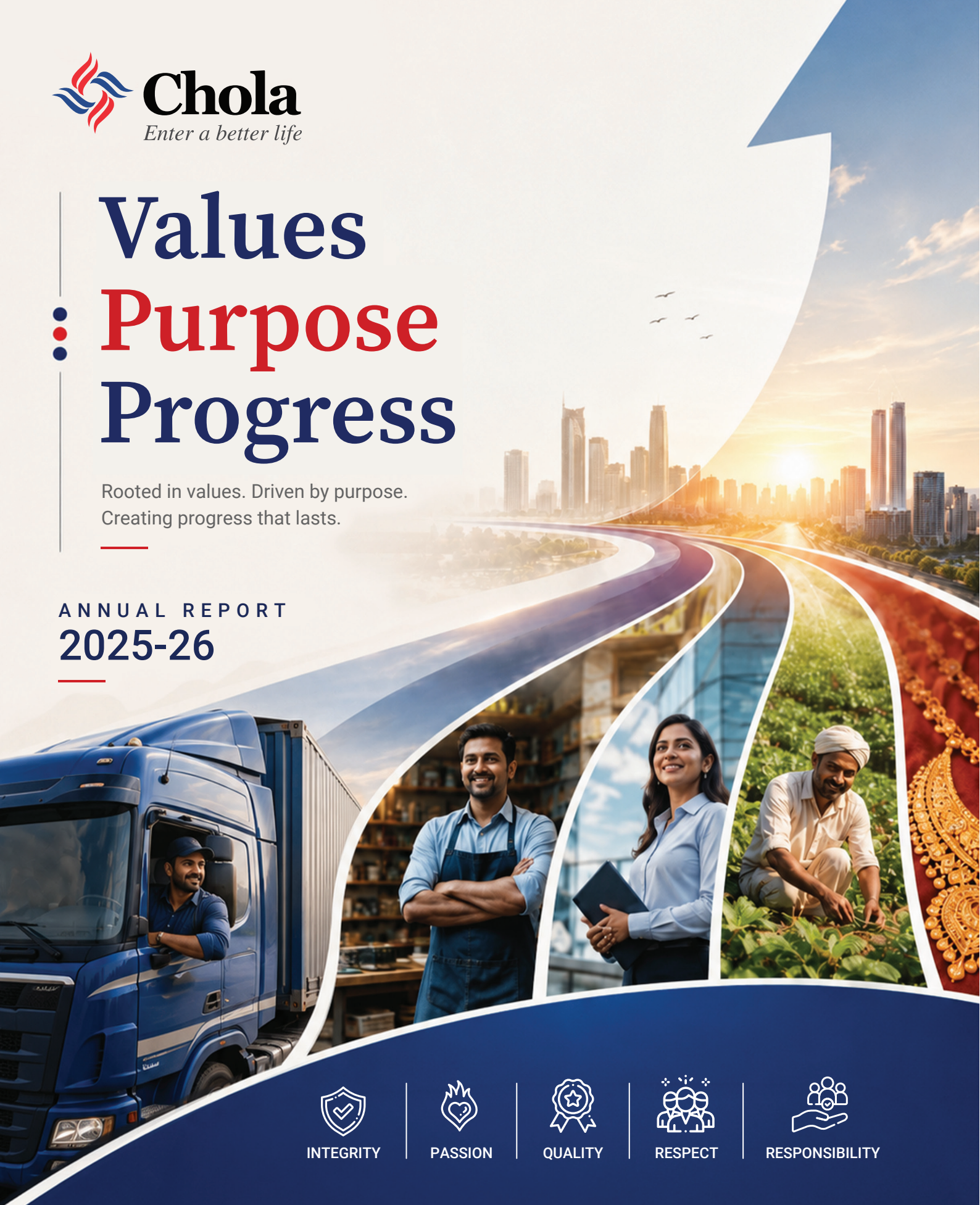
Chola
Enter a better life

Values Purpose Progress

Rooted in values. Driven by purpose.
Creating progress that lasts.

ANNUAL REPORT
2025-26



INTEGRITY | PASSION | QUALITY | RESPECT | RESPONSIBILITY

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.

Chola
Enter a better life

Values, Purpose, Progress

At Chola, sustainable growth is a direct outcome of a deeply rooted operational ethos. Values anchor our governance, Purpose directs our capital to where it impacts lives the most, and Progress scales this impact across emerging India. Together, they form the foundation upon which Chola builds long-term institutional resilience and trust.

Values - Our Uncompromising Anchor

Our values are embedded in measurable outcomes and are evidenced by our deep-rooted commitment to financial inclusion focussing on small road transport operators, cash-salaried individuals, micro-enterprises with informal structures and non-traditional borrower segments.

Purpose - Capital with a Conscience

Our purpose is to move capital directly into the real economy, on the road, on the shop floor and in local infrastructure. We go beyond rigid conventional underwriting frameworks to evaluate true earning capacity based on cash flows and borrowers' character.

Whether by empowering 92,000+ micro-enterprises providing flexible credit for mixed-use properties that function as both homes and micro-shops, or financing commercial vehicle fleets that power the nation's logistics backbones, our capital is directed towards a distinct societal and economic purpose.

Progress - Collective Upliftment and Shared Prosperity

True progress is realised when our growth acts as a direct catalyst for the socio-economic advancement of our entire ecosystem - our customers, our stakeholders, local communities and the marginalized lives touched by our CSR initiatives. Our investments in a high-tech, paperless, AI-driven infrastructure go beyond strategic operational efficiencies and are tools designed to democratize and accelerate credit delivery to the last mile, converting institutional momentum into tangible grassroots prosperity.

