%	13,248	5,248	40%
Workers						
Permanent	Not Applicable					
Other than permanent						
Total						

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

Category	FY 2023-24					FY 2022-23				
	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)	No. (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	38,235	-	0	38,235	100%	13,248	-	0	13,248	100%
Male	37,164	-	0	37,164	100%	12,814	-	0	12,814	100%
Female	1,071	-	0	1,071	100%	434	-	0	434	100%
Other than Permanent	6	-	0	6	100%	8	-	0	8	100%
Male	5	-	0	5	100%	6	-	0	6	100%
Female	1	-	0	1	100%	2	-	0	2	100%
Workers										
Permanent	Not Applicable									
Male										
Female										
Other than Permanent										
Male										
Female										

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Number	Male	Female
		Median remuneration/ salary/ wages of respective category (₹ in crores)	Median remuneration/ salary/ wages of respective category (₹ in crores)
Board of Directors (BoD)	5	0.37	0.33
Key Managerial Personnel	1	3.36	2.06
Employees other than BoD and KMP	11,796	0.07	0.06
Workers	Not Applicable		

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

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	2.84%	3.33%

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.

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

The company is committed to providing a safe and positive work environment. The company has in place the diversity policy, policy on prevention of sexual harassment at workplace and whistle blower policy to redress grievances related to human rights.

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

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Filed during the year	Pending resolution at the end of year		Filed during the year	Pending resolution at the end of year	
Sexual Harassment	Nil	Nil		Nil	Nil	
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour						
Wages						
Other human rights related issues						

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

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	NA	NA
Complaints on POSH upheld	NA	NA

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

Concerns on discrimination and harassment are dealt with confidentiality. The whistle blower policy and policy on prevention of sexual harassment at workplace includes a mechanism that provides for adequate safeguards against victimization of employees, customers, directors who avail of the mechanism.

9. Do human rights requirements form part of your business agreements and contracts?

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% assessment has been carried out As a part of Recruitment policy, the company does not engage child labour in any of its branches. The same is verified by the labour inspectors during audit visits.
Forced/ involuntary labour	100% assessment has been carried out The company's disciplinary actions does not have any provision to award punishment / penalty to employees. Also, there has been no situation wherein employees were asked to work involuntarily
Sexual harassment	100% assessment has been carried out The company has in place a policy on prevention of sexual harassment at the workplace and it is reviewed by internal complaints committee periodically. During FY24, no complaints/referrals were received by the Committee.
Discrimination at workplace	100% assessment has been carried out As a part of Recruitment policy, the Company does not discriminate either on sex or caste or otherwise. If a person fulfils the qualification/knowledge/skill requirement required for the role, the candidate would be considered without any discrimination.
Wages	100% assessment has been carried out The company is complying with wages payable as per the Minimum Wages Act, 1948 and complying with wages being notified by the State Governments. There is a mechanism also in place to check on wages paid on a monthly basis. As Company's wage period is monthly as per Payment of Wages Act, 1936, wages to employees are being paid on last working day of the calendar month. This aspect is being inspected by labour authorities periodically.
Others – please specify	Nil

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 at the branches. Hence, no corrective action has been taken.

Leadership Indicators

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

None. There has been no grievance or complaints received by the company for human rights violation. The company is of the belief that it has upheld the basic principles of human rights in all its dealings. The company has implemented a Code of Conduct for all its employees, senior management, and Board of Directors.

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

The assessment was conducted across the business operations of a wide range of human rights issues including 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 company has ramp/wheelchair facility in Head Office, central processing unit and in few branches. In line with the Rights of Persons with Disabilities Act, the company is taking appropriate steps and measures to improve access to differently able visitors across all our main branches.

4. Details on assessment of value chain partners:

	% 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 Labour/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

There has been no significant risk / concerns arising from assessment. Hence, no corrective action has been 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:

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (in GJ) (A)#	34.2	0
Total fuel consumption (in GJ) (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	34.2	0
From non-renewable sources		
Total electricity consumption (D)	71,497.37	57,539
Total fuel consumption (E)*	5,076.04	2,606
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	76,573.41	60,145
Total energy consumed (A+B+C+D+E+F)	76,607.61	60,145
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) GJ/INR	3.98	4.63

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

Parameter	FY 2023-24	FY 2022-23
From non-renewable sources		
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	93.72234	107.9962
Energy intensity in terms of physical output	Not Applicable	Not Applicable
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: 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, Sundaram & Srinivasan, Chartered Accountants has provided reasonable assurance on BRSR.

#Chola started using renewable energy from Feb'24 onwards only

*The diesel consumption for Genset in shared premises is treated as part of rent and cannot be quantified

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.

No

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

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	--	--
(ii) Groundwater	--	--
(iii) Third party water (Municipal Water Supply)	--	--
(iv) Seawater / desalinated water	--	--
(v) Others	--	--
<i>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</i>	--	--
Total volume of water consumption (in kilolitres)	--	--
Water intensity per rupee of turnover (Water consumed KL / turnover)		
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	--	--
Water intensity in terms of physical output	--	--
Water intensity (optional) – the relevant metric may be selected by the entity	--	--

Water usage is limited to human consumption only and the Company has installed tap aerators to reduce water consumption. We aim to and are committed to continue to manage water consumption and withdrawal in a judicious manner.

Note: 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, Sundaram & Srinivasan, Chartered Accountants has provided reasonable assurance on BRSR.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
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	-	-
With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Water usage is limited to human consumption only and the company has installed tap aerators to reduce water consumption.

Note: 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, Sundaram & Srinivasan, Chartered Accountants has provided reasonable assurance on BRSR.

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

No

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

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NO _x	MT/m ³	Not Applicable	Not Applicable
SO _x	MT/m ³		
Particulate matter (PM)	MT/m ³		
Persistent organic pollutants (POP)	-		
Volatile organic compounds (VOC)	-		
Hazardous air pollutants (HAP)	-		
Others – please specify	-		

Note: 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, Sundaram & Srinivasan, Chartered Accountants has provided reasonable assurance on BRSR.

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

Parameter	Unit	FY 2023-24	FY 2022-23
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	377	194
Total Scope 2 emissions (Break-up of the GHG into, CO ₂ , CH ₄ , N ₂ O, HFCs, PF Cs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	15,690	12,627
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Tonne CO ₂ per INR crores	0.84	0.99
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)	Tonne CO ₂ per INR crores	19.66	23.01
Total Scope 1 and Scope 2 emission intensity in terms of physical output		Not Applicable	Not Applicable
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: 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, Sundaram & Srinivasan, Chartered Accountants has provided reasonable assurance on BRSR.

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

Yes, The company is financing electric vehicle loans as a step towards creating a green and clean future.

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

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Not Applicable	Not Applicable
E-waste (B)	11.77	0.608
Bio-medical waste (C)	Not Applicable	Not Applicable
Construction and demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	Not Applicable	Not Applicable
Radioactive waste (F)	Not Applicable	Not Applicable
Other Hazardous waste. Please specify, if any. (G)	Not Applicable	Not Applicable
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	9.45 (Carton, White Paper, Colour Paper, New paper, Tissues, Paper Cups, Mixed Paper, Metal Waste)	7.5 (Carton, White Paper, Colour Paper, New paper, Tissues, Paper Cups, Mixed Paper, Metal Waste)
Total (A+B + C + D + E + F + G+ H)	21.23	8.108

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes) (Contd.)		
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0011	0.0006
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.02	0.01
Waste intensity in terms of physical output	Not Applicable	Not Applicable
Waste intensity (optional) – the relevant metric may be selected by the entity		
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	9.46	7.50
(ii) Re-used	--	--
(iii) Other recovery operations	11.77	0.61
Total	21.23	8.11
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	--	--
(ii) Landfilling	--	--
(iii) Other disposal operations	--	--
Total	--	--

Note: 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, Sundaram & Srinivasan, Chartered Accountants has provided reasonable assurance on BRSR.

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.

The company is cognizant of the environmental impact on improper management of e-waste and has adopted a strong e-waste management practice to minimize adverse outcomes. The company strives to make sure that e-waste is disposed of in the most scientific way. The company has also adopted a tool that monitor print usage by each user, which helps in educating the users on sensitiveness of paper/saving trees.

The company has also transitioned all paper – related processes to a digital platform and carry out minimal manual documentation. The company has started promoting the use of recycled paper in FY 24 and has taken steps across the organization that allow for more efficient paper usage.

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:

S. No.	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.
Not applicable as there are no operations near above-mentioned zones.			

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
Not Applicable					

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:

Yes, the company is compliant with applicable laws.

S. No.	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 taken, if any action
-	-	-	-	-

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:

- Name of the area
- Nature of operations
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
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)	--	--

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

Parameter	FY 2023-24	FY 2022-23
Total volume of water consumption (in kilolitres)	--	--
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)	--	--

Note: 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 2023-24	FY 2022-23
Total Scope 3 emissions	Metric tonnes of CO2 equivalent	29,502.05	18,058
Total Scope 3 emissions per rupee of turnover	Tonne CO2 per INR crores	1.54	1.39
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	Nil	Nil

Note: 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

3. 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.

Not applicable

4. 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:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Sustainable Financing	The Company's efforts are on sustainable financing with a target to support the cause of greener environment through electric vehicle financing and attempting to increase loan disbursements to electrical vehicles. https://www.cholamandalam.com/esg	For the details of the outcome achieved please refer Section B - Management and process disclosures

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

Yes, the company has established a robust Disaster Recovery as well as business continuity plans which has enabled the company to run critical functions efficiently. The business continuity team is responsible to carry out activities to ensure continuity of business. The required training programs are conducted as a measure for the employees to be prepared in times of emergency / crisis.

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 the business, there has been no adverse impact to the environment

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

Nil

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 company has affiliations with 4 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.

S. No.	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

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
No adverse orders were received from regulatory authorities		

Leadership Indicators

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

S. No.	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
Not Applicable					

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)
Not Applicable						

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

The company carries out a needs assessment after a project is implemented. The grievance of the community is received through this practice. The company takes suitable action to redress the issues of the community at the end of the assessment.

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers*	9%	19%
Directly from within India*	100%	100%

*Not Applicable considering the business model of the Company

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 2023-24	FY 2022-23
Rural	20%	12%
Semi-urban	55%	58%
Urban	3%	3%
Metropolitan	22%	27%

(Place categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

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
Not Applicable	

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

S. No.	State	Aspirational District	Amount spent (₹ in INR)
1	Andhra Pradesh	Visakhapatnam	10,11,220.00
2	Bihar	Aurangabad	16,42,160.00
3		Kaimur	4,62,882.00
4	Gujarat	Kachchh	1,00,00,000.00
5	Haryana	Palwal	50,00,000.00
6	Madhya Pradesh	Jhabua	4,62,882.00
7		Satna	4,62,882.00
8	Odisha	Dhenkanal	4,62,282.00
9		Nayagarh	15,00,000.00
10	Tamil Nadu	Ramanathapuram	21,08,000.00
11		Sivaganga	31,72,000.00
12		Perambalur	15,62,500.00
13		Pudhukottai	15,86,000.00
14		Karur	15,62,500.00
15		Nilgiris	13,12,500.00
16		Villupuram	4,37,500.00
17	Uttar Pradesh	Gorakhpur	4,62,282.00
18		Prayagraj	4,62,282.00
19	Uttarakhand	Haridwar	37,40,000.00

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

No

b) From which marginalized /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

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:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

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
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S.No	CSR Project	"No. of persons benefited from CSR Projects"	% of Women and Children
1	Training of players of Blind Women's Football competing in Paralympic	20	100%
2	Supporting Arts Scholars in Dakshinchitra	7	86%
3	Support towards Cancer treatment for Children	57	37%
4	Training of young women Golf Player Ms. Avani Prashanth	1	100%
5	Financial Literacy plus allied services for commercial vehicle crew members and their family	35,000	59%
6	Eureka School Enrichment Project providing holistic learning atmosphere to rural children	287	99%
7	Scholarship Program in Telangana, Odisha, Rajasthan	105	64%
8	Support towards training of women Golf Player Ms Sneha Sing	1	100%
9	Support towards training of women Golf Player Ms. Seher Kaur Atwal	1	100%
10	The gift of life-Heart Surgeries for Congenital Heart Disorder	100	36%
11	Cholamandalam-Strengthening the Maternal Health of newly mother through pre and post maternal period.	84	100%
12	Chola -Pragati - Integrated Rural Health and Development Project	164	-
13	Swachha Odisha Gram Vikas	50	20%
14	Lathe Machine for WORTH Technical Training Centre	21	-
15	My Dream Scholarship in Tamil Nadu	303	65%
16	ISHA Action for Rural Rejuvenation	150	59%
17	A preventive health care residential Program for Inner Transformation - Sadhanapada	1,030	37%
18	ISHA Farmer Producer Organisation	100	10%
19	Yogic practices and Kriya meditation towards preventive healthcare and tackling lifestyle disorders	1,00,000	44%
20	Holistic Initiative to improve quality of life of Commercial Vehicle Crew Members in Assam	613	15%
21	Raahi - Eye Check-Up and Health Awareness for the Trucking Community	1,44,986	-
22	Quality Eye health services to rural communities and improve their vision related quality of life in Aurangabad, Bihar	35,262	69%
23	Construction of toilets in school to improve hygiene facility in Ramanathapuram	1,229	100%
24	Installation of STP tanks in rural village to improve the overall quality of life for the residents of Ghoramara Village Assam	2,340	65%
25	Providing Holistic Development for Individuals with Hearing Disabilities	80	44%
26	Support towards training of young women Golf Player Ms. Diksha Dagar	1	100%
27	Supporting towards training of young chess players Master Pranesh and Master Daakshin	2	-
28	Strengthening Maternal Health of newly mother through pre and post maternal period.	117	100%
29	The gift of life-Heart Surgeries for Congenital Heart Disorder	10	40%

6. Details of beneficiaries of CSR Projects: (Contd.)

S.No	CSR Project	"No. of persons benefited from CSR Projects"	% of Women and Children
30	Livelihood Skills for the Youth and Women Empowerment in Pulliyanthop	108	91%
31	Support towards training of Golf Player Sumit Kotwal	1	100%
32	Support towards training of Golf Player Vishnu Vijay	1	100%
33	Chola Noble Educational Infra Support	185	47%
34	Scholarship for perusing higher education in Tamil Nadu	16	63%
35	Scholarship for rural children of Nagpur	22	55%
36	Support towards International Wheelchair Tennis Player Mariappan Durai	1	100%
37	Health camps and HealthCare Wellness program for rural areas of Balasore Odisha	334	48%
38	Health Camps and mobility aids for elderly persons in remotely villages of Odisha	341	44%
39	Early Intervention of Children and Adult with Hearing Loss	1,513	83%
40	Primary healthcare through Mobile Health Van in Valsad Sarigam	18,052	54%
41	Primary healthcare through Mobile Health Van in Sonitpur Dhekiajuli	18,772	58%
42	Primary healthcare through Mobile Health Van in Haridwar Jhabrera	15,418	47%
43	Primary healthcare through Mobile Health Van in Kanyakumari Nagercoil	15,155	26%
44	Primary healthcare through Mobile Health Van Sivagangai S. Pudur	18,236	31%
45	Construction of new OP block in AMM Hospital Pallathur Sivagangai to provide quality health care services to the rural population.	74,955	77%
46	Renovation of AMM Hospital for affordable medical care services to a large needy population in Pallathur Sivagangai	74,955	77%
47	Provide facilities and quality football training to children from economically weaker sections in Murugappa youth Football Academy	370	-
48	NANNEER- Water Body Rejuvenation Project- Karur, Tirupur and Erode District	7,000	-
49	Individual and group counselling for students and teachers for holistic educational environment	1,400	-
50	Murugappa Science project (science Centre + Mobile Science Labs), sivagangai	21,522	50%
51	Scholarship for students in Murugappa Across Tamilnadu	138	56%
52	Construction of toilets and renovation work in Vellayan Chettiar Higher Secondary School	2,330	50%
53	Comprehensive scholarship and support program for students at Murugappa Polytechnic College, Vellayan Chettiar School	1,354	11%
54	Ambulance service for transporting patients from remote locations in Koratty, Kerala to the nearest government or private hospitals	17,000	-
55	Active Aging Centre to enhance physical and mental health of the aged persons in Koratty Kerala	57	77%
55	Active Aging Centre-Koratty-Kerala	77%	

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.**

The company has a multi - level grievance redressal system in place to address complaints received from customers, that adheres to the requirements of the RBI's Ombudsman Scheme.

The mechanism is as follows:

Level 1: written requests from registered email ids.

Level 2: If the resolution provided at Level 1 does not meet the expectation, approach Customer Service Head through telephone or in writing.

Level 3: If the resolution provided at Level 2 does not meet the expectation, approach the Grievance Redressal Officer through telephone or in writing.

Level 4: If the customer's query or complaint is not resolved within a period of one month from date of complaint the customer may also approach the RBI Ombudsman / Regional Office of Dept. of Supervision - RBI

The company takes the ownership and responds to all customer complaints within turnaround time with applicable resolution.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

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

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	--	0	0	--
Advertising	0	0	--	0	0	--
Cyber-security	0	0	--	0	0	--
Delivery of essential Services	0	0		0	0	
Restrictive Trade Practices	0	0	--	0	0	--
Unfair Trade Practices	0	0	--	0	0	--
Other (Product related)	1,308	50*	--	747	0	--

*all the cases have been closed as of April 2024

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

	Number	Reasons for recall
Voluntary recalls		Not Applicable
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, the company's IT policy and related framework for data privacy and security are formulated to minimize risks associated with customers' privacy and cyber security. <https://www.cholamandalam.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.

Not Applicable. However, the company's Cyber & Brand threats are being monitored real time. Threat indicators are being live monitored and reviewed. True positive alerts will undergo legal and take-down actions.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches - Nil
- Percentage of data breaches involving personally identifiable information of customers - NA
- 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 information on the products can be accessed on the company website, the Chola App, and other associated brand's website such as the company's customer facing application and Gaadi Bazaar platform. It can also be accessed through <https://www.cholamandalam.com/>

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

The customers are made aware about the product usage through a list of Do's and Don'ts which is given on the company's website <https://www.cholamandalam.com/contact-us/dos-and-donts>. The list specifies the steps that a customer to be kept in mind to avoid malpractice or fraud. They are also made aware of the process on how a customer can know about their loan period, the EMI amount and the ways in which they can repay it. Feedback on SMS is also requested from customers on the service provided to them by the company. The company strives to practice responsible lending and informs its customers about the same through various modes of formal and informal communication channels.

The customer awareness initiatives were undertaken during the financial year through direct meetings, camps, workshops and digital platforms (Facebook, Instagram, LinkedIn, YouTube, WhatsApp, SMS and E-mail). Topics like safeguards against frauds (including digital frauds), awareness about grievance redressal mechanism and financial literacy for the family of customers were covered through these initiatives

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

The customers are informed about any disruption/discontinuation of essential services such as server maintenance of the company's website etc.,

4. 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.

Not applicable

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, the company carries out survey with regard to consumer satisfaction. Customer satisfaction trend (CSAT) is monitored basis inflow and query to complaint percentages. Further, the company also monitor the transactional CSAT for customer calls that land on the inbound tollfree number basis a SMS that goes out at the conclusion of the call asking for satisfaction level.

Independent Practitioner's Reasonable Assurance Report On Identified Sustainability Information In Cholamandalam Investment And Finance Company Limited (“BRSR”)

To the Board of Directors of Cholamandalam Investment and Finance Company Limited

We have undertaken to perform a reasonable assurance engagement, for Cholamandalam Investment and Finance Company Limited (“the company”) vide engagement letter dated December 27, 2023 in respect of the agreed Sustainability Information listed below (the “Identified Sustainability Information”) in accordance with the criteria stated below. This Sustainability Information is as included in the BRSR of the Company for the year ended March 31, 2024.

Identified Sustainability Information

The Identified Sustainability Information as specified in Annexure 1 to SEBI Circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, for the year ended March 31, 2024 is summarized below:

Sr. No	Attribute	Measurement	Reference to BRSR
1	Green-house gas (GHG) footprint	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)	Principle 6, Question 7 of Essential Indicators
2	Total Scope 2 emissions (Break-up of the GHG (CO ₂ e) into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	GHG (CO ₂ e) Emission in Mn MT / KT / MT Indirect emissions from the generation of energy that is purchased from a utility provider	Principle 6, Question 7 of Essential Indicators
3	GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP	Principle 6, Question 7 of Essential Indicators
3	GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services	Principle 6, Question 7 of Essential Indicators
4	Water footprint	Total water consumption in Mn Lt or KL	Principle 6, Question 3 of Essential Indicators
5	Water footprint	Water consumption intensity	Principle 6, Question 3 of Essential Indicators
6	Water footprint	Water Discharge by destination and levels of Treatment	Principle 6, Question 4 of Essential Indicators
7	Energy footprint	Total energy consumed % of energy consumed from renewable sources	Principle 6, Question 1 of Essential Indicators
		Energy intensity	Principle 6, Question 1 of Essential Indicators
8	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	Principle 6, Question 9 of Essential Indicators
		E-waste (B)	Principle 6, Question 9 of Essential Indicator
		Bio-medical waste (C)	Principle 6, Question 9 of Essential Indicator
		Construction and demolition waste (D)	Principle 6, Question 9 of Essential Indicator
		Battery waste (E)	Principle 6, Question 9 of Essential Indicator

Sr. No	Attribute	Measurement	Reference to BRSR
		Radioactive waste (F)	Principle 6, Question 9 of Essential Indicator
		Other Hazardous waste. Please specify, if any. (G)	Principle 6, Question 9 of Essential Indicator
		Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Principle 6, Question 9 of Essential Indicator
		Total waste generated ((A+B + C + D + E + F + G + H)	Principle 6, Question 9 of Essential Indicator
		Waste intensity	Principle 6, Question 9 of Essential Indicators
		Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	Principle 6, Question 9 of Essential Indicators
		For each category of waste generated, total waste disposed by nature of disposal method	Principle 6, Question 9 of Essential Indicators
9	Enhancing Employee Wellbeing and Safety	Spending on measures towards well- being of employees and workers – cost incurred as a % of total revenue of the company	Principle 3, Question 1(c) of Essential Indicators
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Principle 3, Question 11 of Essential Indicators
10	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India	Principle 8, Question 4 of Essential Indicators
		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non- permanent /on contract) as % of total wage cost	Principle 8, Question 5 of Essential Indicators
11	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	Principle 6, Question 7 of Essential Indicator
		Number of days of accounts payable	Principle 1, Question 8 of Essential Indicators
12	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	Principle 1, Question 9 of Essential Indicator

Our reasonable assurance engagement was with respect to the year ended March 31, 2024 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the **BRSR** and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the company to prepare the Identified Sustainability Information is based on the International Framework, Global Reporting Initiative (“GRI”) Standards, Greenhouse Gas (GHG) protocol and National Guidelines on Responsible Business Conduct (“NGRBC”). In addition, Business Responsibility and Sustainability Reporting (BRSR) as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was also considered while developing this Report.

Reporting Period: April 1, 2023, to March 31, 2024

Boundary

Boundary of the report covers 's the Company's operations in India:

Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and have the required competencies and experience to conduct this assurance engagement.

The firm applies Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a reasonable assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information is prepared, in all material respects, in accordance with the Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- (i) Reviewed the approach to stakeholder engagement and materiality determination process and its outcomes as brought out in the Report.
- (ii) Conducted interviews with selected representatives responsible for management of sustainability issues and implementation of the NGRBC Principles and carried out reviews of selected evidence to support topics and claims disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver Company's overall sustainability objectives
- (iii) Carried out Onsite verification of sustainability performance data and sample evidence related to the sampled offices of the company to review the processes and systems for aggregating site-level sustainability information, as well as overall aggregation and consolidation of data from sites by the sustainability team at the Corporate Office at Chennai in Tamilnadu.
- (iv) Reviewed the process of reporting on BRSR requirements including Section A: General Disclosures, Section B: Management and Process Disclosures, and Section C: Principle-wise Performance Disclosures.
- (v) Carried out an assessment of the processes for gathering and consolidating performance data related to the NGRBC Principles and, for a sample, checked the processes of data consolidation to assess the Reliability and Accuracy of performance disclosures reported based on BRSR requirements

(vi) An independent assessment of the reports non-financial information against the requirements of BRSR and the guidance notes.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our reasonable assurance conclusions.

Exclusions:

Our assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Operations of the Company other than those mentioned in the Identified Sustainability Information.
- Aspects of the **BRSR** and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data and information outside the defined reporting period i.e. March 31, 2024
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.
- Mapping of the Report with reporting frameworks other than those mentioned in Criteria above

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls

Opinion

Based on the procedures performed as above, the evidences obtained, and the information and explanations given to us along with the representation provided by the management and subject to inherent limitations outlined elsewhere in this report, in our opinion the Identified Sustainability Information for the year ended March 31, 2024 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the criteria.

Restriction on use

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of the company at the request of the company solely, to assist the company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For Sundaram & Srinivasan
Chartered Accountants
FRN 004207S

S. Usha
Partner
Membership No. : 211785
UDIN : 24211785BKSEL4370

Date : April 30, 2024

Place : Chennai

Independent Auditor's Report

To the Members of Cholamandalam Investment and Finance Company Limited

Report on the Audit of the Standalone financial statements

Opinion

- 1 We have jointly audited the accompanying standalone financial statements of Cholamandalam Investment and Finance Company Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our joint 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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
<p>Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 9 of the standalone financial statements)</p> <p>The loan balances towards vehicle finance, home loans, loans against property, and other loans aggregating to ₹ 146,945.00 crores and the associated impairment allowances aggregating to ₹ 2,520.71 crores are significant to the standalone 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</p>	<p>The audit procedures performed by us to assess appropriateness of the impairment allowance based on ECL on loans included the following:</p> <ul style="list-style-type: none"> • We understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over: <ol style="list-style-type: none"> 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 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.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
<p>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.</p>	<ul style="list-style-type: none"> • 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 standalone financial statements.
<p>Audit in an Information Technology (IT) enabled environment – including considerations on exceptions identified in IT Environment</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>Our audit procedures with respect to this matter included the following:</p> <p>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.</p> <p>With respect to the "In-scope IT systems" identified as relevant to the audit of the standalone 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.</p> <p>On such "In-scope IT systems", we have covered the key IT general controls with respect to the following domains:</p> <ul style="list-style-type: none"> • 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. <p>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.</p> <p>Where control deficiencies have been identified, we have tested a combination of compensating controls, remediated controls and/or performed alternative audit procedures, where necessary.</p>

Independent Auditor's Report (Contd.)

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (Financial Highlights, Board's Report, Management Discussion and Analysis and Report on Corporate Governance) report but does not include the standalone financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the standalone financial statements

6. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. 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 judgments 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 the 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 or error.
7. In preparing the standalone financial statements, management 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 with reference to standalone financial statements in place 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

Independent Auditor's Report (Contd.)

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 auditors' 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 auditors' 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.
10. 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.
 11. 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.
 12. 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 auditors' 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.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. 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 account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, 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 14(b) above on reporting under Section 143(3)(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules".
 - (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 38(a) to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 7 and 9 to the standalone financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

Independent Auditor's Report (Contd.)

- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 49 to the standalone financial statements, 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 Company to or in any other person(s) or entity(ies), including foreign entities ("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, as disclosed in the Note 49 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("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 such audit procedures that we 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 (a) and (b) contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, except for the instances mentioned in the paragraphs below, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in these software. During the course of performing our procedures where the audit trail (edit log) facility was available, we did not notice any instance of the audit trail feature being tampered with.

In the case of three accounting software, audit trail (edit log) facility was enabled during the year and operated for part of the year for all relevant transactions recorded in the software. During the course of performing our procedures where the audit trail (edit log) facility was available for part of the year, we did not notice any instance of the audit trail feature being tampered with.

The Company has used four accounting software, which does not have a feature of recording audit trail (edit log) facility within the accounting software. The audit trail (edit log) facility for these software was captured in another software for part of the year for all relevant transactions. However, the audit log for the configuration changes to the audit trail feature in another software is not retained for the period of operation.

Three accounting software used by the Company did not have a feature of recording the audit trail (edit log) facility within the accounting software. As explained in note 2.3 to the standalone financial statements, the Company is phasing out these software and migrating to other software to comply with the audit trail requirements.

Also, refer to management assessment of audit trail in note 2.3 of the standalone financial statements.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Sundaram and Srinivasan
Chartered Accountants
Firm Registration No. : 0042075

S. Usha
Partner
Membership No. : 211785
UDIN : 24211785BKCPRO4851

Place : Chennai
Date : April 30, 2024

For Price Waterhouse LLP
Chartered Accountants
Firm Registration No. : 301112E /E300264

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 24203637BKENLD3512

Place : Chennai
Date : April 30, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as at March 31, 2024

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of Cholamandalam Investment and Finance Company Limited ("the Company") as of March 31, 2024 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

2. 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 standalone financial statements, whether due to fraud or error.
5. 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 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.

Annexure A to Independent Auditor's Report (Contd.)

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as at March 31, 2024

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

7. Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, 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 issued by ICAI.

For Sundaram and Srinivasan

Chartered Accountants
Firm Registration No. : 0042075

S. Usha

Partner
Membership No. : 211785
UDIN : 24211785BKCPRO4851

Place : Chennai
Date : April 30,2024

For Price Waterhouse LLP

Chartered Accountants
Firm Registration No. : 301112E /E300264

A. J. Shaikh

Partner
Membership No. : 203637
UDIN : 24203637BKENLD3512

Place : Chennai
Date : April 30,2024

Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2024

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Notes 13 and 14 to the standalone financial statements, are held in the name of the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.
- ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.
- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account (Also refer Note 18.1 to the standalone financial statements).
- iii. (a) The Company is registered with Reserve Bank of India (RBI) under section 45-IA as a non-banking financial company, and its principal business is to give loans. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable to the Company.
- (b) Based on our examination and the information and explanations given to us, in respect of the loans, investments/ guarantees/ securities/ advances in nature of the loan, in our opinion, the terms and conditions under which such loans were granted/ investments were made/ guarantees provided/ security provided are not prejudicial to the Company's interest.
- (c) In respect of the loans/advances in nature of loan, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Considering that the Company is a non-banking financial company engaged in the business of granting loans to retail customers for vehicles and housing, etc., the entity-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been reported because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognised necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 9 and 53 to the standalone financial statements), the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.
- (d) In respect of the loans/advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2024, is ₹ 1,562.24 crores. In such instances, in our opinion, based on information and explanations provided to us, reasonable steps have been taken by the Company for the recovery of the principal amounts and the interest thereon. Refer Note 9.2 in the standalone financial statements for details of number of cases and the amount of principal and interest overdue as at March 31, 2024.
- (e) This Company is registered with the Reserve Bank of India (RBI) under section 45-IA as a non-banking financial company, and its principal business is to give loans. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) The loans/advances in nature of loans granted during the year, including to promoters/related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.

Annexure B to Independent Auditor's Report (Contd.)

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2024

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and sub-section (1) of Section 186 of the Act in respect of the loans and investments made and guarantees and security provided by it. The provisions of sub-sections (2) to (11) of Section 186 are not applicable to the Company as it is a non-banking financial company registered with the RBI engaged in the business of giving loans.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Further, the provisions of sub-section (1) of Section 73 are not applicable to the Company as it is a non-banking financial company registered with RBI, engaged in the business of giving loans.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of 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 is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (in ₹ crores)#	Period to which the amounts relates	Forum where the dispute is pending
Income Tax Act, 1961	Tax and interest	0.21	2005-06	Assessing Officer
Income Tax Act, 1961	Tax and interest	*	2008-09	High Court
Income Tax Act, 1961	Tax and interest	0.28	1990-91 and 1991-92	Income Tax Appellate Tribunal
Income Tax Act, 1961	Tax and interest	0.58	2015-16	Assessing Officer (International Taxation)
Bihar Finance Act, 1981	Sales tax	0.02	1992-93 and 1993-94	Sales Tax Appellate Tribunal, Jamshedpur
Delhi Sales Tax Act, 1975	Sales tax	0.08	1991-92	Deputy Commissioner of Sales Tax, Appeals
Gujarat Sales Tax Act, 1969	Sales tax	0.02	1997-98	Sales Tax Appellate Tribunal, Baroda
Odisha Value Added Tax Act, 2004	Sales tax	3.03	2007-08 to 2013-14	Odisha Sales Tax Appellate Tribunal
Rajasthan Sales Tax Act	Sales tax	1.02	2006-07 to 2014-15	Supreme Court
Rajasthan Sales Tax Act	Sales tax	*	2012-13, 2016-17 and 2017-18	Assessing Officer
Tamilnadu General Sales Tax Act, 1959	TNGST and CST	9.99	1995-96	High Court
Tamilnadu Value Added Tax Act, 2006	Sales tax	9.71	2006-07 to 2013-14	High Court
Finance Act, 1994	Service tax	64.58	2005-06 to 2017-18	CESTAT
Goods and Services Tax Act, 2018	Goods and Services Tax	4.43	2017-18 to 2019-20	Commissioner of GST (Appeals)

*Represents amount less than rounding off norm adopted by the company

#Above amounts are net of amount paid under protest/refunds adjusted by the authorities.

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

Annexure B to Independent Auditor's Report (Contd.)

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2024

- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained (Also refer Note 18.1 to the standalone financial statements).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies.
- x. (a) In our opinion, the monies raised by way of further public offer (including debt instruments) during the year have been applied for the purposes for which they were obtained and there were no delays or default regarding the application.
- (b) The Company has made private placement of shares/ convertible debentures (fully convertible) during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Deposit Taking Systemically Important Investment and Credit Company.
- (b) The Company has conducted non-banking financial activities during the year and the Company holds a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group has two CICs as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

Annexure B to Independent Auditor's Report (Contd.)

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the standalone financial statements as of and for the year ended March 31, 2024

- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 49 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 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. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Sundaram and Srinivasan
Chartered Accountants
Firm Registration No. : 004207S

S. Usha
Partner
Membership No. : 211785
UDIN : 24211785BKCPRO4851

Place : Chennai
Date : April 30, 2024

For Price Waterhouse LLP
Chartered Accountants
Firm Registration No. : 301112E /E300264

A. J. Shaikh
Partner
Membership No. : 203637
UDIN : 24203637BKENLD3512

Place : Chennai
Date : April 30, 2024

Standalone Balance Sheet As at March 31, 2024

₹ in crores

	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial Assets			
Cash and Cash Equivalents	5	841.97	910.29
Bank Balances other than Cash and Cash Equivalents	6	3,478.18	2,051.13
Derivative financial instruments	7	247.82	272.86
Receivables	8		
i) Trade Receivables		199.00	77.18
ii) Other Receivables		200.46	113.88
Loans	9	1,44,424.29	1,04,748.32
Investments	10	4,100.23	3,620.02
Other Financial Assets	11	241.25	273.77
		1,53,733.20	1,12,067.45
Non- Financial Assets			
Current Tax Assets(Net)		357.09	267.06
Deferred Tax Assets (Net)	12	654.15	608.50
Investment Property	13	0.13	0.13
Property, Plant and Equipment	14	1,534.00	372.17
Capital Work in Progress	49	-	35.74
Intangible Assets Under Development	49	12.45	24.60
Other Intangible Assets	15	23.01	26.43
Other Non-Financial Assets	16	99.65	105.43
		2,680.48	1,440.06
Asset held for sale - Investment	10	37.09	8.00
TOTAL ASSETS		1,56,450.77	1,13,515.51
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	7	186.70	134.27
Payables			
(I) Trade Payables	49		
i) Total outstanding dues of micro and small enterprises		7.65	3.40
ii) Total outstanding dues of creditors other than micro and small enterprises		107.72	119.93
(II) Other Payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		1,338.05	1,064.69
Debt Securities	17	24,812.76	19,682.41
Borrowings(Other than Debt Securities)	18	1,04,511.13	73,186.19
Subordinated Liabilities	19	5,149.69	4,487.46
Other Financial Liabilities	20	505.63	354.11
		1,36,619.33	99,032.46
Non-Financial Liabilities			
Current Tax Liabilities(Net)		-	-
Provisions	21	192.70	140.88
Other Non-Financial Liabilities	22	82.23	46.12
		274.93	187.00
Equity			
Equity Share Capital	23A	168.06	164.48
Other Equity	23B	19,388.45	14,131.57
		19,556.51	14,296.05
TOTAL LIABILITIES AND EQUITY		1,56,450.77	1,13,515.51

The accompanying notes are integral part of the Standalone financial statements

As per our report of even date

For Price Waterhouse LLP

Chartered Accountants

ICAI Firm Regn No. : 301112E/ E300264

For Sundaram and Srinivasan

Chartered Accountants

ICAI Firm Regn No. : 0042075

For and on behalf of the Board of Directors

A.J. Shaikh

Partner

Membership No. : 203637

Date : April 30, 2024

Place : Chennai

S. Usha

Partner

Membership No. : 211785

Ravindra Kumar Kundu

Executive Director

P. Sujatha

Company Secretary

Vellayan Subbiah

Chairman

D. Arul Selvan

President & Chief Financial Officer

Standalone Statement of Profit and Loss for the year ended March 31, 2024

	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
₹ in crores			
Revenue from Operations			
Interest Income	24A	17,613.68	12,082.18
Fee & commission income	24B	1,046.58	524.37
Net gain on fair value change on financial instruments	24C	160.55	69.40
Sale of Services	24D	24.41	81.09
Total Revenue from operations (I)		18,845.22	12,757.04
Other Income (II)	25	371.06	220.94
Total Income (III) = (I) + (II)		19,216.28	12,977.98
Expenses			
Finance costs	26	9,230.61	5,748.75
Impairment of financial Instruments (Net)	27	1,321.80	849.68
Employee benefits expense	28	2,330.55	1,265.68
Depreciation and amortisation expense	13, 14 & 15	195.77	118.88
Other expenses	29	1,555.45	1,395.30
Total Expenses (IV)		14,634.18	9,378.29
Profit before tax (V) = (III) - (IV)		4,582.10	3,599.69
Tax expense/(benefit)			
- Current tax		1,198.28	881.72
- Adjustment of tax relating to earlier year		(13.51)	0.21
- Deferred tax	12	(25.43)	51.56
Net tax expense (VI)		1,159.34	933.49
Profit for the year - A = (V) - (VI)		3,422.76	2,666.20
Other Comprehensive income:			
i) Items that will not be reclassified to profit or loss:			
Re-measurement gains / (loss) of Post employment benefit Obligations (net)		(8.14)	(0.46)
Income tax impact		2.05	0.12
ii) Items that will be reclassified to profit or loss:			
Net gain / (loss) On Cashflow Hedge Reserve		(72.19)	45.64
Income tax impact		18.17	(11.49)
Other comprehensive income/(loss) net of tax for the year (B)		(60.11)	33.81
Total comprehensive income net of tax for the year (A + B)		3,362.65	2,700.01
Earnings per equity share of ₹ 2 each			
Basic (₹)	30	41.20	32.45
Diluted (₹)		41.09	32.40
The accompanying notes are integral part of the Standalone financial statements			

As per our report of even date

For Price Waterhouse LLP

Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

For Sundaram and Srinivasan

Chartered Accountants
ICAI Firm Regn No. : 0042075

For and on behalf of the Board of Directors

A.J. Shaikh

Partner
Membership No. : 203637

Date : April 30, 2024
Place : Chennai

S. Usha

Partner
Membership No. : 211785

Ravindra Kumar Kundu

Executive Director

P. Sujatha
Company Secretary

Vellayan Subbiah

Chairman

D. Arul Selvan
President & Chief Financial Officer

Standalone Statement of Changes in Equity for the year ended March 31, 2024

1) Current reporting period

A) Equity Share Capital (Refer Note 23A)												
₹ in crores												
Balance as at March 31, 2023	Changes in Equity Share capital due to prior year errors	Restated Balance at the beginning of the current reporting year	Changes in Equity share capital during the current year							Balance as at March 31, 2024		
164.48	-	164.48	3.58							168.06		
B) Other Equity (Refer Note 23B)												
₹ in crores												
Particulars	Reserve and Surplus			Share based Payments Reserve	Debt instruments through Comprehensive Income	Equity instruments through Other Comprehensive Income	Effective portion of cash flow hedge	Total				
	Share application Money Pending for allotment	Capital Reserve	Securities Premium						Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve
Balance as at March 31, 2023	-	0.04	2,912.99	33.00	5,739.13	2,754.31	2,560.46	83.39	-	(1.29)	49.54	14,131.57
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting year	-	0.04	2,912.99	33.00	5,739.13	2,754.31	2,560.46	83.39	-	(1.29)	49.54	14,131.57
Profit for the year	-	-	-	-	-	3,422.76	-	-	-	-	-	3,422.76
Remeasurement of defined benefit plans	-	-	-	-	-	(6.11)	-	-	-	-	-	(6.11)
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	-	(54.02)	(54.02)
Dividend	-	-	-	-	-	(166.72)	-	-	-	-	-	(166.72)
Share Premium received on allotment of equity shares under ESOP	-	-	35.34	-	-	-	-	-	-	-	-	35.34
Share Premium received on allotment of equity shares under QIP (net of issue expenses of Rs. 27.97 Cr)	-	-	1,968.64	-	-	-	-	-	-	-	-	1,968.64
Recognition of Share based Payments	-	-	-	-	-	-	-	55.40	-	-	-	55.40
Share application money - Pending for allotment	1.59	-	-	-	-	-	-	-	-	-	-	1.59
Transfer to reserves from Retained earnings during the year	-	-	-	-	-	(690.00)	690.00	-	-	-	-	-
Balance as at March 31, 2024	1.59	0.04	4,916.97	33.00	5,739.13	5,314.24	3,250.46	138.79	-	(1.29)	(4.48)	19,388.45

Standalone Statement of Changes in Equity for the year ended March 31, 2024 (Contd.)

Standalone Statement of Changes in Equity for the year ended March 31, 2024

2) Previous reporting period

A) Equity Share Capital (Refer Note 23A)

	Balance as on March 31, 2022	Changes in Equity Share capital due to prior year errors	Restated Balance at the beginning of the current reporting year	Changes in Equity share capital during the current year	Balance as on March 31, 2023
	164.28	-	164.28	0.20	164.48

B) Other Equity (Refer Note 23B)

Particulars	Reserve and Surplus							Total				
	Share application Money Pending for allotment	Capital Reserve	Securities Premium	Redemption Reserve	Capital Reserve	General Reserve	Retained earnings		Statutory Reserve	Share based Payments Reserve	Debt instruments through Comprehensive Income	Equity instruments through Comprehensive Income
Balance as at March 31, 2022	-	0.04	2,888.92	33.00	4,739.13	1,792.82	2,020.46	54.93	-	(1.29)	15.39	11,543.40
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting year	-	0.04	2,888.92	33.00	4,739.13	1,792.82	2,020.46	54.93	-	(1.29)	15.39	11,543.40
Profit for the year	-	-	-	-	-	2,666.20	-	-	-	-	-	2,666.20
Remeasurement of defined benefit plans	-	-	-	-	-	(0.35)	-	-	-	-	-	(0.35)
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	-	34.15	34.15
Dividend	-	-	-	-	-	(164.36)	-	-	-	-	-	(164.36)
Share Premium received on allotment of equity shared under ESOP	-	-	24.07	-	-	-	-	-	-	-	-	24.07
Share Premium received on allotment of equity shared under QIP (net of issue expenses)	-	-	-	-	-	-	-	-	-	-	-	-
Recognition of Share based Payments	-	-	-	-	-	-	-	28.46	-	-	-	28.46
Pending for allotment	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to reserves from Retained earnings during the year	-	-	-	-	1,000.00	(1,540.00)	540.00	-	-	-	-	-
Balance as at March 31, 2023	-	0.04	2,912.99	33.00	5,739.13	2,754.31	2,560.46	83.39	-	(1.29)	49.54	14,131.57

The accompanying notes are integral part of the Standalone financial statements

As per our report of even date

For Price Waterhouse LLP

Chartered Accountants

ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh

Partner

Membership No. : 203637

Date : April 30, 2024

Place : Chennai

For Sundaram and Srinivasan

Chartered Accountants

ICAI Firm Regn No. : 0042075

S. Usha

Partner

Membership No. : 211785

Ravindra Kumar Kundu

Executive Director

P. Sujatha

Company Secretary

Vellayan Subbiah

Chairman

D. Arul Selvan

President & Chief Financial Officer

For and on behalf of the Board of Directors

Standalone Cash Flow Statement for the year ended March 31, 2024

₹ in crores

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
Cash Flow from Operating Activities				
Profit Before Tax	4,582.10		3,599.69	
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	195.77		118.88	
Impairment of financial instruments	1,321.80		849.68	
Finance Costs	9,230.61		5,748.75	
Loss on Sale of Property plant and equipment (Net)	1.00		0.74	
Intangible Assets Under Development -Expensed off	19.23		-	
Net gain on fair value change in mutual funds-realised	(142.39)		(68.48)	
Net gain on conversion of equity shares-realised	(32.23)		-	
Net loss on fair value change in equity shares -Un-realised	3.15		-	
Net (gain)/loss on fair value change in convertible note -Un-realised	10.92		(0.92)	
Interest Income on bank deposits and other investments	(452.60)		(273.83)	
Dividend Income	(114.65)		-	
Share based payment expense	52.53		28.08	
	10,093.14		6,402.90	
Operating Profit Before Working Capital Changes	14,675.24		10,002.59	
Adjustments for :-				
(Increase)/Decrease in operating Assets				
Loans	(40,988.02)		(31,448.79)	
Trade receivables	(208.40)		(63.05)	
Other Financial Assets	32.53		47.11	
Other Non Financial Assets	(6.89)		(36.64)	
	(41,170.78)		(31,501.37)	
Increase/(Decrease) in operating liabilities and provisions				
Payables	260.13		384.84	
Other Financial liabilities	(53.03)		(36.28)	
Provisions	51.82		22.61	
Other Non Financial liabilities	36.11		(11.99)	
	295.03		359.18	
Cash Flow used in Operations	(26,200.51)		(21,139.60)	
Finance Costs paid	(8,735.97)		(5,277.88)	
Interest Received on Bank Deposits and other investments	441.71		278.75	
	(8,294.26)		(4,999.13)	
	(34,494.77)		(26,138.73)	
Income tax paid (Net of refunds)	(1,272.75)		(898.16)	
Net Cash Used in Operating Activities (A)	(35,767.52)		(27,036.89)	
Cash Flow from Investing Activities				
Purchase of Property, plant and equipment, Intangible assets, Capital work-in-progress and Intangible assets under development	(1,048.55)		(186.91)	
Proceeds from Sale of Property, plant and equipment	5.43		3.03	
Investment in Subsidiaries/Associates	-		(6.81)	
Purchase of Mutual Funds Units	(1,95,690.22)		(1,40,177.99)	
Redemption of Mutual Funds Units	1,95,832.60		1,40,246.47	

Standalone Cash Flow Statement for the year ended March 31, 2024

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Dividend Received	114.65	-
Proceeds/Investment in Treasury Bill (Net)	96.10	(1,536.27)
Investment in STRIPS	(599.25)	-
Investment in Convertible Note	-	(10.00)
Proceeds from sale of government Securities	-	2.14
Investment in Bank Fixed Deposits (net of withdrawals)	(1,416.23)	(493.78)
Net Cash Used in Investing Activities (B)	(2,705.47)	(2,160.12)
Cash Flow from Financing Activities		
Proceeds from issue of Share Capital (Including Securities Premium)	2,009.15	24.27
Proceeds from issue of Compulsorily Convertible Debentures	2,000.00	-
Payment of Lease liabilities	(89.38)	(58.65)
Proceeds from issue of Debt securities	24,793.05	23,257.67
Redemption of Debt securities	(21,948.45)	(17,192.30)
Proceeds from Borrowing other than debt securities	1,16,098.06	83,475.01
Repayment of Borrowings other than debt securities	(84,888.47)	(62,534.27)
Proceeds from issue of subordinated liabilities	1,155.10	1,020.00
Repayment of subordinated liabilities	(557.61)	(378.00)
	34,651.68	27,648.11
Dividends Paid	(166.78)	(164.31)
Net Cash generated from Financing Activities (C)	38,404.67	27,449.42
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(68.32)	(1,747.59)
Cash and Cash Equivalents at the Beginning of the year	910.29	2,657.88
Cash and Cash Equivalents at the End of the year	841.97	910.29
Non-cash financing and investing activities		
Acquisition of right -of-use of assets	299.28	105.82

Refer Note 5 for the components of cash and cash equivalents

The accompanying notes are integral part of the Standalone financial statements

As per our report of even date

For Price Waterhouse LLP

Chartered Accountants

ICAI Firm Regn No. : 301112E/ E300264

For Sundaram and Srinivasan

Chartered Accountants

ICAI Firm Regn No. : 0042075

For and on behalf of the Board of Directors

A.J. Shaikh

Partner

Membership No. : 203637

Date : April 30, 2024

Place : Chennai

S. Usha

Partner

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Ravindra Kumar Kundu

Executive Director

P. Sujatha

Company Secretary

Vellayan Subbiah

Chairman

D. Arul Selvan

President & Chief Financial Officer

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

1. Corporate information

Cholamandalam Investment and Finance Company Limited ("the Company") (CIN L65993TN1978PLC007576) is a public limited company domiciled in India. The Company is listed on Bombay Stock Exchange and National Stock Exchange. The Company is registered with Reserve Bank of India as an NBFC- Investment and Credit Company and is classified as an NBFC in Upper Layer (NBFC-UL) under the Scale Based Regulatory Framework for NBFCs. The Company is one of the premier diversified non-banking finance companies in India, engaged in providing vehicle finance, home loans, Loan against property, SME loans and Unsecured Loans.