CONTENTS

CORPORATE OVERVIEW

Corporate Information	04
Pan India Presence	10
Board of Directors	11
Chairman's Message	14
Managing Director's Message	16
Business Highlights	18
Financial Summary	19
Business Review	20
ESG Initiatives	37
CSR Initiatives	38
Financial Highlights	50

MANAGEMENT REPORTS

Board's Report	52
Management Discussion and Analysis	72
Report on Corporate Governance	83
General Shareholders Information	96
Business Responsibility & Sustainability Report	102

FINANCIAL STATEMENTS

Standalone Financial Statements	142
Consolidated Financial Statements	255
Glossary	341

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. Ramkumar Ramamoorthy
Mr. Ravindra Kumar Kundu

SECRETARY

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

AUDITORS

M/s. B. K. Khare & Co.,
Chartered Accountants, 706-708, Sharda Chambers, New Marine Lines, Mumbai – 400 020

M/s. KKC & Associates LLP,
Chartered Accountants, Level-19, Sunshine Tower, Senapati Bapat Marg, Elphinstone Road, Mumbai, Maharashtra – 400 013

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)
Operations Centre: Selenium Building Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana 500 032
Whatsapp No.: +91-9100094099
Toll Free No.: 18003094001

Chola's Statement of Purpose

Believe

IN INDIA | IN CHOLA | IN YOURSELF

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.

murugappa

About Murugappa Group

A 125-year-old conglomerate with presence across India and the world, the INR 902 billion (90,178 crore) Murugappa Group has diverse businesses in agriculture, engineering, financial services and more.

The Group has 10 listed companies: Carborundum Universal Limited, CG Power and Industrial Solutions Limited, Cholamandalam Financial Holdings Limited, Cholamandalam Investment and Finance Company Limited, Coromandel International Limited, E.I.D.-Parry (India) Limited, NACL Industries Limited, Shanthi Gears Limited, Tube Investments of India Limited, and Wendt (India) Limited. Other major companies include Cholamandalam MS General Insurance Company Limited and Parry Agro Industries Limited. Brands such as Ajax, Hercules, BSA, Montra, Montra Electric, Mach City, Chola, Chola MS, CG Power, Shanthi Gears, CUMI, Gromor, Paramfos, Parry's are part of the Group's illustrious stable.

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

Guided by the Five lights — integrity, passion, quality, respect, and responsibility — and a culture of professionalism, the Group has a workforce of 94,041 employees.

For more information, visit **www.murugappa.com**

Coromandel FUTURE POSITIVE | PARRYS | CUMI | Smart solutions. Strong relationships. | INDIA

Shanthi Gears | Chola Enter a better life | Chola MS General Insurance | Chola MS Risk Services | Chola Financial Holdings

Ambadi | MWTS Trusted Partner in Sustainability | Parry Agro | Parry Enterprises | Nagarjuna NACL

Chola
Enter a better life

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 Personal Loans (SBPL), Consumer & Small Enterprise Loans (CSEL), Gold Loan, Consumer Durable Loans and a variety of other financial services to customers.

Chola operates from 1,761 branches across India with assets under management above INR 2.42+ lakh crore.

The vision of Chola is to enable customers to enter a better life. Chola has a growing clientele of over 47.5+ 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**

48
Years of Excellence

73,689*
Strong Workforce

₹ 2.42+ lakh crore
Assets Under Management

1,761 Branches
691 Resident Locations

26 States and
7 Union Territories

47.5+ lakh
Happy Customers

*includes off-roll employees

Our Products and Services



Commercial Vehicle Loans



Passenger Vehicle Loans



Two Wheeler Loans



Three Wheeler Loans



Tractor Loans



Construction Equipment Loans



Loan Against Property



Home Loans



SME Loans



Consumer & Small Enterprise Loans



Secured Business & Personal Loans



Gold Loans



Consumer Durable Loans



Corporate Insurance Agency



Stock Broking & Depository Participant



Offline Payment Aggregator

Our Journey

1979-2005

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

Chola
Enter a better life

2006-2010

- JV with DBS Bank, Singapore
- Commenced Consumer Finance and 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 and Construction Equipment Loans

AUM at **₹ 26,000 crore**

PAT at **₹ 400 crore**

2016-2020

- Launch of Gaadi Bazaar dealer platform
- Increased branch network to 1,091
- Maiden issue of Masala Bonds with CDC and ECB with IFC

AUM at **₹ 66,000 crore**

PAT at **₹ 1,000 crore**

2021-2025

- Launched CSEL, SBPL and SME Loans businesses
- Maiden public issue of NCDs and raised ₹ 4,000 crore through QIP
- Launched Consumer Durable Loans

AUM at **₹ 1.9 lakh crore**

PAT at **₹ 4,259 crore**

2026

- Launch of Gold Loans business
- Increased branch network to 1,761
- Customer base crossed 47 lakhs

AUM at **₹ 2.4 lakh crore**

PAT at **₹ 5,220 crore**



Our Presence



1,761
Branches across

26 States / 7 Union territories
as on 31 March, 2026

88%
presence across Tier III - VI towns

This map is for illustrative purposes only and is not to scale.

		No. of branches
1	Andaman & Nicobar	1
2	Andhra Pradesh	88
3	Arunachal Pradesh	1
4	Assam	43
5	Bihar	77
6	Chandigarh	1
7	Chhattisgarh	86
8	Dadra & Nagar Haveli	1
9	Delhi	9
10	Goa	5
11	Gujarat	77

		No. of branches
12	Haryana	52
13	Himachal Pradesh	25
14	Jammu & Kashmir	10
15	Jharkhand	38
16	Karnataka	138
17	Kerala	79
18	Ladakh	1
19	Madhya Pradesh	105
20	Maharashtra	164
21	Meghalaya	5
22	Mizoram	1

		No. of branches
23	Odisha	65
24	Puducherry	2
25	Punjab	35
26	Rajasthan	121
27	Sikkim	3
28	Tamil Nadu	178
29	Telangana	93
30	Tripura	6
31	Uttar Pradesh	121
32	Uttarakhand	23
33	West Bengal	107

Board of Directors



Mr. Vellayan Subbiah

(56 years) DIN: 01138759
Executive Chairman

- Holds a Bachelor of Technology in Civil Engineering from IIT Madras and an MBA from the University of Michigan.
- Has over 29 years of experience in varied fields such as consulting, technology, projects, financial services and engineering in senior positions across different industries.
- Recipient of the Outstanding Business Leader of the Year award at the India Business Leader Awards 2024, EY World Entrepreneur of the Year™ 2024, EY Entrepreneur of the Year™ 2023 (India) and Extraordinary Entrepreneur of the Year - TiECON 2014.
- Recognised as the 'Business Icon of the Year' at the Business Today (BT) India's Best CEOs Awards' 2025-26.
- Has worked with McKinsey and Company, 24/7 Customer Inc. etc.
- Is the Non-Executive 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. Is the Non-Executive Vice Chairman of Tube Investments of India Limited.
- Was the Managing Director of Chola from 19 August, 2010 to 18 August, 2017; Appointed as Non-Executive Chairman from 12 November, 2020 till 31 March 2025 and as the Executive Chairman since 1 April, 2025.



Mr. N. Ramesh Rajan

(68 years) DIN: 01628318
Independent Director

- Graduate in Commerce, a fellow member of the Institute of Chartered Accountants of India.
- Has over 44 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, 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 an Independent Director on the Boards of Rane (Madras) Limited and ESAB India Limited.
- Joined the Board of Chola on 30 October, 2018.



Mr. Anand Kumar

(58 years) DIN: 00818724
Independent Director

- Holds an MBA from Vanderbilt University, United States of America.
- Has over 35 years of experience in BFSI and investments in South and Southeast Asia with a strong network of relationships in the region.
- Is the Co-founder and Partner of Gateway Partners, an investment firm focussed 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, Tube Investments of India Limited and a few other foreign companies.
- Joined the Board of Chola on 16 March, 2021.



Ms. Bhama Krishnamurthy

(71 years) DIN: 02196839
Independent Director

- Holds a Master's 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 an Independent Director on the Boards of various companies including Just Dial Limited, Muthoot Microfin Limited, Thirumalai Chemicals Limited, Reliance Corporate IT Park Limited, Kiwi General Insurance Limited and TCL Global BV, Netherlands.
- Joined the Board of Chola on 31 July, 2019.



Mr. M. A. M. Arunachalam

(Arun Murugappan)
(58 years) DIN: 00202958
Non-Executive Director

- Holds a Bachelor's degree in Commerce from Loyola College, Chennai, and a Master of Business Administration (MBA) from the University of Chicago, USA. He is also an alumnus of The Doon School, Dehradun.
- Has an impressive professional background with more than three decades of diverse experience across various industries within the Murugappa Group of Companies, covering sectors such as engineering, construction and financial services.
- Is the Executive Chairman of Tube Investments of India Limited.
- Is the Chairman of Shanthi Gears Limited, Jayem Automotives Private Limited, TI Medical Private Limited, TI Clean Mobility Private Limited and 3XPER Innoventure Limited.
- Is also on the Boards of CG Power and Industrial Solutions Limited and several other Murugappa Group companies.
- Joined the Board of Chola on 29 January, 2021.



Mr. M R Kumar

(64 years) DIN: 03628755
Independent Director

- Holds a Bachelor's degree in Science from University of Madras.
- Has over 41 years of experience in the fields of insurance, finance, management, administration 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 Board of Aurobindo Pharma USA Inc.
- Is a Member of the Insurance Advisory Committee of Insurance Regulatory and Development Authority of India and Chairperson of Standing Committee on Insurance of GIFT International Financial Services Centre.
- Joined the Board of Chola on 1 May, 2024.



Mr. Ramkumar Ramamoorthy

(58 years) DIN: 07936844
Independent Director

- Holds a Master's Degree in English Literature, MPhil specialising in American New Journalism from the University of Madras and Post Graduate Diploma in Journalism and Mass Communication.
- Has over 36 years of experience in the areas of technology, management and leadership, strategy, planning and governance.
- Has worked with two of the largest technology companies in India - Tata Consultancy Services and Cognizant Technology Solutions.
- Held various leadership positions at Cognizant, as Chief Knowledge Officer, Executive Director, India, and Chairman and Managing Director, India.
- Was on the Board of Cognizant, India and Cognizant Foundation.
- Is an Independent Director on the Board of Five-Star Business Finance Limited.
- Joined the Board of Chola on 26 July, 2024.



Mr. Ravindra Kumar Kundu

(57 years) DIN: 07337155
Managing Director

- Holds a Commerce degree and Postgraduate in Management for Senior Executives from Indian School of Business and studied various modules at Fundação Dom Cabral, Belo Horizonte, Brazil, Kellogg School of Management, United States, The Wharton School of business, United States, during PGPMAX program of ISB, Hyderabad. He has also completed the Executive Program in Global Business Management from IIM Calcutta and holds a Diploma in Mechanical Engineering and Management.
- Brings with him over 38 years of extensive experience across the automobile and financial services industries, marked by a strong foundation in operations, business strategy, and customer-centric innovation.
- Has been associated with Chola for 26 years, beginning his journey with the Company as a Senior Executive in the Vehicle Finance division.
- Is the Non-Executive Chairman of Cholamandalam Securities Limited, Cholamandalam Leasing Limited and Payswiff Technologies Private Limited. Is a Director on the Board of Finance Industry Development Council.
- Was the Executive Director of Chola from 23 January, 2020 to 6 October, 2024. Is the Managing Director of Chola since 7 October, 2024.