The standalone financial statements are presented in INR which is also functional currency of the Company.

2.1 Basis of preparation

Compliance with Ind AS

The standalone financial statements of the Company have been prepared and comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other relevant provisions of the Act.

Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) is measured at fair value
- assets held for sale – measured at lower of cost or fair value less cost to sell
- defined benefit plans – plan assets measured at fair value
- share based payments.

In the preparation of the financial statements, Management makes estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these estimates, judgements and assumptions could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The standalone financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest crores, except when otherwise indicated.

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, 2024.

2.2 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 the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

2.3 Audit Trail

The company is using multiple application systems (accounting software) for various facets of its business operations. Audit trail was operational throughout the year in two application systems. In three application systems, while audit trails for certain tables were integral part of the application itself, and operational from the beginning of the year, they were expanded to cover more areas during the year and are operational therefrom. For four systems, the company 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. Three application systems with limited audit trail features have insignificant volume (less than 0.13% of total loans). Of these, one has already been migrated to new system during the year and the other two will be sunset in FY 2024-25. 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 company 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 Material accounting policies

3.1 Loans – Recognition and Measurement

3.1.1 Date of recognition

Loans are recognised when fund transfers are initiated to the customers' account or cheques for disbursement have been prepared by the Company (as per the terms of the agreement with the borrowers) or when the Company

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

assumes unconditional obligations to release the disbursement amount to third party on the direction of the borrower, whichever is earlier.

3.1.2 Initial measurement of Loans

The classification of Loans at initial recognition depends on their contractual terms and the business model for managing them. They are initially measured at their fair value. Transaction costs/fees which are directly attributable to acquisition of loans are added to, or subtracted from this amount.

3.1.3 Measurement categories of Loans

The Company 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.

3.1.4 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 company 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 company assesses whether this modification results in derecognition. In accordance with the company's policy, a modification results in derecognition when it gives rise to substantially different terms. Where a modification does not lead to derecognition, the company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance).

3.1.5 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 Company also derecognises the loan if it has both transferred the loan and the transfer qualifies for derecognition.

Loan is transferred only if, either:

- the Company 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 received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

A transfer qualifies for derecognition if either:

- the Company 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.

The Company 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 Company's continuing involvement, in which case, the Company 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 Company 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 Company could be required to pay.

3.1.6 Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

3.1.7 Loan write-offs

Loans are written off either partially or in their entirety only when the Company 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.

3.2 Impairment of Loans

3.2.1 Expected Credit Loss (ECL)

The Company records allowance 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 first 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 Company 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 Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company 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 Company 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 Company 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.

3.2.2 Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Company 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.

3.2.3 Forward looking information

The Company 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 Company'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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

3.2.4 Collateral repossessed

The Company 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.

3.2.5 Restructured, rescheduled, and modified loans

The Company 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 Company 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 Company also reassesses whether there has been a significant increase in credit risk. The Company 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.

3.3 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).

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.

3.4 Borrowings

3.4.1 Debt securities and other borrowings

The Company recognises debt securities and other borrowings when funds reach the Company.

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.

3.4.2 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 restatement are recognized under OCI in the statement of profit and loss as an adjustment to borrowing cost.

3.4.3 Derivative and Hedge accounting

The company 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 Company 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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

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 loss 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 re-mains 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.

3.4.4 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 in to account any discount or premium on issue funds, and costs that are an integral part of the EIR.

4 Other accounting policies

4.1 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.

4.2 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.

4.3 Receivables and other financial assets

Receivables and other financial assets are measured at amortised cost. The Company follows a 'simplified approach' for recognition of impairment loss allowance on these assets. The application of simplified approach does not require the Company to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

4.4 Investments

Investments are initially recognised on the trade date, i.e., the date that the company becomes a party to the contractual provisions of the instrument.

4.4.1 Equity instruments

Equity Investment in Subsidiaries and Joint Ventures are carried at Cost.

The Company subsequently measures all equity investments other than investment in subsidiaries and associates, at fair value through profit or loss, unless the Company'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 Company 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.

4.4.2 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 Company follows 'simplified approach' for recognition of impairment loss allowance on these assets. The application of simplified approach does not require the Company 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.

4.5 Taxes

4.5.1 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 Company 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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

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.

4.5.2 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.

4.6 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 Company'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.

4.7 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 (including server)	3 years
Other Equipment	5 years
Leasehold improvements	Lease period or 5 years whichever is lower
Plant and Machinery	15 years

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
Server	3 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates Furniture & Fixtures, Vehicles and Server over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013

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.

Assets individually costing less than or equal to ₹ 5,000 are fully depreciated in the year of acquisition.

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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

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.

4.8 Leases

The Company's lease asset consists of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Company 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 Company 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 Company 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 Company changes its assessment as to whether it will exercise an extension or a termination option.

The Company 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 Company are classified as financing cash flows.

4.9 Intangible assets

The Company'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 Company.

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.

4.10 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.

4.11 Provisions and Contingent liabilities

Provisions are recognised only 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.

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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

obligations and the present obligation arising from past events, when no reliable estimate is possible.

4.12 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 Company 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 Company 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 Company'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 sharebased 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.

4.13 Dividend on ordinary shares

The Company 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 Company. 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.

4.14 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

company satisfies the performance obligation under the contract with the customer.

4.15 Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company'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. This is generally when the shareholders of the investee company approve the dividend.

4.16 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 company 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 Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Employees' State Insurance: The Company 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 Company 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 Company 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

b) Defined Benefit Scheme

Gratuity: The Company makes contribution to a Gratuity Fund administered by trustees and managed by LIC. The Company 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 Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company 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 Company 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.

4.17 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.

4.18 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 Company.

4.19 Segment Information

An operating segment is a component of the Company that engages in the business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by Company's Chief operating decision maker.

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".

4A. Significant accounting judgements, estimates and assumptions

The preparation of the Company'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 Company'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 Company from time to time enters into direct bilateral assignment deals, which qualify for de-recognition under Ind AS 109. Accordingly, the assessment of the Company's business model for managing its financial assets becomes a critical judgment.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Further, the Company 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 Company intends to hold these assets till maturity 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. 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 Company'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:

- The Company'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
- The segmentation of financial assets when their ECL is assessed on a collective basis

- Development of ECL models, including the various formulas and the choice of inputs
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward-looking information as economic inputs

The Company has considered the impact of Covid-19 pandemic and the moratorium given to borrowers pursuant to the Covid-19 regulatory package announced by Reserve Bank of India, in determination of impairment allowance for the previous year. It has been the Company'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 Company 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 Company 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 Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, 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 Company 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 5 CASH AND CASH EQUIVALENTS		
Cash on hand	10.44	11.00
Balances with banks		
- In Current Accounts	276.19	227.23
- In Deposit Accounts - Original maturity of 3 months or less	540.41	650.21
Cheques, drafts on hand	14.93	21.85
Total	841.97	910.29

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 6 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
- In Deposit Accounts - Original maturity more than 3 months	1,189.98	1,017.21
- In earmarked accounts		
- Margin account for derivatives	67.16	52.27
- In Unpaid Dividend Accounts	0.70	0.76
- Deposits with Banks as collateral towards securitisation loan	2,219.82	980.36
- In Unclaimed Debenture Account	0.44	0.45
- Other deposit Account on amalgamation of Cholamandalam Factoring Limited	0.08	0.08
Total	3,478.18	2,051.13

Particulars	₹ in crores					
	As at March 31, 2024			As at March 31, 2023		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilities	Notional amounts	Fair Value -Assets	Fair Value -Liabilities
Note : 7 DERIVATIVE FINANCIAL INSTRUMENTS						
Part I						
(i) Other derivatives - Cross Currency Interest Rate Swap	4,349.18	161.33	15.06	2,541.18	147.42	-
(ii) Interest rate Swaps	3,998.39	-	20.74	500.00	4.73	5.59
(iii) Forward Contracts	917.25	86.49	150.90	1,933.08	120.71	128.68
Total Derivative financial Instruments	9,264.82	247.82	186.70	4,974.26	272.86	134.27
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Cash flow hedging:						
Others - Cross currency interest rate swap	4,349.18	161.33	15.06	2,541.18	147.42	-
(ii) Interest rate Swaps	3,998.39	-	20.74	500	4.73	5.59
(iii) Forward Contracts	917.25	86.49	150.90	1,933.08	120.71	128.68
Total Derivative financial Instruments	9,264.82	247.82	186.70	4,974.26	272.86	134.27

The Company has a Board approved policy for entering into derivative transactions. Derivative transaction comprises of Currency, Interest Rate Swaps and forward contracts. The Company undertakes such transactions for hedging interest / foreign exchange risk on borrowing. The Asset Liability Management Committee and Business Committee periodically monitors and reviews the risks involved. Also, refer note 42.2.2.4(a). The notional amount for interest rate swap represents borrowings on which Company has entered to hedge the variable interest rate. The company has not participated in currency futures and options during the current and previous year.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

₹ in crores

Particulars	As at	
	March 31, 2024	March 31, 2023
Note : 8 RECEIVABLES (Unsecured)		
(i) Trade Receivables		
Considered Good*	201.89	78.34
Less: Impairment Allowance	(2.89)	(1.16)
Total	199.00	77.18
(ii) Other Receivables		
Considered Good*	200.71	113.99
Less: Impairment Allowance	(0.25)	(0.11)
Total	200.46	113.88

*Includes dues from related parties

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade Receivables ageing schedule for the year ended March 31, 2024

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					Total
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	198.86	0.60	2.43	-	-	201.89
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(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	198.86	0.60	2.43	-	-	201.89
Less: Impairment allowance						(2.89)
Total						199.00

Trade Receivables ageing schedule for the year ended March 31, 2023

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					Total
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	65.13	7.28	5.93	-	-	78.34
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(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	65.13	7.28	5.93	-	-	78.34
Less: Impairment allowance						(1.16)
Total						77.18

There are no balances not due or unbilled for the year ended March 31, 2024 and March 31, 2023

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 9 LOANS (At amortised cost)		
(A)		
(i) Bills Discounted	753.77	926.85
(ii) Term loans	1,46,191.23	1,06,150.39
Total (A) Gross	1,46,945.00	1,07,077.24
Less: Impairment Allowance for (i) & (ii)	(2,520.71)	(2,328.92)
Total (A) Net	1,44,424.29	1,04,748.32
(B)		
(i) Secured by tangible assets	1,33,655.72	99,800.46
(ii) Unsecured	13,289.28	7,276.78
Total (B) - Gross	1,46,945.00	1,07,077.24
Less: Impairment Allowance for (i) & (ii)	(2,520.71)	(2,328.92)
Total (B) - Net	1,44,424.29	1,04,748.32
(C)		
(I) Loans In India		
(i) Public Sector		
(ii) Others	1,46,945.00	1,07,077.24
Less: Impairment Allowance	(2,520.71)	(2,328.92)
Total (C) (I) - Net	1,44,424.29	1,04,748.32

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.

The Company has not extended any loans where collateral is an intangible asset such as charge over the rights, licenses, etc. The unsecured advances disclosed above are without any collateral or security.

Term loans include unsecured short term loans to a subsidiary. 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	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Loan - Outstanding Value		
Cholamandalam Securities Limited	74.52	12.50
Impairment Allowance		
Cholamandalam Securities Limited	0.15	0.03

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 9.1 LOANS

An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans

₹ in crores

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
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)	737.31	4.83	1.26	743.40	5.88	0.51	0.48	6.87
Exposure de-recognised / matured / repaid	(912.22)	(1.02)	(2.48)	(915.72)	(7.46)	(0.10)	(0.71)	(8.27)
Transfer to Stage 1	0.11	(0.11)	-	-	0.01	(0.01)	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(3.24)	(2.68)	5.92	-	(0.03)	(0.27)	0.30	-
Impact on account of exposures transferred during the period between stages	-	-	0.02	0.02	-	-	4.75	4.75
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off	(0.42)	(0.07)	(0.29)	(0.78)	-	(0.01)	(0.04)	(0.05)
Closing as on March 31, 2024	737.22	4.93	11.62	753.77	5.89	0.51	10.13	16.53
Term loans								
Opening as on April 1, 2023	98,996.88	3,939.10	3,214.41	1,06,150.39	437.19	401.84	1,476.66	2,315.69
New assets originated / Increase in existing assets (Net)	75,393.93	399.71	435.75	76,229.39	275.03	43.82	75.17	394.02
Exposure de-recognised / matured / repaid	(32,718.11)	(1,864.22)	(1,217.65)	(35,799.98)	(296.16)	(113.87)	(264.46)	(674.49)
Transfer to Stage 1	1,360.86	(1,289.85)	(71.01)	-	137.90	(117.69)	(20.21)	-
Transfer to Stage 2	(2,732.97)	2,765.64	(32.67)	-	(14.99)	23.69	(8.70)	-
Transfer to Stage 3	(1,154.69)	(580.04)	1,734.73	-	(6.69)	(62.60)	69.29	-
Impact on account of exposures transferred during the period between stages	1.29	5.38	35.52	42.19	0.17	157.20	378.90	536.27
Impact of changes on items within the same stage	599.93	0.91	87.39	688.23	9.26	1.49	291.33	302.08
Write off	(405.93)	(159.78)	(553.28)	(1,118.99)	(6.25)	(48.10)	(315.04)	(369.39)
Closing as on March 31, 2024	1,39,341.19	3,216.85	3,633.19	1,46,191.23	535.46	285.78	1,682.94	2,504.18
Bills Discounted								
Opening as on April 1, 2022	332.91	0.39	37.69	370.99	2.71	0.04	34.78	37.53
New assets originated / Increase in existing assets (Net)	915.77	3.98	2.58	922.33	7.48	0.40	0.75	8.63
Exposure de-recognised / matured / repaid	(332.37)	(0.15)	(0.64)	(333.16)	(2.69)	(0.02)	(0.01)	(2.72)
Transfer to Stage 1	0	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(0.63)	(0.24)	0.87	-	(0.01)	(0.03)	0.03	(0.01)
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	0.21	0.21
Impact of changes on items within the same stage	-	-	-	-	-	-	2.90	2.90
Write off	-	-	(33.31)	(33.31)	-	-	(33.31)	(33.31)
Closing as on March 31, 2023	915.68	3.98	7.19	926.85	7.49	0.39	5.35	13.23
Term loans								
Opening as on April 1, 2022	66,984.70	5,817.08	3,305.12	76,106.90	340.20	659.58	1,291.37	2,291.15
New assets originated / Increase in existing assets (Net)	57,316.67	252.29	247.38	57,816.34	261.16	29.58	52.06	342.80
Exposure de-recognised / matured / repaid	(23,876.52)	(2,200.24)	(1,328.98)	(27,405.74)	(312.60)	(206.80)	(272.11)	(791.51)
Transfer to Stage 1	1,304.33	(1,195.29)	(109.04)	-	162.67	(128.33)	(34.34)	-
Transfer to Stage 2	(1,983.66)	2,084.21	(100.55)	-	(12.48)	43.3	(30.82)	-
Transfer to Stage 3	(780.63)	(665.16)	1,445.79	-	(5.15)	(80.55)	85.7	-
Impact on account of exposures transferred during the period between stages	1.32	4.09	39.45	44.86	0.01	138.85	330.69	469.55
Impact of changes on items within the same stage	272.18	21.58	98.50	392.26	8.36	5.51	319.76	333.63
Write off*	(241.51)	(179.46)	(383.26)	(804.23)	(4.98)	(59.30)	(265.65)	(329.93)
Closing as on March 31, 2023	98,996.88	3,939.10	3,214.41	1,06,150.39	437.19	401.84	1,476.66	2,315.69

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 9.1 LOANS (Contd.)

ECL across stages have been computed on collective basis.

The Company uses Days past due of the customer to determine the credit quality of loans

*Total write off includes Loss on disposal of repossessed vehicles - ₹ 516.90 crores for the year ended March 31, 2024 (₹ 566.57 crores -March 31, 2023)

Note : 9.2 OVERDUE GREATER THAN 90 DAYS

No. of loan accounts	₹ in crores	
	Overdue Instalments*	Principal outstanding (not yet due)
As on March 31,2024		
1,44,017	1,562.24	2,228.11
As on March 31,2023		
1,22,022	1,258.70	2,117.71

*Overdue instalments include principal and interest overdue

Note : 10 INVESTMENTS

Investments	Investments													
	As at March 31, 2024							As at March 31, 2023						
	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total
Through Comprehensive Income		Through Profit or loss	Designated at Fair value through Profit or loss	Through Comprehensive Income					Through Profit or loss	Designated at Fair value through Profit or loss				
Government Securities	1,539.07	-	-	-	-	1,539.07	1,541.34	-	-	-	-	-	-	1,541.34
Treasury Bill	1,440.17	-	-	-	-	1,440.17	1,536.27	-	-	-	-	-	-	1,536.27
STRIPS	599.25	-	-	-	-	599.25	-	-	-	-	-	-	-	-
Debt Securities-Convertible Note (Fair value on acquisition -Rs-10 crores)	-	-	-	-	-	-	-	-	10.92	-	10.92	-	-	10.92
Equity Instruments														
Subsidiaries	-	-	-	-	-	64.90	64.90	-	-	-	-	-	64.90	64.90
Associates	-	-	-	-	-	-	-	-	-	-	-	-	9.75	9.75
Joint Ventures	-	-	-	-	-	456.82	456.82	456.82	-	-	-	-	-	456.82
Other equity investments	-	1.31	-	-	1.31	-	1.31	-	1.31	-	-	1.31	-	1.31
Total Gross (A)	3,578.49	1.31	-	-	1.31	521.72	4,101.52	3,534.43	1.31	10.92	-	12.23	74.65	3,621.31
Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments In India	3,578.49	1.31	-	-	1.31	521.72	4,101.52	3,534.43	1.31	10.92	-	12.23	74.65	3,621.31
Total (B)	3,578.49	1.31	-	-	1.31	521.72	4,101.52	3,534.43	1.31	10.92	-	12.23	74.65	3,621.31
Allowance for Impairment (C)	-	1.29	-	-	1.29	-	1.29	-	1.29	-	-	1.29	-	1.29
Total Net (D) = (A)-(C)	3,578.49	0.02	-	-	0.02	521.72	4,100.23	3,534.43	0.02	10.92	-	10.94	74.65	3,620.02

All Instruments except Government Securities, Treasury Bill and STRIPS are Unquoted

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 10 INVESTMENTS (Contd.)

Paytail Commerce Private Limited ceased to be an associate with effect from March 21, 2024. The carrying amount (net of impairment) is part of other equity instruments as of March 31, 2024.

Asset held for sale - Investment-Equity Instruments	As at	As at
	March 31, 2024	March 31, 2023
White Data System India Private Limited 12,75,917 Equity shares of ₹ 10 each fully paid up - Un-Quoted	-	8.00
TVS Supply chain Solutions Limited 24,01,359 Equity of shares ₹ 1 each fully paid up - Quoted	37.09	-
Total	37.09	8.00

The Company entered into a share swap agreement on March 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India Private Limited (WDSI) and other shareholders of WDSI for the transfer of the entire equity shares held by the Company in WDSI to TVSSCSL. As consideration for transfer of WDSI shares, TVSSCSL has allotted 22,35,265 Compulsory Convertible Preference Shares (CCPS) of TVSSCSL to the company on April 20, 2023, Subsequently on August 23, 2023 the Compulsory Convertible Preference Shares (CCPS) was converted into 24,01,359 equity shares of TVSSCSL. Since the Company intends to sell the equity shares, the above mentioned investment has been classified as asset held for sale as at March 31, 2024 in accordance with IND AS 105 "Non Current asset held for sale and discontinued operations."

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 11 OTHER FINANCIAL ASSETS		
Unsecured - considered good		
At amortised cost		
Security deposits	42.85	38.14
Other advances	51.63	17.39
Interest only strip receivable	146.85	218.30
Gross Total	241.33	273.83
Less: Impairment Allowance	(0.08)	(0.06)
Net Total	241.25	273.77

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 12 DEFERRED TAX		
Deferred Tax Assets		
Impairment allowance for financial instruments	603.46	566.25
Provision for Contingencies and Undrawn commitments	12.56	12.92
Provision for Compensated Absences and Gratuity	30.06	22.66
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	18.89	14.85
Cash flow hedge	1.50	-
Others	19.50	4.89
(A)	685.97	626.33
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	0.93	1.16
Impact of Effective interest rate adjustment on Financial Assets	30.89	-
Cash flow hedge	-	16.67
Others	-	-
(B)	31.82	17.83
Net Deferred Tax Assets (A) - (B)	654.15	608.50

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 12 DEFERRED TAX

₹ in crores

Particular	Year ended March 31, 2024		Year ended March 31, 2023	
	Income Statement	OCI	Income Statement	OCI
Deferred Tax Assets				
Impairment allowance for financial instruments	(37.21)	-	8.62	-
Provision for Contingencies and Undrawn commitments	0.36	-	(2.67)	-
Provision for Compensated Absences and Gratuity	(5.35)	(2.05)	(1.49)	(0.12)
Impact of Effective interest rate adjustment on Financial Assets	4.76	-	41.07	-
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961	(4.04)	-	0.65	-
Others	(14.61)	-	5.85	-
(A)	(56.09)	(2.05)	52.03	(0.12)
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	0.23	-	0.47	-
Impact of Effective interest rate adjustment on Financial Assets	(30.89)	-	-	-
Cashflow Hedge reserve	-	18.17	-	(11.49)
(B)	(30.66)	18.17	0.47	(11.49)
Net deferred tax charge/(reversal) (A) - (B)	(25.43)	(20.22)	51.56	11.37

Note : 13 INVESTMENT PROPERTY

₹ in crores

Particular	
Gross carrying amount as at April 01, 2022	0.14
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2023	0.14
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2024	0.14
Accumulated depreciation and impairment	
Balance as at April 1, 2022	-
Depreciation for the year	0.01
Depreciation on disposals	-
Balance as at March 31, 2023	0.01
Depreciation for the year *	-
Depreciation on disposals	-
Balance as at March 31, 2024	0.01
Net Carrying amount	
As at March 31, 2023	0.13
As at March 31, 2024	0.13
Useful Life of the asset (In Years)	60
Method of depreciation	Straight line method

*represents amount less than ₹ 1,00,000

The Company's investment property consists of 4 properties and has let out one property as at March 31, 2024.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Income earned and expense incurred in connection with investment property

₹ in crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rental Income	0.05	0.05
Direct Operating expense from property that generated rental income	0.01	0.01
Direct Operating expense from property that did not generate the rental income	-	-

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 arrangements.

iv) Fair Value

₹ in crores

	As at March 31, 2024	As at March 31, 2023
Investment Property (₹ in crores)	3.30	3.20

v) Sensitivity analysis

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair value (₹ in crores)	Sensitivity (₹ in crores)
Investment Property As at March 31, 2024	Professional valuer	Price per Sq. feet	₹ 8,500 - ₹ 16,000 per Sq. feet	5%	3.30	0.17
Investment Property As at March 31, 2023	Professional valuer	Price per Sq. feet	₹ 7,000 - ₹ 13,000 per Sq. feet	5%	3.20	0.16

Note : 14 PROPERTY, PLANT AND EQUIPMENT

₹ in crores

Particulars	Freehold Land	Plant and Machinery	Computer Equipment	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicles	Buildings (Refer Note below)		Total
								Owned Assets	Right of Use Assets	
Gross carrying amount as at April 1, 2022	39.56	-	128.15	31.48	26.62	53.45	22.25	23.05	230.92	555.48
Additions	-	-	51.37	5.27	2.60	10.86	70.51	-	105.82	246.43
Disposals	-	-	6.61	2.48	2.63	4.62	9.47	-	2.61	28.42
Gross carrying amount as at March 31, 2023	39.56	-	172.91	34.27	26.59	59.69	83.29	23.05	334.13	773.49
Additions	803.19	3.66	49.25	25.48	34.65	59.78	56.38	29.59	299.28	1,361.26
Disposals	-	-	17.64	3.63	3.97	6.78	10.06	-	15.88	57.96
Gross carrying amount as at March 31, 2024	842.75	3.66	204.52	56.12	57.27	112.69	129.61	52.64	617.53	2,076.79
Accumulated depreciation / amortisation and impairment										
Balance as at April 1, 2022	-	-	85.57	23.95	22.86	41.19	8.37	2.07	131.58	315.59
Depreciation for the year	-	-	28.73	4.52	3.56	8.19	6.98	0.43	55.41	107.82
Depreciation on disposals	-	-	6.58	2.44	2.62	4.60	5.80	-	0.05	22.09
Balance as at March 31, 2023	-	-	107.72	26.03	23.80	44.78	9.55	2.50	186.94	401.32
Depreciation for the year	-	0.14	41.48	7.53	9.84	18.41	22.94	0.80	75.98	177.12
Depreciation on disposals	-	-	17.20	3.43	3.96	6.76	4.30	-	-	35.65
Balance as at March 31, 2024	-	0.14	132.00	30.13	29.68	56.43	28.19	3.30	262.92	542.79
Net Carrying amount										
As at March 31, 2023	39.56	-	65.19	8.24	2.79	14.91	73.74	20.55	147.19	372.17
As at March 31, 2024	842.75	3.52	72.52	25.99	27.59	56.26	101.42	49.34	354.61	1,534.00
Useful Life of the asset (In Years)		15	3	5	5	upto 5	5	60/30/5	upto 9	
Method of depreciation	Straight-line method									

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

1. Details of Immovable properties of land and buildings (Owned Assets), whose title deeds have been pledged in favour of Trustees for the benefit of debenture holders as security, has been explained in Note 17.1
2. The Company 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.
3. The Title Deeds of the Immovable Properties mentioned above are in the name of the company.
4. Company has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2024 and March 31, 2023.

Particulars	₹ in crores
	Computer Software
Note : 15 INTANGIBLE ASSETS	
Gross carrying amount as at April 1, 2022	84.34
Additions	22.94
Deletions	-
Gross carrying amount as at March 31, 2023	107.28
Additions	15.23
Deletions	10.71
Gross carrying amount as at March 31, 2024	111.80
Accumulated Amortization and impairment	
Balance as at April 1, 2022	69.79
Amortization for the year	11.06
Amortization on deletions	-
Balance as at March 31, 2023	80.85
Amortization for the year	18.65
Amortization on deletions	10.71
Balance as at March 31, 2024	88.79
Net Carrying amount	
As at March 31, 2023	26.43
As at March 31, 2024	23.01
Useful Life of the asset (In Years)	3
Method of depreciation	Straight line method

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 16 OTHER NON FINANCIAL ASSETS		
Prepaid expenses	37.15	30.59
Capital advances	7.19	21.12
GST Input Credit	18.33	12.00
Others	36.98	41.72
Total	99.65	105.43

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 17 DEBT SECURITIES (at amortised cost)		
Redeemable Non-Convertible Debentures		
Medium-Term - Secured	19,435.62	15,340.63
Medium-Term - UnSecured	-	25.00
Compulsorily Convertible Debentures-Unsecured	2,071.45	-
Commercial Papers - Unsecured	3,305.69	4,316.78
Total	24,812.76	19,682.41

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 17 DEBT SECURITIES (at amortised cost) (Contd.)

All debt securities have been contracted in India

17.1 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, Bills discounted and other loans and *pari passu* charge on immovable property which are owned assets of the Company situated at Chennai.

ii) **TERMS OF THE COMPULSORILY CONVERTIBLE DEBENTURES (CCD)**

Each CCD has a face value of ₹ 100,000 and shall constitute an unsecured and unsubordinated (as between other unsecured creditors) obligation of our Company. The Allotment of CCDs has been made in dematerialized form.

Maturity Date

Unless converted earlier in accordance with the terms hereof, the maturity date for compulsory conversion of each CCD shall be September 30, 2026.

Conversion

Early Conversion Option

Each CCD holder shall be entitled to convert their CCD into Equity Shares on or after September 30, 2025 ("Entitlement Date"). Each CCD of face value of ₹ 100,000 shall be converted into such number of Equity Shares fully paid of face value of ₹ 2 as per the Conversion Price (defined below). CCD holders can apply for conversion of CCDs within the first 7 calendar days after the Entitlement Date or after the end of every calendar quarter after the Entitlement Date, except the last quarter before maturity, when it will compulsorily convert on the last maturity date i.e., September 30, 2026, provided if September 30, 2026 falls on a trading holiday, then the trading day immediately preceding such date shall be considered by the Company for the purpose of conversion Maturity Date.

Compulsory Conversion

If any or all of the CCDs have not been converted till Maturity Date, then all of the CCDs held on the Maturity Date shall be compulsorily and automatically converted into Equity Shares as per the Conversion Price (defined below).

The fractional amount after conversion of the CCDs tendered for conversion by the CCD holder shall be paid in cash to the CCD holders within seven working days from the date of conversion of CCDs.

Conversion Price

Subject to Regulation 176 of the SEBI Regulations and applicable law, each CCD shall be converted into such number of Equity Shares based on the conversion price arrived as per the below formula. Conversion price shall be higher of the following:

If Conversion Volume Weighted Average Price (VWAP) is higher than ₹ 1,650.00 per Equity Share then the aggregate face value of the CCDs proposed to be converted into Equity Shares at a discount of 16.50% to the Conversion VWAP, if lower than or equal to ₹ 1,650.00 per Equity Share, then the aggregate face value of the CCDs shall be converted into Equity Shares at a discount of 15.00% to the Conversion VWAP.

For the purpose of the above, Conversion Volume Weighted Average Price (VWAP) shall be calculated as seven trading days volume weighted average price of Equity Shares of our Company traded on the NSE, preceding the first date after the end of quarter, prior to Conversion Notice or Maturity Date for compulsory conversion of the balance CCDs held; whichever is earlier; OR the Floor Price of Equity Shares being ₹ 1,200.51 subject to discount of upto 5%, as may be decided by the Board of Directors of a duly authorized committee of the Board.

The Conversion Price shall be decided by the Company in accordance with the aforementioned formula.

Interest on CCDs

Each CCD will bear interest at the rate of 7.50% per annum calculated on the face value of the CCD commencing from the date of Allotment and until the Conversion Date. The Interest shall be paid by our Company to the CCD holders in half yearly instalments.

In the event the CCD holder has exercised its right to convert the CCD, then any Interest accrued but unpaid shall be paid within seven working days from the Conversion Date.

An additional interest at the rate of 2.00% per annum over and above the rate of interest of 7.50% per annum shall be applicable in case of delay in payment of interest by our Company for the delayed period.

iii) The Company has not defaulted in the repayment of dues to its lenders.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 17 DEBT SECURITIES (at amortised cost) (Contd.)

17.2 Details of Debentures - Contractual principal repayment value

(i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put / call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31, 2024 ₹ in crores	March 31, 2023		
3,250	10,00,000	0.00	325.00	Apr-23	6.26
9,000	10,00,000	0.00	900.00	May-23	5.70 to 7.50
1,990	10,00,000	0.00	199.00	Aug-23	9.06
6,023	10,00,000	0.00	602.30	Sep-23	5.58 to 8.80
5,500	10,00,000	0.00	550.00	Dec-23	6.10
10,050	10,00,000	0.00	1005.00	Feb-24	6.25 to 7.31
11,500	10,00,000	1150.00	1150.00	Apr-24	8.6179
16,000	10,00,000	1600.00	1600.00	Jul-24	7.38 to 8.66
4,000	10,00,000	400.00	400.00	Aug-24	7.67 to 7.69
3,500	10,00,000	350.00	350.00	Oct-24	6.80
13,600	10,00,000	1360.00	1360.00	Dec-24	6.63 to 8.81
2,000	10,00,000	200.00	200.00	Feb-25	9.11
33,49,951	1,000	335.00	0.00	Mar-25	8.25
4,974	10,00,000	497.40	497.40	Mar-25	7.08
32,85,035	1,000	328.50	0.00	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	0.00	Dec-25	8.40
6,050	10,00,000	605.00	605.00	Dec-25	8.30
11,35,778	1,000	113.58	0.00	Jan-26	8.45
8,000	10,00,000	800.00	800.00	Jan-26	7.9217
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	0.00	May-26	8.25
18,72,062	1,000	187.21	0.00	Jun-26	8.30
20,18,847	1,000	201.88	0.00	Sep-26	8.30
250	10,00,000	25.00	25.00	Nov-26	8.55
22,81,860	1,000	228.19	0.00	Dec-26	8.50
51,82,140	1,000	518.21	0.00	Jan-27	8.50
5,000	1,00,000	50.00	0.00	Jan-27	8.40
2,700	10,00,000	270.00	270.00	Mar-27	7.30
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
44,02,938	1,000	440.29	0.00	May-28	8.40
89,63,940	1,000	896.39	0.00	Aug-28	8.40
44,73,708	1,000	447.37	0.00	Dec-28	8.60
78,57,218	1,000	785.72	0.00	Jan-29	8.60
1,00,000	1,00,000	1000.00	0.00	Feb-29	8.65
94,100	1,00,000	941.00	0.00	Mar-29	8.60
		17,636.16	13,870.70		

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

17.2 Details of Debentures - Contractual principal repayment value (Contd.)

(ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put / call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Redemption price ₹	Premium ₹
		March 31, 2024	March 31, 2023			
₹ in crores						
350	10,00,000	35.00	35.00	Oct-24	13,01,025.00	3,01,025.00
250	10,00,000	25.00	25.00	Dec-24	12,93,960.00	2,93,960.00
167213	1,000	16.72	0.00	Mar-25	1,156.64	156.64
74466	1,000	7.45	0.00	Jun-25	1,156.64	156.64
5000	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
1250	10,00,000	125.00	125.00	Jul-25	14,61,481.00	4,61,481.00
126294	1,000	12.63	0.00	Dec-25	1,175.32	175.32
100942	1,000	10.09	0.00	Jan-26	1,176.40	176.40
83500	1,000	8.35	0.00	Jun-26	1,279.15	279.15
112926	1,000	11.29	0.00	Sep-26	1,279.15	279.15
112696	1,000	11.27	0.00	Dec-26	1,277.58	277.58
48858	1,000	4.89	0.00	Jan-27	1,277.29	277.29
1000	10,00,000	100.00	100.00	Mar-27	14,22,599.00	4,22,599.00
124336	1,000	12.43	0.00	May-28	1,497.40	497.40
96548	1,000	9.65	0.00	Aug-28	1,497.41	497.41
89123	1,000	8.91	0.00	Dec-28	1,511.28	511.28
25903	1,000	2.59	0.00	Jan-29	1,511.28	511.28
		986.27	870.00			

(iii) Secured Redeemable Non-Convertible Debentures - Redeemable at par - with Put option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Put option date	Rate of interest %
		March 31, 2024	March 31, 2023			
₹ in crores						
10	10,00,000	-	1.00	Aug-23	Jul-21	9.06
		-	1.00			

(iv) UnSecured Redeemable Non-Convertible Debentures - Redeemable at par - No put / call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Put option date	Rate of interest %
		March 31, 2024	March 31, 2023			
₹ in crores						
250	10,00,000		25.00	Jul-23	NA	5.12
			25.00			

(v) Compulsorily Convertible Debentures

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Put option date	Rate of interest %
		March 31, 2024	March 31, 2023			
₹ in crores						
200000	1,00,000	2,000.00	-	NA	NA	7.50%
		2,000.00	-			

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 18 BORROWINGS (Other than Debt Securities) at amortised cost		
A) Term Loans		
i) (a) From Banks - Secured		
- Rupee Loans	62,118.31	52,660.23
- Foreign currency Loans	-	827.99
- External Commercial Borrowings	4,467.39	1,525.88
(b) From Banks - Unsecured		
- Short term loans	-	200.00
ii) From Other Parties - Secured		
- Financial Institutions		
- Rupee Loans	9,324.77	4,307.15
- External Commercial Borrowings	1,089.47	1,276.71
- Securitisation - Rupee Loans (Refer Note 6)	23,781.83	9,982.57
B) Loan repayable on demand - Secured from Banks - Rupee Loans	3,729.36	2,405.66
Total	1,04,511.13	73,186.19
Borrowings within India	98,954.27	70,383.60
Borrowings Outside India	5,556.86	2,802.59

18.1 Security

- (i) Secured term loans from banks and financial institution are secured by way of specific/pari passu charge on assets under hypothecation relating to automobile financing and loans against immovable property and home loans.
- (ii) Securitisation rupee loan represents the net outstanding value (Net of Investment in Pass-through Certificates) of the proceeds received by the Company from securitisation trust in respect of loan assets transferred by the Company pursuant to Deed of Assignment. The Company has provided Credit enhancement to the trust by way of cash collateral and Bank guarantee. Also, refer Note 6.
- (iii) Loan repayable on demand is in the nature of Cash Credit and working capital demand loans from banks and is secured by way of floating charge on assets under hypothecation and other assets.
- (iv) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 18.2 based on the Contractual terms.
- (v) The Company has not defaulted in the repayment of dues to its lenders.
- (vi) The company has utilised the borrowings for the purpose for which it was obtained.
- (vii) The quarterly statements or returns of current assets filed by the company with banks are in agreement with books of accounts.

18.2 Details of term loans/working capital demand loan - Contractual principal repayment value

Rate of Interest	Maturity	Instalments	₹ in crores		
			Amount outstanding March 31, 2024	March 31, 2023	
Base Rate / MCLR	< 1year	1	50.00	600.00	
		2	-	300.00	
		3	75.00	841.67	
		4	2,615.56	757.78	
		8	-	-	
		12	200.00	-	
	1 - 2 years	1	237.50	50.00	
		4	1,565.56	2,380.00	
		9	150.00	-	
		2 - 3 years	1	-	237.50
			4	954.44	1,430.00

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

18.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding		
			March 31, 2024	March 31, 2023	
	3 - 4 years	2	50.00	-	
		3	241.67	-	
		4	532.22	552.22	
	4 - 5 years	2	-	50.00	
		3	45.00	241.67	
		4	200.00	130.00	
	> 5 Years	1	-	12.50	
Base Rate/ MCLR + spread (0.10%)	< 1 year	1	1,000.00	1,600.00	
		2	-	250.00	
		3	375.00	-	
		4	2,373.81	600.00	
	1 - 2 years	1	1,000.00	1,000.00	
		3	-	375.00	
		4	2,373.81	100.00	
	2 - 3 years	1	-	1,000.00	
		3	-	75.00	
		4	2,107.14	200.00	
	3 - 4 years	2	428.57	-	
		3	637.50	-	
		4	400.00	-	
	4 - 5 years	3	300.00	-	
Rate based on T Bill	> 1 year	4	20.00	-	
		1-2 years	4	20.00	-
		2-3 years	4	20.00	-
		3-4 years	4	20.00	-
		4-5 years	3	15.00	-
Rate based on T Bill + Spread	< 1 year	1	3,255.00	2,250.00	
		2	1,200.00	-	
		3	137.96	125.00	
		4	5,801.79	3,964.78	
		8	-	500.00	
		12	-	200.00	
		1 - 2 years	1	2,560.00	1,550.00
			2	1,575.71	-
			3	45.00	137.96
			4	5,470.36	3,080.83
			12	-	200.00
		2 - 3 years	1	2,417.14	1,800.00
2	1,639.29		285.71		
3	321.43		45.00		
4	3,143.22		2,249.40		
9	-		150.00		
	3 - 4 years	1	1,553.57	1,657.14	

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

18.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2024	March 31, 2023
		2	1,732.14	349.29
		4	400.36	410.83
		9	-	-
	4 - 5 years	1	1,100.00	615.00
		2	221.50	100.00
		4	358.75	-
	>5 Years	1	36.40	-
Fixed Rate	< 1year	1	1,516.33	333.00
		2	1,012.22	222.22
		3	102.20	-
		4	890.80	772.72
		12	166.67	-
	1 - 2 years	1	1,684.00	1,516.33
		2	1,032.22	222.22
		3	-	102.20
		4	890.80	636.32
		12	166.67	-
	2 - 3 years	1	1,350.00	1,684.00
		2	932.22	222.22
		3	-	-
		4	890.80	636.32
		7	97.22	-
	3 - 4 years	1	277.78	1,350.00
		2	710.00	222.22
		4	890.80	636.32
	4 - 5 years	1	443.77	277.78
		2	141.00	-
		3	68.32	-
		4	163.60	636.32
	>5 years	1	41.10	113.77
		2	-	91.00
Repo Rate	< 1year	1	176.19	458.33
		2	121.00	400.00
		3	251.79	33.33
		4	1,872.38	3,232.88
		6	-	416.67
	1 - 2 years	1	-	601.19
		2	150.00	1,121.00
		3	18.75	251.79
		4	1,186.67	2,581.74
	2 - 3 years	1	-	-
		2	160.00	1,000.00
		3	-	18.75

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

18.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2024	March 31, 2023
		4	1,166.67	1,896.02
	3 - 4 years	1	50.00	43.75
		2	361.11	760.00
		3	-	794.20
		4	524.44	642.22
	4 - 5 years	1	12.50	425.00
		2	372.22	211.11
	> 5 Years	1	75.00	-
Overnight MIBOR	< 1year	1	-	70.56
		2	111.12	-
		4	285.83	-
	1 - 2 years	2	111.11	111.11
		4	285.83	-
	2 - 3 years	1	43.75	-
		2	111.11	111.11
		4	110.84	-
	3 - 4 years	2	111.11	111.11
	4 - 5 years	2	-	111.11
USD 3M LIBOR + Spread	< 1year	4	-	233.85
	1-2 years	4	-	233.85
	2-3 years	4	-	233.85
	3 - 4 years	4	-	233.85
	4 - 5 years	4	-	233.85
	> 1year	1	-	58.46
USD 3M SOFR + Spread	< 1year	4	237.37	
	1-2 years	4	237.37	
	2-3 years	4	237.37	
	3 - 4 years	4	237.37	
	4 - 5 years	1	59.34	
USD 6M LIBOR + Spread	1-2 years	1	-	755.92
USD 6M SOFR + Spread	< 1year	1	767.28	
	1-2 years	1	834.00	
	2 - 3 years	1	2,919.00	821.65
USD 3M SOFR + Spread	< 1year	1	-	828.89
USD 12M LIBOR + Spread	< 1year	1	-	-
Total			77,644.44	61,166.39

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

18.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

Details of Securitised loan

₹ in crores

Rate of Interest	Maturity	Amount outstanding*	
		March 31, 2024	March 31, 2023
Fixed (4.9% to 8%)	Less than 1 year	9,448.78	3,975.72
	1-2 year	7,184.46	3,052.67
	2-3 year	4,526.29	1,771.34
	3-4 year	1,959.39	690.48
	4-5 year	345.33	72.07
	more than 5 years	85.16	51.72
Total		23,549.41	9,614.00
Floating Base Rate/ MCLR - spread (0.75% to 2.65%)	Less than 1 year	29.75	46.32
	1-2 year	27.01	41.92
	2-3 year	26.55	43.09
	3-4 year	22.47	41.08
	4-5 year	18.66	34.34
	more than 5 years	78.94	144.74
Total		203.38	351.49

* Represents amounts to be paid to the securitisation trust as per the securitisation cash flows net of amounts to be received against Investment in PTC.

18.3 No borrowings are guaranteed by directors and /or others.

₹ in crores

Particulars	As at	
	March 31, 2024	March 31, 2023
Note : 19 SUBORDINATED LIABILITIES (at amortised cost)		
Perpetual Debt - Unsecured	1,612.89	1,527.96
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	408.18	407.94
b) Other Subordinated Debts	3,128.62	2,551.56
Total	5,149.69	4,487.46

- All Subordinated liabilities have been contracted in India except for Rupee denominated bonds.
- The Company has not defaulted in the repayment of dues to its lenders.

19.1 Details of Subordinated Liabilities - Contractual principal repayment value

(i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put / call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31, 2024	March 31, 2023		
		₹ in crores			
150	10,00,000	0.00	15.00	Sep-23	11.00
500	10,00,000	0.00	50.00	Oct-23	9.08
2,000	10,00,000	0.00	200.00	Nov-23	9.08 to 9.20
250	10,00,000	0.00	25.00	Jan-24	11.00
200	10,00,000	0.00	20.00	Feb-24	11.00
250	10,00,000	0.00	25.00	Mar-24	11.00
250	10,00,000	25.00	25.00	Apr-24	11.00
50	10,00,000	5.00	5.00	May-24	11.00

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

19.1 Details of Subordinated Liabilities - Contractual principal repayment value

(i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put / call option (Contd.)