Message from the Chairman



Dear Shareholders,

At Chola, our journey of progress is anchored in strong values, guided by a clear purpose and driven by an unwavering commitment to serving India's evolving financial needs. Our mission of "Enabling Customers to Enter a Better Life" remains the cornerstone of every decision we make. It shapes how we expand, serve customers, strengthen capabilities and create sustainable value. In FY 2025–26, we continued to grow with discipline, resilience and a strong commitment to integrity, customer centricity and long-term value creation.

During the year, we expanded our reach across India, strengthened our diversified lending franchise and served a larger customer base. Our branch network increased to 1,761 branches, and we served more than 47.5 lakh customers. Our presence in smaller towns and semi-urban markets remained a key strength, enabling us to stay close to customers and support their aspirations.

Performance during the year

FY 2025–26 was a year of steady growth across businesses. Total disbursements increased to ₹1,11,642 crore from ₹1,00,869 crore in the previous year. Business AUM grew 21% to ₹2,24,334 crore, while total assets under management stood at ₹2,42,630 crore.

Total income was ₹31,445 crore. Profit before tax grew 21% to ₹6,961 crore, and profit after tax grew 23% to ₹5,220 crore. Net interest margin improved to 8.0%, PBT-ROTA was maintained at 3.3%, and return on equity remained healthy at 19.7%. Capital adequacy stood at 19.2%, with Tier I capital at 14.7%.

These outcomes reflect the resilience of our model, the quality of execution and the trust placed in us by customers, partners, lenders, regulators and shareholders.

Business segment highlights

- **Vehicle Finance** remained an important pillar of our business. Disbursements grew 15% to ₹62,123 crore, AUM grew 18% to ₹1,19,558 crore, and PBT grew 11% to ₹3,145 crore. After a challenging period for the sector, demand conditions strengthened towards the latter part of the year. Early delinquencies and non-starter trends also improved, reflecting the benefits of continued underwriting discipline. Diversification across vehicle segments and geographies continued to provide resilience. Faster customer journeys supported competitiveness, with nearly 50% of two-wheeler disbursements completed through fast-track processes within a few hours.

- **Loan Against Property** delivered another strong year. Disbursements increased to ₹20,459 crore, while AUM grew to ₹52,295 crore. The business remained a strong contributor to our MSME and mortgage franchise, supported by branch expansion, healthy demand and focused execution. PBT grew 44%, and return on assets on a PBT basis improved to 3.9% from 3.6%. We will continue to deepen this business in smaller towns and rural areas while retaining our presence in Tier I and Tier II markets.

- **Home Loans** business continued to support home ownership, especially among middle-income and lower middle-income customers. Disbursements stood at ₹7,363 crore, while AUM grew 23% to ₹22,688 crore. Over the past three years, the business has expanded from a largely South-focused presence to a pan-India footprint, now serving around 1.68 lakh customers through 712 touchpoints. PBT grew 22% to ₹865 crore, with return on assets on a PBT basis at 4.2%.

- **Consumer and Small Enterprise Loans, Consumer Durables and Direct-to-Customer** business continued to evolve. Disbursements stood at ₹10,249 crore, and AUM stood at ₹15,113 crore. During the year, we remained selective, focusing on portfolio quality through stronger underwriting, sharper customer selection and sustainable growth. The business now serves 11.5 lakh customers and provides a platform to deepen our presence in customers' everyday financial lives.

- **Small and Medium Enterprises** business continued to support India's entrepreneurial economy. Disbursements stood at ₹7,312 crore, while AUM grew 41% to ₹9,338 crore. The segment provides working capital, business expansion loans and other financing solutions to small and medium enterprises. Our focus remains on prudent customer selection, strong cash-flow assessment and close monitoring, while supporting enterprises that contribute to local employment and economic activity.

- **Secured Business and Personal Loans** business scaled further. Disbursements increased to ₹1,667 crore, while AUM stood at ₹3,537 crore. PBT grew 53% to ₹218 crore, with return on assets on a PBT basis at 7.4%, making it one of the higher-return businesses in our portfolio. The business continues to serve micro and self-employed customers through small-ticket secured credit, with disciplined growth.

- **Gold Loans** our newest business line, was launched during FY 2025–26. In its first year, the business reached an AUM of ₹1,804 crore and operated through 119 branches. With strong controls, trust and transparency, we are building this business to provide quick access to secured credit. In FY 2026–27, we plan to add more than 300 branches, focusing on granular customers around our existing catchments.

Building capabilities for the future

As Chola grows, we continue to invest in capabilities that will support the next phase of our journey. Technology remains a key enabler across acquisition, origination, underwriting, disbursement, collections, reporting and analytics. These investments are improving turnaround times, strengthening controls, enhancing productivity and elevating customer experience.

We are also exploring AI-led interventions, especially in collections, and will extend our learnings to sales and credit use cases with strong governance and accountability. Risk management remains central to our operating philosophy. Our enterprise risk framework covers credit, liquidity, capital, fraud, cyber, compliance and emerging risks. We continue to strengthen scorecards, portfolio monitoring, model governance, stress testing and segmented collection strategies. As our business becomes more digital, cyber resilience and information security remain key priorities.