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31, 2024	March 31, 2023		
		₹ in crores			
150	10,00,000	15.00	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
20,000	1,00,000	200.00	200.00	Oct-29	9.00
400	1,00,00,000	400.00	400.00	Jan-30	9.75
30,000	1,00,000	300.00	0.00	May-30	8.75
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
290	1,00,00,000	290.00	290.00	Dec-32	8.65
20,500	1,00,000	205.00	0.00	Oct-33	8.85
20,000	1,00,000	200.00	0.00	Nov-33	8.85
20,010	1,00,000	200.10	0.00	Mar-34	8.85
		3,430.10	2,860.00		

(ii) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at premium - No put / call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Redemption price ₹	Premium ₹
		March 31, 2024	March 31, 2023			
		₹ in crores				
150	10,00,000		15.00	Nov-23	17,57,947	7,57,947
		-	15.00			

(iii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at		Maturity Date - Perpetual#	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31, 2024	March 31, 2023		
		₹ in crore			
1,000	5,00,000	0.00	50.00	Oct-23	12.90
245	10,00,000	0.00	24.50	Oct-23	12.60
1,031	10,00,000	0.00	103.10	Dec-23	12.50 to 12.60
50	10,00,000	0.00	5.00	Jan-24	12.6
500	5,00,000	0.00	25.00	Feb-24	12.9
500	5,00,000	25.00	25.00	Jun-24	12.90
174	10,00,000	17.40	17.40	Jul-24	12.90
500	5,00,000	25.00	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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

19.1 Details of Subordinated Liabilities - Contractual principal repayment value (Contd.)

(iii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at		Maturity Date - Perpetual#	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31, 2024	March 31, 2023		
		₹ in crore			
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	9.10
45	1,00,00,000	45.00	45.00	May-32	9.20
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	0.00	Jun-33	9.40
200	1,00,00,000	200.00	0.00	Jun-33	9.25
400	5,00,000	20.00	0.00	Sep-33	9.25
		1,543.40	1,501.00		

Company can redeem using Call option on the maturity date with prior approval of RBI.

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 20 OTHER FINANCIAL LIABILITIES		
Unpaid dividend	0.70	0.76
Advance from customers	41.05	37.53
Security deposits received	5.83	4.83
Collections towards derecognised assets pending remittance	47.31	111.00
Lease liability (Refer note 48)	371.50	166.89
Other liabilities	39.24	33.10
Total	505.63	354.11

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 21 PROVISIONS		
Provision for Employee Benefits		
- Compensated absences	142.79	89.55
	142.79	89.55
Other Provisions		
Provision for contingencies and service tax claims (Refer note 39)	39.54	39.54
Provision for expected credit loss towards undrawn commitments (Refer note 39)	10.37	11.79
	49.91	51.33
Total	192.70	140.88

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 22 OTHER NON FINANCIAL LIABILITIES		
Income received in advance	5.14	2.95
Statutory liabilities	74.37	38.66
Others	2.72	4.51
Total	82.23	46.12

Particulars	₹ in crores			
	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
Note : 23 A) EQUITY SHARE CAPITAL				
AUTHORISED				
Equity Shares of ₹ 2 each with voting rights	1,20,00,00,000	240.00	1,20,00,00,000	240.00
Preference Shares of ₹ 100 each	5,00,00,000	500.00	5,00,00,000	500.00
		740.0		740.00
ISSUED				
Equity Shares of ₹ 2 each with voting rights	84,06,52,732	168.13	82,27,24,126	164.54
		168.13		164.54
SUBSCRIBED AND FULLY PAID UP				
Equity Shares of ₹ 2 each with voting rights	83,99,68,962	167.99	82,20,40,356	164.41
Add : Forfeited Shares	6,54,500	0.07	6,54,500	0.07
		168.06		164.48

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
Equity Shares				
At the beginning of the year (₹ 2/- each)	82,20,40,356	164.41	82,10,71,821	164.21
Issued during the year				
a) Qualified institutional Placement	1,69,49,152	3.39		-
b) Employees Stock Option (ESOP) Scheme	9,79,454	0.19	9,68,535	0.20
Outstanding at the end of the year - ₹ 2/- each	83,99,68,962	167.99	82,20,40,356	164.41
Forfeited shares				
Equity Shares - Amount originally paid up	6,54,500	0.07	6,54,500	0.07

i) Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

The Company has issued 1,69,49,152 equity shares of ₹ 2 each on October 10, 2023 at a issue price of ₹ 1,180 per share (including premium of ₹ 1,178 per share) through Qualified Institutional Placement.

b) Equity Shares held by Holding Company

	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	37,28,85,889

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

c) Details of shareholding more than 5% shares in the Company

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding in the class	Nos.	% holding in the class
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	44.39	37,28,85,889	45.36

d) Shares held by Promoters/Promoter Group

As per records of the Company, 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.

Details of Shareholding of promoters and promoter Group as on March 31, 2024

Promoters Name	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
Valli Annamalai	12,500	-	12,500	-	-
M Vellachi	11,60,427	0.14	11,60,427	0.14	-
M A M Arunachalam	1,65,752	0.02	65,000	0.01	(0.01)
Arun Alagappan	9,50,000	0.11	9,50,000	0.12	0.01
M.A.Alagappan	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	1,32,625	0.02	6,685	-	(0.02)
A Vellayan	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	50,255	0.01	50,255	0.01	-
M V Valli Murugappan	-	-	-	-	-
M M Murugappan	21,035	-	21,035	-	-
A M Meyyammai	25,188	-	2,51,880	0.03	0.03
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	10,000	-	10,000	-	-
Meenakshi Murugappan	245	-	245	-	-
Valli Alagappan	5,200	-	5,200	-	-
A Venkatachalam	2,09,605	0.02	2,09,605	0.03	0.01
V Narayanan	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	15,960	-	15,960	-	-
M V AR Meenakshi	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	1,08,881	0.01	2,27,440	0.03	0.02
Sigapi Arunachalam	74,255	0.01	74,255	0.01	-
Uma Ramanathan	23,500	-	23,500	-	-
V Vasantha	1,250	-	1,250	-	-
Dhruv M Arunachalam	50,000	0.01	50,000	0.01	-
Kanika Subbiah	67,000	0.01	67,000	0.01	-
Pranav Alagappan	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	11,90,583	0.14	11,90,583	0.14	-
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	7,000	-	7,000	-	-
A A Alagammai	2,894	-	2,894	-	-
Umayal R	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	12,890	-	12,890	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

Details of Shareholding of promoters and promoter Group as on March 31, 2024

Promoters Name	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
Ambadi Enterprises Ltd	2,91,380	0.03	2,91,380	0.04	0.01
A M M Vellayan Sons P Ltd	26,725	-	26,725	-	-
Carborundum Universal Limited	500	-	500	-	-
E.I.D. Parry (India) Ltd.	1,965	-	1,965	-	-
M.M.Muthiah Research Foundation	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	3,37,21,870	4.01	3,37,21,870	4.10	0.09
Parry Enterprises India Ltd	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited (Formerly TI Financial Holdings Ltd)	37,28,85,889	44.39	37,28,85,889	45.36	0.97
AR Lakshmi Achi Trust	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	1,12,700	0.01	1,70,700	0.02	0.01
Murugappa Educational and Medical Foundation	1,965	-	1,965	-	-
M A Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	5,50,630	0.07	5,50,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees)	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	1,99,278	0.02	1,93,375	0.02	-
V S Bhairavi Trust (M V Subbiah & Kanika Subbiah, Trustees holds shares for Trust)	1,92,246	0.02	1,88,875	0.02	-
Arun Murugappan ChildrenTrust (MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	1,41,160	0.02	1,41,160	0.02	-
MA.Alagappan Grand Children Trust (Arun Alagappan and AA Alagammai, Trustees holds shares for Trust)	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	1,58,765	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,64,000	0.03	2,64,000	0.03	-
M.A.Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	3,55,850	0.04	3,55,850	0.04	-
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees holds shares for Trust)	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares forTrust)	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	25,000	-	25,000	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

Details of Shareholding of promoters and promoter Group as on March 31, 2024

Promoters Name	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
M M Venkatachalam Family Trust (M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah, S Vellayan, Trustees holds shares for Trust)	15,24,534	0.18	15,24,534	0.19	0.01
M A M Arunachalam HUF (M A M Arunachalam is the Karta of HUF)	38	-	-	-	-
	42,29,62,095	50.35	42,31,26,532	51.48	1.13

Details of Shareholding of promoters and promoter Group as on March 31, 2023

Promoters Name	No. of shares as on March 31, 2023	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
Valli Annamalai	12,500	-	12,500	-	-
M Vellachi	11,60,427	0.14	11,60,427	0.14	-
M A M Arunachalam	65,000	0.01	65,000	0.01	-
Arun Alagappan	9,50,000	0.12	9,50,000	0.12	-
M.A.Alagappan	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	6,685	-	6,685	-	-
A Vellayan	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	50,255	0.01	50,255	0.01	-
M V Valli Murugappan	-	-	-	-	-
M M Murugappan	21,035	-	21,035	-	-
A M Meyyammai	2,51,880	0.03	2,51,880	0.03	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	10,000	-	10,000	-	-
Meenakshi Murugappan	245	-	245	-	-
Valli Alagappan	5,200	-	5,000	-	-
A Venkatachalam	2,09,605	0.03	2,09,605	0.03	-
V Narayanan	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	15,960	-	15,960	-	-
M V AR Meenakshi	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	2,27,440	0.03	2,27,440	0.03	-
Sigapi Arunachalam	74,255	0.01	74,255	0.01	-
Uma Ramanathan	23,500	-	23,500	-	-
V Vasantha	1,250	-	1,250	-	-
Dhruv M Arunachalam	50,000	0.01	50,000	0.01	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

Details of Shareholding of promoters and promoter Group as on March 31, 2023

Promoters Name	No. of shares as on March 31, 2023	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
Kanika Subbiah	67,000	0.01	67,000	0.01	-
Pranav Alagappan	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	11,90,583	0.14	11,90,583	0.15	(0.01)
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	7,000	-	7,000	-	-
A A Alagammai	2,894	-	2,894	-	-
Umayal R	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	2,91,380	0.04	2,91,380	0.04	-
A M M Vellayan Sons P Ltd	26,725	-	26,575	-	-
Carborundum Universal Limited	500	-	500	-	-
E.I.D. Parry (India) Ltd.	1,965	-	1,965	-	-
M.M.Muthiah Research Foundation	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	3,37,21,870	4.10	3,37,21,870	4.11	(0.01)
Parry Enterprises India Ltd	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited (Formerly TI Financial Holdings Ltd)	37,28,85,889	45.36	37,28,85,889	45.41	(0.05)
AR Lakshmi Achi Trust	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	1,70,700	0.02	1,70,700	0.02	-
Murugappa Educational and Medical Foundation	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	5,50,630	0.07	5,85,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees)	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	1,93,375	0.02	1,93,375	0.02	-
V S Bhairavi Trust (M V Subbiah & Kanika Subbiah, Trustees holds shares for Trust)	1,88,875	0.02	1,88,875	0.02	-
Arun Murugappan Children Trust (MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	1,41,160	0.02	1,41,160	0.02	-
MA. Alagappan Grand Children Trust (Arun Alagappan and AA Alagammai, Trustees holds shares for Trust)	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	1,55,955	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,64,000	0.03	2,64,000	0.03	-
M.A. Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	3,55,850	0.04	3,55,850	0.04	-
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees holds shares for Trust)	46,055	0.01	46,055	0.01	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

Details of Shareholding of promoters and promoter Group as on March 31, 2023

Promoters Name	No. of shares as on March 31, 2023	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	25,000	-	25,000	-	-
M M Venkatachalam Family Trust (M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah, S Vellayan, Trustees holds shares for Trust)	15,24,534	0.19	16,01,300	0.20	(0.01)
	42,31,26,532	51.48	42,32,37,948	51.56	(0.08)

₹ in crores

Particulars	As at	
	March 31, 2024	March 31, 2023
Note : 23 B) OTHER EQUITY		
Statutory Reserve (Refer Note a)		
Balance at the beginning of the year	2,560.46	2,020.46
Add: Amount transferred from retained earnings	690.00	540.00
Closing balance at the end of the year	3,250.46	2,560.46
Capital Reserve (Refer Note b)		
Balance at the beginning of the year	0.04	0.04
Add: Changes during the year	-	-
Closing balance at the end of the year	0.04	0.04
Capital Redemption Reserve (Refer Note c)		
Balance at the beginning of the year	33.00	33.00
Add: Changes during the year	-	-
Closing balance at the end of the year	33.00	33.00
Securities Premium Account (Refer Note d)		
Balance at the beginning of the year	2,912.99	2,888.92
Add: Premium on issue of shares on Qualified Institutional placement (QIP) (Refer note 23A)	1,996.61	-
Add: Premium on ESOPs exercised	35.34	24.07
Less: Share issue expenses	(27.97)	-
Closing balance at the end of the year	4,916.97	2,912.99
General Reserve (Refer Note e)		
Balance at the beginning of the year	5,739.13	4,739.13
Add: Amount transferred from retained earnings	-	1,000.00
Closing balance at the end of the year	5,739.13	5,739.13
Share Based Payments Reserve (Refer Note f)		
Balance at the beginning of the year	83.39	54.93
Addition during the year	55.40	28.46
Closing balance at the end of the year	138.79	83.39

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 23 B) OTHER EQUITY (Contd.)

₹ in crores

Particulars	As at	
	March 31, 2024	March 31, 2023
Retained Earnings (Refer Note g)		
Balance at the beginning of the year	2,754.31	1,792.82
Profit for the year	3,422.75	2,666.20
Less:		
Dividend		
Equity - Final	(57.56)	(57.51)
Equity - Interim	(109.16)	(106.85)
Transfer to Statutory Reserve	(690.00)	(540.00)
Transfer to General Reserve	-	(1,000.00)
Re-measurement Gain / (Loss) on Defined Benefit Obligations (Net) transferred to Retained Earnings	(6.10)	(0.35)
Closing balance at the end of the year	5,314.24	2,754.31
Cash flow hedge reserve (Refer Note h)		
Balance at the beginning of the year	49.54	15.39
Adjustments during the year	(54.02)	34.15
Closing balance at the end of the year	(4.48)	49.54
FVOCI Reserve (Refer Note i)		
Balance at the beginning of the year	(1.29)	(1.29)
Closing balance at the end of the year	(1.29)	(1.29)
Share Application Money pending Allotment at the end of the year (Refer Note j)	1.59	-
Total Other Equity	19,388.45	14,131.57

- Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit annually as disclosed in the Statement of Profit and Loss account, before any dividend is declared.
- Capital reserve represents the reserve created on account of amalgamation of Chola Factoring Limited in the year 2013-14.
- 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 limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- Securities premium reserve is used to record the premium on issue of shares. The premium received during the year represents the premium received towards allotment of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the provisions of the Companies Act, 2013.
- The general reserve is a free reserve, retained from Company's profits and can be utilized upon fulfilling certain conditions in accordance with specific requirement of Companies Act, 2013.
- Under IND AS 102, 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. Share based payment reserve represents the amount of reserve created for recognition of employee compensation cost at grant date and fair value of options vested and but not exercised by the employees and unvested options are recognised in statement of profit and loss account.
- The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial position of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported in retained earnings are not distributable in entirety.
- 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 Company accounting policies.
- FVOCI Reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income. There has been no draw down from reserve during the year ended March 31, 2024 and March 31, 2023.
- Share application money pending allotment as at March 31, 2024 represents amount received towards equity shares of the Company pursuant to ESOP scheme and have been subsequently allotted.

Proposed dividend

The Board of Directors of the Company have recommended a final dividend of 35% being ₹ 0.70 per share on the equity shares of the Company, for the year ended March 31, 2024 (₹ 0.70 per share - March 31, 2023) which is subject to approval of shareholders. Consequently the proposed dividend has not been recognised in the books in accordance with IND AS 10.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
REVENUE FROM OPERATIONS		
Note : 24A		
(i) Interest Income - on financial assets measured at amortised cost		
(a) Loans		
- Bills Discounting	98.02	69.37
- Term loans	17,063.06	11,738.98
(b) Term Deposits With Banks		
- under lien	104.62	26.88
- free of lien	126.55	106.05
(C) Others -Gsec/T-bill/STRIPS	221.43	140.90
Total (A)	17,613.68	12,082.18
Note : 24B		
i) Fee & Commission income *		
- Loans	667.21	524.37
- Insurance Commission	379.35	-
- Others	0.02	-
Total (B)	1,046.58	524.37
*Services are rendered at a point in time		
Note : 24C Net gain on fair value change on financial instrument		
Net gain on fair value changes on FVTPL - Realised		
Mutual fund units	142.39	68.48
Gain on conversion of equity shares	32.23	
Net gain/loss on fair value changes on FVTPL - Un-realised		
Equity Shares	(3.15)	-
Convertible Note	(10.92)	0.92
Total (C)	160.55	69.40
Note : 24D		
(i) Sale of Services		
(a) Servicing and Collection fee on Assignment	2.24	3.09
(b) Other Service Income	22.17	78.00
Total (D)	24.41	81.09
Note: Timing of revenue recognition		
Services rendered at a point in time	24.41	75.09
Services rendered over a time	-	6.00
Total	24.41	81.09

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 25 OTHER INCOME		
Recovery of Bad debts	254.26	220.43
Dividend Income	114.65	-
Rent	0.69	0.51
Miscellaneous Income	1.46	-
Total	371.06	220.94

Dividend income represents dividend received from wholly owned subsidiaries.

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 26 FINANCE COST		
Interest on financial liabilities measured at amortised cost		
- Debt securities	1,868.60	1,264.66
- Borrowings other than debt securities	6,863.54	4,082.29
- Subordinated liabilities	458.00	374.89
Others		
- Bank charges	17.21	14.51
- Interest on lease liability (Refer note 48)	23.26	12.40
Total	9,230.61	5,748.75

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 27 IMPAIRMENT OF FINANCIAL INSTRUMENTS (Net)		
Impairment provision		
- Loans - measured at amortised cost	1,310.16	848.35
- Receivable and other Financial assets - measured at amortised cost	1.89	1.33
- Investment in Associate - measured at cost	9.75	-
Total	1,321.80	849.68

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 28 EMPLOYEE BENEFITS EXPENSE		
Salaries, bonus and commission	2,110.12	1,145.70
Contribution to provident and other funds		
- Employers' provident fund	98.22	48.11
- Superannuation fund	5.88	4.91
Share based payment Expense	52.53	28.08
Gratuity expense (Refer note 35)	26.99	14.98
Staff welfare expenses	36.81	23.90
Total	2,330.55	1,265.68

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 29 OTHER EXPENSES		
Rent and facility charges	23.72	20.07
Rates and taxes	44.46	51.34
Energy cost	20.91	14.59
Repairs and maintenance	10.40	8.29
Communication costs	42.90	41.14
Printing and stationery	25.89	21.70
Advertisement and publicity expenses	24.06	15.11
Directors fees, allowances and expenses	2.89	3.33
Auditors' remuneration (Refer note 32)	1.15	0.91
Legal and professional charges	158.91	141.27
Insurance	55.26	31.16
Travelling and conveyance	138.69	101.38
Information technology expenses	102.21	68.65
Loss on sale of property, plant and equipment(Net)	1.00	0.74
Recovery charges	397.99	551.28
Corporate social responsibility expenditure (Refer note 29.1)	56.98	43.63
Outsource cost	392.21	274.39
Miscellaneous expenses (Refer note 29.2)	58.15	8.00
	1,557.78	1,396.98
Less : Expenses recovered	(2.33)	(1.68)
Total	1,555.45	1,395.30

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 29 OTHER EXPENSES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
29.1 Details of CSR expenditure		
Gross Amount required to be spent towards CSR u/s 135 (5) of Companies Act , 2013 (A)	56.86	43.43
Amount spent during the year (B)		
(a) Construction/ acquisition of asset	-	-
(b) Others	56.98	43.63
Excess/(shortfall) (A-B)	0.12	0.20
None of the CSR projects undertaken by the Company has been fall under definition of "On-going Projects" There is no amount required to be contributed to specified fund u/s 135(6)		
29.2 Contribution to Electoral Trust	50.00	

Note : 30

a) Earnings per share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit After Tax Attributable to Equity Shareholders (₹ in Crore)	3,422.76	2,666.20
Weighted Average Number of Equity Shares (Basic)	83,07,69,683	82,15,85,050
Add: Dilutive effect relating to ESOP (No's)	21,45,695	13,24,177
Weighted Average Number of Equity Shares (Diluted)	83,29,15,378	82,29,09,227
Earnings per Share - Basic (₹)	41.20	32.45
Earnings per Share - Diluted (₹)	41.09	32.40
Face Value Per Share (₹)	2.00	2.00

b) Income tax reconciliation

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. Reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March, 2024 and 2023 is, as follows:

₹ in crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit before tax from continuing operations	4,582.10	3,599.69
Income tax rate of 25.17% of above	1,153.31	906.04
Effects of:		
Impact of difference in tax base for Donations and CSR Expense	27.05	11.02
Share based payment expense – No deduction claimed under tax	13.22	7.07
Impact of Deduction u/s 80JJAA and 80M	(29.00)	-
Expenses /provisions not deductible in determining taxable profit	-	9.98
Impact of sale transactions taxable at differential rates (net)	(1.41)	
Other Adjustments	9.68	(0.83)
Adjustments in respect of prior years	(13.51)	0.21
Income tax expense reported in statement of profit and loss	1,159.34	933.49
Effective income tax rate	25.30%	25.93%

Note : 31 TRANSFER OF FINANCIAL ASSETS

31.1 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 Company has Securitised certain loans, however the Company has not transferred substantially all risks and rewards, hence these assets have not been de-recognised in its entirety.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 31 TRANSFER OF FINANCIAL ASSETS (Contd.)

₹ in crores

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Securitisations		
Carrying amount of transferred assets measured at amortised cost	24,652.21	10,433.01
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	25,335.89	10,711.01
Fair value of assets	24,196.47	10,379.49
Fair value of associated liabilities	23,561.48	9,957.39
Net position at Fair Value	634.99	422.10

B) Direct bilateral assignment

The Company had in the previous year, 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 Company's balance sheet. 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.

₹ in crores

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Assignment		
Carrying amount of de-recognised financial asset	1,221.85	1,762.48
Carrying amount of Retained Assets at amortised cost	141.14	203.51

₹ in crores

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Assignment		
Gain on sale of the de-recognised financial asset	-	-

31.2 The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

Note : 32 AUDITORS' REMUNERATION

₹ in crores

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Statutory Audit	0.65	0.52
Limited Review	0.32	0.24
Tax Audit	-	-
Other Services	0.05	0.05
Reimbursement of Expenses (including input tax credit expensed)	0.13	0.10
Total (Refer Note 29)	1.15	0.91
Payment towards Certification fees for QIP (including input tax credit expensed) debited to Securities Premium		
Price Waterhouse LLP	0.79	-
Sundaram & Srinivasan	0.85	-
Reimbursement of Expenses	0.15	-
Total	1.79	-
Payment towards Certification fees for non-Convertible debentures public issue (including input tax credit expensed) is part of the amortised cost of borrowing		
Price Waterhouse LLP	1.18	-
Sundaram & Srinivasan	2.23	-
Reimbursement of Expenses	0.31	-
Total	3.71	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 33 MICRO, SMALL & MEDIUM ENTERPRISES

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below:

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Principal amount due to suppliers under MSMED Act, as at the year end	7.65	3.40
Interest accrued and due to suppliers under MSMED Act, 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 under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

Note: 34 a) EXPENDITURE IN FOREIGN CURRENCIES

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest on financial liabilities measured at amortized cost - Borrowings other than debt securities	177.77	211.68
Legal and professional charges	11.37	6.26

b) REMITTANCES IN FOREIGN CURRENCIES

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Borrowing origination costs	13.99	0.99
Travelling and conveyance	0.39	5.08
Advance paid to travel vendor	20.41	-
Repayment of Borrowing	255.54	1,501.47

c) There is no dividend paid in foreign currency.

Note : 35 RETIREMENT BENEFIT

A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Company recognised ₹ 98.22 crore (Previous Year - ₹ 48.11 crore) to Provident Fund under Defined Contribution Plan, ₹ 5.88 crore (Previous Year - ₹ 4.91 crore) for Contributions to Superannuation Fund and ₹ 6.10 crore (Previous Year - ₹ 0.24 crore) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

B) Defined Benefit Plan

1) Gratuity

The Company's defined benefit gratuity plan 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 Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Change in Defined Benefit Obligation and Fair value of Plan assets:

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Defined Benefit Obligation at the beginning of the year	97.94	84.63
Current Service Cost	23.89	14.17
Interest Cost	8.47	5.66
Remeasurement Losses/(Gains)		
a) Effect of changes in demographic assumptions	0.13	-
b) Effect of changes in financial assumptions	(0.48)	(3.55)
c) Effect of experience adjustments	7.07	3.39
Benefits Paid	(6.94)	(6.36)
Transfer In/(out)	24.30	-
Defined Benefit Obligation at the end of the year	154.38	97.94

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 35 RETIREMENT BENEFIT (Contd.)

₹ in crores

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Change in Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the Year	93.31	72.45
Investment Income	7.23	4.85
Employer's Contribution	4.69	23.00
Benefits Paid	(6.95)	(6.36)
Return on plan assets (excluding amount recognized in net interest expense)	(1.42)	(0.63)
Transfer In/(out)	22.49	-
Fair Value of Plan Assets at the end of the year	119.35	93.31
Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the End of the Year	119.35	93.31
Defined benefit obligation at the End of the Year	(154.38)	(97.94)
Amount Recognised in the Balance Sheet under Other Payables	(35.03)	(4.63)
Cost of the Defined Benefit Plan for the Year		
Current Service Cost (Net of transfer)	25.75	14.17
Net interest Expense	8.47	5.66
Expected Return on Plan Assets	(7.23)	(4.85)
Net cost recognized in the statement of Profit and Loss*	26.99	14.98
Remeasurement Losses/(Gains)		
a) Effect of changes in demographic assumptions	0.13	-
b) Effect of changes in financial assumptions	(0.48)	(3.55)
c) Effect of experience adjustments	7.07	3.39
d) Return on plan assets (excluding amount recognized in net interest expense)	1.42	0.63
Net cost recognized in Other Comprehensive Income	8.14	0.47
Assumptions		
Discount Rate	7.15% p.a	7.30% p.a
Future salary increases		
- CFF Grade	7.50% p.a.	-
- Other Grade	7.25% p.a.	7.50% p.a.
Attrition Rate		
- CFF Grade	25% p.a	-
- Other Grades	13% p.a.	13% p.a.
Expected rate of return on Plan Assets	7.50%	7.30% p.a
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
Maturity profile of Defined Benefit Obligations		
Weighted average duration (Based on discounted cash flows)	6 years	6 years
Expected Cash flows over the next (valued on undiscounted basis)		
Within the next 12 months (next annual reporting period)	23.40	14.06
Between 2 and 5 years	82.18	50.77
Between 6 and 10 years	72.05	47.58
Beyond 10 Years	70.17	50.70
Total Expected Cash flows	247.80	163.11

*Recognised under Employee Benefit Expenses (Refer Note 28)

Sensitivity Analysis of defined benefit obligation:

₹ in crores

Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount Rate (+/- 1%)	146.14	163.48	92.94	104.46
Salary Growth Rate (+/- 1%)	162.43	146.83	103.63	93.51
Attrition Rate (+/- 50% of attrition rates)	150.30	159.21	97.60	99.06
Mortality Rate (+/- 10% of mortality rates)	154.39	154.37	98.42	98.40

Notes:

- The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
- The Company's best estimate of contribution during the next year is ₹ 62.72 Crores.
- 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.
- The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 35 RETIREMENT BENEFIT (Contd.)

Notes:

- 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.
- The method and type of assumptions used in preparing the sensitivity analysis does not change as compared to the prior period

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 Company is exposed to various risks in providing the above gratuity benefit which are as follows:

(a) Interest Rate risk: The plan exposes the company 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).

(b) Liquidity Risk: This is the risk that the company is not able to meet the short-term gratuity pay-outs. This may arise due to non-availability of enough cash/cash equivalents 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 Company has used certain mortality and attrition assumptions in valuation of the liability. The Company 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 pay-outs.

(f) Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company 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 a particular investment.

2. Compensated Absences

Assumptions	March 31, 2024	March 31, 2023
Discount Rate	7.15%	7.30%
Future salary increases		
- CFF Grade	7.50%	-
- Other Grade	7.25%	7.50%
Attrition Rate		
- CFF Grade	-	-
- Other Grade	13% p.a.	13% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes:

- The Company has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2024.
- The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
- 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.

Note : 36 SEGMENT INFORMATION

The Company is primarily engaged in the business of financing. All the activities of the Company revolve around the main business. Further, the Company does not have any separate geographic segments other than India

During year ending March 31, 2024, for management purposes, the Company has been organised into the following operating segments based on products and services.

Vehicle Finance Loans - Loans to customers against purchase of new/used vehicles, tractors, construction equipment and loan to automobile dealers.

Loan against property - Loans to customer against immovable property

Home Loans - Loans given for acquisition/construction of residential property and loan against residential property

Other Loans - Other loans consist of consumer and small enterprise loans, secured business and personal loan and SME loans

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for 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 an entity as a whole basis and are not allocated to operating segments.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 36 SEGMENT INFORMATION (Contd.)

₹ in crores

Particulars	Year ended March 31, 2024					Total
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	
Revenue from Operations						
- Interest Income	10,376.09	2,901.14	1,586.69	2,292.70	457.06	17,613.68
- Fee and commission Income	717.24	150.40	104.41	74.40	0.13	1,046.58
- Net gain on Fair value change on financial instrument	-	-	-	-	160.55	160.55
- Sale of Services	19.62	2.56	0.31	1.92	-	24.41
- Others						
Segment revenue from Operations (I)	11,112.95	3,054.10	1,691.41	2,369.02	617.74	18,845.22
Other Income (II)	143.05	15.36	10.84	85.03	116.78	371.06
Total Segment Income - (I) + (II)	11,256.00	3,069.46	1,702.25	2,454.05	734.52	19,216.28
Expenses						
- Finance costs	5,426.01	1,722.08	770.18	1,056.25	256.09	9,230.61
- Impairment of Financial Instruments	905.88	(39.65)	17.68	392.66	45.23	1,321.80
- Employee benefits expense	1,434.62	293.68	238.49	344.69	19.07	2,330.55
- Depreciation and amortisation expense	134.80	21.89	17.50	21.45	0.13	195.77
- Other expenses	831.65	148.05	188.50	276.99	110.26	1,555.45
Segment Expenses	8,732.96	2,146.05	1,232.35	2,092.04	430.78	14,634.18
Segment Profit / (loss) before taxation	2,523.04	923.41	469.90	362.01	303.74	4,582.10
Tax expense						1,159.34
Profit for the year						3,422.76

₹ in crores

Particulars	Year ended March 31, 2023					Total
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	
Revenue from Operations						
- Interest Income	8,073.59	2,073.95	885.58	773.25	275.81	12,082.18
- Fee Income	435.60	66.48	12.73	9.36	0.20	524.37
- Net gain on Fair value change on financial instrument					69.40	69.40
- Sale of Services	68.97	5.69	3.14	3.29	-	81.09
Segment revenue from Operations (I)	8,578.16	2,146.12	901.45	785.90	345.41	12,757.04
- Other income (II)	208.14	6.18	5.84	0.25	0.53	220.94
Total Segment Income - (I) + (II)	8,786.30	2,152.30	907.29	786.15	345.94	12,977.98
Expenses						
- Finance costs	3,870.46	1,134.21	395.06	349.02	-	5,748.75
- Impairment of Financial Instruments	722.88	25.45	22.99	77.96	0.40	849.68
- Employee benefits expense	830.63	148.69	103.53	179.39	3.44	1,265.68
- Depreciation and amortisation expense	88.37	13.47	8.60	8.41	0.03	118.88
- Other expenses	1,030.95	101.69	81.09	122.75	58.82	1,395.30
Segment Expenses	6,543.29	1,423.51	611.27	737.53	62.69	9,378.29
Segment Profit / (loss) before taxation	2,243.01	728.79	296.02	48.62	283.25	3,599.69
Tax expense						933.49
Profit for the year						2,666.20

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 36 SEGMENT INFORMATION (Contd.)

Particulars	₹ in crores					Total
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	
As on March 31, 2024						
Segment Assets	84,455.70	29,036.23	13,047.52	17,810.46		1,44,349.91
Unallocable Assets					12,100.86	12,100.86
Total Assets						1,56,450.77
Segment Liabilities	73,898.65	25,406.67	11,416.57	15,584.13		1,26,306.02
Unallocable Liabilities					10,588.24	10,588.24
Total Liabilities						1,36,894.26
As on March 31, 2023						
Segment Assets	66,722.81	20,473.73	8,018.01	9,521.30		1,04,735.85
Unallocable Assets					8,779.66	8,779.66
Total Assets						1,13,515.51
Segment Liabilities	58,319.79	17,895.29	7,008.23	8,322.20		91,545.51
Unallocable Liabilities					7,673.95	7,673.95
Total Liabilities						99,219.46

In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon. As the assets are allocated to segment based on certain assumptions, hence Property, plant and equipment have not been disclosed separately for each specific segment.

There are no revenue from transactions with a single external customer or counter party which amounted to 10% or more of the Company's total revenue in the Current year and Previous year.

All Assets located in India

Note : 37 RELATED PARTY DISCLOSURES

List of Related Parties:

- **Holding Company:** Cholamandalam Financial holdings limited
- **Entity having significant influence over holding Company:** Ambadi Investments Limited
- **Subsidiaries of the entity which has significant influence over holding Company:** Parry Enterprises India Limited and Parry Agro Industries Limited.
- **Fellow Subsidiaries:** Cholamandalam MS General Insurance Company Limited
- **Joint Venture of Holding Company:** Cholamandalam MS Risk services Limited
- **Subsidiaries:** Cholamandalam Securities Limited, Cholamandalam Home Finance Limited
- **Joint Venture:** Payswiff Technologies Private Limited
- **Associate:** White Data Systems India Private Limited (upto March 28, 2023), Vishvakarma Payments Private Limited, Paytail Commerce Private Limited (upto 21st March, 2024)
- **Promoter#:** Coromandel International Limited, EID Parry India Limited, Tube Investments of India Limited
- **Promoter Group#:** Chola Business Services Limited, Coromandel Engineering Company Limited (upto 28th December 2023), Murugappa Morgan Thermal Ceramics Limited, Net Access India Limited, Murugappa Management Services Private Limited, AR Lakshmi Achi Trust, M A Murugappan Holdings LLP, AMM Foundation.
- **Private companies in which a director or manager or his relative is a member or director##:** Cherry Tin Online Private Limited, Zetwork Manufacturing Business Private Limited, Finance Industry Development Council, Medall Healthcare Private Limited, CE Info Systems Limited (upto March 24, 2024).
- **Firm, in which a director, manager or his relative is a partner##:** Kadamane Estates Co
- **Key Managerial Personnel (KMP):**
 - a. Mr. D. Arulselvan, Chief Financial Officer
 - b. Ms. P. Sujatha, Company Secretary
 - c. Mr. Ravindra Kumar Kundu, Executive Director
- **Non-Executive Directors**
 - a) Mr. Ashok Kumar Barat (upto 30th October 2022)
 - b) Mr. N Ramesh Rajan
 - c) Mr. Rohan Verma (upto 24th March 2024)
 - d) Ms. Bhama Krishnamurthy
 - e) Mr. Vellayan Subbiah
 - f) Mr. M A M Arunachalam
 - g) Mr. Anand Kumar
 - h) Mr. Bharath Vasudevan (upto 31st March 2023)

Represents entities/parties identified as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Represents entities/parties included as per Companies Act, 2013.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

a) Transactions during the year

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Dividend Payments (Equity Shares)		
a) Cholamandalam Financial Holdings Limited	74.58	74.58
b) Ambadi Investments Limited	6.74	6.74
c) Parry Enterprises India Limited	*	*
d) AR Lakshmi Achi Trust	0.10	0.10
e) M A Murugappan Holdings LLP	0.02	0.02
f) Kadamane Estates Co	0.07	0.07
g) Promoter and Promoter Group	3.00	3.00
Dividend Received		
a) Cholamandalam Home Finance Limited	47.49	-
b) Cholamandalam Securities Limited	67.16	-
Amount received towards Reimbursement of expenses		
a) Cholamandalam Financial Holdings Limited	1.58	1.31
b) Cholamandalam Securities Limited	10.02	4.19
c) Cholamandalam Home Finance Limited	136.45	83.63
d) Cholamandalam MS General Insurance Company Limited	0.06	0.05
e) Parry enterprises India Limited	-	0.01
f) Murugappa Morgan Thermal Ceramics Limited	0.03	0.03
g) Payswiff Technologies Private Limited	0.09	-
h) Tube Investments of India Limited	0.15	-
Expenses – Reimbursed		
a) Cholamandalam Home Finance Limited	1.42	1.41
b) White Data Systems India Private Limited	-	0.01
c) Cholamandalam Securities Limited	-	0.06
d) Cholamandalam MS General Insurance Company Limited	0.13	-
Services Received		
a) Cholamandalam Securities Limited	1.07	2.01
b) White Data Systems India Private Limited	-	0.19
c) Parry Enterprises India Limited	8.69	7.55
d) Cholamandalam MS General Insurance Company Limited	4.94	3.85
e) Cholamandalam MS Risk Services Limited	-	-
f) Chola Business Services Limited	611.88	791.01
g) Coromandel Engineering Company Limited	1.98	2.01
h) Murugappa Management services Private Limited	0.28	1.34
i) Net access India Limited	14.71	14.67
j) Payswiff Technologies Solutions Private limited	0.46	0.17
k) Paytail Commerce Private Limited	2.10	9.42
l) Tube Investments of India Limited	0.09	0.18
m) CE Info Systems Limited	0.06	-
n) Medall Healthcare Private Limited	*	*
Rental Income		
a) Cholamandalam Securities Limited	0.13	0.05
b) Coromandel International Limited	0.20	0.44
c) Tube Investments of India Limited	0.35	-
Rental Expense		
a) Cholamandalam Home Finance Limited	-	0.01
Loans given		
a) Cholamandalam Securities Limited	351.15	176.00
b) Payswiff Technologies Private limited	1.00	-
c) Zetwerk Manufacturing Business Private Limited#	1.27	2.48

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Loans recovered		
a) Cholamandalam Securities Limited	289.15	168.00
b) White Data Systems India Private Limited	-	3.00
c) Payswiff Technologies Private limited	1.00	-
d) Zetwerk Manufacturing Business Private Limited	1.27	2.48
e) Medall Healthcare Private Limited	6.40	6.38
Insurance Claims received		
a) Cholamandalam MS General Insurance Company Limited	0.69	-
Insurance Commission		
a) Cholamandalam MS General Insurance Company Limited	162.59	-
Interest Income Received		
a) Cholamandalam Securities Limited	4.40	1.81
b) White Data Systems India Private Limited	-	0.16
c) Payswiff Technologies Private Limited	*	-
Loans availed		
a) Cholamandalam Home Finance Limited	-	39.50
Loans repaid		
a) Cholamandalam Home Finance Limited	-	39.50
Interest Expense		
a) Cholamandalam Home Finance Limited	-	0.89
b) Cholamandalam MS General Insurance Company Limited	36.17	14.21
Subscriptions/Advertisement Expenses		
a) Finance Industry Development Council	0.01	0.01
Services Rendered		
a) Chola Business Services Limited	26.15	86.83
Contribution to CSR activity		
a) AMM Foundation	19.16	15.25
Interest earned on Loan		
a) Murugappa Management services Private Limited	-	*
b) Zetwerk Manufacturing Businesses Private Limited	0.04	0.06
c) Medall Healthcare Private Limited#	1.52	1.94
Investment in Convertible Notes		
a) Paytail Commerce Private Limited	-	10.00
Invocation of performance security on delinquent loans		
a) Paytail Commerce Private Limited	1.93	6.12
Purchase of Goods		
a) Parry Agro Industries Limited	*	0.54
Advances Paid		
a) Parry enterprises India Limited	4.58	-
Rental Deposits received		
a) Tube Investments of India Limited	0.15	-
Rent & Maintenance		
a) EID Parry India Limited	2.63	5.94
Sale of Property, plant and equipment		
a) Chola Business Services Limited	-	1.00
b) Cholamandalam MS General Insurance Company Limited	0.42	-
Debenture Interest Expense to promoters/Promoter group	22.76	2.17
Commission and Sitting fees to non-executive Directors	2.68	3.11

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

b) Balances Outstanding at the year end.

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Loans - Receivable		
a) Cholamandalam Securities Limited	74.52	12.50
b) Medall Healthcare Private Limited	8.05	12.95
Debt Securities – Payable		
a) Cholamandalam MS General Insurance Company Limited	(563.66)	(319.21)
b) Debentures held by promoter and promoter group	(277.81)	(59.16)
Other Receivable / (Payable)		
a) Cholamandalam Financial Holdings Limited	-	-
b) Paytail Commerce Private Limited	-	0.28
c) Cholamandalam Securities Limited	1.34	(0.33)
d) Cholamandalam Home Finance Limited	(0.11)	10.62
e) Cholamandalam MS General Insurance Company Limited	62.75	0.01
f) Tube Investments of India Limited	0.15	-
g) Parry Enterprises India Limited	(1.00)	(0.26)
h) Murugappa Morgan Thermal Ceramics Limited	*	-
i) Coromandel International Limited	-	0.02
j) Chola Business Services Limited	(49.54)	(50.97)
k) Payswiff Technologies Private Limited	(0.08)	(0.09)
l) Murugappa Management services Private Limited	(0.08)	(0.11)
m) EID Parry India Limited	(0.02)	(0.77)
n) Net access India Limited	(4.59)	(4.75)

c) Remuneration & other transactions with Key Managerial Personnel (KMP)

Nature of Transaction	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Gross Salary Including Perquisites	8.70	7.18
Other – Contribution to funds	1.02	0.82
Dividend Payments	0.07	0.11
Share based payments	4.37	4.09
Dividend payments to Relatives of KMP & Directors	0.11	0.11

d) Remuneration paid to Promoter and Promoter Group

Nature of Transaction	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Gross Salary Including Perquisites	0.40	-
Other – Contribution to funds	0.03	-

*Represents amounts less than ₹ 1 lakh.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

Disclosure pursuant to Schedule V of Clause A.2 and 2A of Regulation 34 (3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i) Disclosures relating Loans and Advances /Investments

₹ in crores

SI	Loans and Advances in the nature of Loans	2023-2024		2022-2023	
		Outstanding at the year end	Maximum Amount Outstanding during year March 2024	Outstanding at the year end	Maximum Amount Outstanding during year March 2023
(A)	To Subsidiaries				
	- Cholamandalam Securities Limited	74.52	122.50	12.50	60.00
(B)	To Associates				
	To Joint Venture				
	- Payswiff Technologies Private Limited and its subsidiaries	-	1.00	-	-
(C)	To Firms/Companies in which Directors are Interested (other than (A) and (B) above)	8.05	14.22	12.95	19.84
(D)	Investments by the loanee in the shares of parent company and subsidiary company	-	-	-	-

ii) Cholamandalam Financial Holdings Limited (CFHL), promoter-group company holds 44.39% of equity shares of the company. Disclosure relating to transactions with CFHL is given above.

Note : 38 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contested Claims not provided for:

₹ in crores

Particulars	As at	
	March 31, 2024	March 31, 2023
Income tax and Interest on Tax issues where the Company has gone on appeal	47.31	65.26
Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	0.28	0.28
Sales Tax issues pending before Appellate Authorities in respect of which the Company is on appeal.	27.41	27.55
Decided in the Company's favour by Appellate Authorities and 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 Company is on appeal.	65.16	199.92
Disputed claims against the Company lodged by various parties under litigation (to the extent quantifiable)	118.90	133.54

- The Company is of the opinion that for the above demands, based on the management estimate no significant liabilities are expected to arise.
- It is not practicable for the Company to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings.
- The Company 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

₹ in crores

Particulars	As at	
	March 31, 2024	March 31, 2023
Capital commitments	15.96	42.10
Disbursements – Undrawn lines	4,001.56	2,820.44

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 39 CHANGES IN PROVISIONS

Particulars	₹ in crores			
	As at March 31, 2023	Additional Provision	Utilisation/ Reversal	As at March 31, 2024
Provision for Contingencies and Service Tax claims	39.54	-	-	39.54
Provision for Undrawn commitments	11.79	6.15	(7.57)	10.37

Particulars	₹ in crores			
	As at March 31, 2022	Additional Provision	Utilisation/ Reversal	As at March 31, 2023
Provision for Contingencies and Service Tax claims	39.53	0.01	-	39.54
Provision for Undrawn commitments	1.20	11.06	(0.47)	11.79

Undrawn loan commitments are commitments under which the Company is required to provide a loan under pre-sanctioned terms to the customer.

The undrawn commitments provided by the Company represents limits provided for automobile dealers, bill discounting customers and partly disbursed loans for other loans. The undrawn loan commitments amount outstanding as at March 31, 2024 is ₹ 4,001.56 Crore (₹ 2,820.44 crore as at March 31, 2023).

The Company creates expected credit loss provision on the undrawn commitments outstanding as at the end of the reporting period and the related expected credit loss on these commitments as at March 31, 2024 is ₹ 10.37 crore (₹ 11.79 crore as at March 31, 2023).

Note : 40 ESOP DISCLOSURE

ESOP 2007

The Board at its meeting held on June 22, 2007, approved an issue of Stock Options up to a maximum of 5% of the issued Equity Capital of the Company (before Rights Issue) aggregating to 1,904,162 Equity Shares (prior to share split) in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines. There are no options outstanding under this scheme.

ESOP 2016

The Board at its meeting held on October 7, 2016, approved to create, and grant from time to time, in one or more tranches, not exceeding 1,56,25,510 Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the company including some of subsidiaries, managing director and whole time director, (other than promoter/promoter group of the company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the company), as may be decided by the board, exercisable into not more than 1,56,25,510 equity shares of face value of Rs.2/- each fully paid-up, on such terms and in such manner as the board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

In this regard, the Company has recognised expense amounting to Rs. 52.53 crores for employees services received during the year, shown under Employee Benefit Expenses (Refer Note 28).

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 40 ESOP DISCLOSURE (Contd.)