ESG and responsible growth

Responsible growth is integral to Chola's business model. We remain committed to governance, transparency, regulatory compliance, stakeholder engagement and responsible lending. As we expand our footprint and serve more customers, we will continue to uphold strong standards of conduct, accountability and sustainability.

Creating social impact

In FY 2025–26, Chola channelled its CSR investments across nine interconnected national development pillars—including health, education, environment, and livelihoods—with an overarching focus on the environment. Grounded in a decade of investment, this mission is realized through a National Development Blueprint serving four core communities: Aarthik Engine: Supporting small shop owners and the transport ecosystem—the backbone of Indian commerce. Annadata: Empowering small and marginal farmers who drive rural India. Thulir: Nurturing economically weaker students and young athletes to break the cycle of poverty through education and sport. Sanrakshanam: Preserving heritage and monuments to elevate India's cultural legacy, to a standard of global excellence.

By directing investments into these distinct communities, Chola positions itself as the "Capital for Change." This targeted approach moves beyond basic funding to actively empower the people driving India's growth and deepen long-term community impact.

Looking ahead

India's growth story offers significant opportunity. Rising aspirations, infrastructure development, formalization, digital adoption and expanding credit access will continue to drive demand for financial services. Chola is well positioned with a strong brand, deep distribution, diversified businesses, experienced teams and a culture that balances ambition with prudence.

Our priorities remain clear: grow sustainably, protect asset quality, strengthen customer relationships, invest in people and technology, maintain robust governance and create long-term value for all stakeholders. We will continue to build on our strengths, deepen our presence in chosen markets, scale our businesses responsibly and serve customers with speed, trust and transparency.

I thank our customers for their trust, our employees for their commitment, our partners and lenders for their support, our regulators for their guidance, the Board for its stewardship and you, our shareholders, for your continued confidence in Chola.

Together, we remain committed to building an institution that is resilient, responsible and deeply connected to the aspirations of India.

Best Wishes,

Vellayan Subbiah
Executive Chairman

Message from the Managing Director & CEO



Dear Shareholders,

It gives me immense pride to present Chola's performance for the year and share our priorities as we continue building a stronger, more diversified and future-ready financial services institution. FY 2025–26 reflected steady progress through growth, discipline, customer engagement and future-ready investments.

Our progress is rooted in the values that define us - Integrity, Passion, Quality, Respect and Responsibility and guided by our purpose of expanding access to responsible and inclusive financial solutions. As we strengthen our presence across urban, semi-urban, rural and underserved markets, we remain committed to responsible underwritten products that address customers' aspirations. Our purpose is about enabling individuals, entrepreneurs and families to unlock opportunities and improve their quality of life.

During the year, assets under management crossed ₹2.42 lakh crore, while business AUM grew 21% to ₹2,24,334 crore. Our footprint deepened to 1,761 branches across 26 states and 7 Union Territories, serving more than 47.5+ lakh customers. A significant share of this network is in Tier-III to Tier-VI markets, reinforcing our commitment to financial inclusion.

As we scaled, portfolio quality and risk discipline remained central. We monitored trends across products, customer segments and geographies, supported by collections infrastructure, early-warning indicators, analytics, prudent provisioning and an enterprise risk framework covering credit, liquidity, capital, fraud, cyber, compliance and emerging risks.

Business performance and progress

Across businesses, our focus remained on sustainable growth. Each segment contributed to a balanced and diversified portfolio

- **Vehicle Finance** remained our largest business, with disbursements of ₹62,123 crore and AUM of ₹1,19,558 crore. The sector faced challenges, but conditions improved in the latter part of the year, supported by better demand trends and customer sentiment. We remained focused on calibrated growth, underwriting discipline and early portfolio behaviour.

- **Loan Against Property** delivered strong growth and profitability. Disbursements stood at ₹20,459 crore, while AUM increased to ₹52,295 crore. The business remained a key contributor to our secured lending franchise and continued to meet the credit needs of MSMEs, self-employed professionals and customers seeking productive credit against property.

- **Home Loans** grew steadily, with disbursements of ₹7,363 crore and AUM growth of 23% to ₹22,688 crore. The business has expanded from a largely southern presence to a broader pan-India footprint, with newer branches contributing meaningfully. It continues to address the needs of middle and lower-middle-income households.

- **Consumer and Small Enterprise Loans, Consumer Durables and Direct-to-Customer** continued to evolve with sharper focus on portfolio quality, underwriting discipline and customer selection. Disbursements stood at ₹10,249 crore, while AUM stood at ₹15,113 crore. Tighter underwriting, improved segmentation and sharper risk filters helped reduce credit costs and improve book quality. The business now serves 1.15 million customers.

- **Small and Medium Enterprise Loans** continued to support India's entrepreneurial economy, with AUM increasing to ₹9,338 crore. The segment provides working capital, term loans and other financing solutions tailored to enterprise needs.

- **Secured Business and Personal Loans** scaled further, with disbursements of ₹1,667 crore and AUM of ₹3,537 crore. The business serves micro and self-employed customers through small-ticket secured credit.

- **Gold Loans** was added as a new business during the year. In its first year, it reached an AUM of ₹1,804 crore. The product offers quick and transparent access to secured credit, and we see potential to scale it around existing branch catchments, supported by strong controls and customer trust.

Technology, data and digital transformation

Technology is now central to customer acquisition, credit assessment, loan delivery, risk management, collections and relationship-building. During the year, we modernised our architecture and strengthened digital capabilities. The Vehicle Finance originations platform moved to a modern stack, enabling paperless onboarding with biometric and face-based authentication. Digital originations also expanded across other businesses.