The movement in Stock Options during the current year are given below:

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2023-24			Options outstanding	Options vested but not exercised	Options unvested	Exercise Price ₹	Weighted Average Remaining Contractual Life
		As at 31.03.2023	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2024	As at 31.03.2024	As at 31.03.2024		
GT25 JAN 2017	25-Jan-17	5,41,835	-	-	-	3,29,310	2,12,525	2,12,525	-	202.00	-
GT30 JAN 2018	30-Jan-18	1,38,410	-	-	-	1,10,180	28,230	28,230	-	261.94	-
GT30 JAN 2018 A	30-Jan-18	13,470	-	-	-	5,670	7,800	7,800	-	261.94	-
GT23 APR 2018	23-Apr-18	-	-	-	-	-	-	-	-	312.47	-
GT26 JUL 2018	26-Jul-18	47,360	-	-	-	6,480	40,880	40,880	-	299.46	-
GT26 JUL 2018A	26-Jul-18	-	-	-	-	-	-	-	-	299.46	-
GT30 OCT 2018	30-Oct-18	1,71,950	-	-	-	57,270	1,14,680	1,14,680	-	253.70	-
GT19 MAR 2019	19-Mar-19	2,90,600	-	-	-	60,026	2,30,574	2,30,574	-	278.01	-
GT30 JUL 2019	30-Jul-19	-	-	-	-	-	-	-	-	248.20	-
GT05 NOV 2019	05-Nov-19	1,78,080	-	-	-	67,940	1,10,140	1,10,140	-	316.00	-
GT23 JAN 2020	23-Jan-20	-	-	-	-	-	-	-	-	317.50	-
GT03 JUNE 2020	03-Jun-20	41,640	-	-	-	20,820	20,820	-	20,820	157.90	0.18
GT03 JUNE 2020A	03-Jun-20	-	-	-	-	-	-	-	-	157.90	-
GT07 MAY 2021	07-May-21	9,92,500	-	-	-	1,11,380	8,81,120	2,85,620	5,95,500	580.30	0.60
GT30 JULY 2021	30-Jul-21	24,700	-	-	-	-	24,700	9,880	14,820	487.15	0.83
GT29 OCT 2021	29-Oct-21	7,38,050	-	-	4,100	1,11,041	6,22,909	1,77,129	4,45,780	609.00	1.08
GT29 OCT 2021A	29-Oct-21	2,520	-	-	-	-	2,520	2,520	-	609.00	1.08
GT01 FEB 2022	01-Feb-22	1,26,100	-	-	-	27,840	98,260	22,600	75,660	629.50	1.34
GT05 MAY 2022	05-May-22	45,200	-	-	-	-	45,200	9,040	36,160	712.15	1.22
GT29 JUL 2022	29-Jul-22	56,560	-	-	-	5,860	50,700	8,280	42,420	690.10	1.45
GT29 JUL 2022 A	29-Jul-22	92,400	-	-	44,100	-	48,300	2,660	45,640	690.10	0.83
GT29 JUL 2022 B	29-Jul-22	5,340	-	-	-	5,340	-	-	-	690.10	-
GT24 SEP 2022	24-Sep-22	24,700	-	-	-	4,100	20,600	840	19,760	738.50	1.61

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2023-24			Options outstanding		Options vested but not exercised		Options unvested	
		As at 31.03.2023	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2024	As at 31.03.2024	As at 31.03.2024	Exercise Price ₹	Weighted Average Remaining Contractual Life	
GT24 SEP 2022 A	24-Sep-22	2,20,880	-	-	-	3,880	2,17,000	51,340	1,65,660	738.50	0.98	
GT24 SEP 2022 B	24-Sep-22	7,560	-	-	-	1,260	6,300	6,300	-	738.50	-	
GT01 NOV 2022	01-Nov-22	45,200	-	-	16,400	4,100	24,700	4,940	19,760	709.35	1.71	
GT31 JAN 2023	31-Jan-23	15,98,400	-	-	99,200	46,957	14,52,243	2,24,523	12,27,720	710.75	1.96	
GT01 AUG 2023	01-Aug-23	-	-	7,21,440	26,500	-	6,94,940	-	6,94,940	1,132.00	2.04	
GT02 NOV 2023	02-Nov-23	-	-	3,360	-	-	3,360	-	3,360	1,149.00	2.29	
GT02 NOV 2023 A	02-Nov-23	-	-	20,500	-	-	20,500	-	20,500	1,149.00	1.72	
GT25 JAN 2024	25-Jan-24	-	-	3,44,900	-	-	3,44,900	-	3,44,900	1,245.08	2.52	
Total		54,03,455	-	10,90,200	1,90,300	9,79,454	53,23,901	15,50,501	37,73,400			

Note: Outstanding Options includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2024 - 171,500 options.

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2022-23			Options outstanding		Options vested but not exercised		Options unvested	
		As at 31.03.2022	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2023	As at 31.03.2023	As at 31.03.2023	Exercise Price ₹	Weighted Average Remaining Contractual Life	
GT25 JAN 2017	25-Jan-17	10,63,650	-	-	-	5,21,815	5,41,835	5,41,835	-	202.00	-	
GT30 JAN 2018	30-Jan-18	1,89,240	-	-	-	50,830	1,38,410	1,38,410	-	261.94	-	
GT30 JAN 2018 A	30-Jan-18	17,470	-	-	-	4,000	13,470	13,470	-	261.94	-	
GT23 APR 2018	23-Apr-18	26,940	-	-	-	26,940	-	-	-	312.47	-	
GT26 JUL 2018	26-Jul-18	47,360	-	-	-	-	47,360	47,360	-	299.46	-	
GT26 JUL 2018 A	26-Jul-18	90,000	-	-	-	90,000	-	-	-	299.46	-	
GT30 OCT 2018	30-Oct-18	2,27,300	-	-	-	55,350	1,71,950	1,71,950	-	253.70	-	
GT19 MAR 2019	19-Mar-19	4,34,920	-	-	40,410	1,03,910	2,90,600	2,90,600	-	278.01	-	
GT30 JUL 2019	30-Jul-19	-	-	-	-	-	-	-	-	248.20	-	

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2022-23			Options outstanding	Options vested but not exercised	Options unvested		Exercise Price ₹	Weighted Average Remaining Contractual Life
		As at 31.03.2022	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2023	As at 31.03.2023	As at 31.03.2023			
GT05 NOV 2019	05-Nov-19	1,98,300	-	-	-	20,220	1,78,080	95,400	82,680	316.00	0.60 years	
GT23 JAN 2020	23-Jan-20	31,800	-	-	31,800	-	-	-	-	317.50	0.82 years	
GT03 JUNE 2020	03-Jun-20	1,69,520	-	-	85,500	42,380	41,640	-	41,640	157.90	0.68 years	
GT03 JUNE 2020 A	03-Jun-20	-	-	-	-	-	-	-	-	157.90	0.68 years	
GT07 MAY 2021	07-May-21	10,66,600	-	-	44,460	29,640	9,92,500	1,98,500	7,94,000	580.30	1.23 years	
GT30 JULY 2021	30-Jul-21	24,700	-	-	-	-	24,700	4,940	19,760	487.15	1.46 years	
GT29 OCT 2021	29-Oct-21	8,05,600	-	-	44,100	23,450	7,38,050	1,44,370	5,93,680	609.00	1.71 years	
GT29 OCT 2021A	29-Oct-21	2,520	-	-	-	-	2,520	1,260	1,260	609.00	1.71 years	
GT01 FEB 2022	01-Feb-22	1,26,100	-	-	-	-	1,26,100	25,220	1,00,880	629.50	1.97 years	
GT05 MAY 2022	05-May-22	-	-	45,200	-	-	45,200	-	45,200	712.15	1.80 years	
GT29 JUL 2022	29-Jul-22	-	-	56,560	-	-	56,560	-	56,560	690.10	2.03 years	
GT29 JUL 2022 A	29-Jul-22	-	-	92,400	-	-	92,400	-	92,400	690.10	1.46 years	
GT29 JUL 2022 B	29-Jul-22	-	-	5,340	-	-	5,340	-	5,340	690.10	0.33 years	
GT24 SEP 2022	24-Sep-22	-	-	24,700	-	-	24,700	-	24,700	738.50	2.19 years	
GT24 SEP 2022 A	24-Sep-22	-	-	2,20,880	-	-	2,20,880	-	2,20,880	738.50	1.61 years	
GT24 SEP 2022 B	24-Sep-22	-	-	8,820	1,260	-	7,560	-	7,560	738.50	0.48 years	
GT01 NOV 2022	01-Nov-22	-	-	45,200	-	-	45,200	-	45,200	709.35	2.29 years	
GT31 JAN 2023	31-Jan-23	-	-	16,04,400	6,000	-	15,98,400	-	15,98,400	710.75	2.54 years	
Total		45,22,020	-	21,03,500	2,53,530	9,68,535	54,03,455	16,73,315	37,30,140			

Note: Outstanding Options includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2023 - 11,276 options.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 40 ESOP DISCLOSURE (Contd.)

The following tables list the inputs to the Black Scholes model used for the plans for the year ended March 31, 2024:

ESOP 2016

Date of Grant	Risk Free Interest Rate	Expected Life	Variables			Price of the underlying Share in the Market at the time of the Option Grant (₹)	Fair Value of the Option (₹)
			Expected Volatility	Dividend Yield			
25-Jan-17	6.36% - 6.67%	3.5 -6.51 years	33.39% -34.47%	0.54%	1,010.00	401.29*	
30-Jan-18	7.11%-7.45%	3.5 – 5.50 years	30.16%-31.46%	0.42%	1,309.70	496.82*	
30-Jan-18	7.11%-7.45%	3.5 – 5.50 years	30.16%-31.46%	0.42%	1,309.70	531.84*	
23-Apr-18	7.45%-7.81%	3.51 -6.51 years	30.33%-32.38%	0.42%	1,562.35	646.08*	
26-Jul-18	7.71%-7.92%	3.51 -5.51 years	30.56%-31.83%	0.43%	1,497.30	586.32*	
30-Oct-18	7.61%-7.85%	3.51 -6.51 years	32.34%-32.70%	0.51%	1,268.50	531.36*	
19-Mar-19	6.91% - 7.25%	3.51 -6.51 years	32.19% -32.59%	0.47%	1,390.05	564.13*	
30-Jul-19	6.15% - 6.27%	3.51 -4.51 years	32.21% -32.93%	0.52%	248.20	83.66	
05-Nov-19	6.15% - 6.27%	3.51 -4.51 years	32.21% -32.93%	0.52%	316.00	112.09	
23-Jan-20	6.15% - 6.27%	3.51 -4.51 years	32.21% -32.93%	0.52%	317.00	109.51	
03-Jun-20	5.00%	3.50 years	47.50%	1.33%	157.90	58.27	
07-May-21	5.12% - 6.02%	3.5 -6.5 years	52.06% - 43.62%	0.34%	580.30	276.84	
30-Jul-21	5.25% - 6.20%	3.50 -6.51 years	52.06% - 43.65%	0.41%	487.15	232.48	
29-Oct-21	5.22% - 6.17%	3.50 -6.51 years	53.2% -43.93%	0.33%	609.00	293.95	
01-Feb-22	5.49% - 6.50%	3.50 -6.51 years	53.81% -44.42%	0.32%	629.50	309.23	
05-May-22	6.20% - 7.09%	2.5 -5.51 years	59.10% -47.09%	0.28%	712.15	336.08	
29-Jul-22	6.84% - 7.18%	3.51 -6.51 years	53.74% -45.29%	0.29%	690.10	351.99	
29-Jul-22	6.84% - 7.1%	3.51 -5.51 years	53.74% -47.07%	0.29%	690.10	339.76	
29-Jul-22	6.84%	3.51 years	53.74%	0.29%	690.10	311.94	
24-Sep-22	7.13% - 7.31%	3.51 -6.51 years	53.79% -45.27%	0.27%	738.50	379.33	
24-Sep-22	7.13% - 7.28%	3.51 -5.51 years	53.79% -47.07%	0.27%	738.50	366.36	
24-Sep-22	7.13%	3.51 years	53.79%	0.27%	738.50	336.74	
01-Nov-22	7.15% - 7.37%	3.51 -6.51 years	53.81% -45.25%	0.28%	709.35	364.52	
31-Jan-23	7.15% - 7.30%	3.51 -6.51 years	53.58% -45.23%	0.28%	710.75	364.41	
01-Aug-23	7.00% - 7.05%	3.51 -6.51 years	52.49% -44.63%	0.18%	1,132.10	577.29	
01-Aug-23	7.00% - 7.04%	3.51 -5.51 years	52.49% -47.18%	0.18%	1,132.10	556.82	
01-Aug-23	7.00%	3.51 Years	52.49%	0.18%	1,132.10	509.03	
01-Aug-23	7.00% - 7.02%	3.51 -4.51 years	52.49% -49.11%	0.18%	1,132.10	530.43	
01-Aug-23	7.00% - 7.05%	3.51 -6.51 years	52.49% -44.63%	0.18%	1,132.10	577.29	
02-Nov-23	7.22% - 7.28%	3.51 -5.51 years	42.45% -47.08%	0.17%	1,149.00	552.30	
02-Nov-23	7.22% - 7.29%	3.51 -6.51 years	42.45% -44.54%	0.17%	1,149.00	576.73	
25-Jan-24	7.01% - 7.06%	3.51 -6.51 years	37.85% -44.51%	0.16%	1,245.80	614.02	

*Fair value option of equity shares issued under this grant is before share split with a face value of ₹ 10/- each

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 41 SHARING OF COSTS

The Company shares certain costs / service charges with other companies. These costs have been allocated between the Companies on a basis mutually agreed between them, which has been relied upon by the Auditors.

Note : 42.1 CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business, meeting the capital adequacy requirements of Reserve Bank of India (RBI), maintain strong credit rating and healthy capital ratios in order to support business and maximise shareholder value. The adequacy of the Company's capital is monitored by the Board using, among other measures, the regulations issued by RBI.

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.

The Company has complied in full with the capital requirements prescribed by RBI over the reported period. The Capital adequacy ratio as of March 31, 2024 is 18.57% (March 31, 2023- 17.13%) as against the regulatory requirement of 15%.

Note : 42.2 FINANCIAL RISK MANAGEMENT

The key financial risks faced by the company are credit and market risks comprising liquidity risk, interest rate risk and foreign currency risks.

Note : 42.2.1 CREDIT RISK

Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

42.2.1.1 ASSESSMENT METHODOLOGY

The company 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 company 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 company's lending is covered by adequate collaterals from the borrowers. The company has a robust online application underwriting model to assess the credit worthiness of the borrower for underwriting decisions for its vehicle finance, Loan Against Property and home loan business. The company also has a well- developed model for the vehicle finance portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio.

42.2.1.2 RISK MANAGEMENT AND PORTFOLIO REVIEW

The company 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.

42.2.1.3 ECL METHODOLOGY

The Company 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 and tested for impairment as per Ind AS 36.

42.2.1.4 ASSUMPTIONS AND ESTIMATION TECHNIQUES

The Company 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:

42.2.1.4(a) 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 of the year and subsequently moved to Stage 3 anytime in each subsequent year.

42.2.1.4(b) 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 42 CAPITAL MANAGEMENT (Contd.)

42.2.1.4(c) 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.

42.2.1.5 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 Company 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 Company 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 Company 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 company follows simplified matrix approach for determining impairment allowance based on industry practise. These loans constitute around 12% of the total loan book.

Loan Movement across stages during the year is given in a note 9.1

Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Company 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 Company follows 'simplified approach' for recognition of impairment loss allowance on other financial assets. The application of simplified approach does not require the Company to track changes in credit risk and calculated on case-by-case approach, taking into consideration different recovery scenarios.

42.2.1.6 Incorporation of forward-looking statements in ECL model

The Company 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 Company'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.

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 company 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 42 CAPITAL MANAGEMENT (Contd.)

42.2.1.7 Macro economic variables

Segment	Macro-Economic Variables correlated for each segment	
Two Wheeler	Gross national savings	General government revenue
Three Wheeler	Gross national savings	General government revenue
Construction Equipment New	General government revenue	General government revenue
Construction Equipment Used	Volume of exports of goods and services	General government revenue
Commercial Vehicle Shubh	General government total expenditure	Volume of exports of goods and services
Commercial Vehicle Used	Gross domestic product per capita, current prices	General government revenue
Heavy Commercial Vehicle New	Gross domestic product per capita, current prices	Total investment
Home Loan	Gross domestic product, current prices	Total investment
Loan Against Property	Gross domestic product, current prices	General government revenue
Light Commercial Vehicle New	Volume of imports of goods and services	General government revenue
Mini Light Commercial Vehicle New	General government revenue	Volume of exports of goods and services
Passenger Vehicle New (Car/MUV)	Gross domestic product per capita, current prices	Volume of exports of goods and services
Passenger Vehicle Shubh (Car/ MUV)	Volume of imports of goods and services	Volume of exports of goods and services
Passenger Vehicle Used (Car/ MUV)	Gross domestic product, current prices	General government revenue
Tractor New	Gross domestic product per capita, current prices	General government total expenditure
Tractor Used	Gross domestic product per capita, current prices	Total investment

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, 2024	Decrease by 5%	(20.23)
March 31, 2024	Increase by 5%	29.53

₹ in crores

Year ended	Increase/ (Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31, 2023	Decrease by 5%	(33.30)
March 31, 2023	Increase by 5%	33.54

₹ in crores

42.2.1.8 Concentration of credit risk and Collateral and Credit Enhancements

42.2.1.8(a) 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 Company 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 58% of the loan book of the Company as of March 31, 2024 (63% as of March 31, 2023). Hypothecation endorsement is made in favour of the Company in the Registration Certificate in respect of all registerable collateral. Portfolio is reasonably well 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 leading to well diversified sub product mix. New Tractors and New Construction Equipment have portfolio share between 7% and 7%.

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 20 % of the lending book of the Company as of March 31, 2024 (20% as of March 31, 2023). Portfolio is concentrated in North 27% with small presence in East 7% South has 44% and West contributes 22% of the overall exposure of the company.

The Concentration of risk is managed by Company for each product by its region and its sub-segments. Company did not overly depend on few regions or sub-segments as of March 31, 2024.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 42 CAPITAL MANAGEMENT (Contd.)

42.2.1.8(b) Collateral and Credit enhancements

Although collateral can be an important mitigation of credit risk, it is the Company'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 Company obtains first and exclusive charge on all collateral that it obtains for the loans given. Vehicle Finance and Loan Against Property loans are secured by collateral at the time of origination. In case of Vehicle loans, Company values the vehicle either through proforma invoice (for new vehicles) or using registered valuer for used vehicles. In case of Loan against Property, the value of the property at the time of origination will be arrived by obtaining two valuation reports from Company's empanelled valuers.

Hypothecation endorsement is obtained in favour of the Company 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 Company 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 Company for loan against securities. 91% of the Company's term loan are secured by way of tangible Collateral.

In respect of some unsecured lending, the company 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, 2024

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	₹ in crores
					Associated ECL
3,644.81	2,793.62	1,605.03	280.70	(1,034.54)	1,693.07

Fair value of collateral held against credit impaired assets - March 31, 2023

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	₹ in crores
					Associated ECL
3,221.59	2,307.55	1,894.35	209.23	(1,189.54)	1,482.01

Note: Column (b), (c), (d) of the above table, represents fair value of collateral

Valuation of Collateral:

- Vehicles including construction equipment and tractors are valued at original cost less 20% depreciation per year on WDV
- Immovable property is valued based on the amount as per the valuation report at the time of sanctioning of loan
- Other loans are valued based on book debts at cost or securities at market value

42.2.2 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. The company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The company is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The company 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 company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee. In addition, the company has put in an Asset Liability Management (ALM) support group which meets frequently to review the liquidity position of the company.

42.2.2.1 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. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 42 CAPITAL MANAGEMENT (Contd.)

line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Company 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 Company 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 liabilities by remaining contractual maturities given in note -47.

42.2.2.2 Interest Rate Risk

The Company 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 company 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 company can benefit from rising interest rates while a negative gap indicates that the company can benefit from declining interest rates. Based on market conditions, the company enters into interest rate swap to mitigate interest rate risk.

₹ in crores

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31,2024	Increase by 100 bps	(120.51)
March 31,2024	Decrease by 100 bps	120.51

₹ in crores

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31,2023	Increase by 100 bps	(96.50)
March 31,2023	Decrease by 100 bps	96.50

42.2.2.3 Foreign Currency Risk

Foreign currency risk for the Company arise majorly on account of foreign currency borrowings. The Company 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 Company negotiates the terms of those derivatives to match with the terms of the hedge exposure.

The Company 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.

42.2.2.4 Hedging Policy

The Company'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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 42 CAPITAL MANAGEMENT (Contd.)

42.2.2.4(a) Disclosure of Effects of Hedge Accounting

As at March 31, 2024

Foreign Exchange Risk	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crores)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crores)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crores)	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 (other than debt securities)
Interest rate Swaps	-	7	-	20.74	May 27, 2026 to December 29, 2028	20.74	-	Borrowings (other than debt securities)
Forward contracts	1	1	86.49	150.90	June 01, 2024 to June 20, 2028	64.40	91.59	Borrowings (other than debt securities)
Fair Value Hedge								
Interest rate Swaps	-	-	-	-	-	-	-	NA

	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crores)	Hedge Effectiveness recognised in profit and loss (₹ in crores)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in crores)	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	(72.19)	-	-	NA

As at March 31, 2023

Foreign Exchange Risk	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crores)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crores)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crores)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cash Flow Hedge								
Cross Currency Interest rate swap	2	-	147.42	-	May 15, 2023 to July 19, 2025	(147.41)	136.39	Borrowings (other than debt securities)
Interest rate Swaps	1	1	2.72	5.59	March 8, 2024 to March 31, 2028	2.87	-	Borrowings (other than debt securities)
Forward contracts	1	1	120.71	128.68	June 20, 2023 to June 20, 2028	7.97	123.56	Borrowings (other than debt securities)
Fair Value Hedge								
Interest rate Swaps	1	-	2.02	-	October 7, 2023	(2.02)	-	Borrowings (other than debt securities)

	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crores)	Hedge Effectiveness recognised in profit and loss (₹ in crores)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in crores)	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	45.64	2.02	-	NA

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 43 EVENTS AFTER REPORTING DATE

There have been no other events after the reporting date apart from above that require disclosure in the financial statements.

Note : 44

44.1 - Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the balance sheet. This table does not include the fair values of non-financial assets and non-financial liabilities.

	March 31, 2024		March 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
₹ in crores				
Financial Assets				
Cash and Cash Equivalents	841.97	841.97	910.29	910.29
Bank balances Other than Cash and Cash Equivalents	3,478.18	3,478.18	2,051.13	2,051.13
Receivables				
i) Trade Receivables	199.00	199.00	77.18	77.18
ii) Other Receivables	200.46	200.46	113.88	113.88
Loans	1,44,424.29	1,46,227.75	1,04,748.32	1,04,908.01
Investments in Government Securities	1,539.07	1,431.03	1,541.34	1,396.97
Investment in Treasury Bill	1,440.17	1,411.35	1,536.27	1,532.99
Investment in STRIPS	599.25	605.43	-	-
Other Financial Assets	241.25	241.25	273.77	273.77
Total Financial Assets	1,52,963.64	1,54,636.42	1,11,252.18	1,11,264.22
Financial Liabilities				
Payables				
i) Trade Payables - Due to MSME	7.65	7.65	3.40	3.40
ii) Trade Payables - Other than MSME	107.72	107.72	119.93	119.93
iii) Other Payables	1,338.05	1,338.05	1,064.69	1,064.69
Debt Securities	24,812.76	24,884.85	19,682.41	19,740.72
Borrowings (Other than Debt Securities)	1,04,511.13	1,04,800.38	73,186.19	73,532.82
Subordinated Liabilities	5,149.69	5,216.23	4,487.46	4,504.43
Other Financial Liabilities	505.63	505.63	354.11	354.11
Total Financial Liabilities	1,36,432.63	1,36,860.51	98,898.19	99,320.10

The Management assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments.

Note 44.2 - Fair value hierarchy

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.

- i) 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.
- ii) The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows using discounting rate equal to the rate near to report date based on comparable rate / market observable data.
- iii) Derivatives are fair valued using observable inputs / rates.
- iv) The fair value of investments in Government securities/STRIPS/Treasury Bills are derived from rate equal to the rate near to the reporting date of the comparable product.
- v) Fair value of investment property is calculated based on valuation given by external independent valuer and also refer note 13 for sensitivity analysis.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 44 Fair value hierarchy (Contd.)

Note 44.2 - Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2024

₹ in crores

	Carrying Value	Fair value measurement using		
		Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value				
Derivative financial instruments	247.82	-	247.82	-
Assets for which fair values are disclosed				
Loans	1,44,424.29	-	-	1,46,227.75
Investments in Government securities	1,539.07	1,431.03	-	-
Investment in Treasury Bills	1,440.17	1,411.35	-	-
Investment in STRIPS	599.25	605.43	-	-
Investment Properties	0.13	-	-	3.30

There have been no transfers between different levels during the year.

Quantitative disclosure fair value measurement hierarchy of Liabilities as at March 31, 2024

₹ in crores

	Carrying Value	Fair value measurement using		
		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	24,812.76	-	24,884.85	-
Borrowings (Other than Debt Securities)	1,04,511.13	-	1,04,800.38	-
Subordinated Liabilities	5,149.69	-	5,216.23	-

There have been no transfers between different levels during the year.

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2023

₹ in crores

	Carrying Value	Fair value measurement using		
		Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value				
Derivative financial instruments	272.86	-	272.86	-
Assets for which fair values are disclosed				
Loans	1,04,748.32	-	-	1,04,908.01
Investment in Government securities	1,541.34	1,396.97	-	-
Investment in Treasury Bills	1,536.27	1,532.99	-	-
Investment in STRIPS	-	-	-	-
Investment Properties	0.13	-	-	3.20

There have been no transfers between different levels during the year.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 44.2 - Fair value hierarchy (Contd.)

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2023

₹ in crores

	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	134.27	-	134.27	-
Liabilities for which fair values are disclosed				
Debt Securities	19,682.41	-	19,740.72	-
Borrowings (Other than Debt Securities)	73,186.19	-	73,532.82	-
Subordinated Liabilities	4,487.46	-	4,504.43	-

There have been no transfers between different levels during the year.

44.3 Summary of Financial assets and liabilities which are recognised at amortised cost

₹ in crores

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Financial Assets		
Cash and Cash Equivalents	841.97	910.29
Bank balances other than Cash and Cash Equivalents	3,478.18	2,051.13
Loans	1,44,424.29	1,04,748.32
Investments in Government Securities	1,539.07	1,541.34
Investment in Treasury Bills	1,440.17	1,536.27
Investment in STRIPS	599.25	-
Other Financial Assets	241.25	273.77
Financial Liabilities		
Debt Securities	24,812.76	19,682.41
Borrowings (Other than Debt Securities)	1,04,511.13	73,186.19
Subordinated Liabilities	5,149.69	4,487.46
Other Financial liabilities	505.63	354.11

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.

₹ in crores

	Amount	Maturity	
		Within 12 months	After 12 months
As on March 31, 2024			
Financial Assets			
Cash and Cash Equivalents	841.97	841.97	-
Bank balances Other than Cash and Cash Equivalents	3,478.18	1,338.24	2,139.94
Derivative financial instruments	247.82	126.24	121.58
Receivables			-
i) Trade Receivables	199.00	199.00	-
ii) Other Receivables	200.46	200.46	-
Loans	1,44,424.29	36,850.25	1,07,574.04
Investments	4,100.23	1,449.18	2,651.05
Other Financial Assets	241.25	37.47	203.78
Total Financial Assets	1,53,733.20	41,042.81	1,12,690.39

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 45 MATURITY ANALYSIS (Contd.)

₹ in crores

	Amount	Maturity Within 12 months	After 12 months
Non- Financial Assets			
Current tax assets (Net)	357.09	-	357.09
Deferred tax assets (Net)	654.15	-	654.15
Investment Property	0.13	-	0.13
Property, Plant and Equipment	1,534.00	-	1,534.00
Capital Work in Progress	-	-	-
Intangible assets under development	12.45	-	12.45
Other Intangible assets	23.01	-	23.01
Other Non-Financial Assets	99.65	18.33	81.32
Total Non- Financial Assets	2,680.48	18.33	2,662.15
Asset held for sale - Investment	37.09	37.09	-
Financial Liabilities			
Derivative financial instruments	186.70	28.36	158.34
Payables			
i) Trade Payables - Due to MSME	7.65	7.65	-
ii) Trade Payables - Other than MSME	107.72	107.72	-
iii) Other Payables	1,338.05	1,319.88	18.17
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	5,149.69	312.86	4,836.83
Other Financial Liabilities	505.63	176.29	329.34
Total Financial Liabilities	1,36,619.33	49,154.31	87,465.02
Non-Financial Liabilities			
Current tax liabilities	-	-	-
Provisions	192.70	-	192.70
Other Non-Financial Liabilities	82.23	74.37	7.86
Total Non-Financial Liabilities	274.93	74.37	200.56

₹ in crores

	Amount	Maturity Within 12 months	After 12 months
As on March 31, 2023			
Financial Assets			
Cash and Cash Equivalents	910.29	910.29	-
Bank balances Other than Cash and Cash Equivalents	2,051.13	1,134.75	916.38
Derivative financial instruments	272.86	13.73	259.13
Receivables			
i) Trade Receivables	77.18	77.18	-
ii) Other Receivables	113.88	113.88	-
Loans	1,04,748.32	27,849.72	76,898.60
Investments	3,620.02	1,545.30	2,074.72
Other Financial Assets	273.77	57.72	216.05
Total Financial Assets	1,12,067.45	31,702.57	80,364.88

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 45 MATURITY ANALYSIS (Contd.)

	₹ in crores		
	Amount	Maturity Within 12 months	After 12 months
Non- Financial Assets			
Current tax assets (Net)	267.06	-	267.06
Deferred tax assets (Net)	608.50	-	608.50
Investment Property	0.13	-	0.13
Property, Plant and Equipment	372.17	-	372.17
Capital Work in Progress	35.74	-	35.74
Intangible assets under development	24.60	-	24.60
Intangible assets	26.43	-	26.43
Other Non-Financial Assets	105.43	12.00	93.43
Total Non- Financial Assets	1,440.06	12.00	1,428.06
Asset held for sale - Investment	8.00	8.00	-
Financial Liabilities			
Derivative financial instruments	134.27	17.62	116.65
Payables			
i) Trade Payables - Due to MSME	3.40	3.40	-
ii) Trade Payables - Other than MSME	119.93	119.93	
ii) Other Payables	1,064.69	1,064.69	-
Debt Securities	19,682.41	8,451.02	11,231.39
Borrowings (Other than Debt Securities)	73,186.19	25,128.94	48,057.25
Subordinated Liabilities	4,487.46	693.77	3,793.69
Other Financial Liabilities	354.11	210.31	143.80
Total Financial Liabilities	99,032.46	35,689.68	63,342.78
Non-Financial Liabilities			
Current tax liabilities	-	-	-
Provisions	140.88	21.03	119.85
Other Non-Financial Liabilities	46.12	45.63	0.49
Total Non-Financial Liabilities	187.00	66.66	120.34

Note : 46 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	₹ in crores				
Particulars	April 01, 2023	Cash flows	Exchange Difference	Others	March 31, 2024
Debt Securities	19,682.41	4,844.60	-	285.75	24,812.76
Borrowings other than debt securities	73,186.19	31,209.59	(2.75)	118.10	1,04,511.13
Subordinated liabilities	4,487.46	597.49	-	64.74	5,149.69
Total	97,356.06	36,651.68	(2.75)	468.59	1,34,473.58

	₹ in crores				
Particulars	April 01, 2022	Cash flows	Exchange Difference	Others	March 31, 2023
Debt Securities	13,321.10	6,065.37	-	295.94	19,682.41
Borrowings other than debt securities	52,004.52	20,940.74	(81.23)	322.16	73,186.19
Subordinated liabilities	3,847.88	642.00	-	(2.42)	4,487.46
Total	69,173.50	27,648.11	(81.23)	615.68	97,356.06

(i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of transaction cost.

(ii) Liabilities represents of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

(iii) Change in liabilities arising from lease liabilities has been disclosed in Note 48

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 47 ANALYSIS OF FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

As at March 31, 2024								₹ in crores
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 and small enterprises	7.65	-	-	-	-	-	-	7.65
ii) Total outstanding dues of creditors other than micro and small enterprises	107.72	-	-	-	-	-	-	107.72
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	1,338.05	-	-	-	-	-	-	1,338.05
Debt Securities	2,511.23	1,220.93	2,366.36	4,824.41	11,520.17	6,119.54	-	28,562.64
Borrowings (Other than Debt Securities)	5,409.92	8,169.37	10,963.17	19,163.47	58,768.55	16,257.56	340.92	1,19,072.96
Subordinated Liabilities	27.84	123.15	115.09	266.39	839.97	2,281.13	11,973.21	15,626.78
Other Financial Liabilities	142.72	16.86	24.20	46.11	155.94	98.76	111.80	596.39
Total Undiscounted financial liabilities	9,545.13	9,536.70	13,468.82	24,322.35	71,373.84	24,826.12	12,425.93	1,65,498.89

As at March 31, 2023								₹ in crores
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	-	3.80	4.24	9.58	48.90	55.30	12.45	134.27
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	3.40	-	-	-	-	-	-	3.40
ii) Total outstanding dues of creditors other than micro and small enterprises	119.93	-	-	-	-	-	-	119.93
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	1,064.69	-	-	-	-	-	-	1,064.69
Debt Securities	698.83	2,582.24	3,909.11	2,305.35	10,795.73	2,062.44	-	22,353.70
Borrowings (Other than Debt Securities)	3,823.85	4,790.80	8,681.40	12,577.35	40,659.09	12,613.03	518.87	83,664.39
Subordinated Liabilities	5.40	83.46	157.27	924.69	997.14	1,818.53	18,549.02	22,535.51
Other Financial Liabilities	163.52	11.97	17.90	33.89	86.71	28.18	29.47	371.64
Total Undiscounted financial liabilities	5,879.62	7,472.27	12,769.92	15,850.86	52,587.57	16,577.48	19,109.81	1,30,247.53

Note : 48 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES

The Company has taken office premises on lease for its operations.

The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

The Company also has certain leases with lease terms of 12 months or less. The Company 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 year

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 48 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES (Contd.)

(i) Movement in the carrying value of the Right to Use Asset

₹ in crores

Particulars	As on March 31, 2024	As on March 31, 2023
Opening Balance	147.19	99.34
Depreciation charge for the year	(75.98)	(55.41)
Additions during the year	299.28	105.82
Adjustment/Deletion	(15.88)	(2.56)
Closing Balance	354.61	147.19

(ii) Classification of current and non current liabilities of the lease liabilities

₹ in crores

Particulars	As on March 31, 2024	As on March 31, 2023
Current liabilities	71.34	52.77
Non Current Liabilities	300.16	114.12
Total Lease liabilities	371.50	166.89

(iii) Movement in the carrying value of the Lease Liability

₹ in crores

Particulars	As on March 31, 2024	As on March 31, 2023
Opening Balance	166.89	109.98
Interest Expense	23.26	12.40
Lease Payments [Total Cash Outflow]	(89.38)	(58.65)
Additions during the year	286.61	105.82
Adjustment/Deletion	(15.88)	(2.66)
Closing Balance	371.50	166.89

(iv) Contractual Maturities of Lease liability outstanding

₹ in crores

Particulars	As on March 31, 2024	As on March 31, 2023
Less than one year	95.76	69.75
One to five Years	254.70	114.69
More than Five years	111.80	-
Total	462.26	184.44

(v) The following are the amount recognised in the Profit or Loss statement

₹ in crores

Particulars	For the year ended	
	As on March 31, 2024	As on March 31, 2023
Depreciation expense of right-of-use assets	75.98	55.41
Interest expense on lease liabilities	23.26	12.40
Expense relating to short-term leases (included in other expenses)	0.64	2.60
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
Total amount recognised in profit or loss	99.88	70.41

Lease expenses relating to short term leases aggregated to ₹ 0.64 crores (₹ 2.60 crores - March 31, 2023) during the year ended March 31, 2024.

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 7% to 10%.

The Company 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 Company has several lease contracts that includes option to extend or terminate. These options are negotiated by the Management to provide flexibility in managing the leased-asset portfolio and align with Company's business needs. Management exercises significant judgement in determining whether these extension and termination are reasonably certain to be exercised.

The company has not defaulted in its lease obligations.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 49

Part 1 - Ageing Analysis

A. Trade Payables ageing schedule for the year ended March 31, 2024

₹ in crores

Particulars	Outstanding for following periods from due date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	7.65	-	-	-	7.65
(ii) Others	102.07	1.83	1.46	2.36	107.72
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	109.72	1.83	1.46	2.36	115.37

B. Trade Payables ageing schedule for the year ended March 31, 2023

₹ in crores

Particulars	Outstanding for following periods from due date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	3.40	-	-	-	3.40
(ii) Others	111.15	4.01	4.77	-	119.93
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	114.55	4.01	4.77	-	123.33

There are no balances not due or unbilled for the year ended March 31, 2024 and March 31, 2023

C. CWIP aging schedule for the year ended March 31, 2024

₹ in crores

Capital -work -in progress	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-

D. CWIP aging schedule for the year ended March 31, 2023

₹ in crores

Capital -work -in progress	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
Projects in Progress	12.71	23.03	-	-	35.74
Projects Temporarily Suspended	-	-	-	-	-

E. Intangible assets under development aging schedule for the year ended March 31, 2024

₹ in crores

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
Projects in Progress	2.37	0.05	10.03	-	12.45
Projects Temporarily Suspended	-	-	-	-	-

F. Intangible assets under development aging schedule for the year ended March 31, 2023

₹ in crores

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
Projects in Progress	13.32	8.09	3.19	-	24.60
Projects Temporarily Suspended	-	-	-	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 49 DISCLOSURES TO BE MADE IN NOTES TO ACCOUNTS BY ORIGINATORS (Contd.)

Part - II - Other Disclosures

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.
2. Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
3. The company does not have any outstanding amount arising out of transactions with struck off companies during the year.
4. There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
5. 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.
6. 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.
7. Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2024
8. The company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017
9. The company has not entered into any scheme of arrangements which has an accounting impact on current/previous financial year
10. 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

RBI Disclosures

The regulatory disclosures provided in these financial statements are in accordance with the requirements of the RBI's Directions, 2021 dated September 24, 2021 (wherever applicable).

Note : 50 A i) DISCLOSURES TO BE MADE IN NOTES TO ACCOUNTS BY ORIGINATORS

Sl. No.	Particulars	₹ in crores	
		As at March 31, 2024	As at March 31, 2023
1.	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	50	32
2.	Total amount of securitised assets as per books of the SPEs	25,335.89	10,711.01
3.	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	1,348.11	564.29
	• Others (Second loss)	858.39	412.87
	• Others (PTC Investment)	1583.10	745.54
4.	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
5.	Sale consideration received for the securitised assets	37,714.20	16,493.22
	Gain/loss on sale on account of securitisation	Nil	Nil

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 50 A i) DISCLOSURES TO BE MADE IN NOTES TO ACCOUNTS BY ORIGINATORS (Contd.)

₹ in crores

Sl. No.	Particulars	As at March 31, 2024	As at March 31, 2023
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Nil	Nil
	First Loss Credit Facility – Bank Fixed Deposit	1,348.11	564.29
	Second Loss Credit Facility – Bank Fixed Deposit	858.39	412.87
	Second Loss Credit Facility – Bank Guarantee provided by external party	215.45	335.52
7.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	First Loss Credit Facility – Bank Fixed Deposit		
	(a) Amount paid (utilised)	8.69 (0.64%)	38.17 (6.77%)
	(b) Repayment received (replenishment)	8.69 (0.64%)	38.17 (6.77%)
	(c) Outstanding amount	0 (0.00%)	0 (0.00%)
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Vehicle loans - 1.60%	Vehicle loans - 1.52%
		Loan against Property - 0.5%	Loan against Property - 0.5%
9.	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		
	Vehicle Loans		
	No. of Additional / Top up loan	25,847	8,014
	Amount of Loan	510.38	182.68
	Loan Against Property		
	No. of Additional / Top up loan	326	754
	Amount of Loan	67.58	177.65
10.	Investor complaints		
	(a) Directly/Indirectly received and;	Nil	Nil
	(b) Complaints outstanding	Nil	Nil

ii) Details of Stressed loans transferred during the year pursuant to Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021

As at 31-March -2024

₹ in crores

Particulars	To ARCs	To permitted transferees	To other transferees (please specify)
No of accounts	109	NIL	NIL
Aggregate principal outstanding of loans transferred (Rs in Cr)	24.58	NIL	NIL
Weighted average residual tenor of the loans transferred (in months)	171 Months	NIL	NIL
Net book value of loans transferred (at the time of transfer) (Rs in Cr)	15.33	NIL	NIL
Aggregate consideration (Rs in Cr)	9.71	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years (Rs in Cr)	NIL	NIL	NIL

As at 31-March -2023

₹ in crores

Particulars	To ARCs	To permitted transferees	To other transferees (please specify)
No of accounts	156	NIL	NIL
Aggregate principal outstanding of loans transferred (Rs in Cr)	14.21	NIL	NIL
Weighted average residual tenor of the loans transferred (in months)	179 Months	NIL	NIL
Net book value of loans transferred (at the time of transfer) (Rs in Cr)	13.76	NIL	NIL
Aggregate consideration (Rs in Cr)	5.62	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years (Rs in Cr)	NIL	NIL	NIL

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATIONS) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME)

i) Provision as per IRAC norms and ECL for the year ended March 31, 2024

₹ in crores

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS ⁽²⁾	Loss allowance (provision) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	1,39,769.40	529.13	1,39,240.27	480.22	48.91
Standard	Stage 2	1,971.02	160.55	1810.48	15.11	145.44
Subtotal for Performing assets		1,41,740.42	689.68	1,41,050.75	495.33	194.35
Non Performing Assets (NPA)						
Substandard	Stage 1	276.56	10.40	266.16	23.76	(13.36)
Doubtful - upto 1 year	Stage 1	23.22	1.19	22.03	4.47	(3.28)
1 - 3 years	Stage 1	9.23	0.63	8.60	2.72	(2.09)
Substandard	Stage 2	1006.55	99.02	907.53	87.85	11.17
Doubtful - upto 1 year	Stage 2	169.51	18.46	151.05	32.54	(14.08)
1 - 3 years	Stage 2	74.70	8.26	66.44	21.70	(13.45)
Substandard	Stage 3	1,552.85	472.65	1,080.20	145.95	326.70
Doubtful - upto 1 year	Stage 3	811.15	303.30	507.85	146.35	156.95
1 - 3 years	Stage 3	962.26	624.75	337.50	247.07	377.69
More than 3 years	Stage 3	305.64	279.39	26.26	119.22	160.17
Loss	Stage 3	12.91	12.98	(0.07)	12.97	0.01
Subtotal for NPA		5,204.58	1,831.03	3,373.55	844.60	986.43
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	4,001.56	10.37	3,991.19	-	10.37
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal for other items		4,001.56	10.37	3,991.19	-	10.37
Total	Stage 1	1,44,079.97	551.72	1,43,528.25	511.17	40.55
	Stage 2	3,221.78	286.29	2,935.50	157.21	129.08
	Stage 3	3,644.81	1,693.07	1,951.74	671.56	1,021.52
Total		1,50,946.56	2,531.08	1,48,415.49	1339.94	1,191.15

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

i) Provision as per IRAC norms and ECL for the year ended March 31, 2023

₹ in crores

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS ⁽²⁾	Loss allowance (provision) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	99,640.78	431.30	99,209.48	339.77	91.53
Standard	Stage 2	2,483.55	225.26	2,258.29	106.33	118.93
Subtotal for Performing assets		1,02,124.33	656.56	101,467.77	446.10	210.46
Non Performing Assets (NPA)						
Substandard	Stage 1	238.68	11.72	226.96	21.85	(10.13)
Doubtful - upto 1 year	Stage 1	32.61	1.65	30.96	6.33	(4.68)
1 - 3 years	Stage 1	0.49	0.01	0.48	0.12	(0.11)
Substandard	Stage 2	1,152.03	136.76	1,015.27	106.61	30.15
Doubtful - upto 1 year	Stage 2	305.23	40.01	265.22	58.79	(18.78)
1 - 3 years	Stage 2	2.27	0.20	2.06	0.66	(0.45)
Substandard	Stage 3	1,247.77	403.70	844.07	123.50	280.20
Doubtful - upto 1 year	Stage 3	999.13	420.86	578.27	182.31	238.55
1 - 3 years	Stage 3	752.97	464.48	288.49	189.31	275.17
More than 3 years	Stage 3	205.72	178.83	26.89	66.77	112.06
Loss	Stage 3	16.01	14.14	1.88	12.72	1.41
Subtotal for NPA		4,952.91	1,672.36	3,280.55	768.97	903.39
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	2,820.44	11.79	2,808.65	-	11.79
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal for other items		2,820.44	11.79	2,808.65	-	11.79
Total	Stage 1	1,02,733.00	456.47	1,02,276.53	368.07	88.40
	Stage 2	3,943.08	402.23	3,540.84	272.39	129.85
	Stage 3	3,221.60	1,482.01	1,739.60	574.61	907.39
Total		1,09,897.68	2,340.71	1,07,556.97	1215.07	1,125.64

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

- As required by the RBI Notification dated March 13, 2020, the Company has complied with the requirements of Ind AS and the Guidelines and Policies approved by the Board in recognition of impairment of financial instruments. The overall impairment provision made under Ind AS (including the provision requirement specified in the notification above. Refer note 9) is higher than the prudential floor prescribed by RBI.
- Gross carrying amount as per Ind AS represents gross exposures inclusive of securitisation balances transferred by the Company but will not qualify for de-recognition and interest income on Stage III assets which will not form part of Provisions required as per IRACP norms.

ii) Disclosure on Restructured Accounts

₹ in crores

Type of Restructuring asset classification details	Others				
	Standard Advances	Sub-standard Advances	Doubtful Advances	Loss Advances	
Restructured loans as on April 1, 2023	Number of borrowers	14,113	6,455	6,186	7
	Amount Outstanding	1,221.02	547.23	399.03	1.80
	Provision thereon	110.06	113.55	127.41	1.80
Fresh Restructured during the year (based on asset classification at the time of restructuring)	Number of borrowers	18	12	9	-
	Amount Outstanding	5.02	1.81	0.17	-
	Provision thereon	0.37	0.18	0.02	-
Upgradations to restructured category during the year	Number of borrowers	2,905	52	-	-
	Amount Outstanding	77.09	1.72	-	-
	Provision thereon	8.08	0.30	-	-
Restructured loans ceases to attract higher provision or additional risk weight at the end of year *	Number of borrowers	2,862	-	-	-
	Amount Outstanding	193.19	-	-	-
	Provision thereon	12.79	-	-	-
Downgrade of restructured accounts during the year	Number of borrowers	-	1,981	6,774	-
	Amount Outstanding	-	154.52	454.37	-
	Provision thereon	-	27.86	174.87	-
Write-off of restructured accounts during the year	Number of borrowers	640	1,345	1,242	5
	Amount Outstanding	49.86	110.57	87.76	1.53
	Provision thereon	4.66	29.67	34.35	1.55
Restructured loans as on March 31, 2024	Number of borrowers	7,704	2,275	6,827	2
	Amount Outstanding	664.83	217.74	438.51	0.26
	Provision thereon	64.36	40.47	169.41	0.28

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

ii) Disclosure on Restructured Accounts (Contd.)

₹ in crores

Type of Restructuring asset classification details	Others				
	Standard Advances	Sub-standard Advances	Doubtful Advances	Loss Advances	
Restructured loans as on April 1, 2022	Number of borrowers	38,912	13,388	19	-
	Amount Outstanding	2,843.43	982.24	2.40	-
	Provision thereon	292.30	237.27	1.14	-
Fresh Restructured during the year (based on asset classification at the time of restructuring)	Number of borrowers	15	4	-	-
	Amount Outstanding	3.00	20.21	-	-
	Provision thereon	0.31	5.25	-	-
Upgradations to restructured category during the year	Number of borrowers	2,897	1	-	-
	Amount Outstanding	96.87	0.10	-	-
	Provision thereon	8.67	0.04	-	-
Restructured loans ceases to attract higher provision or additional risk weight at the end of year *	Number of borrowers	13,617	-	-	-
	Amount Outstanding	619.23	-	-	-
	Provision thereon	63.93	-	-	-
Downgrade of restructured accounts during the year	Number of borrowers	-	6,115	6,184	8
	Amount Outstanding	-	475.14	398.89	2.03
	Provision thereon	-	96.21	127.29	2.04
Write-off of restructured accounts during the year	Number of borrowers	2,592	3,759	6	-
	Amount Outstanding	186.75	300.01	1.17	-
	Provision thereon	19.64	88.03	0.60	-
Restructured loans as on March 31, 2023	Number of borrowers	14,113	6,455	6,186	7
	Amount Outstanding	1,221.02	547.23	399.03	1.80
	Provision thereon	110.06	113.55	127.41	1.80

*Pursuant to RBI Notification DOR.No.BP.BC/3/21.04.048/2020-21

Note: Includes accounts restructured under Covid resolution framework 1.0 and 2.0

iii) Liquidity Risk

Public disclosure on liquidity risk -March 31, 2024

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

₹ in crores

Sr. No.	No. of Significant Counterparties	Amount (₹ In Cr)	% of Total Deposits	% of Total Liabilities
1	14	86,432.93	NA	63.14%

(ii) Top 20 large deposits (amount in ₹ Crore and % of total deposits)

Not Applicable

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

iii) Liquidity Risk (Contd.)

(iii) Top 10 borrowings (amount in ₹ Crore and % of total borrowings)

Amount (₹ In crore)	% of Total Borrowings
27,412.50	20.58%

(iv) Funding concentration based on significant instrument / product

Sr. No.	Name of the instrument / product	Amount (₹ In crore)	% of Total Liabilities
1	Rupee Term Loans	74,944.70	54.74%
2	NCDs (including PDI & Sub Debt)	23,195.95	16.94%
3	CPs	3,400.00	2.48%
4	ECB Loans	5,529.10	4.04%
5	Securitisation	23,752.79	17.35%
6	Rupee Denominated Bonds	400.00	0.29%
7	Compulsory Convertible Debentures	2,000.00	1.46%
	TOTAL	1,33,222.54	97.31%

(v) Stock Ratios:

(a) Commercial papers as a % of total public funds, total liabilities and total assets :

Commercial Papers as a % of total public funds	2.55%
Commercial Papers as a % of total liabilities	2.48%
Commercial Papers as a % of total assets	2.17%

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets – Not Applicable. Non-convertible debentures of original maturity of less than one year have not been issued

(c) 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	1.29%
Other Short-term liabilities as a % of total liabilities	1.25%
Other Short-term liabilities as a % of total assets	1.10%

(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. 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 Company 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 Company 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

iii) Liquidity Risk (Contd.)

Notes:

- 1) A "Significant Counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of NBFC-NDSI's total liabilities.
- 2) A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's total liabilities.
- 3) Total Borrowing has been computed as principal portion of Gross Total Debt basis extant regulatory ALM guidelines.
- 4) Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.
- 5) Commercial Paper for stock ratio is the principal portion of Gross outstanding (i.e.Maturity amount).
- 6) Other Short-term Liabilities has been computed as Total Short-term Liabilities less debt securities, Borrowings (other than debt securities) and subordinated liabilities (Original maturity of less than one year), basis extant regulatory ALM guidelines.
- 7) Public Funds = Total Borrowings as computed above.
Refer Note No 47 for the summary of maturity profile of undiscounted cash flows of the Company's financial liabilities as at reporting period.

iv) Exposure to real estate sector

Category	₹ in crores	
	March 31, 2024	March 31, 2023
i) Direct exposure		
a) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	43,551.60	30,238.63
b) Commercial Real Estate - Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	1,929.76	1,787.38
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures -		
i. Residential	-	-
ii. Commercial Real Estate	-	-
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector	45,481.36	32,026.01

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

v) Exposure to Capital Markets

Particulars	₹ in crores	
	March 31, 2024	March 31, 2023
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	-	-
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	20.13	65.53
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	172.49	132.42
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
vii) Bridge loans to companies against expected equity flows / issues	-	-
viii) Underwriting commitments taken up by the NBFCS in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix) Financing to stockbrokers for margin trading	74.52	12.50
x) All exposures to Alternative Investment Funds:		
Category I	-	-
Category II	-	-
Category III	-	-
Pending Disbursements (Undrawn commitments)	53.65	90.07
Total exposure to capital market	320.79	300.52

vi) Sectoral Exposure

Sectors	As on March 31, 2024			As on March 31, 2023		
	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector
Domestic Operations						
I. Gross Advances (II + III)	1,46,945.00	5,204.58	3.54%	1,07,077.24	4,952.93	4.63%
II. Food Credit	-	-	-	-	-	-
III. Non-Food Credit (1 to 5)	1,46,945.00	5,204.58	3.54%	1,07,077.24	4,952.93	4.63%
1. Agriculture and Allied Activities	23,523.94	730.32	3.10%	9,961.26	591.83	5.94%
2. Industry (2.1 to 2.4)	31,203.49	970.76	3.11%	44,287.45	2,158.53	4.87%

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

vi) Sectoral Exposure (Contd.)

₹ in crores

Sectors	As on March 31, 2024			As on March 31, 2023		
	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector
2.1 Micro and Small	20,696.52	192.00	0.93%	30,394.16	1,137.50	3.74%
2.2 Medium	161.65	0.60	0.37%	109.93	-	0.00%
2.3 Large	-	-	-	-	-	-
2.4 Others	10,345.32	778.16	7.52%	13,783.36	1,021.03	7.41%
3. Services (3.1 to 3.10 equals 3.a to 3.d)	52,757.59	2,415.08	4.58%	29,907.10	1,678.32	5.61%
3.1 Transport Operators	29,698.76	2,014.25	6.78%	18,951.54	1,385.84	7.31%
3.2 Computer Software	2.44	-	-	104.28	-	-
3.3 Tourism, Hotel and Restaurants	7.13	-	-	9.86	-	-
3.4 Shipping	0.12	-	-	0.13	-	-
3.5 Professional Services	-	-	-	-	-	-
3.6 Trade	10,365.45	164.63	1.59%	5,338.04	60.23	1.13%
3.6.1 Wholesale Trade (other than Food Procurement)	-	-	-	-	-	-
3.6.2 Retail Trade	10,365.45	164.63	1.59%	5,338.04	60.23	1.13%
3.7 Commercial Real Estate	1,929.78	129.91	6.73%	2,247.48	153.76	6.84%
3.8 NBFCs	302.47	-	-	413.31	-	-
3.9 Aviation	-	-	-	-	-	-
3.10 Other Services	10,451.44	106.29	1.02%	2,842.46	78.49	2.76%
Total 3.a to 3.d	52,757.59	2,415.08	4.58%	29,907.10	1,678.32	5.61%
3.a Micro and Small	24,836.75	1,405.88	5.66%	125.02	7.92	6.33%
3.b Medium	229.20	13.11	5.72%	5.18	0.01	0.19%
3.c Large	-	-	-	-	-	-
3.d Others	27,691.64	996.09	3.60%	29,776.90	1,670.39	5.61%
4. Retail Loans (4.1 to 4.10)	39,459.98	1,088.42	2.76%	22,921.43	524.25	2.29%
4.1 Housing Loans (incl. priority sector Housing)	11,787.62	192.05	1.63%	7,306.17	202.24	2.77%
4.2 Consumer Durables	-	-	-	-	-	-
4.3 Credit Card Receivables	-	-	-	-	-	-
4.4 Vehicle/Auto Loans	23,451.78	822.01	3.51%	13,811.26	294.26	2.13%
4.5 Education Loans	-	-	-	-	-	-
4.6 Advances against Fixed Deposits (incl. FCNR(B), etc.)	-	-	-	-	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

vi) Sectoral Exposure (Contd.)

₹ in crores

Sectors	As on March 31, 2024			As on March 31, 2023		
	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector
4.7 Advances to Individuals against Shares, Bonds	49.30	-	-	199.32	-	-
4.8 Advances to Individuals against Gold	-	-	-	-	-	-
4.9 Micro finance loan/SHG Loan	-	-	-	-	-	-
4.10 Other Retail loans	4,171.28	74.36	1.78%	1,604.68	27.75	1.73%
5. Other Non-food Credit	-	-	-	-	-	-

vii) Intra-group exposures

Particulars	March 31, 2024	March 31, 2023
Total amount of intra-group exposures (Rs in Cr.)	729.81	662.44
Total amount of top 20 intra-group exposures	729.81	662.44
Percentage of intra-group exposures to total exposure of the NBFC on borrowers / customers (Gross loans and gross undrawn commitment)	0.48%	0.60%

Exposure include gross loans, gross undrawn commitments and investment in equity and other instrument.

viii) Unhedged foreign currency exposure - Nil

ix) Breach of covenant of loan availed or debt securities issued - Nil

x) Divergence in Asset Classification and Provisioning - Nil

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE: 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY - SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

xi) Related party Disclosure

₹ in crores

Related Party	Parent		Subsidiaries		Associates /Joint venture		Key Management Personnel		Relatives of Key Management Personnel		Others		Total		
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24
Borrowings															
-Availed	-	-	-	39.50	-	-	-	-	-	-	-	-	-	-	39.50
-Repaid	-	-	-	39.50	-	-	-	-	-	-	-	-	-	-	39.50
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placements of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances(Loans)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-Given	-	-	351.15	176.00	1.00	-	-	-	-	-	1.27	2.48	353.42	178.48	-
-Recovered	-	-	289.15	168.00	1.00	3.00	-	-	-	-	7.67	8.86	297.82	179.86	-
Investments made during the year	-	-	-	-	-	10.00	-	-	-	-	-	-	-	-	10.00
Sale of Fixed assets or other assets	-	-	-	-	-	-	-	-	-	-	0.42	1.00	0.42	1.00	-
Interest Paid-Expense	-	-	-	0.89	-	-	-	-	-	-	58.93	16.38	58.93	17.27	-
Interest received-Income	-	-	4.40	1.81	*	0.16	-	-	-	-	1.56	2.00	5.96	3.97	-
Amount received towards Reimbursement of expenses	1.58	1.31	146.47	87.82	0.09	-	-	-	-	-	0.24	0.09	148.38	89.22	-
Dividend Payments	74.58	74.58	-	-	-	-	0.07	0.11	0.11	0.11	9.93	9.93	84.69	84.73	-
Dividend Received	-	-	114.65	-	-	-	-	-	-	-	-	-	-	-	-
Services Received	-	-	1.07	2.01	2.56	9.78	-	-	-	-	642.63	820.61	646.26	832.40	-
Services Rendered	-	-	-	-	-	-	-	-	-	-	26.15	86.83	26.15	86.83	-
Insurance Commission	-	-	-	-	-	-	-	-	-	-	162.59	-	162.59	-	-
Advances Paid	-	-	-	-	-	-	-	-	-	-	4.58	-	4.58	-	-
Rental Deposits received	-	-	-	-	-	-	-	-	-	-	0.15	-	0.15	-	-
Others															
-Expense	-	-	1.42	1.48	-	0.01	14.09	12.09	-	-	24.60	24.85	40.11	38.43	-
-Income	-	-	0.13	0.05	1.93	6.12	-	-	-	-	1.24	0.44	3.30	6.61	-

* Represents amount less than 100,000

Notes forming part of the Standalone Financial Statements (Contd.) For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY - SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

xi) Related party Disclosure

₹ in crores

Related Party	Parent		Subsidiaries		Associates / Joint venture		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Borrowings														
- Amount outstanding as at year-end	-	-	-	-	-	-	-	-	-	-	841.47	378.37	841.47	378.37
- Maximum amount outstanding during the year	-	-	-	39.50	-	-	-	-	-	-	841.47	378.37	841.47	417.87
Advances (Loans)														
- Amount outstanding as at year-end	-	-	74.52	12.50	-	-	-	-	-	-	8.05	12.95	82.57	25.45
- Maximum amount outstanding during the year	-	-	122.50	60.00	1.00	3.00	-	-	-	-	14.22	19.84	137.72	82.84
Investments														
- Amount outstanding as at year-end	-	-	64.90	64.90	456.82	466.57	-	-	-	-	-	-	521.72	531.47
- Maximum amount outstanding during the year	-	-	64.90	64.90	466.57	474.57	-	-	-	-	-	-	531.47	539.47

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

xii) Customer Complaints

Sr. No	Particulars	March 31,2024	March 31,2023
Complaints received by the NBFC from its customers			
1.	Number of complaints pending at beginning of the year	-	-
2.	Number of complaints received during the year	1,308	747
3.	Number of complaints disposed during the year	1,258	747
3.1	Of which, number of complaints rejected by the NBFC	378	309
4.	Number of complaints pending at the end of the year	50	-
Maintainable complaints received by the NBFC from Office of Ombudsman			
5.	Number of maintainable complaints received by the NBFC from Office of Ombudsman	579	436
5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	579	436
5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	8	4
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
March 31 ,2024					
Staff Interaction related/Collection Related	-	237	91%	16	-
Foreclosure Related	-	189	41%	-	-
Closure & NOC related	-	129	84%	1	-
Banking related*	-	115	-	-	-
Repossession of collateral & Sale Related	-	99	4%	1	-
Moratorium related	-	44	29.41%	-	-
Others	-	495	86%	32	-
Total	-	1,308	-	50	-
March 31, 2023					
Staff Interaction related/Collection Related	-	124	16.98%	-	-
Foreclosure Related	-	134	24.07%	-	-
Closure & NOC related	-	70	59.09%	-	-
Banking related	-	7	0%	-	-
Repossession of collateral & Sale Related	-	95	5.56%	-	-
Moratorium related	-	34	-26.09%	-	-
Others	-	283	-30.62%	-	-
Total	-	747	-	-	-

*New category pertaining to current year with no comparative.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

xiii) Other Notes

		₹ in crores	
Sl. No.	Particulars	Amount Outstanding As at March 31, 2024	Amount Overdue
Liabilities:			
(1) Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:			
(a)	Debentures		
	- Secured	19,435.62	-
	- Unsecured (other than falling within the meaning of public deposits)	5,608.25	-
	- Perpetual Debt Instrument	1,612.89	-
(b)	Deferred Credits	-	-
(c)	Term Loans	1,00,781.77	-
(d)	Inter-Corporate Loans and Borrowings	-	-
(e)	Commercial Papers	3,305.69	-
(f)	Public Deposits	-	-
(g)	Other Loans	3,729.36	-
	(Other Loans Represents Working Capital Demand Loans and Cash Credit from Banks along with Interest Accrued but Not Due on above)		

		₹ in crores	
Sl. No.	Particulars	Amount Outstanding As at March 31, 2023	Amount Overdue
Liabilities:			
(1) Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:			
(a)	Debentures		
	- Secured	15,340.63	-
	- Unsecured (other than falling within the meaning of public deposits)	2,984.50	-
	- Perpetual Debt Instrument	1,527.96	-
(b)	Deferred Credits	-	-
(c)	Term Loans	70,580.53	-
(d)	Inter – Corporate Loans and Borrowings	-	-
(e)	Commercial Papers	4,316.78	-
(f)	Other Loans	2,605.66	-
	(Other Loans Represents Working Capital Demand Loans & Cash Credit from Banks along with Interest Accrued but Not Due on above)		
(2) Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below]: (including interest accrued)			
(a)	Secured	47,708.92	31,571.10
(b)	Unsecured	13,092.95	7,176.57
(3) Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities			
(i)	Lease Assets including Lease Rentals Accrued and Due:	-	-
(ii)	Stock on Hire including Hire Charges under Sundry Debtors:		
(a)	Assets on hire	-	-
(b)	Repossessed assets	-	-
(iii)	Other Loans counting towards AFC Activities		
(a)	Loans where assets have been repossessed(Net)	-	-
(b)	Loans other than (a) above	83,622.42	66,000.65

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

Sl. No.	Particulars	₹ in crores	
		Amount Outstanding As at March 31, 2024	Amount Outstanding As at March 31, 2023
(4) Break-up of Investments (net of provision for diminution in value):			
Current Investments:			
I Quoted:			
(i)	Shares:		
	(a) Equity	-	-
	(b) Preference	-	--
(ii)	Debentures and Bonds	-	--
(iii)	Units of Mutual Funds	-	--
(iv)	Government Securities (Net of amortisation)	-	-
(v)	Others	-	-
II Unquoted:			
(i)	Shares:		
	(a) Equity	-	-
	(b) Preference	-	--
(ii)	Debentures and Bonds	-	--
(iii)	Units of Mutual Funds	-	--
(iv)	Government Securities	-	--
Long-term Investments:			
I Quoted:			
(i)	Shares:		
	(a) Equity	-	-
	(b) Preference	-	--
(ii)	Debentures and Bonds	-	--
(iii)	Units of Mutual Funds	-	--
(iv)	Investment in Government securities	1,539.07	1,541.34
(v)	Investment in Treasury Bill	1,440.17	1,536.27
(vi)	Investment in STRIPS	599.25	-
II Unquoted:			
(i)	Shares:		
	(a) Equity (Net of Provision for Diminution in Value of Investment)	558.83	539.49
	(b) Preference	-	--
(ii)	Debentures and Bonds	-	--
(iii)	Units of Mutual Funds	-	--
(iv)	Investment in Government Securities	-	--
(v)	Investment in Treasury Bill	-	-
(vi)	Investment in convertible note	-	10.92
(vii)	Others		
	- Investment in Pass Through Certificates	-	-
	- Investment property	0.13	0.13

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

(5) Borrower Group-wise Classification of Assets Financed as in (2) and (3) above

₹ in crores

Category	Amount (Net of provision)		Total
	Secured	Unsecured	
As at March 31, 2024			
1. Related Parties *			
(a) Subsidiaries	-	74.52	74.52
(b) Companies in the same Group	-	-	-
(c) Other Related Parties	-	8.05	8.05
2. Other than Related Parties	1,31,331.35	13,010.37	1,44,341.72
Total	1,31,331.35	13,092.94	1,44,424.29
As at March 31, 2023			
1. Related Parties *			
(a) Subsidiaries	-	12.50	12.50
(b) Companies in the same Group	-	-	-
(c) Other Related Parties	-	12.95	12.95
2. Other than Related Parties	97,571.75	7,151.12	1,04,722.87
Total	97,571.75	7,176.57	1,04,748.32

(6) Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted) :

₹ in crores

Category	Market value / Break - up Value or Fair Value or Net Asset Value	Book Value (Net of Provisioning)
As at March 31, 2024		
1. Related Parties*		
(a) Subsidiaries	64.90	64.90
(b) Joint Ventures	456.82	456.82
(c) Companies in the Same Group	-	-
(d) Other Related Parties	-	-
2. Other than Related Parties	3,447.83	3,578.51
Total	3,969.55	4,100.23
As at March 31, 2023		
1. Related Parties*		
(a) Subsidiaries	64.90	64.90
(b) Joint Ventures	456.82	456.82
(c) Companies in the Same Group	-	-
(d) Other Related Parties	28.69	28.69
2. Other than Related Parties	2929.96	3,077.61
Total	3,480.37	3,628.02

(7) Other Information

₹ in crores

	Amount Outstanding as at	
	March 31, 2024	March 31, 2023
(i) Gross Non-Performing Assets		
a) With Related Parties *	-	-
b) With Others	5,204.58	4,952.93
(ii) Net Non-Performing Assets		
a) With Related Parties *	-	-
b) With Others	3,373.55	3,280.55
(iii) Assets Acquired in Satisfaction of Debt		
a) With Related Parties *	-	-
b) With Others	-	-

*Refer Note 37 for details of related parties.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

xiv) Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR) is a key compliance requirement for a resilient and stable financial sector. Its objective is the promotion of short-term resilience of the liquidity risk profile of financial institutions by ensuring that it has sufficient High Quality Liquid Assets (HQLA) to survive a significant stress scenario lasting for one month. The Liquidity Coverage Ratio is expected to improve the financial sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy.

Liquidity Management of the company is supervised by the Asset Liability Committee. The management is of the view that the company has in place robust processes to monitor and manage liquidity risks and sufficient liquidity cover to meet its likely future short-term requirements.

The company has a diversified mix of borrowings with respect to the source, type of instrument, tenor and nature of security. The Asset Liability Committee constantly reviews and monitors the funding mix and ensures the optimum mix of funds based on the cash flow requirements, market conditions and keeping the interest rate view in consideration. Additionally, the Company 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 Asset Liability Committee provides strategic direction and guidance on liquidity risk management. A sub-committee of the Asset Liability Committee, 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 Asset Liability Management perspective. This sets the boundaries for daily cash flow management.

In line with RBI regulations, the cash outflows and inflows have been stressed by 115% and 75% of their respective original values for computing LCR. The key drivers on the inflow side are the expected collections from the performing assets of the company and on the outflow side the scheduled maturities. The High-Quality Liquid Assets are entirely held in Government Securities which are classified as Level 1 assets with no haircut.

₹ in crores				
Particulars	Q1 FY24-Avg	Q2 FY24-Avg	Q3 FY24-Avg	Q4 FY24-Avg
High Quality Liquid Assets	2,979.50	2,898.00	3,410.98	3,447.81
Cash Outflows:				
Deposits				
Un-Secured wholesale funding	1,856.11	1,188.83	2,114.31	2,134.64
Secured wholesale funding	3,045.72	3,393.32	3,480.54	4,612.99
Additional Requirements, of				
(i) Outflows related to derivatives exposures and other collateral requirements.	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and Liquidity facilities	-	-	-	-
Other Contractual funding obligations	3,017.81	3,059.33	3,178.71	3,598.65
Other Contingent funding obligations	142.50	154.26	162.76	153.55
Total Cash Outflows	8,062.14	7,795.74	8,936.32	10,499.83
Cash Inflows				
Secured Lending				
Inflows from fully performing exposures	3,604.98	3,713.00	4,213.20	4,673.08
Other cash inflows	2,605.73	2,834.72	3,364.68	3,843.24
Total Cash Inflows	6,210.71	6,547.72	7,577.88	8,516.32
TOTAL HIGH QUALITY LIQUID ASSETS	2,979.50	2,898.00	3,410.98	3,447.81
TOTAL NET CASH FLOWS	2,015.53	1,948.93	2,234.08	2,624.96
LIQUIDITY COVERAGE RATIO (%)	147.83%	148.70%	152.68%	131.35%

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

xiv) Liquidity Coverage Ratio (Contd.)

The LCR has been consistently maintained above 100% throughout the year which is well over the regulatory threshold of 70%. The company has internal risk thresholds for LCR approved by the Risk Managing Committee which is higher than the regulatory requirement. The High Quality Liquid Assets (HQLA) as on March 31, 2024 is held in the form of Government Securities to meet the LCR requirements

The company has maintained LCR well above the regulatory threshold of 70% throughout the financial year. All foreign currency borrowings are fully hedged at the time of drawl of each loan. Hence there is no risk to the company on account of derivatives or collateral calls thereof or mismatch in currency.

xv) Capital Adequacy Ratio

₹ in crores

Particulars	As at March 31, 2024	As at March 31, 2023
Tier I Capital	19,071.71	14,337.71
Tier II Capital	4,383.60	2,281.16
Total Capital	23,455.31	16,618.87
Total Risk Weighted Assets	1,26,298.79	96,992.70
Capital Ratios		
Tier I Capital as a Percentage of Total Risk Weighted Assets (%)	15.10%	14.78%
Tier II Capital as a Percentage of Total Risk Weighted Assets (%)	3.47%	2.35%
Total (%)	18.57%	17.13%
Amount of Subordinated Debt raised as Tier – II capital during the year	905.10	490.00
Amount raised by issue of Perpetual Debt instruments during the year	250.00	530.00

xvi) Investments (including assets held for sale)

₹ in crores

Particulars	As at March 31, 2024	As at March 31, 2023
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	4,159.28	3,629.31
(b) Outside India	-	-
(ii) Provisions for Depreciation (including fair value change)		
(a) In India	(21.96)	(1.29)
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	4,137.32	3,628.02
(b) Outside India.	-	-
(2) Movement of provisions held towards depreciation on investments (including fair value change)		
(i) Opening balance	1.29	1.29
(ii) Add: Provisions made during the year	20.67	-
(iii) Less: Reversal of provision during the year	-	-
(iv) Closing balance	21.96	1.29

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

xvii) Forward Rate Agreement/Interest Rate Swap

₹ in crores

Particulars	As at March 31, 2024	As at March 31, 2023
i) The notional principal of swap agreements	9,264.82	4,474.26
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book (net assets)	61.12	138.59

xviii) Risk Exposure in derivative

Qualitative Disclosures – Refer note 42.2.2.4, 3.4.3

Quantitative Disclosures – Refer Note 7

As at March 31, 2024

₹ in crores

S.no	Particulars	Currency derivatives	Interest rate derivatives
(i)	Derivatives (Notional Principal Amount)	5,266.43	3,998.39
	For Hedging	5,266.43	3,998.39
(ii)	Marked to Market Positions		
	(a) Assets (+)	247.82	-
	(b) Liability (-)	165.96	20.74
(iii)	Credit Exposure	-	-
(iv)	Unhedged Exposures	-	-

As at March 31, 2023

₹ in crores

S.no	Particulars	Currency derivatives	Interest rate derivatives
(i)	Derivatives (Notional Principal Amount)	4,476.26	500.00
	For Hedging	4,476.26	500.00
(ii)	Marked to Market Positions		
	(a) Assets (+)	268.13	4.73
	(b) Liability (-)	128.68	5.59
(iii)	Credit Exposure	-	-
(iv)	Unhedged Exposures	-	-

Currency derivatives includes cross currency interest swap amounting to ₹ 4,349.18 crores (March 31, 2023 - ₹ 2,541.18 crores).

Notes forming part of the Standalone Financial Statements (Contd.) For the year ended March 31, 2024

NOTE: 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY - SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

xix) Asset Liability Management

Maturity pattern of certain items of assets and liabilities

As at March 31, 2024

Particulars	₹ in crores							Total			
	1-7 days	8-14 days	15-30 days	1 to 2 months	2 to 3 months	3 to 6 months	6 to 12 months		More than 5 Years		
Liabilities											
Borrowing from Banks*	3,026.21	144.73	1,942.85	2,702.36	4,185.17	9,122.12	16,020.83	51,892.01	14,939.76	272.41	1,04,248.45
Market Borrowings	691.81	1,819.93	94.13	1,243.78	63.70	2,296.74	4,160.05	9,546.09	6,755.40	3,290.82	29,962.45
Total	3,718.02	1,964.66	2,036.98	3,946.14	4,248.87	11,418.86	20,180.88	61,438.10	21,695.16	3,563.23	1,34,210.90
Assets											
Advances (Net of Impairment allowance)	1,551.93	498.70	1,747.85	3,416.08	2,930.89	10,266.98	16,437.82	49,592.52	21,664.12	36317.4**	1,44,424.29
Investment (Net of Provision for Diminution in Value of Investments)	-	-	-	-	5.92	40.18	1,440.17	234.15	365.10	2,051.80	4,137.32
Total	1,551.93	498.70	1,747.85	3,416.08	2,936.81	10,307.16	17,877.99	49,826.67	22,029.22	38,369.20	1,48,561.61

As at March 31, 2023

Particulars	₹ in crores							Total			
	1-7 days	8-14 days	15-30 days	1 to 2 months	2 to 3 months	3 to 6 months	6 to 12 months		More than 5 Years		
Liabilities											
Borrowing from Banks*	2,055.73	35.52	1,296.83	1,553.51	2,391.88	7,248.50	10,500.04	35,665.58	11,749.52	429.14	72,926.25
Market Borrowings	0.45	96.12	1,906.13	3,622.72	24.93	1,247.70	2,246.75	9,535.81	2,747.97	2,741.29	24,169.87
Total	2,056.18	131.64	3,202.96	5,176.23	2,416.81	8,496.20	12,746.79	45,201.39	14,497.49	3,170.43	97,096.12
Assets											
Advances (Net of Impairment allowance)	898.76	390.44	1,482.93	2,650.49	2,289.18	7,745.98	12,391.95	36,387.00	16,742.41	23769.18**	1,04,748.32
Investment (Net of Provision for Diminution in Value of Investments)	-	-	-	-	5.96	100.76	1,438.61	-	-	2,074.69	3,620.02
Total	898.76	390.44	1,482.93	2,650.49	2,295.14	7,846.74	13,830.56	36,387.00	16,742.41	25,843.87	1,08,368.34

*Borrowing from banks includes all non market borrowings and fully hedged foreign currency borrowings are stated at hedged value

** Net of Stage 1 impairment allowance.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 51. ADDITIONAL DISCLOSURES

i) Provisions and Contingencies

₹ in crores

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Provisions for depreciation on Investment (including fair value change)	21.96	1.29
Provision towards NPA*	158.67	190.14
Provision made towards Income tax**	1,159.34	933.49
Other Provision for undrawn commitments	(1.42)	10.59
Provision for Standard Assets***	33.14	(89.89)
Provision for contingencies and service tax claims	-	0.01

*Provision for stage 3 assets

**Provision made towards income tax comprises of current tax and tax adjustment for earlier years.

***Provision for standard assets is included in provision towards impairment of financial instruments other than provision for stage 3 assets

ii) **Draw Down from Reserves:** There has been no draw down from reserve during the year ended March 31, 2024 and March 31, 2023

iii) Concentration of Advances (Loans)

₹ in crores

Particulars	As at March 31, 2024	As at March 31, 2023
Total Advances to twenty largest borrowers	514.90	474.41
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.35%	0.44%

iv) Concentration of Exposures

₹ in crores

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to twenty largest borrowers/customers	625.16	563.57
Percentage of Exposures to twenty largest borrowers /Customers to Total Exposure of the NBFC on borrowers/customers.	0.41%	0.51%

v) Concentration of NPAs

₹ in crores

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to top four NPA accounts	50.70	47.76

vi) Sector-wise NPAs : Refer Note 50vi

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

vii) Movement of NPAs

₹ in crores

Particulars	March 31, 2024	March 31, 2023
(i) Net NPAs to Net Advances(%)	2.32%	3.11%
(ii) Movement of Gross NPA		
(a) Opening balance	4,952.91	5,212.03
(b) Additions during the year	3,445.07	3,110.65
(c) Reductions during the year	3,193.10	3,369.77
(d) Closing balance	5,204.58	4,952.91
(iii) Movement of Net NPA		
(a) Opening balance	3,280.55	3,629.79
(b) Additions during the year	2,556.62	2,217.95
(c) Reductions during the year	2,463.62	2,567.19
(d) Closing balance	3,373.55	3,280.55
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	1,672.36	1,582.24
(b) Provisions made during the year	888.15	892.74
(c) Write-off / write-back of excess provisions	729.48	802.58
(d) Closing balance	1,831.03	1,672.36

viii) Other Regulator Registration

S.No	Regulator	Registration no
1	Ministry of Company Affairs	CIN: L65993TN1978PLC007576
2	Insurance Regulatory and Development Authority of India	CA0874

ix) Penalties levied by the above Regulators – Nil

x) Ratings assigned by Credit Rating Agencies

	As at March 31, 2024	As at March 31, 2023
Commercial paper & Non- convertible Debentures – Short Term	ICRA A1+, CRISIL A1+	ICRA A1+, CRISIL A1+
Working Capital Demand Loans	ICRA A1+	ICRA A1+
Cash Credit	ICRA AA+	ICRA AA+
Bank Term Loans	ICRA AA+	ICRA AA+
Non-Convertible Debentures – Long term	ICRA AA+, IND AA+, CARE AA+	ICRA AA+, IND AA+, CARE AA+
Subordinated Debt	ICRA AA+, CARE AA+, IND AA+	ICRA AA+, CARE AA+, IND AA+
Perpetual Debt	ICRA AA, CARE AA, IND AA	ICRA AA, CARE AA, IND AA

NOTE : 52. DISCLOSURE OF FRAUDS REPORTED DURING THE YEAR ENDED MARCH 31, 2021 VIDE DNBS. PD. CC NO. 256/ 03.10.042/ 2011-12 DATED MARCH 02, 2012

There were 85 cases (March 31, 2023 - 70 cases) of frauds amounting to ₹ 5.94 crores (March 31, 2023 - ₹5.71 crores) reported during the year. The Company has recovered an amount of ₹ 0.72 crores (March 31, 2023 - ₹ 0.43 crores). The un-recovered amounts are either pending settlement with the insurance companies or have been fully provided/ written off.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE : 53. DISCLOSURE ON MORATORIUM – COVID 19 REGULATORY PACKAGE – ASSET CLASSIFICATION AND PROVISIONING FOR THE YEAR ENDED MARCH 31, 2022 IN PURSUANT TO THE NOTIFICATION VIDE: DOR.NO.BP.BC.63/21.04.048/2019-20 DATED APRIL 17, 2020.

Particulars	March 31, 2024	March 31, 2023
Amount in SMA/overdue categories as of February 29, 2020	Nil	Nil
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 (as of February 29, 2020)	Nil	Nil
Respective amount where asset classification benefits is extended (net of accounts which have moved out of SMA/overdue category during the moratorium period)*	Nil	Nil
Provisions made during the period (As per ara 4, Applicable to NBFC's covered under Ind AS)**	Nil	Nil
Provisions adjusted against slippages in terms of paragraph 6 of the circular	Nil	Nil
Residual provision	Nil	Nil

*There are nil accounts where asset classification benefit has been extended as on March 31, 2021. Post the moratorium period, the movement of aging has been at actuals.

NOTE : 54. DISCLOSURES PURSUANT TO RBI NOTIFICATION - RBL/2020-21116 DOR NO.BP.13C/3121 .C4,048/2020-21 DATED 6 AUGUST 2020 AND NOTIFICATION RBI/2021-2022/31 DATED MAY 5,2021

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at September 30,2023 (A)	Of (A) aggregate debt that slipped during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year**	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at March 31,2024
Personal Loans	223.18	25.96	2.46	18.39	176.37
Corporate persons #					
Of which MSME					
Others*	991.48	62.92	2.32	238.11	688.12
Total	1,214.66	88.88	4.78	256.50	864.49

#As defined in section 3(7) of the Insolvency and Bankruptcy Code 2016

*Others consists of Vehicle finance and loan against immovable property

**represents amount of balances between September 30, 2023 and March 31, 2024

As per our report of even date

For **Price Waterhouse LLP**

Chartered Accountants

ICAI Firm Regn No. **301112E/ E300264**

A.J. Shaikh

Partner

Membership No.: 203637

For **Sundaram and Srinivasan**

Chartered Accountants

ICAI Firm Regn No. : **004207S**

S. Usha

Partner

Membership No. : 211785

Ravindra Kumar Kundu

Executive Director

Vellayan Subbiah

Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Date : April 30, 2024

Place : Chennai

For and on behalf of the Board of Directors

Independent Auditor's Report

To the Members of Cholamandalam Investment and Finance Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have jointly audited the accompanying consolidated financial statements of Cholamandalam Investment and Finance Company Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate company and joint venture (refer Note 3A to the accompanying consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate company and joint venture as at March 31, 2024, and consolidated total comprehensive income (comprising of profit and other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our joint 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 Consolidated Financial Statements" section of our report. We are independent of the Group, its associate company and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 sub-paragraph 14 of the Other Matters section below, other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. 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.

Key audit matters	How our audit addressed the key audit matter
<p>Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 11 of the Consolidated financial statements)</p> <p>The loan balances towards vehicle finance, home loans, loans against property, and other loans aggregating to ₹ 146,983.82 crores and the associated impairment allowances aggregating to ₹ 2,521.17 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".</p> <p>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</p>	<p>The audit procedures performed by us to assess appropriateness of the impairment allowance based on ECL on loans included the following:</p> <ul style="list-style-type: none"> • We understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over: <ol style="list-style-type: none"> 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 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.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
<p>extent applicable, etc. have been taken into account in the ECL computation.</p> <p>Given the inherent judgmental nature and the complexity of model involved, we determined this to be a Key Audit Matter.</p>	<ul style="list-style-type: none"> • 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.
<p>Audit in an Information Technology (IT) enabled environment – including considerations on exceptions identified in IT Environment</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>Our audit procedures with respect to this matter included the following:</p> <p>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.</p> <p>With respect to the “In-scope IT systems” identified as relevant to the audit of the standalone 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.</p> <p>On such “In-scope IT systems”, we have covered the key IT general controls with respect to the following domains:</p> <ul style="list-style-type: none"> • 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. <p>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.</p> <p>Where control deficiencies have been identified, we have tested a combination of compensating controls, remediated controls and/or performed alternative audit procedures, where necessary.</p>

Independent Auditor's Report (Contd.)

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (Financial Highlights, Board's Report, Management Discussion and Analysis and Report on Corporate Governance) report but does not include the consolidated financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate company and joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate company and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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 consolidated 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 Directors of the Holding Company, as aforesaid.
7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate company and joint venture are responsible for assessing the ability of the Group and of its associate company and 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.
8. The respective Board of Directors of the companies included the Group and of its associate company and joint venture are responsible for overseeing the financial reporting process of the Group and of its associate company and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about 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.

Independent Auditor's Report (Contd.)

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 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 Holding company has adequate internal financial controls with reference to consolidated financial statements in place 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 ability of the Group and of its associate company and 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 of its associate company and 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 of its associate company and 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 such entities 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 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.
11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.
12. 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.
13. 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.

Independent Auditor's Report (Contd.)

Other Matters

14. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 63.73 crores and net assets of ₹ 60.59 crores as at March 31, 2024, total revenues of ₹ 186.05 crores, total net profit after tax of ₹ 45.34 crores, and total comprehensive income of ₹ 41.47 crores for the year ended March 31, 2024, and net inflows of ₹ 2.50 crores for the period from April 1, 2023 to March 31, 2024, as considered in the consolidated financial statements. This financial statement have been audited by other auditor whose report have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

One of the subsidiary company whose financial statements reflect total assets of ₹ 367.00 crores and net assets of ₹ 43.73 crores as at March 31, 2024, total revenue of ₹ 156.85 crores, total net profit after tax of ₹ 66.88 crores, and total comprehensive income of ₹ 60.19 crores for the year ended March 31, 2024, and net cash outflows of ₹ 0.40 crores for the period from April 1, 2023 to March 31, 2024, as considered in the consolidated financial statements, the Consolidated financial statements also include Group's share of net loss after tax of ₹ 12.29 crores and total comprehensive loss of ₹ 12.22 crores for the year ended March 31, 2024, in respect of one joint venture, which has been audited by Sundaram and Srinivasan, one of the joint auditors of the Holding Company whose report have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary and joint venture are based solely on the reports of the other joint auditor.

15. The consolidated financial statements also include the Group's share of net loss after tax of ₹ 2.97 crores and total comprehensive loss of ₹ 2.97 crores for the year ended March 31, 2024, as considered in the Consolidated financial statements in respect of two associate company, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these associates companies and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid associate companies, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

16. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies.
17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- 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.
 - 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 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

Independent Auditor's Report (Contd.)

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive loss), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate company and joint venture incorporated in India, none of the directors of the Group companies, its associate company and joint ventures incorporated in India is disqualified as on March 31, 2024 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 with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (g) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 17(b) above on reporting under Section 143(3)(b) and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (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, 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 the consolidated financial position of the Group, its associate company and joint venture– Refer Note 40(a) 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, 2024 – Refer (a) Note 9 and 11 to the consolidated financial statements in respect of such items as it relates to the Group, its associate company and ventures and (b) the Group's share of net profit/ loss in respect of its joint venture.
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint venture incorporated in India during the year.
 - iv. (a) The respective Managements of the Company and its subsidiary companies 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 respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, 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 or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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/ joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Company and 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/ joint venture respectively that, to the best of their knowledge and belief, as disclosed in the notes to the financial statements, no funds (which are material either individually or in the

Independent Auditor's Report (Contd.)

aggregate) have been received by the Company or any of such subsidiaries/ joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries/ joint venture shall, 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 has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries/ joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The dividend declared and paid during the year by the Group is in compliance with Section 123 of the Act. No dividend has been declared during the year by the associate companies or joint venture during the year
- vi. Based on our examination, which included test checks, and that performed by the respective auditors of the subsidiaries and joint venture, which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below in respect of the Group and a joint venture company, the Group and joint venture have used accounting software for maintaining books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of performing the procedures, we, and the respective auditors of such subsidiaries, did not notice any instance of the audit trail feature being tampered with.

Also, refer to management assessment of audit trail in note 2.2 of the consolidated financial statements.

Description of instances	Number of instances
Instances where the audit trail was enabled and operated only for part of the year	Three
Instances where audit trail (edit log) was captured in another software	Five
Instances where software does not have the feature of recording audit trail (edit log) facility.	Four

18. The Group, and joint venture have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Sundaram and Srinivasan

Chartered Accountants
Firm Registration No. : 0042075

S. Usha

Partner
Membership No. : 211785
UDIN : 24211785BKCPRQ4532

Place : Chennai
Date : April 30, 2024

For Price Waterhouse LLP

Chartered Accountants
Firm Registration No. : 301112E /E300264

A. J. Shaikh

Partner
Membership No. : 203637
UDIN : 24203637BKENLE1532

Place : Chennai
Date : April 30, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the consolidated financial statements as at March 31, 2024

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of Cholamandalam Investment and Finance Company Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate company and joint venture, which are companies incorporated in India, as of that date. 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 not applicable to associate namely Vishvakarma Payments Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and 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 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 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 financial statements, whether due to fraud or error.
5. 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 Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Annexure A to Independent Auditor's Report (Contd.)

Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of Cholamandalam Investment and Finance Company Limited on the consolidated financial statements as at March 31, 2024

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

Opinion

8. In our opinion, the Holding Company and its subsidiary companies and joint venture company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 issued by the ICAI.

Other Matters

9. 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 financial statements insofar as it relates to two subsidiary companies 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 this matter.

For Sundaram and Srinivasan

Chartered Accountants
Firm Registration No. : 0042075

S. Usha

Partner
Membership No. : 211785
UDIN : 24211785BKCPQ4532

Place : Chennai
Date : April 30, 2024

For Price Waterhouse LLP

Chartered Accountants
Firm Registration No. : 301112E /E300264

A. J. Shaikh

Partner
Membership No. : 203637
UDIN : 24203637BKENLE1532

Place : Chennai
Date : April 30, 2024

Consolidated Balance Sheet

As at March 31, 2024

₹ in crores

	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial Assets			
Cash and cash equivalents	7	845.64	911.85
Bank balances other than cash and cash equivalents	8	3,548.09	2,095.25
Derivative financial instruments	9	247.82	272.86
Receivables	10		
i) Trade receivables		214.17	99.13
ii) Other receivables		199.01	103.21
Loans	11	1,44,462.65	1,04,809.65
Investments			
i) Associate	12	-	7.64
ii) Joint Venture	12	455.63	443.41
iii) Others	12	3,580.12	3,110.82
Other financial assets	13	399.00	298.62
		1,53,952.13	1,12,152.44
Non- Financial Assets			
Current tax assets (Net)		359.04	270.10
Deferred tax assets (Net)	14	655.85	611.49
Investment property	15	0.13	0.13
Property, plant and equipment	16	1,539.45	374.69
Capital Work in Progress	51	-	35.74
Intangible assets under development	51	12.67	24.76
Other intangible assets	17	23.77	27.86
Other non-financial assets	18	106.28	107.12
		2,697.19	1,451.89
Asset held for sale - Investment	12	37.09	22.57
TOTAL ASSETS		1,56,686.41	1,13,626.90
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	9	186.70	134.27
Payables			
(I) Trade payables	51		
i) Total outstanding dues of micro and small enterprises		7.65	3.40
ii) Total outstanding dues of creditors other than micro and small enterprises		288.04	168.21
(II) Other payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		1,338.26	1,064.21
Debt securities	19	24,812.76	19,682.41
Borrowings (Other than Debt securities)	20	1,04,511.13	73,186.19
Subordinated liabilities	21	5,150.99	4,488.90
Other financial liabilities	22	519.07	363.41
		1,36,814.60	99,091.00
Non-Financial Liabilities			
Current tax Liabilities		-	-
Deferred tax Liabilities (Net)		-	-
Provisions	23	193.97	142.22
Other non-financial liabilities	24	84.60	47.58
		278.57	189.80
Equity			
Equity share capital	25	168.06	164.48
Other equity	26	19,425.18	14,181.62
Total Equity		19,593.24	14,346.10
TOTAL LIABILITIES AND EQUITY		1,56,686.41	1,13,626.90

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

Date : April 30, 2024
Place : Chennai

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 0042075

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

₹ in crores

	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations			
- Interest income	27A	17,627.11	12,082.58
- Fee & commission income	27B	1,342.12	650.70
- Net gain on fair value change on financial instrument	27C	145.98	69.73
- Sale of services	27D	24.41	81.09
Total Revenue from operations (I)		19,139.62	12,884.10
Other income (II)	28	280.25	221.49
Total Income (III) = (I) + (II)		19,419.87	13,105.59
Expenses			
- Finance costs	29	9,230.75	5,748.03
- Impairment of financial instruments	30	1,317.60	849.71
- Employee benefits expense	31	2,478.60	1,360.37
- Depreciation and amortisation expense	15, 16 & 17	198.06	121.09
- Other expenses	32	1,589.55	1,411.80
Total Expenses (IV)		14,814.56	9,491.00
Profit before tax (V) = (III) - (IV)		4,605.31	3,614.59
Tax expense/(benefit)			
- Current tax			
- Pertaining to profit for the current year		1,235.02	885.55
- Adjustment of tax relating to earlier year		(13.51)	0.21
- Deferred tax		(26.94)	52.16
Net tax expense (VI)		1,194.57	937.92
Profit for the year - A = (V) - (VI)		3,410.74	2,676.67
Share of Profit/(loss) from Associates (net of tax)		(2.97)	(2.82)
Share of Profit/(loss) from Joint Venture (net of tax)		12.29	(9.00)
Profit for the year		3,420.06	2,664.85
Other Comprehensive income:			
i) Items that will not be reclassified to profit or loss:			
Re-measurement gain / (loss) of Post employment benefit Obligations (net)		(8.17)	(0.28)
Income tax impact		2.06	0.07
Net gain / (Loss) on equity instruments designated at FVOCI for the year		(10.90)	(11.17)
Income tax impact		0.29	1.11
ii) Items that will be reclassified to profit or loss:			
Net gain / (loss) on Cashflow Hedge Reserve		(72.19)	45.64
Income tax impact		18.17	(11.49)
Other comprehensive income/(loss) net of tax for the year (B)		(70.74)	23.88
Total Comprehensive Income net of tax (A) + (B)		3,349.32	2,688.73
Profit for the year attributable to :			
Equity holders of the Parent Company		3,420.06	2,664.85
Non-Controlling Interest		-	-
Other Comprehensive Income (net of tax) for the year attributable to :			
Equity holders of the Parent Company		(70.74)	23.88
Non-Controlling Interest		-	-
Total Comprehensive Income for the year attributable to :			
Equity holders of the Parent Company		3,349.32	2,688.73
Non-Controlling Interest		-	-
Earnings per equity share of ₹ 2 each	33		
Basic (₹)		41.17	32.44
Diluted (₹)		41.06	32.38

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh
Partner
Membership No. : 203637

Date : April 30, 2024
Place : Chennai

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 004207S

S. Usha
Partner
Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended March 31, 2024

1. Current reporting period

₹ in crores

A) Equity Share Capital (Refer Note 25)		Changes in Equity Share capital due to prior year errors		Restated Balance at the beginning of the current reporting year		Changes in Equity share capital during the current year		Balance as on March 31, 2024				
164.48		-		164.48		3.58		168.06				
B) Other Equity (Refer Note 26)												
Particulars	Reserve and Surplus											
	Share application money pending allotment	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share Based Payments reserve	Debt instruments through Other Comprehensive Income	Equity instruments through other comprehensive Income	Effective portion of cashflow hedge	Total
Balance as on March 31, 2023	-	0.04	2,912.99	33.00	5,761.03	2,771.05	2,560.46	83.38	-	9.95	49.72	14,181.62
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting year	-	0.04	2,912.99	33.00	5,761.03	2,771.05	2,560.46	83.38	-	9.95	49.72	14,181.62
Profit for the year	-	-	-	-	-	3,420.06	-	-	-	-	-	3,420.06
Remeasurement of defined benefit plans	-	-	-	-	-	(6.12)	-	-	-	-	-	(6.12)
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	(10.61)	(54.02)	(64.63)
Dividend	-	-	-	-	-	(166.72)	-	-	-	-	-	(166.72)
Transfer to retained earnings from FVOCI Reserves	-	-	-	-	-	0.82	-	-	-	(0.82)	-	-
Share Premium received on allotment of equity shares under QIP (net of share issue expenses ₹ 27.97 Cr)	-	-	1,968.64	-	-	-	-	-	-	-	-	1,968.64
Share premium received on allotment of equity shares under ESOP	-	-	35.34	-	-	-	-	-	-	-	-	35.34
Recognition of share based payments	-	-	-	-	-	-	-	55.40	-	-	-	55.40
Changes during the year	1.59	-	-	-	-	(690.00)	690.00	-	-	-	-	1.59
Transfer to Reserves from retained earnings during the year	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on March 31, 2024	1.59	0.04	4,916.97	33.00	5,761.03	5,329.09	3,250.46	138.78	-	(1.48)	(4.30)	19,425.18

Consolidated Statement of Changes in Equity for the year ended March 31, 2024 (Contd.)