We continued to build Chola One as a common customer platform supporting any-branch and any-product servicing through shared service and collections infrastructure. We also consolidated enterprise data into a unified repository to strengthen analytics, reporting and decision-making, while refreshing treasury systems on a modern, scalable platform.

Data and analytics are becoming key differentiators. We are using underwriting scorecards, alternative-data models, propensity models, pre-approved offers, risk-based pricing, early-warning indicators and portfolio dashboards to improve decisions across the customer lifecycle.

Artificial intelligence is an important area of investment across sales, onboarding, credit assessment, operations, collections and customer engagement. AI agents, vernacular voice agents, OCR, document validation, facial verification and risk models are helping improve lead nurturing, credit profiling, verification and collections. Our objective is to use technology and AI to improve decisions, reduce turnaround time, lower servicing costs, enhance customer experience and strengthen risk control, with governance and human accountability.

Funding, responsibility and social impact

Responsible growth is embedded in Chola's business model. Our reach across smaller towns, rural areas and underserved markets supports financial inclusion by bringing formal credit to customers building homes, businesses, mobility assets and livelihoods. We continued to reduce our operating footprint through paperless processes, digital servicing, green power initiatives and water-saving measures. Governance, transparency, responsible lending and stakeholder engagement remain foundations for sustainable growth.

Our CSR programmes focus on education, healthcare, livelihood, rural development, water and sanitation, environment, sports and cultural preservation. Initiatives such as Aarthik Engine, Annadata, Thulir and Project Sanrakshanam reflect our commitment to communities.

Looking ahead

Our people remain the foundation of Chola's success. More than 73,000 employees serve customers across the country and bring our values to life every day. As we adopt advanced technology, trust, judgement, empathy and relationship-building will remain core human strengths.

The opportunity before Chola remains large and durable. India's credit markets continue to expand, supported by rising aspirations, formalisation, digital adoption, infrastructure development and demand for financial products across households and enterprises. We will remain focused on sustainable growth, asset quality, prudent capital allocation, customer engagement, technology-led transformation, people capability and strong governance.

Our diversified businesses, national reach, strong balance sheet, technology investments and customer-focused approach give us confidence in building a larger, stronger and more resilient Chola.

I sincerely thank our customers for their trust, employees for their dedication, partners and lenders for their support, regulators and rating agencies for their guidance, and our Board of Directors and shareholders for their continued confidence in Chola. Together, we will continue to build an institution that grows responsibly, serves inclusively and creates long-term value.

Sincerely,

Ravindra Kumar Kundu
Managing Director & CEO

Business Highlights

(₹ in crore)

KEY FIGURES (STANDALONE)					
Particulars	**FY 26**	**FY 25**	**FY 24**	**FY 23**	**FY 22**
Branch Network (in nos.)	1,761	1,613	1,387	1,191	1,145
Disbursement	1,11,642	1,00,869	88,725	66,532	35,490
Assets Under Management (AUM)	2,42,630	1,99,876	1,53,718	1,12,782	82,904
Net Income Margin (NIM)	17,071	13,570	9,986	7,229	5,840
Operating profit	10,496	8,231	5,904	4,449	3,771
Profit Before Tax (PBT)	6,961	5,737	4,582	3,600	2,891
Profit After Tax (PAT)	5,220	4,259	3,423	2,666	2,147
Key Ratios (in %)					
NIM	8.0	7.7	7.5	7.7	7.9
Expense Ratio	3.1	3.0	3.1	3.0	2.8
Gross NPA / Gross Stage 3 Assets	4.4/3.0	4.0/2.8	3.5/2.5	4.6/3	6.8/4.4
Net NPA/Stage 3 (Net off ECL) Assets	2.9/1.6	2.6/1.6	2.3/1.3	3.1/1.6	4.8/2.6
Tier I Capital	14.7	14.4	15.1	14.8	16.5
Tier II Capital	4.5	5.3	3.5	2.4	3.1
Capital Adequacy Ratio	19.2	19.8	18.6	17.1	19.6
Return on Total Assets - PBT	3.3	3.3	3.4	3.8	3.9
Return on Equity	19.7	19.8	20.6	20.6	20.4
Growth Ratios (in %)					
AUM Growth	21.4	30.0	36.3	36.0	8.3
Disbursement Growth	10.7	13.7	33.4	87.5	36.3
Book Value per Share Growth	27.0	20.7	33.9	22.0	22.3
Branch Efficiency Ratios (in crore)					
Disbursements per Branch	63.4	62.5	64.0	55.9	31.0
NIM per Branch	9.7	8.4	7.2	6.1	5.1
PAT per Branch	3.0	2.6	2.5	2.2	1.9

Note: Refer glossary section for terms and ratios

Financial Summary

Disbursements

₹ 1,11,642 crore

2026	1,11,642 Cr
2025	1,00,869 Cr
2024	88,725 Cr

12% 11%

Business AUM (Net)

₹ 2,24,334 crore

2026	2,24,334 Cr
2025	1,84,746 Cr
2024	1,45,572 Cr

24% 21%

Profit After Tax

₹ 5,220 crore

2026	5,220 Cr
2025	4,259 Cr
2024	3,423 Cr

23% 23%

Networth

₹ 30,404 crore

2026	30,404 Cr
2025	23,627 Cr
2024	19,557 Cr

25% 29%

Loan Losses & Provisions

1.7 %

2026	1.7 %
2025	1.4 %
2024	1.0 %

PBT - ROTA %

3.3 %

2026	3.3 %
2025	3.3 %
2024	3.4 %

Note:
a. Refer glossary for terms & conditions
b. Loan losses includes management overlay of ₹ 200 Cr. having an impact of 0.1% of average asset in FY26

3-year CAGR
y-o-y growth

Vehicle Finance

Powering the Wheels of Progress, Driving Asset Ownership



For over four decades, Vehicle Finance division has stood as more than a financial institution; it has been the driving force behind India's mobility aspirations. From the heart of rural communities to bustling urban centers, Chola has empowered individuals by making vehicle ownership a reality. Rooted in long-standing relationships and driven by a spirit of innovation, the division delivers tailor-made financial solutions with a deeply personalized touch. Its extensive direct-to-customer sales and after-sales network ensures that support is never far, enabling millions to achieve their pursuit of vehicle ownership with ease and confidence.