2. Previous reporting year											
A) Equity Share Capital (Refer Note 25)											
Balance as on March 31, 2022		Changes in Equity Share capital due to prior year errors		Restated Balance at the beginning of the current reporting year		Changes in Equity share capital during the current year		Balance as on March 31, 2023			
164.28		-		164.28		0.20		164.48			
B) Other Equity (Refer Note 26)											
Particulars	Share application money pending allotment	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Reserve and Surplus			Effective portion of cashflow hedge	Total	
						Retained earnings	Statutory Reserve	Share Based Payments reserve			Debt instruments through Other Comprehensive Income
Balance as on March 31, 2022	-	0.04	2,888.92	33.00	4,761.03	1,810.77	2,020.46	54.92	20.01	15.57	11,604.72
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting year	-	0.04	2,888.92	33.00	4,761.03	1,810.77	2,020.46	54.92	20.01	15.57	11,604.72
Profit for the year	-	-	-	-	-	2,664.85	-	-	-	-	2,664.85
Remeasurement of defined benefit plans	-	-	-	-	(0.21)	-	-	-	-	-	(0.21)
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	(10.06)	34.15	24.09
Dividend	-	-	-	-	-	(164.36)	-	-	-	-	(164.36)
Share Premium received on allotment of equity shares under QIP	-	-	-	-	-	-	-	-	-	-	-
Share premium received on allotment of equity shares under ESOP	-	-	24.07	-	-	-	-	-	-	-	24.07
Recognition of share based payments	-	-	-	-	-	-	-	28.46	-	-	28.46
Changes during the year	-	-	-	-	1,000.00	(1,540.00)	540.00	-	-	-	-
Transfer to Reserves from retained earnings during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as on March 31, 2023	-	0.04	2,912.99	33.00	5,761.03	2,771.05	2,560.46	83.38	9.95	49.72	14,181.62

As per our report of even date

For Price Waterhouse LLP

Chartered Accountants

ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh

Partner

Membership No. : 203637

Date : April 30, 2024

Place : Chennai

For Sundaram and Srinivasan

Chartered Accountants

ICAI Firm Regn No. : 0042075

S. Usha

Partner

Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu

Executive Director

Vellayan Subbiah

Chairman

P. Sujatha

Company Secretary

D. Arul Selvan

President & Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended March 31, 2024

₹ in crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023		
Cash Flow from Operating Activities				
Profit Before Tax	4,605.31	3,614.59		
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	198.06	121.09		
Impairment of financial instruments	1,317.60	849.71		
Finance Costs	9,230.75	5,748.03		
Loss on Sale of Property plant and equipment (Net)	1.04	0.76		
Intangible Assets Under Development -Expensed off	19.23	-		
Net gain on fair value change in- Mutual funds-realised	(142.38)	(68.81)		
Net gain on conversion of equity shares-realised	(17.67)	-		
Net loss on fair value change in equity shares -Un-realised	3.15	-		
Net (gain)/loss on fair value change in convertible note -Un-realised	10.92	(0.92)		
Interest Income on bank deposits and other investments	(470.42)	(276.08)		
Dividend income on Investments	(0.30)	(0.32)		
Profit on Sale of Investments	(23.43)	-		
Share based payment expense	55.40	28.46		
	10,181.95	6,401.92		
Operating Profit Before Working Capital Changes	14,787.26	10,016.51		
Adjustments for :-				
(Increase)/Decrease in operating Assets				
Loans	(40,965.71)	(31,514.65)		
Trade Receivables	(210.84)	(41.39)		
Other Financial Assets	(100.38)	36.60		
Other Non Financial Assets	(11.82)	(35.60)	(31,555.04)	
Increase/(Decrease) in operating liabilities & Provisions				
Payables	389.07	387.95		
Other Financial liabilities	(50.34)	(33.11)		
Provisions	51.75	22.54		
Other NonFinancial liabilities	37.02	427.50	(23.80)	353.58
Cash Flow used in Operations	(26,073.99)	(21,184.95)		
Finance Costs paid	(8,744.80)	(5,279.92)		
Dividend received	0.30	0.32		
Interest Received on Bank Deposits and Other Investments	443.74	262.18		
	(8,300.76)	(5,017.42)		
	(34,374.75)	(26,202.37)		
Income tax paid (Net of refunds)	(1,308.10)	(902.68)		
Net Cash Used in Operating Activities (A)	(35,682.85)	(27,105.05)		

Consolidated Cash Flow Statement (Contd.)

for the year ended March 31, 2024

₹ in crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash Flow from Investing Activities		
Purchase of Property, plant and equipment, Intangible assets, Capital work-in-progress and Intangible assets under development	(1,076.24)	(189.45)
Proceeds from Sale of Property, Plant and Equipment	5.43	1.86
Investment in Bank Fixed Deposits (Net of withdrawals)	(1,449.93)	(478.35)
Purchase of Mutual Funds Units	(1,95,690.22)	(1,40,177.99)
Redemption of Mutual Funds Units	1,95,832.60	1,40,246.47
Proceeds from sale of Investments	26.92	-
Investment in Joint Venture and Associate	-	(6.82)
Proceeds from sale of government securities	-	2.14
Proceeds/Investment in Treasury Bill (Net)	96.10	(1,536.27)
Investment in STRIPS	(599.25)	-
Investment in Convertible Note	-	(10.00)
Net Cash Used in Investing Activities (B)	(2,854.59)	(2,148.41)
Cash Flow from Financing Activities		
Proceeds from issue of Share Capital (Including Securities Premium)	2,009.15	24.27
Proceeds from issue of Compulsorily Convertible Debentures	2,000.00	-
Payment of Lease liabilities	(89.54)	(57.60)
Proceeds from issue of debt securities	24,793.05	23,257.67
Redemption of Debt securities	(21,948.45)	(17,192.30)
Proceeds from Borrowing other than debt securities	1,16,508.71	83,698.51
Repayment of borrowing - Other than debt securities	(85,232.40)	(62,741.77)
Proceeds from issue of subordinated liabilities	1,155.10	1,020.00
Repayment of subordinated liabilities	(557.61)	(378.00)
	34,718.40	27,664.11
Dividends Paid	(166.78)	(164.31)
Net Cash generated from Financing Activities (C)	38,471.23	27,466.47
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(66.21)	(1,786.99)
Cash and Cash Equivalents at the Beginning of the Year	911.85	2,698.84
Cash and Cash Equivalents at the End of the Year	845.64	911.85
Non-cash financing and investing activities		
Acquisition of right -of-use of assets	300.76	70.41

Refer Note 7 for components of cash and cash equivalents

The accompanying notes are integral part of the Consolidated Ind AS financial statements

As per our report of even date

For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. : 301112E/ E300264

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm Regn No. : 0042075

For and on behalf of the Board of Directors

A.J. Shaikh
Partner
Membership No. : 203637

S. Usha
Partner
Membership No. : 211785

Ravindra Kumar Kundu
Executive Director

Vellayan Subbiah
Chairman

Date : April 30, 2024
Place : Chennai

P. Sujatha
Company Secretary

D. Arul Selvan
President & Chief Financial Officer

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

1. Corporate Information

Cholamandalam Investment and Finance Company Limited ("the Company") (CIN L65993TN1978PLC007576) is a public limited Company domiciled in India and the equity shares of the Company is listed on Bombay Stock Exchange and National Stock Exchange. The Company is registered with Reserve Bank of India as an NBFC-Investment and Credit Company and is classified as an NBFC in Upper Layer (NBFC-UL) under the Scale Based Regulatory Framework for NBFCs. The Company and its subsidiaries viz. Cholamandalam Securities Limited and Cholamandalam Home Finance Limited (together hereinafter referred to as "Group"). The Group is one of the premier diversified financial services companies in India, engaged in providing vehicle finance, home loans, Loan against property, SME loans, unsecured loans, business of broking and distribution of financial products.

The Consolidated financial statements are presented in INR which is also functional currency of the Group.

2.1 Basis of Consolidation

The Consolidated financial statements of the Group have been prepared in all material aspects to comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)] and other relevant provisions of the Act.

The Consolidated financial statements have been prepared in accordance with Ind AS. The Consolidated financial statements have been prepared on a historical cost basis, except for

- certain financial assets and liabilities (including derivative instruments) is measured at fair value
- assets held for sale – measured at lower of cost or fair value less cost to sell
- defined benefit plans – plan assets measured at fair value
- share based payments

The Consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest crores, except when otherwise indicated.

The Consolidated financial statements comprise the financial statements of the company, its subsidiaries (being the entity that it controls) and its Associate and Joint Venture as at March 31, 2024. 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:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- 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 of during the period 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 company, i.e., year ended on March 31, 2024.

Consolidation procedure for subsidiaries:

- 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.
- 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 the accounting for any related goodwill.
- 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 inventory and 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 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

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.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of 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.

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 four application systems. In three application systems, while audit trails for certain tables were integral part of the application itself, and operational from the beginning of the year, they were expanded to cover more areas during the year and are operational therefrom. For five 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. Three application systems with limited audit trail features have insignificant volume (less than 0.13% of total loans) and in case of one accounting software used by Joint Venture does not have audit trail. Of these, one has already been migrated to new system during the year and the other three will be sunset in FY 2024-25. 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.

3A Particulars of consolidation

The financial statements of the following subsidiaries/ associates/joint venture (all incorporated in India) have been considered for consolidation:

Name of the Company	Percentage of Voting Power as on	
	March 31, 2024	March 31, 2023
Cholamandalam Securities Limited (CSEC)	100.00%	100.00%
Cholamandalam Home Finance Limited (CHFL)	100.00%	100.00%
White Data Systems India Private Limited*	-	30.93%
Vishvakarma Payments Private Limited	21.00%	21.00%
Paytail Commerce Private Limited#	16.29%	16.29%
Payswiff Technologies Private Limited**	74.69%	74.70%

*The Company entered into a share swap agreement on March 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India Private Limited (WDSI) and other shareholders of WDSI for the transfer of the entire equity shares held by the Company in WDSI to TVSSCSL. As consideration for transfer of WDSI shares, TVSSCSL has allotted 22,35,265 Compulsorily Convertible Preference Shares (CCPS) of TVSSCSL to the company on April 20, 2023, subsequently on August 23, 2023 the CCPS was converted into 24,01,359 equity shares of TVSSCSL. Since the Company intends to sell the equity shares, the above mentioned investment has been classified as asset held for sale as at March 31, 2024 in accordance with IND AS 105 "Non Current asset held for sale and discontinued operations."

#Paytail Commerce Private Limited ceased to be an associate from March 21, 2024.

**Even though, the Group holds 74.69% 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 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

3B 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

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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 & joint ventures are eliminated to the extent of the interest in the associates & joint ventures.

If Company's share of losses of an 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 company 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 company 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 & joint ventures 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.

4. 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:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

5. Material accounting policies of the Group

5.1 Loans – initial recognition

5.1.1 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.

5.1.2 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.

5.1.3 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.

5.1.4 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

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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).

5.1.5 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 received 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.

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.

5.1.6 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.

5.1.7 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.

5.2 Impairment of Loans

5.2.1 Expected Credit Loss (ECL)

The Group records allowance 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

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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:

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.

5.2.2 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.

5.2.3 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.

5.2.4 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.

5.2.5 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.

5.3 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).

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.

5.4 Borrowings

5.4.1 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

5.4.2 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 restatement are recognized under OCI in the statement of profit and loss as an adjustment to borrowing cost.

5.4.3 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 loss 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 re-mains 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.

5.4.4 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

to account any discount or premium on issue funds, and costs that are an integral part of the EIR.

6. Other accounting policies

6.1 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.

6.2 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.

6.3 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.

6.4 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.

6.4.1 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.

6.4.2 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.

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Investments which do not meet the SPPI test are measured at fair value through profit or loss.

6.5 Taxes

6.5.1 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.

6.5.2 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.

6.6 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.

6.7 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
Plant and Machinery	15 years
Leasehold improvements	Lease Period or 5 years, whichever is lower

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
Server	3 years

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The Group, based on technical assessment made by technical expert and management estimate, depreciates Furniture & Fixtures, vehicles and Server over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013

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.

Assets individually costing less than or equal to ₹ 5,000 are fully depreciated in the year of acquisition.

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.

6.8 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

6.9 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.

6.10 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.

6.11 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.

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.

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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.

6.12 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.

6.13 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.

6.14 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.

6.15 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. This is generally when the shareholders of the investee Group approve the dividend.

6.16 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.

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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

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.

6.17 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.

6.18 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.

6.19 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.

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".

6A. 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 judgment.

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 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

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. 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:

- 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
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward-looking information as economic inputs

The Group has considered the impact of Covid-19 pandemic and the moratorium given to borrowers pursuant to the

Covid-19 regulatory package announced by Reserve Bank of India, in determination of impairment allowance for the previous year. 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 – Group 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 Group 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 Group 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 remote, 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 7 CASH AND CASH EQUIVALENTS		
Cash on hand	10.44	10.98
Balances with banks		
- In Current Accounts	279.86	228.96
- In Deposit Accounts - Original maturity 3 months or less	540.41	650.21
Cheques, drafts on hand	14.93	21.70
Total	845.64	911.85

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 8 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
- In Deposit Accounts - Original maturity more than 3 months	1,189.97	1,017.21
- Non current bank balances		
- In earmarked accounts	69.92	44.11
- Margin account for derivatives	67.16	52.27
- In Unpaid Dividend Accounts	0.70	0.76
- Deposits with Banks as collateral towards securitisation loan	2,219.82	980.37
- In Unclaimed Debenture Account	0.44	0.45
- Other deposit Account on amalgamation of Cholamandalam Factoring Limited	0.08	0.08
Total	3,548.09	2,095.25

Particulars	₹ in crores					
	As at March 31, 2024			As at March 31, 2023		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilites	Notional amounts	Fair Value -Assets	Fair Value -Liabilites
Note : 9 DERIVATIVE FINANCIAL INSTRUMENTS						
Part I						
(i) Other derivatives - Cross Currency Interest Rate Swap	4,349.18	161.33	15.06	2,541.18	147.42	-
(ii) Interest Rate Swaps	3,998.39	-	20.74	500.00	4.73	5.59
(iii) Forward Contracts	917.25	86.49	150.90	1,933.08	120.71	128.68
Total Derivative financial Instruments	9,264.82	247.82	186.70	4,974.26	272.86	134.27
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Cash flow hedging:						
Others - Cross currency interest rate swap	4,349.18	161.33	15.06	2,541.18	147.42	-
(ii) Interest Rate Swaps	3,998.39	-	20.74	500.00	4.73	5.59
(iii) Forward Contracts	917.25	86.49	150.90	1,933.08	120.71	128.68
Total Derivative financial Instruments	9,264.82	247.82	186.70	4,974.26	272.86	134.27

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 periodically monitors and reviews the risks involved.

The notional amount for interest rate swap represents borrowings on which Company has entered to hedge the variable interest rate. The company has not participated in currency future and options during the current and previous year

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

₹ in crores

Particulars	As at	
	March 31, 2024	March 31, 2023
Note : 10 RECEIVABLES		
(i) Trade Receivables		
Secured - Considered good*	12.10	8.25
Unsecured - Considered good	204.96	92.05
	217.06	100.30
Provision for Impairment on receivables	(2.89)	(1.17)
	214.17	99.13
Trade Receivables credit impaired	0.73	0.51
Provision for Impairment on receivables	(0.73)	(0.51)
Total Trade receivables		
Considered good	217.06	100.30
Trade Receivables credit impaired	0.73	0.51
Total	217.79	100.81
Provision for Impairment on receivables	(3.62)	(1.68)
Subtotal (i)	214.17	99.13
(ii) Other Receivables		
Considered Good*	199.01	103.21
Subtotal (ii)	199.01	103.21
Total (i)+(ii)	413.18	202.34

*Includes dues from related parties (Refer Note 39)

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade Receivables ageing schedule as on March 31, 2024

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					Total
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	
(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						214.17

Trade Receivables ageing schedule as on March 31, 2023

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					Total
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	87.07	7.28	5.93	-	-	100.28
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	0.05	0.04	0.07	0.04	0.33	0.53
(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	87.12	7.32	6.00	0.04	0.33	100.81
Less: Impairment allowance						(1.68)
Total						99.13

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

₹ in crores

Particulars	As at	
	March 31, 2024	March 31, 2023
Note : 11 LOANS (At amortised cost)		
(A)		
(i) Bills Discounted	753.77	926.85
(ii) Term loans	1,46,230.05	1,06,211.72
Total (A) Gross	1,46,983.82	1,07,138.57
Less: Impairment Allowance for (i) & (ii)	(2,521.17)	(2,328.92)
Total (A) Net	1,44,462.65	1,04,809.65
(B)		
(i) Secured	1,33,655.72	99,861.79
(ii) Unsecured	13,328.10	7,276.78
Total (B) Gross	1,46,983.82	1,07,138.57
Less: Impairment Allowance	(2,521.17)	(2,328.92)
Total (B) - Net	1,44,462.65	1,04,809.65
(C) (I) Loans In India		
(i) Public Sector	-	-
(ii) Others	1,46,983.82	1,07,138.57
Less: Impairment Allowance	(2,521.17)	(2,328.92)
Total (C) (I) - Net	1,44,462.65	1,04,809.65

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.

The Company has not extended any loans where collateral is an intangible asset such as charge over the rights, licenses, etc. The unsecured loans disclosed above are without any collateral or security.

Note : 11.1 LOANS

An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans

₹ in crores

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
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	737.31	4.83	1.26	743.40	5.88	0.51	0.48	6.87
Exposure de-recognised /Matured/Repaid	(912.22)	(1.02)	(2.48)	(915.72)	(7.46)	(0.10)	(0.71)	(8.27)
Transfer to Stage 1	0.11	(0.11)	-	-	0.01	(0.01)	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(3.24)	(2.68)	5.92	-	(0.03)	(0.27)	0.30	-
Impact on account of exposures transferred during the year between stages	-	-	0.02	0.02	-	-	4.75	4.75
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off	(0.42)	(0.07)	(0.29)	(0.78)	-	(0.01)	(0.04)	(0.05)
Closing as on March 31, 2024	737.22	4.93	11.62	753.77	5.89	0.51	10.13	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	75,371.41	399.71	435.75	76,206.87	275.49	43.82	75.17	394.48
Exposure de-recognised /Matured/Repaid	(32,718.11)	(1,864.22)	(1,217.65)	(35,799.98)	(296.16)	(113.87)	(264.46)	(674.49)

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 11.1 LOANS (Contd.)

₹ in crores

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Transfer to Stage 1	1,360.86	(1,289.85)	(71.01)	-	137.90	(117.69)	(20.21)	-
Transfer to Stage 2	(2,732.97)	2,765.64	(32.67)	-	(14.99)	23.69	(8.70)	-
Transfer to Stage 3	(1,154.69)	(580.04)	1,734.73	-	(6.69)	(62.60)	69.29	-
Impact on account of exposures transferred during the year between stages	1.29	5.38	35.52	42.19	0.17	157.20	378.90	536.27
Impact of changes on items within the same stage	599.93	0.91	87.39	688.23	9.26	1.49	291.33	302.08
Write off*	(405.93)	(159.78)	(553.28)	(1,118.99)	(6.25)	(48.10)	(315.04)	(369.39)
Closing as on March 31, 2024	1,39,380.01	3,216.85	3,633.19	1,46,230.05	535.92	285.78	1,682.94	2,504.64
Bills Discounted								
Opening as on April 1, 2022	332.91	0.39	37.69	370.99	2.71	0.04	34.78	37.53
New assets originated	915.77	3.98	2.58	922.33	7.48	0.40	0.75	8.63
Exposure de-recognised /Matured/Repaid	(332.37)	(0.15)	(0.64)	(333.16)	(2.69)	(0.02)	(0.01)	(2.72)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(0.63)	(0.24)	0.87	-	(0.01)	(0.03)	0.03	(0.01)
Impact on account of exposures transferred during the year between stages	-	-	-	-	-	-	0.21	0.21
Impact of changes on items within the same stage (net)	-	-	-	-	-	-	2.90	2.90
Write off	-	-	(33.31)	(33.31)	-	-	(33.31)	(33.31)
Closing as on March 31, 2023	915.68	3.98	7.19	926.85	7.49	0.39	5.35	13.23
Term loans								
Opening as on April 1, 2022	66,984.70	5,817.08	3,305.12	76,106.90	340.20	659.58	1,291.37	2,291.15
New assets originated	57,378.00	252.29	247.38	57,877.67	261.16	29.58	52.06	342.80
Exposure de-recognised /Matured/Repaid	(23,876.52)	(2,200.24)	(1,328.98)	(27,405.74)	(312.60)	(206.80)	(272.11)	(791.51)
Transfer to Stage 1	1,304.33	(1,195.29)	(109.04)	-	162.67	(128.33)	(34.34)	-
Transfer to Stage 2	(1,983.66)	2,084.21	(100.55)	-	(12.48)	43.30	(30.82)	-
Transfer to Stage 3	(780.63)	(665.16)	1,445.79	-	(5.15)	(80.55)	85.70	-
Impact on account of exposures transferred during the year between stages	1.32	4.09	39.45	44.86	0.01	138.85	330.69	469.55
Impact of changes on items within the same stage	272.18	21.58	98.50	392.26	8.36	5.51	319.76	333.63
Write off*	(241.50)	(179.46)	(383.26)	(804.22)	(4.98)	(59.30)	(265.65)	(329.93)
Closing as on March 31, 2023	99,058.22	3,939.10	3,214.41	1,06,211.73	437.19	401.84	1,476.66	2,315.69

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

*Total write off includes Loss on disposal of repossessed vehicles - ₹ 516.90 crores for the year ended March 31, 2024 (₹ 566.57 crores - March 31, 2023)

Note : 11.2 Overdue greater than 90 days

₹ in crores

No. of loan accounts	Overdue Instalments*	Principal outstanding (not yet due)
As on March 31, 2024		
1,44,017	1,562.24	2,228.11
As on March 31, 2023		
1,22,022	1,258.70	2,117.71

*Overdue instalments includes principal and interest overdue

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 12 INVESTMENTS

₹ in crores

Investments														
Investments	As at March 31, 2024							As at March 31, 2023						
	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total
		Through Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss					Through Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss			
Government Securities	1,539.07	-	-	-	-	-	1,539.07	1,541.34	-	-	-	-	-	1,541.34
Treasury Bill	1,440.17	-	-	-	-	-	1,440.17	1,536.27	-	-	-	-	-	1,536.27
STRIPS	599.25	-	-	-	-	-	599.25	-	-	-	-	-	-	-
Debt Securities-Convertible Note (Fair value on acquisition - ₹10 crores)	-	-	-	-	-	-	-	-	-	10.92	-	10.92	-	10.92
Equity Instruments														
Associates	-	-	-	-	-	-	-	-	-	-	-	-	7.64	7.64
Joint Ventures	455.63	-	-	-	-	-	455.63	443.41	-	-	-	-	-	443.41
Other equity investments	-	1.41	1.51	-	2.92	-	2.92	-	17.06	6.52	-	23.58	-	23.58
Total Gross (A)	4,034.12	1.41	1.51	-	2.92	-	4,037.04	3,521.02	17.06	17.44	-	34.50	7.64	3,563.16
Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments In India	4,034.12	1.41	1.51	-	2.92	-	4,037.04	3,521.02	17.06	17.44	-	34.50	7.64	3,563.16
Total (B)	4,034.12	1.41	1.51	-	2.92	-	4,037.04	3,521.02	17.06	17.44	-	34.50	7.64	3,563.16
Allowance for Impairment (C)	-	1.29	-	-	1.29	-	1.29	-	1.29	-	-	1.29	-	1.29
Total Net (D) = (A)-(C)	4,034.12	0.12	1.51	-	1.63	-	4,035.75	3,521.02	15.77	17.44	-	33.21	7.64	3,561.87

All Instruments except government securities, Treasury Bill and STRIPS are Unquoted

Paytail Commerce Private Limited ceased to be an associate with effect from March 21, 2024. The carrying amount (net of impairment) is part of other equity instruments as of March 31, 2024.

Asset held for sale - Investment-Equity Instruments	As at March 31, 2024	As at March 31, 2023
White Data Systems India Private Limited 12,75,917 Equity shares of ₹ 10 each fully paid up - Un-Quoted	-	22.57
TVS Supply Chain Solutions Limited 24, 01,359 Equity of shares ₹ 1 each fully paid up - Quoted	37.09	-
Total	37.09	22.57

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 12 INVESTMENTS (Contd.)

The Company entered into a share swap agreement on March 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India Private Limited (WDSI) and other shareholders of WDSI for the transfer of the entire equity shares held by the Company in WDSI to TVSSCSL. As consideration for transfer of WDSI shares, TVSSCSL has allotted 22,35,265 Compulsory Convertible Preference Shares (CCPS) of TVSSCSL to the company on April 20, 2023, subsequently on August 23, 2023 the Compulsory Convertible Preference Shares (CCPS) was converted into 24,01,359 equity shares of TVSSCSL. Since the Company intends to sell the equity shares, the above mentioned investment has been classified as asset held for sale as at March 31, 2024 in accordance with IND AS 105 " Non Current asset held for sale and discontinued operations."

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 13 OTHER FINANCIAL ASSET		
Unsecured - considered good		
At amortised cost		
Security deposits	200.54	62.47
Interest only strip receivable	146.85	218.30
Other advances	51.69	17.91
Gross Total	399.08	298.68
Less: Impairment Allowance	(0.08)	(0.06)
Net Total	399.00	298.62

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 14 DEFERRED TAX		
Deferred Tax Assets		
Impairment allowance for financial instruments	603.46	566.38
Provision for Contingencies and undrawn commitments	12.86	12.92
Provision for Compensated Absences and Gratuity	30.50	22.77
Impact of Effective interest rate adjustment on Financial Assets	-	4.76
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	19.73	15.65
Carry forward of tax losses	-	0.65
MAT credit entitlement	-	2.78
Cash flow hedge	1.50	-
Others	21.21	0.35
(A)	689.26	626.26
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	0.93	1.16
Impact of Effective interest rate adjustment on Financial Assets	30.89	-
Fair Valuation of Investment	1.59	1.95
Items recognised in OCI	-	10.76
Others	-	0.90
(B)	33.41	14.77
Net Deferred Tax Assets (A) - (B)	655.85	611.49

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 14 DEFERRED TAX (Contd.)

₹ in crores

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Income Statement	OCI	Income Statement	OCI
Deferred Tax Assets				
Impairment allowance for financial instruments	(37.08)	-	8.63	-
Provision for Contingencies and undrawn commitments	0.06	-	(2.67)	-
Provision for Compensated Absences and Gratuity	(5.67)	(2.06)	(1.33)	(0.07)
Impact of Effective interest rate adjustment on Financial Assets	4.76	-	41.07	-
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	(4.08)	-	0.61	-
Carry forward of tax losses and MAT entitlement credit	3.43	-	0.32	-
Others	(18.66)	-	4.59	-
(A)	(57.24)	(2.06)	51.22	(0.07)
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	0.23	-	0.47	-
Impact of Effective interest rate adjustment on Financial Assets	(30.89)	-	-	-
Fair Valuation of Investment	0.36	-	0.29	-
Re-measurement gains / (losses) on defined benefit plans (Net)	-	-	-	-
Net (Loss)/gain on equity instrument designated at FVOCI	-	0.29	-	1.11
Cashflow Hedge Reserve	-	18.17	-	(11.49)
(B)	(30.30)	18.46	0.76	(10.38)
Net deferred tax charge / (reversal) (A) - (B)	(26.94)	(20.52)	50.46	10.31

Note : 15 INVESTMENT PROPERTIES

₹ in crores

Particulars	Total
Gross carrying amount as at April 1, 2022	0.14
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2023	0.14
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2024	0.14
Accumulated depreciation and impairment	
Balance as at April 1, 2022	0.01
Depreciation for the year	-
Depreciation on disposals	-
Balance as at March 31, 2023	0.01
Depreciation for the year*	-
Depreciation on disposals	-
Balance as at March 31, 2024	0.01
Net Carrying amount	
As at March 31, 2023	0.13
As at March 31, 2024	0.13
Useful Life of the asset (In Years)	60
Method of depreciation	Straight line method

*represents amount less than ₹ 1,00,000

The Group's investment property consists of 4 properties and has let out one property as at March 31, 2024

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 15 INVESTMENT PROPERTIES (Contd.)

i) Income earned and expense incurred in connection with Investment Property

₹ in crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rental Income	0.05	0.05
Direct Operating expense from property that generated rental income	0.01	0.01
Direct Operating expense from property that did not generate rental income	-	-

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 arrangements.

iv) Fair Value

₹ in crores

Particulars	As at March 31, 2024	As at March 31, 2023
Investment Property	3.30	3.20

v) Sensitivity analysis

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair value (₹ in crores)	Sensitivity (₹ in crores)
Investment property As at March 31 2024	Professional valuer	Price per Sq. feet	₹8,500 - ₹16,000 per Sq. feet	5%	3.30	0.17
Investment property As at March 31 2023	Professional valuer	Price per Sq. feet	₹7,000 - ₹13,000 per Sq. feet	5%	3.20	0.16

vi) The Title Deeds of the Immovable Properties mentioned above are in the name of the company

₹ in crores

Particulars	Freehold Land	Plant and Machinery	Computer Equipment	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicles	Buildings (Refer Note below)		Total
								Owned Assets	Right of Use Assets	

Note : 16 PROPERTY, PLANT AND EQUIPMENT

Gross carrying amount as at April 1, 2022	39.56	-	131.07	32.18	27.36	55.01	22.53	23.05	231.63	562.39
Additions	-	-	51.59	5.48	2.60	10.86	71.67	-	103.39	245.59
Disposals	-	-	6.61	2.48	2.63	4.65	9.47	-	0.71	26.55
Gross carrying amount as at March 31, 2023	39.56	-	176.05	35.18	27.33	61.22	84.73	23.05	334.31	781.43
Additions	803.19	3.66	50.12	25.58	34.72	60.06	58.39	29.59	300.76	1,366.07
Disposals	-	-	17.83	3.70	3.98	6.78	10.54	-	15.88	58.71
Gross carrying amount as at March 31, 2024	842.75	3.66	208.34	57.06	58.07	114.50	132.58	52.64	619.19	2088.79
Accumulated depreciation / amortisation and impairment										
Balance as at April 1, 2022	-	-	87.80	24.44	23.42	42.15	8.39	2.07	131.97	320.24
Depreciation for the year	-	-	29.06	4.70	3.64	8.46	7.11	0.43	55.59	108.99
Depreciation on disposals	-	-	6.58	2.44	2.62	4.61	5.80	-	0.44	22.49
Balance as at March 31, 2023	-	-	110.28	26.70	24.44	46.00	9.70	2.50	187.12	406.74
Depreciation for the year	-	0.14	41.94	7.66	9.91	18.65	23.40	0.80	76.12	178.62
Depreciation on disposals	-	-	17.39	3.50	3.96	6.76	4.41	-	-	36.02
Balance as at March 31, 2024	-	0.14	134.83	30.86	30.39	57.89	28.69	3.30	263.24	549.34
Net Carrying amount										
As at March 31, 2023	39.56	-	65.77	8.48	2.89	15.22	75.03	20.55	147.19	374.69
As at March 31, 2024	842.75	3.52	73.51	26.20	27.68	56.61	103.89	49.34	355.95	1,539.45
Useful Life of the asset (In Years)		15	3	5	5	upto 5	5	60/30/5	upto 9	
Method of depreciation										Straight-line method

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 16 PROPERTY, PLANT AND EQUIPMENTS (Contd.)

Note

1. Details of Immovable properties of land and buildings, whose title deeds have been pledged in favour of Trustees for the benefit of debenture holders as security, has been explained in Note 19.1
2. 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.
3. The Title Deeds of the Immovable Properties mentioned above are in the name of the Group
4. Group has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2024

Particulars	₹ in crores
Note : 17 INTANGIBLE ASSETS	
Gross carrying amount as at April 01, 2022	92.08
Additions	23.73
Deletions	0.09
Gross carrying amount as at March 31, 2023	115.72
Additions	15.35
Deletions	10.71
Gross carrying amount as at March 31, 2024	120.36
Accumulated Amortization and impairment	
Balance as at April 1, 2022	75.76
Amortization for the year	12.10
Amortization on deletions	-
Balance as at March 31, 2023	87.86
Amortization for the year	19.44
Amortization on deletions	10.71
Balance as at March 31, 2024	96.59
Net Carrying amount	
As at March 31, 2023	27.86
As at March 31, 2024	23.77
Useful Life of the asset (In Years)	3
Method of depreciation	Straight line method

Particulars	₹ in crores	
	As at	As at
	March 31, 2024	March 31, 2023
Note : 18 OTHER NON FINANCIAL ASSETS		
Unsecured - considered good		
Prepaid expenses	38.32	31.56
Capital advances	7.31	21.12
Other assets	37.33	42.00
GST Input Credit	23.32	12.44
Total	106.28	107.12

Particulars	₹ in crores	
	As at	As at
	March 31, 2024	March 31, 2023
Note : 19 DEBT SECURITIES (At amortised cost)		
Redeemable Non-Convertible Debentures		
Medium-Term - Secured	19,435.62	15,340.63
Medium-Term - Unsecured	-	25.00
Compulsorily Convertible Debentures - Unsecured	2,071.45	-
Commercial Papers - Unsecured	3,305.69	4,316.78
Total	24,812.76	19,682.41

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 19 DEBT SECURITIES (At amortised cost) (Contd.)

All debt securities have been contracted in India

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, Bills discounted and other loans and *pari passu* charge on immovable property situated at Chennai.

ii) TERMS OF THE COMPULSORILY CONVERTIBLE DEBENTURES (CCD)

Each CCD has a face value of ₹ 100,000 and shall constitute an unsecured and unsubordinated (as between other unsecured creditors) obligation of our Company. The Allotment of CCDs has been made in dematerialized form.

Maturity Date

Unless converted earlier in accordance with the terms hereof, the maturity date for compulsorily conversion of each CCD shall be September 30, 2026.

Conversion

Early Conversion Option

Each CCD holder shall be entitled to convert their CCD into Equity Shares on or after September 30, 2025 ("Entitlement Date"). Each CCD of face value of ₹ 100,000 shall be converted into such number of Equity Shares fully paid of face value of ₹ 2 as per the Conversion Price (defined below).

CCD holders can apply for conversion of CCDs within the first 7 calendar days after the Entitlement Date or after the end of every calendar quarter after the Entitlement Date, except the last quarter before maturity, when it will compulsorily convert on the last maturity date i.e., September 30, 2026, provided if September 30, 2026 falls on a trading holiday, then the trading day immediately preceding such date shall be considered by the Company for the purpose of conversion Maturity Date."

Compulsory Conversion

If any or all of the CCDs have not been converted till Maturity Date, then all of the CCDs held on the Maturity Date shall be compulsorily and automatically converted into Equity Shares as per the Conversion Price (defined below).

The fractional amount after conversion of the CCDs tendered for conversion by the CCD holder shall be paid in cash to the CCD holders within seven working days from the date of conversion of CCDs.

Conversion Price

Subject to Regulation 176 of the SEBI Regulations and applicable law, each CCD shall be converted into such number of Equity Shares based on the conversion price arrived as per the below formula. Conversion price shall be higher of the following:

If conversion Volume Weighted Average Price (VWAP) is higher than ₹ 1,650.00 per Equity Share then the aggregate face value of the CCDs proposed to be converted into Equity Shares at a discount of 16.50% to the Conversion VWAP, if lower than or equal to ₹ 1,650.00 per Equity Share, then the aggregate face value of the CCDs shall be converted into Equity Shares at a discount of 15.00% to the Conversion VWAP.

For the purpose of the above, Conversion Volume Weighted Average Price (VWAP) shall be calculated as seven trading days volume weighted average price of Equity Shares of our Company traded on the NSE, preceding the first date after the end of quarter, prior to Conversion Notice or Maturity Date for compulsory conversion of the balance CCDs held; whichever is earlier; or the Floor Price of Equity Shares being ₹ 1,200.51, subject to discount of upto 5%, as may be decided by the Board of Directors of a duly authorized committee of the Board.

The Conversion Price shall be decided by the Company in accordance with the aforementioned formula.

Interest on CCDs

Each CCD will bear interest at the rate of 7.50% per annum calculated on the face value of the CCD commencing from the date of Allotment and until the Conversion Date. The Interest shall be paid by our Company to the CCD holders in half yearly instalments.

In the event the CCD holder has exercised its right to convert the CCD, then any Interest accrued but unpaid shall be paid within seven working days from the Conversion Date.

An additional interest at the rate of 2.00% per annum over and above the rate of interest of 7.50% per annum shall be applicable in case of delay in payment of interest by our Company for the delayed period.

iii) The Group has not defaulted in the repayment of dues to its lenders.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 19 DEBT SECURITIES (At amortised cost) (Contd.)

19.2 Details of Debentures - Contractual principal repayment value

(i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put / call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31, 2024	March 31, 2023		
		₹ in crores			
3,250	10,00,000	0.00	325.00	Apr-23	6.26
9,000	10,00,000	0.00	900.00	May-23	5.70 to 7.50
1,990	10,00,000	0.00	199.00	Aug-23	9.06
6,023	10,00,000	0.00	602.30	Sep-23	5.58 to 8.80
5,500	10,00,000	0.00	550.00	Dec-23	6.10
10,050	10,00,000	0.00	1005.00	Feb-24	6.25 to 7.31
11,500	10,00,000	1150.00	1150.00	Apr-24	8.6179
16,000	10,00,000	1600.00	1600.00	Jul-24	7.38 to 8.66
4,000	10,00,000	400.00	400.00	Aug-24	7.67 to 7.69
3,500	10,00,000	350.00	350.00	Oct-24	6.80
13,600	10,00,000	1360.00	1360.00	Dec-24	6.63 to 8.81
2,000	10,00,000	200.00	200.00	Feb-25	9.11
33,49,951	1,000	335.00	0.00	Mar-25	8.25
4,974	10,00,000	497.40	497.40	Mar-25	7.08
32,85,035	1,000	328.50	0.00	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	0.00	Dec-25	8.40
6,050	10,00,000	605.00	605.00	Dec-25	8.30
11,35,778	1,000	113.58	0.00	Jan-26	8.45
8,000	10,00,000	800.00	800.00	Jan-26	7.9217
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	0.00	May-26	8.25
18,72,062	1,000	187.21	0.00	Jun-26	8.30
20,18,847	1,000	201.88	0.00	Sep-26	8.30
250	10,00,000	25.00	25.00	Nov-26	8.55
22,81,860	1,000	228.19	0.00	Dec-26	8.50
51,82,140	1,000	518.21	0.00	Jan-27	8.50
5,000	1,00,000	50.00	0.00	Jan-27	8.40
2,700	10,00,000	270.00	270.00	Mar-27	7.30
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
44,02,938	1,000	440.29	0.00	May-28	8.40
89,63,940	1,000	896.39	0.00	Aug-28	8.40
44,73,708	1,000	447.37	0.00	Dec-28	8.60
78,57,218	1,000	785.72	0.00	Jan-29	8.60
1,00,000	1,00,000	1000.00	0.00	Feb-29	8.65
94,100	1,00,000	941.00	0.00	Mar-29	8.60
		17,636.16	13,870.70		

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 19 DEBT SECURITIES (At amortised cost) (Contd.)

(ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put/call option

₹ in crores

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Redemption price ₹	Premium ₹
		March 31, 2024	March 31, 2023			
₹ in crores						
350	10,00,000	35.00	35.00	Oct-24	13,01,025.00	3,01,025.00
250	10,00,000	25.00	25.00	Dec-24	12,93,960.00	2,93,960.00
167213	1,000	16.72	0.00	Mar-25	1,156.64	156.64
74466	1,000	7.45	0.00	Jun-25	1,156.64	156.64
5000	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
1250	10,00,000	125.00	125.00	Jul-25	14,61,481.00	4,61,481.00
126294	1,000	12.63	0.00	Dec-25	1,175.32	175.32
100942	1,000	10.09	0.00	Jan-26	1,176.40	176.40
83500	1,000	8.35	0.00	Jun-26	1,279.15	279.15
112926	1,000	11.29	0.00	Sep-26	1,279.15	279.15
112696	1,000	11.27	0.00	Dec-26	1,277.58	277.58
48858	1,000	4.89	0.00	Jan-27	1,277.29	277.29
1000	10,00,000	100.00	100.00	Mar-27	14,22,599.00	4,22,599.00
124336	1,000	12.43	0.00	May-28	1,497.40	497.40
96548	1,000	9.65	0.00	Aug-28	1,497.41	497.41
89123	1,000	8.91	0.00	Dec-28	1,511.28	511.28
25903	1,000	2.59	0.00	Jan-29	1,511.28	511.28
		986.27	870.00			

(iii) Secured Redeemable Non-Convertible Debentures - Redeemable at par - with Put option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Put option date	Rate of interest %
		March 31, 2024	March 31, 2023			
₹ in crores						
10	10,00,000	-	1.00	Aug-23	Jul-21	9.06
		-	1.00			

(iv) Unsecured Redeemable Non-Convertible Debentures - Redeemable at par - No put/call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Put option date	Rate of interest %
		March 31, 2024	March 31, 2023			
₹ in crores						
250	10,00,000	-	25.00	Jul-23	NA	5.12
		-	25.00			

(v) Compulsorily Convertible Debentures

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Put option date	Rate of interest %
		March 31, 2024	March 31, 2023			
₹ in crores						
200000	1,00,000	2,000.00	-	NA	NA	7.50
		2,000.00	-			

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 20 BORROWINGS (Other than Debt Securities) at amortised cost		
A) Term Loans		
(i) (a) From Banks - Secured		
- Rupee Loans	62,118.31	52,659.33
- Foreign currency Loans	-	828.89
- External Commercial Borrowings	4,467.39	1,525.88
(b) From Banks - Unsecured		
- Short term loans	-	200.00
ii) From Other Parties - Secured		
- Financial Institutions - Rupee Loans	9,324.77	4,307.15
- External Commercial Borrowings	1,089.47	1,276.71
- Securitisation - Rupee Loans (Refer Note 8)	23,781.83	9,982.57
B) Loan repayable on demand - Secured from Banks - Rupee Loans	3,729.36	2,405.66
Total	1,04,511.13	73,186.19
Borrowings within India	98,954.27	70,383.60
Borrowings Outside India	5,556.86	2,802.59

20.1 Security

- (i) Secured term loans from banks and financial institution are secured by way of specific charge on assets under hypothecation relating to vehicle finance, home loans and loan against property and pari passu charge on immovable property which are owned assets of the Company situated at Chennai.
- (ii) 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 trust by way of cash collateral and Bank guarantee. Also, refer note-8.
- (iii) 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.
- (iv) 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.
- (v) The Group has not defaulted in the repayment of dues to its lenders.
- (vi) The Group has utilised the borrowings for the purpose for which it was obtained.
- (vii) The quarterly statements or returns of current assets filed by the company with banks are in agreement with books of accounts.