DIVERSIFIED ASSET PORTFOLIO

27% UV	18% LCV	13% MUV	13% Car	7% HCV
7% 2w	6% CE	5% Tractor	2% Mini LCV	2% 3W

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

Strategic Initiatives

Deep Market Penetration & Relationship-Led Sourcing: Extensive branch network and strong dealer ecosystem across rural, semi-urban, and emerging markets to acquire customers, build local relationships, and drive sustainable portfolio growth.

Flexible Credit & Risk Assessment Framework: Combines field-level customer insights, asset-backed underwriting, and data-driven risk evaluation to serve first-time borrowers, self-employed customers, owner-drivers, and underserved segments with confidence.

Comprehensive Vehicle Finance Solutions: Customized financing solutions across a wide range of asset categories, including new and used commercial vehicles, passenger vehicles, two-wheelers, three-wheelers, electric vehicles (EVs), tractors, construction equipment, farm equipment, and other income-generating mobility assets, addressing diverse customer needs throughout the asset lifecycle. This broad-based portfolio enables the Company to serve transport operators, fleet owners, farmers, entrepreneurs, and retail customers across transportation, agriculture, infrastructure, and small business ecosystems.

Collection Excellence & Portfolio Resilience: Underpinned by a disciplined collection framework, deep local market knowledge, and asset-backed lending practices that help maintain portfolio quality and resilience across economic cycles.

Key Highlights

- Serving over 3.2 million plus satisfied customers across the country
- Enabling financial inclusion at scale by unlocking credit access for rural women, nearly 12% of its total borrower base
- Expanding the credit ecosystem by bringing first-time buyers into the fold, comprising close to 30%

Disbursements

₹ 62,123 crore

2026	62,123 Cr
2025	53,922 Cr
2024	48,348 Cr

↑ 13% ↑ 15%

Business AUM (Net)

₹ 1,19,558 crore

2026	1,19,558 Cr
2025	1,01,257 Cr
2024	84,498 Cr

↑ 19% ↑ 18%

Income

₹ 16,511 crore

2026	16,511 Cr
2025	14,108 Cr
2024	11,274 Cr

↑ 21% ↑ 17%

PBT

₹ 3,145 crore

2026	3,145 Cr
2025	2,824 Cr
2024	2,532 Cr

↑ 11% ↑ 11%

Loan Losses & Provisions

1.9 %

2026	1.9 %
2025	1.6 %
2024	1.2 %

PBT - ROTA %

2.9 %

2026	2.9 %
2025	3.0 %
2024	3.4 %

↑ 3-year CAGR
↑ y-o-y growth

Note:
a. Refer glossary section for terms and ratios
b. Income and PBT are reported at Business AUM level
c. Loan Losses includes Management overlay of ₹ 120 Cr having an impact of 0.1% of Average Assets in FY26

Loan Against Property

Empowering MSMEs and Entrepreneurs



Chola's Loan Against Property (LAP) business continues to be a significant contributor to the secured lending portfolio, providing long-term, collateral-backed financing to self-employed and MSME customers across India. The business has achieved strong penetration well beyond metropolitan markets, reflecting its deep capability to extend formal credit to both core MSMEs and underserved geographies while maintaining disciplined underwriting and collateral standards.

Strategic Initiatives

Geographic & Market Expansion: Continuous geographic expansion to enable closer on-ground engagement with customers.

Structural Journey Transformation: Operational upgrades by re-engineering loan journeys and integrating strategic technology frameworks across onboarding, verification and collections. This optimization delivers a consistent and efficient experience for customers, vendors and channel partners.

Rigorous Governance Frameworks: Strengthens operating discipline and reinforces robust corporate governance across credit assessment, legal due diligence and portfolio monitoring to ensure dependable access to financial resources.

Inclusive Financial Targeting: Actively supports broader household-level financial inclusion by encouraging significant participation among women borrowers within its core credit channels.

Key Highlights

- Well positioned to serve grassroots businesses with 97% of the customer base comprising Self-Employed Non-Professionals (SENP), including small business owners, traders and service enterprises.
- Maintained a resilient asset quality framework with 75% of the loan book securely backed by self-occupied residential properties.

Disbursements

₹ 20,459 crore

2026	20,459 Cr
2025	17,913 Cr
2024	13,554 Cr

↑ 23% ↑ 14%

Business AUM (Net)

₹ 52,295 crore

2026	52,295 Cr
2025	41,439 Cr
2024	29,859 Cr

↑ 32% ↑ 26%

Income

₹ 6,083 crore

2026	6,083 Cr
2025	4,543 Cr
2024	3,208 Cr

↑ 38% ↑ 34%

PBT

₹ 1,818 crore

2026	1,818 Cr
2025	1,266 Cr
2024	973 Cr

↑ 37% ↑ 44%

Loan Losses & Provisions

0.3 %

2026	0.3 %
2025	0.2 %
2024	-0.2 %

PBT - ROTA %

3.9 %

2026	3.9 %
2025	3.6 %
2024	3.9 %

↑ 3-year CAGR
↑ y-o-y growth

Note:
a. Refer glossary section for terms and ratios
b. Income and PBT are reported at Business AUM level
c. Loan Losses includes Management overlay of ₹ 40 Cr having an impact of 0.1% of Average Assets in FY26

Home Loans

Unlocking Doors, Building Communities



Chola Home Loans is dedicated to making homeownership affordable and accessible across India, specifically targeting middle-to-lower-income families, self-employed non-professionals (SENP) and cash-salaried individuals. Operating across Tier II to IV markets, the division focuses on driving financial inclusion in traditionally underserved geographies.