20.2 Details of term loans/working capital demand loan - Contractual principal repayment value

Rate of Interest	Maturity	Instalments	₹ in crores	
			Amount outstanding March 31, 2024	March 31, 2023
Base Rate / MCLR	< 1year	1	50.00	600.00
		2	-	300.00
		3	75.00	841.67
		4	2,615.56	757.78
		8	-	-
		12	200.00	-
1 - 2 years	1	1	237.50	50.00
		4	1,565.56	2,380.00
		9	150.00	-
2 - 3 years	1	1	-	237.50
		4	954.44	1,430.00
3 - 4 years	2	2	50.00	-
		3	241.67	-
		4	532.22	552.22
4 - 5 years	2	2	-	50.00

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

20.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2024	March 31, 2023
		3	45.00	241.67
		4	200.00	130.00
	> 5 Years	1	-	12.50
Base Rate/ MCLR + spread (0.10%)	< 1 year	1	1,000.00	1,600.00
		2	-	250.00
		3	375.00	-
		4	2,373.81	600.00
	1 - 2 years	1	1,000.00	1,000.00
		2	-	-
		3	-	375.00
		4	2,373.81	100.00
	2 - 3 years	1	-	1,000.00
		2	-	-
		3	-	75.00
		4	2,107.14	200.00
	3 - 4 years	2	428.57	-
		3	637.50	-
		4	400.00	-
	4 - 5 years	3	300.00	-
Rate based on T Bill	> 1 year	4	20.00	-
	1-2 years	4	20.00	-
	2-3 years	4	20.00	-
	3-4 years	4	20.00	-
	4-5 years	3	15.00	-
Rate based on T Bill + Spread	< 1 year	1	3,255.00	2,250.00
		2	1,200.00	-
		3	137.96	125.00
		4	5,801.79	3,964.78
		8	-	500.00
		12	-	200.00
	1 - 2 years	1	2,560.00	1,550.00
		2	1,575.71	-
		3	45.00	137.96
		4	5,470.36	3,080.83
		12	-	200.00
	2 - 3 years	1	2,417.14	1,800.00
		2	1,639.29	285.71
		3	321.43	45.00
		4	3,143.22	2,249.40
		9	-	150.00
	3 - 4 years	1	1,553.57	1,657.14
		2	1,732.14	349.29
		4	400.36	410.83
		9	-	-
	4 - 5 years	1	1,100.00	615.00
		2	221.50	100.00
		4	358.75	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

20.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding		
			March 31, 2024	March 31, 2023	
Fixed Rate	>5 Years	1	36.40	-	
	< 1year	1	1,516.33	333.00	
		2	1,012.22	222.22	
		3	102.20	-	
		4	890.80	772.72	
		12	166.67	-	
		1 - 2 years	1	1,684.00	1,516.33
			2	1,032.22	222.22
			3	-	102.20
			4	890.80	636.32
			12	166.67	-
		2 - 3 years	1	1,350.00	1,684.00
			2	932.22	222.22
			3	-	-
			4	890.80	636.32
			7	97.22	-
		3 - 4 years	1	277.78	1,350.00
			2	710.00	222.22
			4	890.80	636.32
		4 - 5 years	1	443.77	277.78
		2	141.00	-	
		3	68.32	-	
		4	163.60	636.32	
	>5 years	1	41.10	113.77	
		2	-	91.00	
Repo rate	< 1year	1	176.19	458.33	
		2	121.00	400.00	
		3	251.79	33.33	
		4	1,872.38	3,232.88	
		6	-	416.67	
		1 - 2 years	1	-	601.19
			2	150.00	1,121.00
			3	18.75	251.79
			4	1,186.67	2,581.74
			6	-	-
			8	-	-
			12	-	-
		2 - 3 years	1	-	-
			2	160.00	1,000.00
			3	-	18.75
			4	1,166.67	1,896.02
			6	-	-
			8	-	-
		3 - 4 years	1	50.00	43.75
			2	361.11	760.00

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

20.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2024	March 31, 2023
		3	-	794.20
		4	524.44	642.22
	4 - 5 years	1	12.50	425.00
		2	372.22	211.11
	> 5 Years	1	75.00	-
Over night MIBOR	< 1year	1	-	70.56
		2	111.12	-
		4	285.83	-
	1 - 2 years	2	111.11	111.11
		4	285.83	-
	2 - 3 years	1	43.75	-
		2	111.11	111.11
		4	110.84	-
	3 - 4 years	2	111.11	111.11
	4 - 5 years	2	-	111.11
USD 2Y MIBOR + Spread	< 1year	1	-	-
3M MIBOR + Spread	< 1year	1	-	-
	1-2 years	1	-	-
USD 3M LIBOR + Spread	< 1year	4	-	233.85
	1-2 years	4	-	233.85
	2-3 years	4	-	233.85
	3 - 4 years	4	-	233.85
	4 - 5 years	4	-	233.85
	> 1year	1	-	58.47
	>5 Years	5	-	-
USD 3M SOFR + Spread	< 1year	4	237.37	-
	1-2 years	4	237.37	-
	2-3 years	4	237.37	-
	3 - 4 years	4	237.37	-
	4 - 5 years	1	59.34	-
USD 6M LIBOR + Spread	< 1year	1	-	-
	1-2 years	1	-	755.92
	2-3 years	1	-	-
	3 - 4 years	1	-	-
	4 - 5 years	1	-	-
USD 6M SOFR + Spread	< 1year	1	767.28	-
	1-2 years	1	834.00	-
	2 - 3 years	1	2,919.00	821.65
USD 3M SOFR + Spread	< 1year	1	-	828.89
USD 12M LIBOR + Spread	< 1year	1	-	-
Total			5,529.10	3,634.18

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

20.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

Details of Securitised loan		₹ in crores	
Rate of Interest	Maturity	Amount outstanding*	
		March 31, 2024	March 31, 2023
Fixed (4.9% to 8%)	Less than 1 year	9,448.78	3,975.72
	1-2 year	7,184.46	3,052.67
	2-3 year	4,526.29	1,771.34
	3-4 year	1,959.39	690.48
	4-5 year	345.33	72.07
	more than 5 years	85.16	51.72
Total		23,549.41	9,614.00
Floating Base Rate/ MCLR - spread (0.75% to 2.65%)	Less than 1 year	29.75	46.32
	1-2 year	27.01	41.92
	2-3 year	26.55	43.09
	3-4 year	22.47	41.08
	4-5 year	18.66	34.34
	more than 5 years	78.94	144.73
Total		203.38	351.48

*Represents amounts to be paid to the securitisation trust as per the securitisation cash flows net of amounts to be received against Investment in PTC.

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 21 SUBORDINATED LIABILITIES (at amortised cost)		
Perpetual Debt - Unsecured	1,614.19	1,529.40
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	408.18	407.94
b) Other Subordinated Debts	3,128.62	2,551.56
Total	5,150.99	4,488.90

(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.

21.1 Details of Subordinated Liabilities - Contractual principal repayment value

(i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put/call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Rate of interest %
		March 31, 2024 ₹ in crores	March 31, 2023 ₹ in crores		
150	10,00,000	-	15.00	Sep-23	11.00
500	10,00,000	-	50.00	Oct-23	9.08
2,000	10,00,000	-	200.00	Nov-23	9.08 to 9.20
250	10,00,000	-	25.00	Jan-24	11.00
200	10,00,000	-	20.00	Feb-24	11.00
250	10,00,000	-	25.00	Mar-24	11.00
250	10,00,000	25.00	25.00	Apr-24	11.00
50	10,00,000	5.00	5.00	May-24	11.00
150	10,00,000	15.00	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
20,000	1,00,000	200.00	200.00	Oct-29	9.00
400	1,00,00,000	400.00	400.00	Jan-30	9.75
30,000	1,00,000	300.00	-	May-30	8.75
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
290	1,00,00,000	290.00	290.00	Dec-32	8.65
20,500	1,00,000	205.00	-	Oct-33	8.85
20,000	1,00,000	200.00	-	Nov-33	8.85
20,010	1,00,000	200.10	-	Mar-34	8.85
		3,430.10	2,860.00		

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

21.1 Details of Subordinated Liabilities - Contractual principal repayment value (Contd.)

(ii) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at premium - No put/call option

No. of Debentures	Face Value ₹	Balance as at		Due date of redemption	Redemption price ₹	Premium ₹
		March 31, 2024 ₹ in crores	March 31, 2023 ₹ in crores			
150	10,00,000	-	15.00	Nov-23	17,57,947	7,57,947
		-	15.00			

(iii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at		Maturity Date - Perpetual #	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31, 2024 ₹ in crores	March 31, 2023 ₹ in crores		
1,000	5,00,000	-	50.00	Oct-23	12.90
245	10,00,000	-	24.50	Oct-23	12.60
1,031	10,00,000	-	103.10	Dec-23	12.50 to 12.60
50	10,00,000	-	5.00	Jan-24	12.6
500	5,00,000	-	25.00	Feb-24	12.9
500	5,00,000	25.00	25.00	Jun-24	12.90
174	10,00,000	17.40	17.40	Jul-24	12.90
500	5,00,000	25.00	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	9.10
45	1,00,00,000	45.00	45.00	May-32	9.20
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	-	Jun-33	9.40
200	1,00,00,000	200.00	-	Jun-33	9.25
400	5,00,000	20.00	-	Sep-33	9.25
		1,543.40	1,501.00		

#Company can redeem using Call option on the maturity date with prior approval of RBI.

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 22 OTHER FINANCIAL LIABILITIES		
Unpaid dividend	0.70	0.76
Advance from customers	47.99	42.80
Security deposits received	5.83	4.83
Collections towards derecognised assets pending remittance	47.31	111.00
Lease liability (Refer Note 49)	372.90	166.89
Other liabilities	44.34	37.13
Total	519.07	363.41

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 23 PROVISIONS		
Provision for Employee Benefits		
Compensated absences (Refer Note 37)	144.06	90.90
	144.06	90.90
Other Provisions		
Provision for contingencies and service tax claims (Refer Note 41)	39.54	39.53
Provision for expected credit loss towards undrawn commitments (Refer note 41)	10.37	11.79
	49.91	51.32
Total	193.97	142.22

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 24 OTHER NON FINANCIAL LIABILITIES		
Income received in advance	5.14	2.96
Statutory liabilities	76.74	40.11
Others	2.72	4.51
Total	84.60	47.58

Particulars	As at March 31, 2024		As at March 31, 2023		₹ in crores
	Nos.	Amount	Nos.	Amount	
Note : 25 EQUITY SHARE CAPITAL					
AUTHORISED					
Equity Shares of ₹ 2 each with voting rights	1,20,00,00,000	240.00	1,20,00,00,000	240.00	
Preference Shares of ₹ 100 each	5,00,00,000	500.00	5,00,00,000	500.00	
		740.00		740.00	
ISSUED					
Equity Shares of ₹ 2 each with voting rights	84,06,52,732	168.13	82,27,24,126	164.54	
		168.13		164.54	
SUBSCRIBED AND FULLY PAID UP					
Equity Shares of ₹ 2 each with voting rights	83,99,68,962	167.99	82,20,40,356	164.41	
Add : Forfeited Shares	6,54,500	0.07	6,54,500	0.07	
		168.06		164.48	

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year: ₹ in crores

Particulars	As at March 31, 2024		As at March 31, 2023		₹ in crores
	Nos.	Amount	Nos.	Amount	
Equity Shares					
At the beginning of the year (₹ 2 each)	82,20,40,356	164.41	82,10,71,821	164.21	
Issued during the year					
a) Qualified institutional Placement	1,69,49,152	3.39	-	-	
b) Employees Stock Option (ESOP) Scheme	9,79,454	0.19	9,68,535	0.20	
Outstanding at the end of the year (₹ 2 each)	83,99,68,962	167.99	82,20,40,356	164.41	
Forfeited shares					
Equity Shares - Amount originally paid up	6,54,500	0.07	6,54,500	0.07	

Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 25 EQUITY SHARE CAPITAL (Contd.)

The Company has issued 1,69,49,152 equity shares of ₹ 2 each on October 10, 2023, at a issue price of ₹ 1,180 per share (including premium of ₹ 1,178 per share) through Qualified Institutional Placement.

b) Equity Shares held by Holding Company

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Cholamandalam Financial Holdings Limited	37,28,85,889	37,28,85,889

c) Details of shareholding more than 5% shares in the Company

₹ in crores

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity Shares				
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	44.39	37,28,85,889	45.36

d) Shares held by Promoter/Promoter group

As per records of the Company, 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.

Details of Shareholding of promoters and promoter Group as on March 31, 2024

Promoters Name	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
Valli Annamalai	12,500	-	12,500	-	-
M Vellachi	11,60,427	0.14	11,60,427	0.14	-
M A M Arunachalam	1,65,752	0.02	65,000	0.01	(0.01)
Arun Alagappan	9,50,000	0.11	9,50,000	0.12	0.01
M.A. Alagappan	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	1,32,625	0.02	6,685	-	(0.02)
A Vellayan	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	50,255	0.01	50,255	0.01	-
M V Valli Murugappan	-	-	-	-	-
M M Murugappan	21,035	-	21,035	-	-
A M Meyyammai	25,188	-	2,51,880	0.03	0.03
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	10,000	-	10,000	-	-
Meenakshi Murugappan	245	-	245	-	-
Valli Alagappan	5,200	-	5,200	-	-
A Venkatachalam	2,09,605	0.02	2,09,605	0.03	0.01
V Narayanan	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	15,960	-	15,960	-	-
M V AR Meenakshi	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	1,08,881	0.01	2,27,440	0.03	0.02
Sigapi Arunachalam	74,255	0.01	74,255	0.01	-
Uma Ramanathan	23,500	-	23,500	-	-
V Vasantha	1,250	-	1,250	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Details of Shareholding of promoters and promoter Group as on March 31, 2024 (Contd.)

Promoters Name	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
Dhruv M Arunachalam	50,000	0.01	50,000	0.01	-
Kanika Subbiah	67,000	0.01	67,000	0.01	-
Pranav Alagappan	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	11,90,583	0.14	11,90,583	0.14	-
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	7,000	-	7,000	-	-
A A Alagammai	2,894	-	2,894	-	-
Umayal R	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	2,91,380	0.03	2,91,380	0.04	0.01
A M M Vellayan Sons P Ltd	26,725	-	26,725	-	-
Carborundum Universal Limited	500	-	500	-	-
E.I.D. Parry (India) Ltd.	1,965	-	1,965	-	-
M.M. Muthiah Research Foundation	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	3,37,21,870	4.01	3,37,21,870	4.10	0.09
Parry Enterprises India Ltd	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited (Formerly TI Financial Holdings Ltd)	37,28,85,889	44.39	37,28,85,889	45.36	0.97
AR Lakshmi Achi Trust	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	1,12,700	0.01	1,70,700	0.02	0.01
Murugappa Educational and Medical Foundation	1,965	-	1,965	-	-
M A Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	5,50,630	0.07	5,50,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees)	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	1,99,278	0.02	1,93,375	0.02	-
V S Bhairavi Trust (M V Subbiah & Kanika Subbiah, Trustees holds shares for Trust)	1,92,246	0.02	1,88,875	0.02	-
Arun Murugappan Children Trust (MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	1,41,160	0.02	1,41,160	0.02	-
M. A. Alagappan Grand Children Trust (Arun Alagappan and A A Alagammai, Trustees holds shares for Trust)	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	1,58,765	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,64,000	0.03	2,64,000	0.03	-
M. A. Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	3,55,850	0.04	3,55,850	0.04	-
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees holds shares for Trust)	46,055	0.01	46,055	0.01	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Details of Shareholding of promoters and promoter Group as on March 31, 2024 (Contd.)

Promoters Name	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees, holds shares for Trust)	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	25,000	-	25,000	-	-
M M Venkatachalam Family Trust (M M Venkatachalam & Lakshmi Venkatachalam, Trustees for Trust)	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah, S Vellayan, Trustees holds shares for Trust)	15,24,534	0.18	15,24,534	0.19	0.01
M A M Arunachalam HUF (M A M Arunachalam is the Karta of HUF)	38	-	-	-	-
	42,29,62,095	50.35	42,31,26,532	51.48	1.13

Details of Shareholding of promoters and promoter Group as on March 31, 2023

Promoters Name	No. of shares as on March 31, 2023	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
Valli Annamalai	12,500	-	12,500	-	-
M Vellachi	11,60,427	0.14	11,60,427	0.14	-
M A M Arunachalam	65,000	0.01	65,000	0.01	-
Arun Alagappan	9,50,000	0.12	9,50,000	0.12	-
M.A. Alagappan	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	6,685	-	6,685	-	-
A Vellayan	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	1,39,630	0.02	1,39,630	0.02	-
Meyammai Venkatachalam	50,255	0.01	50,255	0.01	-
M V Valli Murugappan	-	-	-	-	-
M M Murugappan	21,035	-	21,035	-	-
A M Meyammai	2,51,880	0.03	2,51,880	0.03	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	10,000	-	10,000	-	-
Meenakshi Murugappan	245	-	245	-	-
Valli Alagappan	5,200	-	5,000	-	-
A Venkatachalam	2,09,605	0.03	2,09,605	0.03	-
V Narayanan	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	20,000	-	20,000	-	-
Vedika Meyammai Arunachalam	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	15,960	-	15,960	-	-
M V AR Meenakshi	8,53,155	0.10	8,53,155	0.10	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Details of Shareholding of promoters and promoter Group as on March 31, 2023 (Contd.)

Promoters Name	No. of shares as on March 31, 2023	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
A. Keertika Unnamalai	2,27,440	0.03	2,27,440	0.03	-
Sigapi Arunachalam	74,255	0.01	74,255	0.01	-
Uma Ramanathan	23,500	-	23,500	-	-
V Vasantha	1,250	-	1,250	-	-
Dhruv M Arunachalam	50,000	0.01	50,000	0.01	-
Kanika Subbiah	67,000	0.01	67,000	0.01	-
Pranav Alagappan	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	11,90,583	0.14	11,90,583	0.15	(0.01)
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	7,000	-	7,000	-	-
A A Alagammai	2,894	-	2,894	-	-
Umayal R	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	2,91,380	0.04	2,91,380	0.04	-
A M M Vellayan Sons P Ltd	26,725	-	26,575	-	-
Carborundum Universal Limited	500	-	500	-	-
E.I.D. Parry (India) Ltd.	1,965	-	1,965	-	-
M.M. Muthiah Research Foundation	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	3,37,21,870	4.10	3,37,21,870	4.11	(0.01)
Parry Enterprises India Ltd	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited (Formerly TI Financial Holdings Ltd)	37,28,85,889	45.36	37,28,85,889	45.41	(0.05)
AR Lakshmi Achi Trust	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	1,70,700	0.02	1,70,700	0.02	-
Murugappa Educational and Medical Foundation	1,965	-	1,965	-	-
M. A Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	5,50,630	0.07	5,85,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees)	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	1,93,375	0.02	1,93,375	0.02	-
V S Bhairavi Trust (M V Subbiah & Kanika Subbiah, Trustees holds shares for Trust)	1,88,875	0.02	1,88,875	0.02	-
Arun Murugappan Children Trust (MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	1,41,160	0.02	1,41,160	0.02	-
M. A. Alagappan Grand Children Trust (Arun Alagappan and A A Alagammai, Trustees holds shares for Trust)	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	1,55,955	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan, Trustees holds shares for Trust)	2,64,000	0.03	2,64,000	0.03	-
M. A. Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	3,55,850	0.04	3,55,850	0.04	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Details of Shareholding of promoters and promoter Group as on March 31, 2023 (Contd.)

Promoters Name	No. of shares as on March 31, 2023	% to shares	No. of shares as on March 31, 2022	% to shares	% Change during the year
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees holds shares for Trust)	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	25,000	-	25,000	-	-
M M Venkatachalam Family Trust (M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah, S Vellayan, Trustees holds shares for Trust)	15,24,534	0.19	16,01,300	0.20	(0.01)
	42,31,26,532	51.48	42,32,37,948	51.56	(0.08)

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 26 OTHER EQUITY		
Statutory Reserve (Refer Note a)		
Balance at the beginning of the year	2,560.46	2,020.46
Add: Amount transferred from retained earnings	690.00	540.00
Closing balance at the end of the year	3,250.46	2,560.46
Capital Reserve (Refer Note b)		
Balance at the beginning of the year	0.04	0.04
Add: Changes during the year	-	-
Closing balance at the end of the year	0.04	0.04
Capital Redemption Reserve (Refer Note c)		
Balance at the beginning of the year	33.00	33.00
Add: Changes during the year	-	-
Closing balance at the end of the year	33.00	33.00
Securities Premium Account (Refer Note d)		
Balance at the beginning of the year	2,912.99	2,888.92
Add: Premium on issue of shares on Qualified Institutional placement (QIP) (Refer note 25a)	1,996.61	-
Add: Premium on ESOPs exercised	35.34	24.07
Less: Share issue expenses	(27.97)	-
Closing balance at the end of the year	4,916.97	2,912.99
General Reserve (Refer Note e)		
Balance at the beginning of the year	5,761.03	4,761.03
Add: Amount transferred from retained earnings	-	1,000.00
Closing balance at the end of the year	5,761.03	5,761.03

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 26 OTHER EQUITY (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
Share Based Payments Reserve (Refer Note f)		
Balance at the beginning of the year	83.38	54.92
Addition during the year	55.40	28.46
Closing balance at the end of the year	138.78	83.38
Retained Earnings (Refer Note g)		
Balance at the beginning of the year	2,771.05	1,810.77
Profit for the year	3,420.06	2,664.85
Less:		
Dividend		
Equity - Final	(57.56)	(164.36)
Equity - Interim	(109.16)	-
Transfer to Statutory Reserve	(690.00)	(540.00)
Transfer to General Reserve	-	(1,000.00)
Re-measurement Gain / (Loss) on Defined Benefit Obligation (Net) transferred to Retained Earnings	(6.12)	(0.21)
Transfer to retained earnings from FVOCI Reserves	0.82	-
Closing balance at the end of the year	5,329.09	2,771.05
Cashflow hedge reserve (Refer Note h)		
Balance at the beginning of the year	49.72	15.57
Adjustments during the year	(54.02)	34.15
Closing balance at the end of the year	(4.30)	49.72
FVOCI Reserve (Refer Note i)		
Balance at the beginning of the year	9.95	20.01
Addition	(10.61)	(10.06)
Transfer to retained earnings	(0.82)	-
Closing balance at the end of the year	(1.48)	9.95
Share Application Money pending Allotment at the end of the year (Refer Note j)	1.59	-
Total Other Equity	19,425.18	14,181.62

- a) Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss account, before any dividend is declared.
- b) Capital reserve represents the reserve created on account of amalgamation of Chola Factoring Limited in the year 2013-14.
- c) 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 limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- d) Securities premium reserve is used to record the premium on issue of shares. The premium received during the period represents the premium received towards allotment of equity shares issued under ESOP scheme. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the Section 52 of the Companies Act, 2013.
- e) The general reserve is a free reserve, retained from Group's profits and can be utilized upon fulfilling certain conditions in accordance with specific requirement of Companies Act, 2013.
- f) Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting year as employee compensation costs, reflecting the year of receipt of service.
- g) The amount that can be distributed by the Group as dividends to its equity shareholders is determined based on the financial position of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported in retained earnings are not distributable in entirety.
- h) 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.
- i) FVOCI Reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income. There has been no draw down from reserve during the year ended March 31, 2024 and March 31, 2023.
- j) Share application money pending allotment as at March 31, 2024 represents amount received towards equity shares of the Company pursuant to ESOP scheme and have been subsequently allotted.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Proposed Dividend

The Board of Directors of the Company have recommended a final dividend of 35% being ₹ 0.70 per share on the equity shares of the Company, for the year ended March 31, 2024 (₹ 0.70 per share - March 31, 2023) which is subject to approval of shareholders. Consequently the proposed dividend has not been recorded in the books in accordance with IND AS 10.

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
REVENUE FROM OPERATIONS		
Note : 27A - Interest income		
(i) Interest - on financial assets measured at amortised cost		
(a) Loans		
- Bills Discounting	98.03	69.37
- Term Loans	17,058.66	11,737.13
(b) Bank Deposits		
- under lien	104.62	26.88
- free of lien	144.37	108.30
(c) Others -Gsec/T-bill/STRIPS	221.43	140.90
Total (A)	17,627.11	12,082.58
Note: 27B - Fee & Commission income		
(i) Fee & Commission income*		
- Term loans	667.21	524.37
- Insurance Commission	674.89	126.33
- Others	0.02	-
Total (B)	1,342.12	650.70
*Services are transferred at a point in time		
Note: 27C - Net gain on fair value change on financial instrument		
Net gain on fair value changes on FVTPL - Realised		
- Mutual fund units	142.38	68.81
- Gain on conversion of equity shares	17.67	-
Net gain on fair value changes on FVTPL - Un-realised		
Equity Shares	(3.15)	-
Convertible Note	(10.92)	0.92
Total (C)	145.98	69.73
Note: 27D - Sale of Services		
(i) Sale of Services (Refer note below)		
(a) Servicing and Collection fee on Assignment	2.24	3.09
(b) Other Service Income	22.17	78.00
Total (D)	24.41	81.09
Note: Timing of revenue recognition		
Services transferred at a point in time	24.41	75.09
Services transferred over a time	-	6.00
Total	24.41	81.09

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 28 OTHER INCOME		
Recovery of Bad debts	254.26	220.43
Interest income on Income tax refund	0.09	-
Dividend Income	0.30	0.32
Profit on sale of Investments	23.43	-
Rent	0.68	0.51
Profit on sale of Property, Plant & Equipment (Net)	-	0.10
Miscellaneous Income	1.49	0.13
Total	280.25	221.49

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 29 FINANCE COSTS		
Interest on financial liabilities measured at amortised cost		
- Debt Securities	1,868.60	1,264.67
- Borrowings Other than Debt securities	6,863.54	4,081.36
- Subordinated Liabilities	457.86	374.89
Others		
- Bank charges	17.41	14.71
- Interest on lease liability (Refer Note 49)	23.34	12.40
Total	9,230.75	5,748.03

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 30 IMPAIRMENT ON FINANCIAL INSTRUMENTS (Net)		
Impairment provision		
- Loans - measured at amortised cost	1,310.37	848.38
- Receivable and other Financial assets - measured at amortised cost	2.34	1.33
- Investment in Associate - measured at cost	4.89	-
Total	1,317.60	849.71

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 31 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Commission	2,253.02	1,238.00
Contribution to Provident and Other Funds		
- Employees' Provident Fund	99.55	49.03
- Superannuation Fund	5.88	5.02
Share based employee payments	55.40	28.46
Gratuity Expense (Refer note 37)	27.18	15.15
Staff Welfare Expenses	37.57	24.71
Total	2,478.60	1,360.37

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 32 OTHER EXPENSES		
Rent and facility charges	25.00	20.02
Rates and Taxes	45.18	51.88
Energy cost	21.28	14.69
Repairs and Maintenance	10.54	7.96
Communication Costs	43.11	41.59
Business development expense	-	-
Brokerage	11.77	6.49
Printing and Stationery	26.10	21.70
Advertisement and publicity Expenses	24.06	15.10
Directors Fees, allowances and expenses	7.41	5.35
Auditors' Remuneration	1.38	1.10
Legal and Professional Charges	165.25	142.15
Insurance	56.17	31.93
Travelling and Conveyance	139.52	102.11

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 32 OTHER EXPENSES (Contd.)

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Information Technology Expenses	106.06	71.31
Loss on Sale of Property, Plant and Equipment (Net)	1.04	0.76
Fair value loss on financial instruments at fair value through profit or loss	1.63	-
Recovery Charges	397.99	551.02
Corporate Social Responsibility Expenditure	57.27	43.83
Outsource cost	392.65	274.88
Miscellaneous Expenses (Refer note 32.1)	58.29	8.06
	1,591.70	1,411.93
Less : Expenses Recovered	(2.15)	(0.13)
Total	1,589.55	1,411.80

Note : 32.1 CONTRIBUTION TO ELECTORAL TRUST

50.00 -

Note : 33 EARNINGS PER SHARE

Particulars	₹ in crore	
	Year ended March 31, 2024	Year ended March 31, 2023
Profit After Tax Attributable to Equity Shareholders (₹ in crore)	3,420.06	2,664.85
Weighted Average Number of Equity Shares (Basic)	83,07,69,683	82,15,85,050
Add: Dilutive effect relating to ESOP(No's)	21,45,695	13,24,177
Weighted Average Number of Equity Shares (Diluted)	83,29,15,378	82,29,09,227
Earnings per Share - Basic (₹)	41.17	32.44
Earnings per Share - Diluted (₹)	41.06	32.38
Face Value Per Share (₹)	2.00	2.00

Note : 34 INCOME TAX RECONCILIATION

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2024 and March 31, 2023, is as follows:

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit before tax from continuing operations	4,605.31	3,614.58
Income tax amount above	1,192.92	909.79
Effects of:		
Impact of difference in tax base for Donations & CSR expense	27.24	11.02
Share based payment expense – No deduction claimed under tax	13.22	7.07
Impact of Deduction u/s 80JJAA and 80M	(31.25)	-
Impact of Sale transactions taxable at differential rates (net)	(3.55)	-
Other adjustments	9.50	9.83
Adjustments in respect of prior years	(13.51)	0.21
Income tax expense reported in Consolidated statement of Profit and Loss	1,194.57	937.92

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 35 TRANSFER OF FINANCIAL ASSETS

35.1 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	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Securitisations		
Carrying amount of transferred assets measured at amortised cost	24,652.35	10,433.01
Carrying amount of associated liabilities (Debt securities - measured at amortised cost)	25,335.89	10,711.01
Fair value of assets	24,196.47	10,379.49
Fair value of associated liabilities	23,561.48	9,957.39
Net position at Fair Value	634.99	422.10

B) Direct bilateral assignment

The Group had in the previous year, 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.

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	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Assignment		
Carrying amount of de-recognised financial asset	1,221.85	1,762.48
Carrying amount of Retained Assets at amortised cost	141.14	203.51

Particulars	₹ in crores	
	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Assignment		
Gain on sale of the de-recognised financial asset	-	-

35.2 The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

Note : 36 MICRO, SMALL & 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) are furnished below:

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Principal amount due to suppliers under MSMED Act, as at the year end	7.65	3.40
Interest accrued and due to suppliers under MSMED Act, 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 under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 37 RETIREMENT BENEFIT

A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the period, the Group recognised ₹ 99.55 crore (Previous year - ₹ 49.03 crore) to Provident Fund under Defined Contribution Plan, ₹ 5.88 crore (Previous year - ₹ 5.02 crore) for Contributions to Superannuation Fund and ₹ 6.11 crore (Previous year - ₹ 0.24 crore) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

B) Gratuity

The Group's defined benefit gratuity plan 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 Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Change in Defined Benefit Obligation and Fair Value of Plan assets:

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Defined Benefit Obligation at the beginning of the year	99.73	86.33
Current Service Cost	23.82	14.37
Interest Cost	8.71	5.74
Remeasurement Losses/(Gains)		
a. Effect of changes in demographic assumptions	0.13	-
b. Effect of changes in financial assumptions	(0.48)	(3.63)
c. Effect of experience adjustments	6.98	3.37
Benefits Paid	(7.30)	(6.45)
Transfer In/(Out)	24.30	-
Defined Benefit Obligation at the end of the year	155.89	99.73
Change in Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the Year	95.16	74.09
Investment Income	7.36	4.96
Employer's Contribution	4.69	23.33
Benefits Paid	(7.31)	(6.68)
Return on plan assets (excluding amount recognized in net interest expense)	(1.43)	(0.54)
Transfer In/(Out)	22.49	-
Fair Value of Plan Assets at the end of the year	120.96	95.16
Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the End of the Year	120.96	95.16
Defined benefit obligation at the End of the Year	(155.89)	(99.75)
Amount Recognised in the Balance Sheet under Other Payables	(34.93)	(4.59)
Cost of the Defined Benefit Plan for the Year		
Current Service Cost (Net of transfer)	25.83	14.37
Net interest Expense	8.71	5.74
Expected Return on Plan Assets	(7.36)	(4.96)
Net Cost recognized in the statement of Profit and Loss*	27.18	15.15
Remeasurement Losses/(Gains)		
a) Effect of changes in financial assumptions	(0.48)	(3.63)
b) Effect of experience adjustments	6.98	3.37
c) Changes in demographic assumptions	0.13	-
d) Return on plan assets (excluding amount recognized in net interest expense)	1.43	0.54
e) Share of OCI pertaining to Joint Venture	0.11	-
Net cost recognized in Other Comprehensive Income	8.17	0.28

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 37 RETIREMENT BENEFIT (Contd.)

₹ in crores

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Assumptions		
Discount Rate	7.15% p.a.	7.25%-7.30% p.a.
Future salary increase		
- CFF Grade	-	-
- Other Grades	7.25%-7.50% p.a.	7.50% p.a.
Attrition Rate		
- CFF Grade	25% p.a.	-
- Other Grades	13-17% p.a.	13-17% p.a.
Expected rate of return on Plan Assets	6.70% -7.50% p.a.	6.70% -7.50% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
Maturity profile of Defined Benefit Obligations		
Weighted average duration (Based on discounted cash flows)	4-6 years	6 years
Expected Cash flows over the next (valued on undiscounted basis)		
Within the next 12 months (next annual reporting period)	23.66	14.40
Between 2 and 5 years	83.13	51.76
Between 6 and 10 years	72.65	48.19
Beyond 10 Years	70.54	51.07
Total Expected Cash flows	249.98	165.42

*Recognised under Employee Benefit Expenses (Refer Note 31)

Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Sensitivity Analysis-Defined Benefit Obligation:				
Discount Rate (+/- 1%)	147.58	165.06	94.49	106.15
Salary Growth Rate (+/- 1%)	163.99	148.28	105.31	95.07
Attrition Rate (+/- 50% of attrition rates)	151.78	160.75	99.20	100.69
Mortality Rate (+/- 10% of mortality rates)	155.90	155.88	100.04	100.02

Notes:

- The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
- The Group's best estimate of contribution during the next year is ₹ 62.98 Cr.
- 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.
- The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).
- 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.
- The method and type of assumptions used in preparing the sensitivity analysis does not change compared to the prior period

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 37 RETIREMENT BENEFIT (Contd.)

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).
- (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.
- (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	March 31, 2024	March 31, 2023
Discount Rate	7.15%	7.25%-7.30%
Future salary increase		
- CFF Grade	7.50%	-
- Other Grades	7.25%-7.50%	7.50%
Attrition Rate		
- CFF Grade	-	-
- Other Grades	13%-17% p.a.	13%-17% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes:

1. The Group has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2024.
2. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
3. 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.

Note : 38 SEGMENT INFORMATION

The Group is primarily engaged in the business of financing. All the activities of the Group revolve around the main business. Further, the Group does not have any separate geographic segments other than India

During year ended March 31, 2024, for management purposes, the Group has been organised into the following operating segments based on products and services.

- Vehicle Finance - Loans to customers against purchase of new/used vehicles, tractors, construction equipments and loan to automobile dealers.
- Loan against property - Loans to customer against immovable property
- Home Loans - Loans given for acquisition/construction of residential property and loans against the residential/commercial property
- Other Loans - Other loans consist of consumer and small enterprise loans, secured business and personal loan and SME loans

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for 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 an entity as whole basis and are not allocated to operating segments.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 38 SEGMENT REPORTING (Contd.)

₹ in crores

Particulars	Year ended March 31, 2024					Total
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	
Revenue from Operations (I)						
Interest Income	10,376.09	2,901.14	1,586.69	2,306.13	457.06	17,627.11
Fee & commission income	717.24	150.40	104.41	369.94	0.13	1,342.12
Net gain on Fair value change on financial instrument	-	-	-	-	145.98	145.98
Sale of Services	19.62	2.56	0.31	1.92	-	24.41
Other income (II)	143.05	15.36	10.84	(5.78)	116.78	280.25
Total Segment Income (I) + (II)	11,256.00	3,069.46	1,702.25	2,672.21	719.95	19,419.87
Expenses						
Finance costs	5,426.01	1,722.09	770.18	1,056.38	256.09	9,230.75
Impairment of Financial Instruments	905.88	(39.65)	17.68	388.46	45.23	1,317.60
Employee benefits expense	1,434.62	293.68	238.49	492.74	19.07	2,478.60
Depreciation and amortisation expense	134.80	21.89	17.50	23.74	0.13	198.06
Other expenses	831.65	148.05	188.50	311.09	110.26	1,589.55
Segment Expenses	8,732.96	2,146.06	1,232.35	2,272.41	430.78	14,814.56
Segment Profit before taxation	2,523.04	923.40	469.90	399.80	289.17	4,605.31
Tax expense						1,194.57
Share of profit / (loss) from associate and Joint Venture				9.32		9.32
Profit for the year						3,420.06

₹ in crores

Particulars	Year ended March 31, 2023					Total
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	
Revenue from Operations (I)						
Interest Income	8,073.59	2,073.95	885.58	773.65	275.81	12,082.58
Fee & commission income	435.60	66.48	12.73	135.69	0.20	650.70
Net gain on Fair value change on financial instrument	-	-	-	-	69.73	69.73
Sale of Services	68.97	5.69	3.14	3.29	-	81.09
Other income (II)	208.14	6.18	5.84	0.80	0.53	221.49
Total Segment Income (I) + (II)	8,786.30	2,152.30	907.29	913.43	346.27	13,105.59
Expenses						
Finance costs	3,870.46	1,134.21	395.06	348.30	-	5,748.03
Impairment of Financial Instruments	722.88	25.45	22.99	78.39	-	849.71
Employee benefits expense	830.63	148.69	103.53	274.08	3.44	1,360.37
Depreciation and amortisation expense	88.37	13.47	8.60	10.62	0.03	121.09
Other expenses	1,030.95	101.69	81.10	139.24	58.82	1,411.80
Segment Expenses	6,543.29	1,423.51	611.28	850.63	62.29	9,491.00
Segment Profit before taxation	2,243.01	728.79	296.01	62.80	283.98	3,614.59
Tax expense						937.92
Share of profit / (loss) from associate and Joint Venture				(11.82)		(11.82)
Profit for the year						2,664.85

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 38 SEGMENT REPORTING (Contd.)

₹ in crores

Particulars	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
As on March 31, 2024						
Segment Assets	84,455.70	29,036.23	13,047.52	18,046.10		1,44,585.55
Unallocable Assets					12,100.86	12,100.86
Total Assets						1,56,686.41
Segment Liabilities	73,898.65	25,406.67	11,416.57	15,783.04		1,26,504.93
Unallocable Liabilities					10,588.24	10,588.24
Total Liabilities						1,37,093.17
As on March 31, 2023						
Segment Assets	66,722.81	20,473.73	8,018.01	9,632.69		1,04,847.24
Unallocable Assets					8,779.66	8,779.66
Total Assets						1,13,626.90
Segment Liabilities	58,319.79	17,895.29	7,008.23	8,383.54		91,606.85
Unallocable Liabilities					7,673.95	7,673.95
Total Liabilities						99,280.80

In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon. As the assets are allocated to segment based on certain assumptions, hence additions to the Property, plant and equipment have not been disclosed separately for each specific segment.

There are no revenue from transactions with a single external customer or counter party which amounted to 10% or more of the Group's total revenue in the Current year and Previous year.

All assets are located in India.

Note : 39 RELATED PARTY DISCLOSURES

List of Related Parties

- **Holding Company:** Cholamandalam Financial Holdings Limited
- **Entity having significant influence over holding Company:** Ambadi Investments Limited
- **Subsidiaries of the entity which has significant influence over holding Company:** Parry Enterprises India Limited and Parry Agro Industries Limited.
- **Fellow Subsidiaries:** Cholamandalam MS General Insurance Company Limited
- **Joint Venture of Holding Company:** Cholamandalam MS Risk Services Limited
- **Associate:** White Data Systems India Private Limited (upto March 28, 2023), Vishvakarma Payments Private Limited (from 30th March 2021), Paytail Commerce Private Limited (Up to 21st March, 2024)
- **Joint Venture:** Payswiff Technologies Private Limited
- **Promoter#:** Coromandel International Limited, EID Parry India Limited, Tube Investments of India Limited
- **Promoter Group#:** Chola Business Services Limited, Coromandel Engineering Company Limited (Upto 28th December, 2023), Murugappa Morgan Thermal Ceramics Limited, Net Access India Limited, Murugappa Management Services Private Limited, AR Lakshmi Achi Trust, M A Murugappan Holdings LLP, AMM Foundation
- **Key Managerial Personnel:**
 - a) Mr. D. Arulsevan, Chief Financial Officer
 - b) Ms. P. Sujatha, Company Secretary
 - c) Mr. Ravindra Kumar Kundu, Executive Director
- **Non-Executive Directors**
 - a) Mr. Ashok Kumar Barat (upto 30th October, 2022)
 - b) Mr. N Ramesh Rajan
 - c) Mr. Rohan Verma (Upto 24th March, 2024)
 - d) Ms. Bhama Krishnamurthy
 - e) Mr. Vellayan Subbiah
 - f) Mr. M A M Arunachalam
 - g) Mr. Anand Kumar
 - h) Mr. Bharath Vasudevan (Upto 31st March, 2023)
- **Private companies in which a director or manager or his relative is a member or director##:** Cherry Tin Online Private Limited, Zetwork Manufacturing Business Private Limited, Finance Industry Development Council, Medall Healthcare Private Limited, CE Info Systems Limited (upto March 24, 2024).
- **Firm, in which a director, manager or his relative is a partner##:** Kadamane Estates Co

Represents entities/parties identified as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2024.

Represents entities/parties included as per Companies Act, 2013.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 39 RELATED PARTY DISCLOSURES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Note : 39 a) TRANSACTIONS DURING THE PERIOD		
Dividend Payments (Equity Shares)		
a) Cholamandalam Financial Holdings Limited	74.58	74.58
b) Ambadi Investments Limited	6.74	6.74
c) Parry Enterprises India Limited	*	*
d) AR Lakshmi Achi Trust	0.10	0.10
e) M A Murugappan Holdings LLP	0.02	0.02
f) Kadamane Estates Co	0.07	0.07
g) Promoter and Promoter Group	3.00	3.00
Amount received towards reimbursement of expenses		
a) Cholamandalam Financial Holdings Limited	1.58	1.31
b) Cholamandalam MS General Insurance Company Limited	0.06	0.05
c) Parry Enterprises India Limited	-	0.01
d) Murugappa Morgan Thermal Ceramics Limited	0.03	0.03
e) Payswiff Technologies Private Limited	0.09	-
f) Tube Investments of India Limited	0.15	-
Expenses – Reimbursed		
a) White Data Systems India Private Limited	-	0.01
b) Cholamandalam MS General Insurance Company Limited	0.22	0.04
Services Received		
a) Cholamandalam MS General Insurance Company Limited	4.94	3.85
b) Parry Enterprises India Limited	8.69	7.55
c) White Data Systems India Private Limited	-	0.19
d) Chola Business Services Limited	611.88	791.02
e) Coromandel Engineering Company Limited	1.98	2.01
f) Murugappa Management Services Private Limited	0.28	1.34
g) Net Access India Limited	14.71	14.67
h) Payswiff Technologies Private limited	0.46	0.17
i) Paytail Commerce Private Limited	2.10	9.42
j) Tube Investments of India Limited	0.09	0.18
k) CE Info Systems Limited	0.06	-
l) Medall Healthcare Private Limited	*	*
Services rendered		
a) Cholamandalam MS General Insurance Company Limited	141.83	78.13
b) Key Managerial Personnel	*	*
c) Chola Business Services Limited	26.15	86.83
Rental Income		
a) Coromandel International Limited	0.20	0.44
b) Tube Investments of India Limited	0.35	-
Loans given		
a) Payswiff Technologies Private limited	1.00	-
b) Zetwerk Manufacturing Business Private Limited	1.27	2.48
Loans recovered		
a) White Data Systems India Private Limited	-	3.00
b) Payswiff Technologies Private limited	1.00	-
c) Zetwerk Manufacturing Business Private Limited	1.27	2.48
d) Medall Healthcare Private Limited	6.40	6.38
Insurance Claims received		
a) Cholamandalam MS General Insurance Company Limited	0.69	-
Insurance Commission		
a) Cholamandalam MS General Insurance Company Limited	162.59	-
Interest Income Received		
a) White Data Systems India Private Limited	-	0.16
b) Payswiff Technologies Private Limited	*	-
Interest Expense		
a) Cholamandalam MS General Insurance Company Limited	36.17	14.21

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 39 RELATED PARTY DISCLOSURES (Contd.)

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 39 a) TRANSACTIONS DURING THE YEAR (Contd.)		
Subscriptions/Advertisement Expenses		
a) Finance Industry Development Council	0.01	0.01
Contribution to CSR activity		
a) AMM Foundation	19.16	15.25
Interest earned on Loan		
a) Murugappa Management services Private Limited	-	*
b) Zetwerk Manufacturing Businesses Private Limited	0.04	0.06
c) Medall Healthcare Private Limited	1.52	1.94
Investment in Convertible Notes		
a) Paytail Commerce Private Limited	-	10.00
Invocation of performance security on delinquent loans		
a) Paytail Commerce Private Limited	1.93	6.12
Purchase of Goods		
a) Parry Agro Industries Limited	*	0.54
Advances Paid		
a) Parry enterprises India Limited	4.58	-
Rental Deposits received		
a) Tube Investments of India Limited	0.15	-
Rent & Maintenance		
a) EID Parry India Limited	2.63	5.94
Sale of Property, plant and equipment		
a) Chola Business Services Limited	-	1.00
b) Cholamandalam MS General Insurance Company Limited	0.42	-
Debenture Interest Expense to promoters/Promoter group	22.76	2.17
Commission and Sitting fees to non-executive Directors	7.19	5.11

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Note : 39 b) BALANCES OUTSTANDING AT THE YEAR END		
Loans - Receivable		
a) Medall Healthcare Private Limited	8.05	12.95
Debt Securities - Payable		
a) Cholamandalam MS General Insurance Company Limited	(563.66)	(319.21)
b) Debentures held by promoter and promoter group	(277.81)	(59.16)
Other Receivable / (Payable)		
a) Paytail Commerce Private Limited	-	0.28
b) Cholamandalam MS General Insurance Company Limited	62.75	1,031.81
c) Parry Enterprises India Limited	(1.00)	(0.26)
d) Coromandel International Limited	-	0.02
e) Chola Business Services Limited	(49.54)	(50.97)
f) Payswiff Technologies Private Limited	(0.08)	(0.09)
g) Murugappa Management Services Private Limited	(0.08)	(0.11)
h) EID Parry India Limited	(0.02)	(0.77)
i) Net Access India Limited	(4.59)	(4.75)
j) Tube Investments of India Limited	0.15	-
k) Murugappa Morgan Thermal Ceramics Limited	*	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 39 RELATED PARTY DISCLOSURES (Contd.)

Nature of Transaction	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 39 c) REMUNERATION AND OTHER TRANSACTIONS WITH KEY MANAGERIAL PERSONNEL (KMP)		
Gross salary Including Perquisites	8.70	7.18
Other – Contribution to funds	1.02	0.82
Dividend Payments	0.07	0.11
Share based payments	4.37	4.09
Dividend payments to Relatives of KMP & Directors	0.11	0.11

Nature of Transaction	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Note : 39 d) REMUNERATION PAID TO PROMOTER AND PROMOTER GROUP		
Gross Salary Including Perquisites	0.40	-
Other – Contribution to funds	0.03	-

*Represents amounts less than ₹ 1 lakh

Note : 40 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contested Claims not provided for:

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Income tax and Interest on Tax issues where the Group has gone on appeal	47.31	65.26
Decided in the Group's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	0.28	0.28
Sales Tax issues pending before Appellate Authorities in respect of which the Group is on appeal.	27.41	27.55
Decided in the Group's favour by Appellate Authorities and 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.	65.16	199.92
Disputed claims against the Group lodged by various parties under litigation (to the extent quantifiable)	118.90	133.54

- The Group is of the opinion that the above demands based on management estimate no significant liabilities are expected to arise.
- 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	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Capital commitments	15.96	42.10
Disbursements – Undrawn lines	4,001.56	2,820.44

(c) Bank Guarantee:

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Outstanding bank guarantees given to stock exchanges/stock holding corporation of India limited to meet margin requirements	48.00	40.00

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 41 CHANGES IN PROVISIONS

Particulars	₹ in crores			
	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 Expected credit loss allowance towards Undrawn commitments	11.79	6.15	(7.57)	10.37

Particulars	₹ in crores			
	As at March 31, 2022	Additional Provision	Utilisation/ Reversal	As at March 31, 2023
Provision for Contingencies and Service Tax claims	39.53	-	-	39.53
Provision for Expected credit loss allowance towards Undrawn commitments	1.20	10.59	-	11.79

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 are predominantly in the nature of limits provided for Automobile dealers based on the monthly loan conversions and partly disbursed loans for immovable properties. These undrawn limits are converted within a short period of time and do not generally remain undisbursed / undrawn beyond one year from the reporting date. The undrawn loan commitments amount outstanding as at March 31, 2024 is ₹ 4,001.56 crores (₹ 2820.44 crores as at March 31, 2023).

The Group creates expected credit loss provision on the undrawn commitments outstanding as at the end of the reporting period and the related expected credit loss on these commitments as at March 31, 2024 is ₹ 10.37 crores (₹ 11.79 crores as at March 31, 2023).

Note : 42 ESOP DISCLOSURE

ESOP 2007

The Board at its meeting held on June 22, 2007, approved an issue of Stock Options up to a maximum of 5% of the issued Equity Capital of the Company (before Rights Issue) aggregating to 19,04,162 equity shares (prior to share split) in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines. There are no options outstanding under this scheme.

ESOP 2016

The Board at its meeting held on October 7, 2016, approved to create, and grant from time to time, in one or more tranches, not exceeding 1,56,25,510 Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the company including some of subsidiaries, managing director and whole time director, (other than promoter/promoter group of the company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the company), as may be decided by the board, exercisable into not more than 1,56,25,510 equity shares of face value of ₹ 2/- each fully paid-up, on such terms and in such manner as the board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

In this regard, the Company has recognised expense amounting to ₹ 55.40 crores for employees services received during the year, shown under Employee Benefit Expenses (Refer Note 31).

The movement in Stock Options during the year are given below:

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2023-24			Options outstanding		Options vested but not exercised		Options unvested	
		As at 31.03.2023	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2024	As at 31.03.2024	As at 31.03.2024	Exercise Price	Weighted Average Remaining Contractual Life	
GT25 JAN 2017	25-Jan-17	5,41,835	-	-	-	3,29,310	2,12,525	2,12,525	-	202.00	-	
GT30 JAN 2018	30-Jan-18	1,38,410	-	-	-	1,10,180	28,230	28,230	-	261.94	-	
GT30 JAN 2018 A	30-Jan-18	13,470	-	-	-	5,670	7,800	7,800	-	261.94	-	
GT23 APR 2018	23-Apr-18	-	-	-	-	-	-	-	-	312.47	-	
GT26 JUL 2018	26-Jul-18	47,360	-	-	-	6,480	40,880	40,880	-	299.46	-	
GT26 JUL 2018 A	26-Jul-18	-	-	-	-	-	-	-	-	299.46	-	
GT30 OCT 2018	30-Oct-18	1,71,950	-	-	-	57,270	1,14,680	1,14,680	-	253.70	-	
GT19 MAR 2019	19-Mar-19	2,90,600	-	-	-	60,026	2,30,574	2,30,574	-	278.01	-	

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 42 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2023-24			Options outstanding		Options vested but not exercised		Options unvested	
		As at 31.03.2023	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2024	As at 31.03.2024	As at 31.03.2024	Exercise Price	Weighted Average Remaining Contractual Life	
GT30 JUL 2019	30-Jul-19	-	-	-	-	-	-	-	-	248.20	-	
GT05 NOV 2019	05-Nov-19	1,78,080	-	-	-	67,940	1,10,140	1,10,140	-	316.00	-	
GT23 JAN 2020	23-Jan-20	-	-	-	-	-	-	-	-	317.50	-	
GT03 JUNE 2020	03-Jun-20	41,640	-	-	-	20,820	20,820	-	20,820	157.90	0.18	
GT03 JUNE 2020 A	03-Jun-20	-	-	-	-	-	-	-	-	157.90	-	
GT07 MAY 2021	07-May-21	9,92,500	-	-	-	1,11,380	8,81,120	2,85,620	5,95,500	580.30	0.60	
GT30 JULY 2021	30-Jul-21	24,700	-	-	-	-	24,700	9,880	14,820	487.15	0.83	
GT29 OCT 2021	29-Oct-21	7,38,050	-	-	4,100	1,11,041	6,22,909	1,77,129	4,45,780	609.00	1.08	
GT29 OCT 2021 A	29-Oct-21	2,520	-	-	-	-	2,520	2,520	-	609.00	1.08	
GT01 FEB 2022	01-Feb-22	1,26,100	-	-	-	27,840	98,260	22,600	75,660	629.50	1.34	
GT05 MAY 2022	05-May-22	45,200	-	-	-	-	45,200	9,040	36,160	712.15	1.22	
GT29 JUL 2022	29-Jul-22	56,560	-	-	-	5,860	50,700	8,280	42,420	690.10	1.45	
GT29 JUL 2022 A	29-Jul-22	92,400	-	-	44,100	-	48,300	2,660	45,640	690.10	0.83	
GT29 JUL 2022 B	29-Jul-22	5,340	-	-	-	5,340	-	-	-	690.10	-	
GT24 SEP 2022	24-Sep-22	24,700	-	-	-	4,100	20,600	840	19,760	738.50	1.61	
GT24 SEP 2022 A	24-Sep-22	2,20,880	-	-	-	3,880	2,17,000	51,340	1,65,660	738.50	0.98	
GT24 SEP 2022 B	24-Sep-22	7,560	-	-	-	1,260	6,300	6,300	-	738.50	-	
GT01 NOV 2022	01-Nov-22	45,200	-	-	16,400	4,100	24,700	4,940	19,760	709.35	1.71	
GT31 JAN 2023	31-Jan-23	15,98,400	-	-	99,200	46,957	14,52,243	2,24,523	12,27,720	710.75	1.96	
GT01 AUG 2023	01-Aug-23	-	-	7,21,440	26,500	-	6,94,940	-	6,94,940	1,132.00	2.04	
GT02 NOV 2023	02-Nov-23	-	-	3,360	-	-	3,360	-	3,360	1,149.00	2.29	
GT02 NOV 2023 A	02-Nov-23	-	-	20,500	-	-	20,500	-	20,500	1,149.00	1.72	
GT25 JAN 2024	25-Jan-24	-	-	3,44,900	-	-	3,44,900	-	3,44,900	1,245.08	2.52	
Total		54,03,455	-	10,90,200	1,90,300	9,79,454	53,23,901	15,50,501	37,73,400			

Note: Outstanding Option includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2024 - 171,500 options.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 42 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2022-23			Options outstanding	Options vested but not exercised	Options unvested	Exercise Price	Weighted Average Remaining Contractual Life
		As at 31.03.2022	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2023	As at 31.03.2023	As at 31.03.2023		
GT25 JAN 2017	25-Jan-17	10,63,650	-	-	-	5,21,815	5,41,835	5,41,835	-	202.00	-
GT30 JAN 2018	30-Jan-18	1,89,240	-	-	-	50,830	1,38,410	1,38,410	-	261.94	-
GT30 JAN 2018 A	30-Jan-18	17,470	-	-	-	4,000	13,470	13,470	-	261.94	-
GT23 APR 2018	23-Apr-18	26,940	-	-	-	26,940	-	-	-	312.47	-
GT26 JUL 2018	26-Jul-18	47,360	-	-	-	-	47,360	47,360	-	299.46	-
GT26 JUL 2018 A	26-Jul-18	90,000	-	-	-	90,000	-	-	-	299.46	-
GT30 OCT 2018	30-Oct-18	2,27,300	-	-	-	55,350	1,71,950	1,71,950	-	253.70	-
GT19 MAR 2019	19-Mar-19	4,34,920	-	-	40,410	1,03,910	2,90,600	2,90,600	-	278.01	-
GT30 JUL 2019	30-Jul-19	-	-	-	-	-	-	-	-	248.20	-
GT05 NOV 2019	05-Nov-19	1,98,300	-	-	-	20,220	1,78,080	95,400	82,680	316.00	0.60 years
GT23 JAN 2020	23-Jan-20	31,800	-	-	31,800	-	-	-	-	317.50	0.82 years
GT03 JUNE 2020	03-Jun-20	1,69,520	-	-	85,500	42,380	41,640	-	41,640	157.90	0.68 years
GT03 JUNE 2020 A	03-Jun-20	-	-	-	-	-	-	-	-	157.90	0.68 years
GT07 MAY 2021	07-May-21	10,66,600	-	-	44,460	29,640	9,92,500	1,98,500	7,94,000	580.30	1.23 years
GT30 JULY 2021	30-Jul-21	24,700	-	-	-	-	24,700	4,940	19,760	487.15	1.46 years
GT29 OCT 2021	29-Oct-21	8,05,600	-	-	44,100	23,450	7,38,050	1,44,370	5,93,680	609.00	1.71 years
GT29 OCT 2021 A	29-Oct-21	2,520	-	-	-	-	2,520	1,260	1,260	609.00	1.71 years
GT01 FEB 2022	01-Feb-22	1,26,100	-	-	-	-	1,26,100	25,220	1,00,880	629.50	1.97 years
GT05 MAY 2022	05-May-22	-	-	45,200	-	-	45,200	-	45,200	712.15	1.80 years
GT29 JUL 2022	29-Jul-22	-	-	56,560	-	-	56,560	-	56,560	690.10	2.03 years
GT29 JUL 2022 A	29-Jul-22	-	-	92,400	-	-	92,400	-	92,400	690.10	1.46 years
GT29 JUL 2022 B	29-Jul-22	-	-	5,340	-	-	5,340	-	5,340	690.10	0.33 years
GT24 SEP 2022	24-Sep-22	-	-	24,700	-	-	24,700	-	24,700	738.50	2.19 years

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 42 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2022-23			Options outstanding		Options vested but not exercised		Options unvested	
		As at 31.03.2022	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2023	As at 31.03.2023	As at 31.03.2023	Exercise Price	Weighted Average Remaining Contractual Life	
GT24 SEP 2022 A	24-Sep-22	-	-	2,20,880	-	-	2,20,880	-	2,20,880	738.50	1.61 years	
GT24 SEP 2022 B	24-Sep-22	-	-	8,820	1,260	-	7,560	-	7,560	738.50	0.48 years	
GT01 NOV 2022	01-Nov-22	-	-	45,200	-	-	45,200	-	45,200	709.35	2.29 years	
GT31 JAN 2023	31-Jan-23	-	-	16,04,400	6,000	-	15,98,400	-	15,98,400	710.75	2.54 years	
Total		45,22,020	-	21,03,500	2,53,530	9,68,535	54,03,455	16,73,315	37,30,140			

Note: Outstanding Option includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2023 - 11,276 options.

ESOP 2016

Date of Grant	Risk Free Interest Rate	Expected Life	Variables				Fair Value of the Option (₹)
			Expected Volatility	Dividend Yield	Price of the underlying Share in the Market at the time of the Option Grant (₹)		
25-Jan-17	6.36% - 6.67%	3.5 - 6.51 years	33.39% - 34.47%	0.54%	1,010.00	401.29*	
30-Jan-18	7.11% - 7.45%	3.5 - 5.50 years	30.16% - 31.46%	0.42%	1,309.70	496.82*	
30-Jan-18	7.11% - 7.45%	3.5 - 5.50 years	30.16% - 31.46%	0.42%	1,309.70	531.84*	
23-Apr-18	7.45% - 7.81%	3.51 - 6.51 years	30.33% - 32.38%	0.42%	1,562.35	646.08*	
26-Jul-18	7.71% - 7.92%	3.51 - 5.51 years	30.56% - 31.83%	0.43%	1,497.30	586.32*	
30-Oct-18	7.61% - 7.85%	3.51 - 6.51 years	32.34% - 32.70%	0.51%	1,268.50	531.36*	
19-Mar-19	6.91% - 7.25%	3.51 - 6.51 years	32.19% - 32.59%	0.47%	1,390.05	564.13*	
30-Jul-19	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	248.20	83.66	
05-Nov-19	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	316.00	112.09	
23-Jan-20	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	317.00	109.51	
03-Jun-20	5.00%	3.50 years	47.50%	1.33%	157.90	58.27	
07-May-21	5.12% - 6.02%	3.5 - 6.5 years	52.06% - 43.62%	0.34%	580.30	276.84	
30-Jul-21	5.25% - 6.20%	3.50 - 6.51 years	52.06% - 43.65%	0.41%	487.15	232.48	
29-Oct-21	5.22% - 6.17%	3.50 - 6.51 years	53.2% - 43.93%	0.33%	609.00	293.95	
01-Feb-22	5.49% - 6.50%	3.50 - 6.51 years	53.81% - 44.42%	0.32%	629.50	309.23	
05-May-22	6.20% - 7.09%	2.5 - 5.51 years	59.10% - 47.09%	0.28%	712.15	336.08	
29-Jul-22	6.84% - 7.18%	3.51 - 6.51 years	53.74% - 45.29%	0.29%	690.10	351.99	
29-Jul-22	6.84% - 7.1%	3.51 - 5.51 years	53.74% - 47.07%	0.29%	690.10	339.76	

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 42 ESOP DISCLOSURE (Contd.)

ESOP 2016

Date of Grant	Risk Free Interest Rate	Expected Life	Variables			Price of the underlying Share in the Market at the time of the Option Grant (₹)	Fair Value of the Option (₹)
			Expected Volatility	Dividend Yield			
29-Jul-22	6.84%	3.51 years	53.74%	0.29%	690.10	311.94	
24-Sep-22	7.13% - 7.31%	3.51 -6.51 years	53.79% -45.27%	0.27%	738.50	379.33	
24-Sep-22	7.13% - 7.28%	3.51 -5.51 years	53.79% -47.07%	0.27%	738.50	366.36	
24-Sep-22	7.13%	3.51 years	53.79%	0.27%	738.50	336.74	
01-Nov-22	7.15% - 7.37%	3.51 -6.51 years	53.81% -45.25%	0.28%	709.35	364.52	
31-Jan-23	7.15% - 7.30%	3.51 -6.51 years	53.58% -45.23%	0.28%	710.75	364.41	
01-Aug-23	7.00% - 7.05%	3.51 -6.51 years	52.49% -44.63%	0.18%	1,132.10	577.29	
01-Aug-23	7.00% - 7.04%	3.51 -5.51 years	52.49% -47.18%	0.18%	1,132.10	556.82	
01-Aug-23	7.00%	3.51 Years	52.49%	0.18%	1,132.10	509.03	
01-Aug-23	7.00% - 7.02%	3.51 -4.51 years	52.49% -49.11%	0.18%	1,132.10	530.43	
01-Aug-23	7.00% - 7.05%	3.51 -6.51 years	52.49% -44.63%	0.18%	1,132.10	577.29	
02-Nov-23	7.22% - 7.28%	3.51 -5.51 years	42.45% -47.08%	0.17%	1,149.00	552.30	
02-Nov-23	7.22% - 7.29%	3.51 -6.51 years	42.45% -44.54%	0.17%	1,149.00	576.73	
25-Jan-24	7.01% - 7.06%	3.51 -6.51 years	37.85% -44.51%	0.16%	1,245.08	614.02	

*Fair value option of equity shares issued under this grant is before share split with a face value of ₹ 10/- each

Note : 43 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	₹ in crores				
	April 01, 2023	Cash flows	Exchange Difference	Other	March 31, 2024
Debt Securities	19,682.41	2,844.60	-	2,285.75	24,812.76
Borrowings other than debt securities	73,186.19	31,276.31	(2.75)	51.38	1,04,511.13
Subordinated liabilities	4,488.90	597.49	-	64.60	5,150.99
Total	97,357.50	34,718.40	(2.75)	2,401.73	1,34,474.88

Particulars	₹ in crores				
	April 1, 2022	Cash flows	Exchange Difference	Other	March 31, 2023
Debt Securities	13,321.10	6,065.37	-	295.94	19,682.41
Borrowings other than debt securities	52,004.52	20,956.74	(81.23)	306.16	73,186.19
Subordinated liabilities	3,847.88	642.00	-	(0.98)	4,488.90
Total	69,173.50	27,664.11	(81.23)	601.12	97,357.50

- (i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of transaction cost etc
- (ii) Liabilities represents of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities
- (iii) Change in liabilities arising from lease liabilities has been disclosed in Note 49

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 44 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	Amount	Maturity	
		Within 12 months	After 12 months
₹ in crores			
As on March 31, 2024			
Financial Assets			
Cash and Cash Equivalents	845.64	845.64	-
Bank balances Other than Cash and Cash Equivalents	3,548.09	1,397.17	2,150.92
Derivative financial instruments	247.82	126.24	121.58
Receivables			
i) Trade Receivables	214.17	214.17	-
ii) Other Receivables	199.01	199.01	-
Loans	1,44,462.65	36,888.61	1,07,574.04
Investments			
i) Associate	-	-	-
ii) Others	3,580.12	1,449.18	2,130.94
iii) Joint Venture	455.63	-	455.63
Other Financial Assets	399.00	193.24	205.76
Total Financial Assets	1,53,952.13	41,313.26	1,12,638.87
Non - Financial Assets			
Current tax assets (Net)	359.04	-	359.04
Deferred tax assets (Net)	655.85	-	655.85
Investment Property	0.13	-	0.13
Property, Plant and Equipment	1,539.45	-	1,539.45
Capital Work in Progress	-	-	-
Intangible assets under development	12.67	0.22	12.45
Other Intangible assets	23.77	-	23.77
Other Non-Financial Assets	106.28	20.55	85.73
Total Non - Financial Assets	2,697.19	20.77	2,676.42
Asset held for sale - Investment	37.09	37.09	-
Financial Liabilities			
Derivative financial instruments	186.70	28.36	158.34
Payables			
i) Trade Payables-Due to MSME	7.65	7.65	-
ii) Trade Payables-Other than MSME	288.04	288.04	-
iii) Other Payables	1,338.26	1,320.09	18.17
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	5,150.99	314.16	4,836.83
Other Financial Liabilities	519.07	182.52	336.55
Total Financial Liabilities	1,36,814.60	49,342.37	87,472.23
Non - Financial Liabilities			
Current tax liabilities	-	-	-
Deferred tax Liabilities	-	-	-
Provisions	193.97	0.05	193.92
Other Non-Financial Liabilities	84.60	74.37	10.23
Total Non - Financial Liabilities	278.57	74.42	204.15

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 44 MATURITY ANALYSIS (Contd.)

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. ₹ in crores

Particulars	Amount	Maturity	
		Within 12 months	After 12 months
As on March 31, 2023			
Financial Assets			
Cash and Cash Equivalents	911.85	911.85	-
Bank balances Other than Cash and Cash Equivalents	2,095.25	1,176.46	918.79
Derivative financial instruments	272.86	13.73	259.13
Receivables			
i) Trade Receivables	99.13	99.13	-
ii) Other Receivables	103.21	103.21	-
Loans	1,04,809.65	27,863.56	76,946.09
Investments	-		
i) Associate	7.64	-	7.64
ii) Others	3,110.82	1,545.33	1,565.49
iii) Joint Venture	443.41	-	443.41
Other Financial Assets	298.62	80.70	217.92
Total Financial Assets	1,12,152.44	31,793.97	80,358.47
Non - Financial Assets			
Current tax assets (Net)	270.10	-	270.10
Deferred tax assets (Net)	611.49	-	611.49
Investment Property	0.13	-	0.13
Property, Plant and Equipment	374.69	-	374.69
Capital Work in Progress	35.74	-	35.74
Intangible assets under development	24.76	0.16	24.60
Other Intangible assets	27.86	-	27.86
Other Non-Financial Assets	107.12	13.68	93.44
Total Non - Financial Assets	1,451.89	13.84	1,438.05
Asset held for sale - Investment	22.57	22.57	-
Financial Liabilities			
Derivative financial instruments	134.27	17.62	116.65
Payables			
i) Trade Payables-Due to MSME	3.40	3.40	-
ii) Trade Payables-Other than MSME	168.21	168.21	-
iii) Other Payables	1,064.21	1,064.18	0.03
Debt Securities	19,682.41	8,451.02	11,231.39
Borrowings (Other than Debt Securities)	73,186.19	25,128.94	48,057.25
Subordinated Liabilities	4,488.90	695.21	3,793.69
Other Financial Liabilities	363.41	212.18	151.23
Total Financial Liabilities	99,091.00	35,740.76	63,350.24
Non - Financial Liabilities			
Current tax liabilities	-	-	-
Deferred tax Liabilities	-	-	-
Provisions	142.22	22.38	119.84
Other Non-Financial Liabilities	47.58	40.11	7.47
Total Non - Financial Liabilities	189.80	62.49	127.31

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 45.1 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), 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.

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 requirements prescribed by RBI over the reported period. The Capital adequacy ratio as of March 31, 2024 is 18.57% (March 31, 2023 - 17.13%) as against the regulatory requirement of 15%.

45.2 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.

45.2.1 Credit Risk

Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

45.2.1.1 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 has a robust online application underwriting 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 model for the vehicle finance portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio.

45.2.1.2 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.

45.2.1.3 ECL Methodology

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 and tested for impairment as per Ind AS 36.

45.2.1.4 Assumptions and Estimation techniques

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:

45.2.1.4(a) 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

45.2.1.4(b) 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.

45.2.1.4(c) 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 45 CAPITAL MANAGEMENT (Contd.)

45.2.1.5 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 introduced during the year, the Group follows simplified matrix approach for determining impairment allowance based on industry practise in the absence of historical information. These loans constitutes less than 12% 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.

45.2.1.6 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.

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. Vasiceks 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 45 CAPITAL MANAGEMENT (Contd.)

45.2.1.7 Macro economic variables

Segment	Macro-Economic Variables correlated for each segment	
Two Wheeler	Gross national savings	General government revenue
Three Wheeler	Gross national savings	General government revenue
Construction Equipment New	General government revenue	General government revenue
Construction Equipment Used	Volume of exports of goods and services	General government revenue
Commercial Vehicle Shubh	General government total expenditure	Volume of exports of goods and services
Commercial Vehicle Used	Gross domestic product per capita, current prices	General government revenue
Heavy Commercial Vehicle New	Gross domestic product per capita, current prices	Total investment
Home Loan	Gross domestic product, current prices	Total investment
Loan Against Property	Gross domestic product, current prices	General government revenue
Light Commercial Vehicle New	Volume of imports of goods and services	General government revenue
Mini Light Commercial Vehicle New	General government revenue	Volume of exports of goods and services
Passenger Vehicle New (Car/MUV)	Gross domestic product per capita, current prices	Volume of exports of goods and services
Passenger Vehicle Shubh (Car/ MUV)	Volume of imports of goods and services	Volume of exports of goods and services
Passenger Vehicle Used (Car/ MUV)	Gross domestic product, current prices	General government revenue
Tractor New	Gross domestic product per capita, current prices	General government total expenditure
Tractor Used	Gross domestic product per capita, current prices	Total investment

Since the group 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, 2024	Decrease by 5%	(20.23)
March 31, 2024	Increase by 5%	29.53

₹ in crores

Year ended	Increase/(Decrease) of GDP	Impact on Expected Credit Losses (ECL) Increase/(Decrease)
March 31, 2023	Decrease by 5%	(33.30)
March 31, 2023	Increase by 5%	33.54

₹ in crores

45.2.1.8 Concentration of credit risk and Collateral and Credit Enhancements

45.2.1.8(a) 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 Company 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 58% of the loan book of the Company as of March 31, 2024 (63% as of March 31, 2023). Hypothecation endorsement is made in favour of the Company in the Registration Certificate in respect of all registerable collateral. Portfolio is reasonably well 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 leading to well diversified sub product mix. New Tractors and New Construction Equipment have portfolio share between 7% and 7%.

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 20% of the lending book of the Group as of March 31, 2024 (20% as of March 31, 2023). Portfolio is concentrated in North 27% with small presence in East 7%, South has 44% and West contributes 22% of the overall exposure of the Company.

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, 2024.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 45 CAPITAL MANAGEMENT (Contd.)

45.2.1.8(b) 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, 2024

₹ in crores					
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

Fair value of collateral held against credit impaired assets - March 31, 2023

₹ in crores					
Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
3,221.59	2,307.55	1,894.35	209.23	(1,189.54)	1,482.01

Note: Column (b), (c), (d) of the above table, represents fair value of collateral

Valuation of Collateral:

- Vehicles including construction equipment and tractors are valued at original cost less 20% depreciation per year on WDV
- Immovable property is valued based on the amount as per the valuation report at the time of sanctioning of loan
- Other loans – Book debts at Cost or Securities at market value

45.2.2 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. 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.

45.2.2.1 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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 45 CAPITAL MANAGEMENT (Contd.)

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 liabilities by remaining contractual maturities given in Note 48.

45.2.2.2 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.

₹ in crores

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31, 2024	Increase by 100 bps	(120.51)
March 31, 2024	Decrease by 100 bps	120.51

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31, 2023	Increase by 100 bps	(96.50)
March 31, 2023	Decrease by 100 bps	96.50

45.2.2.3 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.

45.2.2.4 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.

45.3 Disclosure of Effects of Hedge Accounting

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 (Other than Debt Securities)
Interest rate Swaps	-	7	-	20.74	May 27, 2026 to December 29, 2028	20.74	-	Borrowings (Other than Debt Securities)
Forward contracts	1	1	86.49	150.90	June 01, 2024 to June 20, 2028	64.40	91.59	Borrowings (Other than Debt Securities)
Fair Value Hedge								
Interest rate swaps	-	-	-	-	October 7, 2023	-	-	Borrowings (Other than Debt Securities)

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 45 CAPITAL MANAGEMENT (Contd.)

Year ended March 31, 2024				
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

As at March 31, 2023

As at March 31, 2023								
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	-	147.42	-	May 15, 2023 to July 19, 2025	(147.41)	136.39	Borrowings (Other than Debt Securities)
Interest rate Swaps	1	1	2.72	5.59	March 8, 2024 to March 31, 2028	2.87	-	Borrowings (Other than Debt Securities)
Forward contracts	1	1	120.71	128.68	June 20, 2023 to June 20, 2028	7.97	123.56	Borrowings (Other than Debt Securities)
Fair Value Hedge								
Interest rate swaps	1	-	2.02	-	October 7, 2023	(2.02)	-	Borrowings (Other than Debt Securities)

Cash flow Hedge	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crore)	Hedge Effectiveness recognised in profit and loss	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	45.64	2.02	-	NA

Note 46 : (i) INVESTMENT IN JOINT VENTURE

The Group has acquired equity shares of Payswiff Technologies Private Limited (Payswiff), from its founders and other existing shareholders towards strategic investment in the equity shares of Payswiff. This resulted in the Group holding to 74.69% of the equity capital of Payswiff which 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	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Value of Investment in Joint Venture	456.83	456.83
Less: Cumulative Share of Loss of from Joint venture	(1.13)	(13.42)
Closing value of Investment	455.70	443.41

Even though, the Group holds 74.69% 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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note 46 : (i) INVESTMENT IN JOINT VENTURE (Contd.)

Particulars	₹ in crores	
	March 31, 2024	March 31, 2023
Current assets	44.35	43.69
Non-current assets	97.22	78.67
Current liabilities	(95.58)	(53.99)
Non-current liabilities	(19.21)	(57.98)
Equity	26.78	10.39
Proportion of the Group's ownership	74.69%	74.82%
Group's share in the Equity of the associate	20.00	7.77

Note : 46 (ii) INVESTMENT IN AN ASSOCIATES

a) The Group had recognised the value of investment in associate - White Data Systems India Private Limited (WDSI) at fair value on the date of loss of control (March 28, 2023)

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Value of Investment in Associate on the date of loss of control	-	25.54
Less: Cumulative Share of Loss from Associate	-	(2.97)
Closing value of Investment	-	22.57

The following table illustrates the summarised financial information of the Group's investment in White Data Systems India Private Limited:

Particulars	₹ in crores	
	March 31, 2024	March 31, 2023
Current assets	-	10.03
Non-current assets	-	25.96
Current liabilities	-	(6.38)
Non-current liabilities	-	(1.68)
Equity	-	27.93
Proportion of the Group's ownership	-	30.87%
Group's share in the Equity of the associate	-	8.62

Particulars	₹ in crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers	-	4.66
Other Income	-	0.59
Depreciation & amortization	-	3.83
Finance cost	-	0.20
Employee benefit	-	2.91
Other expense	-	2.74
Profit before tax	-	(4.43)
Deferred tax reversal	-	(0.98)
Profit for the year (continuing operations)	-	(5.41)
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods, net of tax	-	(0.01)
Other comprehensive income that will not be reclassified to profit or loss in the subsequent periods, net of tax	-	(5.42)
Total comprehensive income for the year (continuing operations)	-	(1.67)
Group's share of profit for the year	-	(1.67)
Adjustment relating to prior periods	-	-
Group's share of loss considered in the consolidated statement of Profit and loss for the year ended March 31, 2023	-	(1.67)

The Company entered into a share swap agreement on March 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India Private Limited (WDSI) and other shareholders of WDSI for the transfer of the entire equity shares held by the Company in WDSI to TVSSCSL. As consideration for transfer of WDSI shares, TVSSCSL has allotted 22,35,265 Compulsorily Convertible Preference Shares (CCPS) of TVSSCSL to the company on April 20, 2023, subsequently on August 23, 2023 the CCPS was converted into 24,01,359 equity shares of TVSSCSL.

b) Vishwakarma Payments Private Limited (VPPL) is a consortium of 7 entities formed for the purpose of applying to the Reserve Bank of India (RBI) for an NUE (New Umbrella Entity) license within the framework of RBI circular. The licensed NUE is to focus on retail payment systems by developing interoperable infrastructure which will cater to banks and non-banks and enable innovative use-cases to solve the diversity, depth and width of consumers and small businesses in India. VPPL is incorporated with an equity capital of ₹ 1 lakh and its networth as March 31, 2024 is ₹ 1 lakh. It can commence operations only on receipt of license from RBI. The Group holds 21% stake in VPPL.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 46 (ii) INVESTMENT IN AN ASSOCIATES (Contd.)

c) The Group had recognised the value of investment in associate - Paytail Commerce Private Limited (Paytail) at amortised cost. The Group acquired 16.29% of the Equity Share Capital of Paytail Commerce Private Limited in September 2021. By virtue of the voting and other rights as per the share purchase agreement, Paytail Commerce Private Limited was assessed as an associate of the Group.

Particulars	₹ in crores	
	As at March 31, 2024	As at March 31, 2023
Value of investment in Associate	9.75	9.75
Less: Cumulative Share of Loss of from Associate	(4.86)	(1.89)
Less: Impairment on Investment	(4.89)	-
Closing value of Investment	-	7.86

The value of investment in this associate has been fully impaired as at March 31, 2024 and it ceased to be an associate from effective March 21, 2024.

Note : 47

Note : 47.1 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	₹ in crores			
	March 31, 2024		March 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash and Cash Equivalents	845.64	845.64	911.85	911.85
Bank balances Other than Cash and Cash Equivalents	3,548.09	3,548.09	2,095.25	2,095.25
Receivables				
i) Trade Receivables	214.17	214.17	99.13	99.13
ii) Other Receivables	199.01	199.02	103.21	103.21
Loans	1,44,462.65	1,46,221.22	1,04,809.65	1,04,848.01
Investments in Government Securities	1,539.07	1,431.03	1,541.34	1,396.97
Investment in Treasury Bill	1,440.17	1,411.35	1,536.27	1,532.99
Investment in STRIPS	599.25	605.43	-	-
Investment other than associates & Joint Venture	1.63	1.63	22.29	22.29
Other Financial Assets	399.00	451.99	298.62	298.62
Total Financial Assets	1,53,248.68	1,54,929.57	1,11,417.61	1,11,308.32
Financial Liabilities				
Payables				
i) Trade Payables - Due to MSME	7.65	7.65	3.40	3.40
i) Trade Payables - Other than MSME	288.04	288.04	168.21	168.21
iii) Other Payables	1,338.26	1,338.26	1,064.21	1,064.21
Debt Securities	24,812.76	24,884.85	19,682.41	19,740.72
Borrowings (Other than Debt Securities)	1,04,511.13	1,04,800.38	73,186.19	73,532.82
Subordinated Liabilities	5,150.99	5,127.53	4,488.90	4,505.87
Other Financial Liabilities	519.07	517.66	363.41	363.41
Total Financial Liabilities	1,36,627.90	1,36,964.37	98,956.73	99,378.64

The Management assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE 47.2 - FAIR VALUE HIERARCHY

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 of investment in Government securities/STRIPS/Treasury Bills are derived from rate equal to the rate near to the reporting date of the comparable product.
- Fair value of Investment property is calculated based on valuation given by external independent valuer and also refer note 15 for sensitivity analysis.

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2024

₹ in crores

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	0.12	0.12	-	-
FVTPL Equity Instruments	1.51	-	-	1.51
Derivative financial instruments	247.82	-	247.82	-
Assets for which fair values are disclosed				
Loans	1,44,462.65	-	-	1,46,221.22
Investments in Government Securities	1,539.07	1,431.03	-	-
Investments in Treasury Bills	1,440.17	1,411.35	-	-
Investment in STRIPS	599.25	605.43	-	-
Investment Properties	0.13	-	-	3.30

There have been no transfers between different levels during the year.

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2024

₹ in crores

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	24,812.76	-	24,884.85	-
Borrowings (Other than Debt Securities)	1,04,511.13	-	1,04,800.38	-
Subordinated Liabilities	5,150.99	-	5,127.53	-

There have been no transfers between different levels during the year.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 47.2 FAIR VALUE HIERARCHY (Contd.)

Quantitative disclosure fair value measurement hierarchy of assets as at March 31, 2023

₹ in crores

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	15.77	15.77	-	-
FVTPL Equity Instruments	6.52	-	-	6.52
Derivative financial instruments	272.86	-	272.86	-
Assets for which fair values are disclosed				
Loans	1,04,809.65	-	-	1,04,848.01
Investments in Government Securities	1,541.34	1,396.97	-	-
Investments in Treasury Bills	1,536.27	1,532.99	-	-
Investment in STRIPS	-	-	-	-
Investment Properties	0.13	-	-	3.20

There have been no transfers between different levels during the year.

Quantitative disclosure fair value measurement hierarchy of liabilities as at March 31, 2023

₹ in crores

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	134.27	-	134.27	-
Liabilities for which fair values are disclosed				
Debt Securities	19,682.41	-	19,740.72	-
Borrowings (Other than Debt Securities)	73,186.19	-	73,532.82	-
Subordinated Liabilities	4,488.90	-	4,505.87	-

There have been no transfers between different levels during the year.

Note 47.3 Summary of Financial assets and liabilities which are recognised at amortised cost

₹ in crores

Particulars	As at	
	March 31, 2024	March 31, 2023
Financial Assets		
Cash and Cash Equivalents	845.64	911.85
Bank balances other than Cash and Cash Equivalents	3,548.09	2,095.25
Loans	1,44,462.65	1,04,809.65
Investments in Government Securities	1,539.07	1,541.34
Investment in Treasury Bill	1,440.17	1,536.27
Investment in STRIPS	599.25	-
Other Financial Assets	399.00	298.62
Financial Liabilities		
Debt Securities	24,812.76	19,682.41
Borrowings (Other than Debt Securities)	1,04,511.13	73,186.19
Subordinated Liabilities	5,150.99	4,488.90
Other Financial liabilities	519.07	363.41

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 48 ANALYSIS OF FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES As at March 31, 2024

Particulars	₹ in crores							Total
	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	
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 and small enterprises	7.65	-	-	-	-	-	-	7.65
ii) Total outstanding dues of creditors other than micro and small enterprises	288.04	-	-	-	-	-	-	288.04
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	1,338.26	-	-	-	-	-	-	1,338.26
Debt Securities	2,511.23	1,220.93	2,366.36	4,824.41	11,520.17	6,119.54	-	28,562.64
Borrowings (Other than Debt Securities)	5,409.92	8,169.37	10,963.17	19,163.47	58,768.55	16,257.56	340.92	1,19,072.96
Subordinated Liabilities	29.14	123.15	115.09	266.39	839.97	2,281.13	11,973.21	15,628.08
Other Financial Liabilities	149.39	16.86	24.20	46.11	162.71	98.76	111.80	609.83
Total Undiscounted financial liabilities	9,733.63	9,536.70	13,468.82	24,322.35	71,380.61	24,826.12	12,425.93	1,65,694.16

As at March 31, 2023

Particulars	₹ in crores							Total
	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	
Financial Liabilities								
Derivative financial instruments	-	3.80	4.24	9.58	48.90	55.30	12.45	134.27
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	3.40	-	-	-	-	-	-	3.40
ii) Total outstanding dues of creditors other than micro and small enterprises	168.21	-	-	-	-	-	-	168.21
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	1,064.21	-	-	-	-	-	-	1,064.21
Debt Securities	698.83	2,582.24	3,909.11	2,305.45	10,795.73	2,062.44	-	22,353.70
Borrowings (Other than Debt Securities)	3,823.85	4,790.80	8,681.40	12,577.35	40,659.09	12,613.03	518.87	83,664.39
Subordinated Liabilities	5.40	83.46	157.27	924.69	997.14	1,818.53	18,549.02	22,535.51
Other Financial Liabilities	167.39	11.97	17.90	33.89	92.14	28.18	29.47	380.94
Total Undiscounted financial liabilities	5,931.29	7,472.27	12,769.92	15,850.86	52,593.00	16,577.48	19,109.81	1,30,304.63

Note : 49 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES

The Group has taken office premises 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.

The Group also has certain leases 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 year:

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 49 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES (Contd.)

(i) Movement in the carrying value of the Right to Use Asset

₹ in crores

Particulars	As on	
	March 31, 2024	March 31, 2023
Opening Balance	147.19	99.66
Depreciation charge for the year	(76.12)	(55.59)
Additions during the year	300.76	103.39
Adjustment/Deletion	(15.88)	(0.27)
Closing Balance	355.95	147.19

(ii) Classification of current and non current liabilities of the lease liabilities

Particulars	As on	
	March 31, 2024	March 31, 2023
Current liabilities	71.60	104.46
Non Current Liabilities	301.30	63.43
Total Lease liabilities	372.90	167.89

(iii) Movement in the carrying value of the Lease Liability

Particulars	As on	
	March 31, 2024	March 31, 2023
Opening Balance	168.28	110.36
Interest Expense	23.34	12.40
Lease Payments [Total Cash Outflow]	(89.54)	(57.60)
Short term rent concession	-	-
Additions during the year	288.09	103.39
Adjustment/Deletion	(17.27)	(0.27)
Closing Balance	372.90	168.28

(iv) Contractual Maturities of Lease liability outstanding

Particulars	As on	
	March 31, 2024	March 31, 2023
Less than one year	97.16	105.92
One to five Years	254.70	157.52
More than Five years	111.80	-
Total	463.66	263.44

(v) The following are the amount recognised in the Profit or Loss statement

Particulars	For the Year ended	
	March 31, 2024	March 31, 2023
Depreciation expense of right-of-use assets	76.12	55.59
Interest expense on lease liabilities	23.34	12.40
Expense relating to short-term leases (included in other expenses)	0.64	2.60
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
Total amount recognised in profit or loss	100.10	70.59

Lease expenses relating to short term leases aggregated to ₹ 0.64 Cr during the year ended March 31, 2024

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 7% to 10%.

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 option to extend or terminate. These options are negotiated by the Management to provide flexibility in managing the leased-asset portfolio and align with Group's business needs. Management 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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

NOTE 50: 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, 2024 AND MARCH 31, 2023

As at March 31, 2024

₹ in crores

Name of the entities	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
I. Parent								
Cholamandalam Investment and Finance Company Limited	97%	19,033.36	97%	3,298.54	85%	(60.11)	97%	3,238.43
II. Subsidiaries								
Cholamandalam Securities Limited	0%	43.73	2%	66.86	9%	(6.68)	2%	60.18
Cholamandalam Home Finance Limited	0%	60.59	1%	45.34	5%	(3.88)	1%	41.46
Minority Interests in all subsidiaries	-	-	-	-	-	-	-	-
III. Joint Venture (Investment as per equity method)								
Payswiff Technologies Private Limited	3%	455.56	0%	9.32	0%	(0.07)	0%	9.25
IV. Associates (Investment as per equity method)								
Vishvakarma Payments Private Limited	-	-	0%	-	0%	-	0%	-
Paytail Commerce Private Limited	-	-	0%	-	0%	-	0%	-
	100%	19,593.24	100%	3,420.06	100%	(70.74)	100%	3,349.32

As at March 31, 2023

Name of the entities	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
I. Parent								
Cholamandalam Investment and Finance Company Limited	96%	13,753.31	100%	2,664.00	142%	34.00	100%	2,698.00
II. Subsidiaries								
Cholamandalam Securities Limited	0%	50.72	0%	7.00	-38%	(9.00)	0%	(2.00)
Cholamandalam Home Finance Limited	0%	68.07	0%	6.00	-4%	(1.00)	0%	5.00
Minority Interests in all subsidiaries	0%	-	0%	-	0%	-	0%	-
III. Joint Venture (Investment as per equity method)								
Payswiff Technologies Private Limited	3%	443.00	0%	(9.00)	0%	-	0%	(9.00)
IV. Associates (Investment as per equity method)								
White Data Systems India Private Limited	0%	23.00	0%	(2.00)	0%	-	0%	(2.00)
Vishvakarma Payments Private Limited	0%	-	0%	-	0%	-	0%	-
Paytail Commerce Private Limited	0%	8.00	0%	(1.00)	0%	-	0%	(1.00)
	100%	14,346.10	100%	2,665.00	100%	24.00	100%	2,689.00

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

Note : 51

Part 1 - Ageing Analysis

A. Trade Payables ageing schedule as on March 31, 2024

₹ in crores

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) MSME	7.65	-	-	-	7.65
(ii) Others	281.61	2.09	1.59	2.75	288.04
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	289.26	2.09	1.59	2.75	295.69

B. Trade Payables ageing schedule as on March 31, 2023

₹ in crores

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) MSME	3.40	-	-	-	3.40
(ii) Others	158.91	4.07	4.83	0.40	168.21
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	162.31	4.07	4.83	0.40	171.61

There are no balances not due or unbilled for the year ended March 31, 2024 and March 31, 2023

C. CWIP ageing schedule as on March 31, 2024

₹ in crores

Capital - work - in progress	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	-	-	-	-	-

D. CWIP ageing schedule as on March 31, 2023

₹ in crores

Capital - work - in progress	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	12.71	23.03	-	-	35.74
Projects Temporarily Suspended	-	-	-	-	-

E. Intangible assets under development ageing schedule as on March 31, 2024

₹ in crores

Intangible assets under development	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	2.59	0.05	10.03	-	12.67
Projects Temporarily Suspended	-	-	-	-	-

F. Intangible assets under development ageing schedule as on March 31, 2023

₹ in crores

Intangible assets under development	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	13.48	8.09	3.19	-	24.76
Projects Temporarily Suspended	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements (Contd.) For the year ended March 31, 2024

Note : 51 ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III

Part - II - Other Disclosures

- 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.
- 2 Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- 3 The Group does not have any outstanding amount arising out of transactions with struck off companies during the year.
- 4 There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- 5 Group 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.
- 6 Group 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.
- 7 Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2024
- 8 Company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017
- 9 Group has not entered into any scheme of arrangements which has an accounting impact on current/previous financial year
- 10 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.

Note : 52 EVENTS AFTER REPORTING DATE

There have been no other events after the reporting date apart from above that require disclosure in the financial statements.

As per our report of even date

For Price Waterhouse LLP

Chartered Accountants

ICAI Firm Regn No. : 301112E/ E300264

A.J. Shaikh

Partner

Membership No. : 221268

For Sundaram and Srinivasan

Chartered Accountants

ICAI Firm Regn No. : 004207S

S. Usha

Partner

Membership No. : 211785

For and on behalf of the Board of Directors

Ravindra Kumar Kundu

Executive Director

Vellayan Subbiah

Chairman

P. Sujatha

Company Secretary

D. Arul Selvan

President & Chief Financial Officer

Date : April 30, 2024

Place : Chennai

Form AOC-1**(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 crores

Name of the subsidiary	Cholamandalam Home Finance Limited	Cholamandalam Securities Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2024	March 31, 2024
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
Share capital	42.40	22.50
Reserves & surplus	18.19	21.23
Total assets	63.73	367.00
Total Liabilities	3.14	323.26
Investments	1.51	0.10
Turnover	186.05	156.85
Profit/(Loss) before taxation	63.25	84.20
Provision for taxation	17.90	17.32
Profit/(Loss) after taxation	45.35	66.88
Proposed Dividend	-	-
% of shareholding	100.00%	100.00%
Names of subsidiaries which are yet to commence operations	Not applicable	Not applicable
Names of subsidiaries which have been liquidated or sold during the year.	Not applicable	Not applicable

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates	Vishvakarma Payments Private Limited	Payswiff Technologies Private Limited
Latest Balance Sheet Date	March 31, 2024	March 31, 2024
Shares of Associate/Joint Ventures held by the company on the year end		
No.	2,100	28,15,578
Amount of Investment in Associates/Joint Venture (₹ in crores)	0*	456.82
Extend of Holding %	21.00%	74.69%
Description of how there is significant influence	By way of shareholding	By way of shareholding and rights in share holding agreement
Reason why the associate/joint venture is not consolidated	Not applicable	Not applicable
Networth attributable to Shareholding as per latest Balance Sheet	0*	20.00
Profit / (Loss) for the year - ₹ in crores	0*	16.46
Considered in Consolidation - ₹ in crores	0*	12.29
Not Considered in Consolidation - ₹ in crores	0*	4.17
Names of associates or joint ventures which are yet to commence operations	Not applicable	Not applicable
Names of associates or joint ventures which have been liquidated or sold during the year.	Not applicable	Not applicable

*represents amount less than ₹ one lakh.

For and on behalf of the Board of Directors**Ravindra Kumar Kundu**
Executive Director**Vellayan Subbiah**
ChairmanDate : April 30, 2024
Place : Chennai**D. Arul Selvan**
President & Chief Financial Office**P. Sujatha**
Company Secretary

GLOSSARY

A. TERMS

Assets Under Management (AUM)	Business AUM and Investments
Business AUM	On - Balance sheet Business assets and Off - Balance sheet Business assets
Business AUM(Net)	Business AUM less Expected Credit Losses(ECL) provisions
Net credit Losses (NCL)	Loan losses and ECL provision

B. PERFORMANCE RATIOS

Operating Expenses to Assets	Total Expenses (Less: Finance Costs & Impairment of Financial Instruments)/Average of Closing Assets
Loan Losses %	Impairment of Financial instruments/Average of Closing Assets
PBT-ROTA	Profit Before Tax/Average of Closing Assets
Prot Before Tax to Income	Profit Before Tax/Total Income
Return on Total Assets - PAT	Profit After Tax/Average of Closing Assets
Return on Equity - PAT	Profit After Tax/Average of Shareholder's funds

Closing assets Represents Business AUM for Respective Business and represents on-balance sheet business assets and Investment at Company's level for computing ratios

C. INVESTOR RATIOS

Earnings per Equity share	Profit After Tax/Weighted Average number of shares
Book value per Equity share	Networth/Total Number of Shares
Dividend per Equity share	Interim Dividend paid & Final Dividend proposed per Equity share
CAR (Capital Adequacy Ratio)	Tier I & Tier II Capital/Risk Weighted Assets



murugappa

Cholamandalam Investment and Finance Company Limited

Registered Office: Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai - 600032.

www.cholamandalarn.com | Toll Free 1800-102-4565 | SMS 9500000312