Strategic Initiatives

Flexible Credit Architecture: Deploys personalized, in-person credit assessments for non-traditional and cash-salaried borrowers to simplify credit evaluation and expand formal loan access.

D2C Digital Evolution: Enhances the customer lifecycle and convenience by streamlining verification and implementing direct-to-customer digital onboarding.

Targeted Product Suite: Offers customized financing solutions for self-construction, ready-to-move-in homes, balance transfers, plot purchases and small shop owners.

Livelihood Empowerment: Provides tailored financing for mixed-use properties, allowing families to build homes while simultaneously establishing local micro-enterprises.

Key Highlights

- **Active Loan Accounts:** Empowering 1.68 lakh active families
- **Geographical Footprint:** 712 touchpoints across 22 states
- **Financial Inclusion Catalyst:** 17% of all customers are first-time borrowers, with an average ticket size of ₹13.9 lakh

Disbursements

₹ 7,363 crore

2026	7,363 Cr
2025	7,404 Cr
2024	6,362 Cr

8% -1%

Business AUM (Net of Provisions)

₹ 22,688 crore

2026	22,688 Cr
2025	18,427 Cr
2024	13,404 Cr

30% 23%

Income

₹ 3,274 crore

2026	3,274 Cr
2025	2,548 Cr
2024	1,756 Cr

37% 29%

PBT

₹ 865 crore

2026	865 Cr
2025	709 Cr
2024	489 Cr

33% 22%

Loan Losses & Provisions

1.0 %

2026	1.0 %
2025	0.4 %
2024	0.2 %

PBT - ROTA %

4.2 %

2026	4.2 %
2025	4.5 %
2024	4.5 %

3-year CAGR
y-o-y growth

Note:
a. Refer glossary section for terms and ratios
b. Income and PBT are reported at Business AUM level
c. Loan Losses includes Management overlay of ₹ 20 Cr having an impact of 0.1% of Average Assets in FY 2025-26

Consumer & Small Enterprise Loans

Expanding Financial Inclusion and Supporting Aspirational Consumption



The Consumer and Small Enterprise Loans (CSEL) division is focused on addressing the diverse credit needs of small businesses, self-employed professionals, and salaried individuals through a comprehensive suite of business loans, professional loans, and personal financing solutions.

Built on a foundation of digital innovation, CSEL delivers a seamless end-to-end customer experience, complemented by flexible repayment options. The division plays a critical role in enabling small businesses and professionals to scale their operations, while also empowering salaried customers to efficiently manage liquidity requirements without compromising their long-term savings.

CSEL contributes meaningfully to expanding financial inclusion, supporting entrepreneurial growth, and strengthening the financial resilience of India's emerging middle class and self-employed ecosystem.

Strategic Initiatives

Multi-Channel Acquisition Strategy: To drive scalable and diversified growth, CSEL has adopted a multi-pronged customer acquisition approach across traditional and digital distribution channels.

The division's core distribution strength lies in its well-established, credit-tested sourcing ecosystem.

Direct Sales Agents (DSAs): A robust network of over 600 channel partners across India, including national and regional DSAs, ensuring extensive market reach.

Direct Sales Team (DST): A field force of over 575 sales field executives who drive originations through targeted central campaigns and open market sourcing.

This dual-channel approach enables efficient sourcing of collateral-free business loans, professional loans and personal loans across diverse customer segments.

Key Highlights

- Operates from over 500 locations nationwide, spanning 24 states and 4 Union Territories.
- Captures underpenetrated credit demand across mass and emerging segments by empowering individuals and businesses to enhance their lifestyle and achieve their business aspirations.
- Disbursed a total of ₹ 7,137 crore in FY 2025-26.

Consumer Durable Loans

Digital Onboarding Seamless Affordability



The Consumer Durable (CD) Loans business is strategically positioned to capture the strong structural growth in India's consumer electronics and appliances sector, which is projected to become the world's fourth-largest by FY 2026-27. With consumer financing supporting nearly 35–40% of industry sales, Chola leverages digital innovations and an expanding partner ecosystem to improve affordability and accelerate purchases across urban and Tier II/III markets.

Strategic Initiatives

Chola Kaart Swift | Smart | Safe

In-House Digital Sourcing: Successful launch of "CholaKaart", an in-house digital Loan Origination System (LOS) platform that provides a streamlined, internally owned sourcing engine.

Brand & Ecosystem Expansion: Registered strong growth by adding leading global and national brands to significantly strengthen the product and dealer ecosystem, with further network expansion planned for FY 2026-27.

Intelligent Process Enhancements: Deployed significant digital process upgrades aimed at improving operational speed, efficiency and portfolio quality, ensuring more scalable execution and sharper monitoring across the multi-platform setup.

Strategic Affordability: Capitalizing on long-term market momentum for smart, energy-efficient and premium products by driving the adoption of embedded finance solutions and instant credit availability at the point of sale.

Key Highlights

- Launched in FY 2023-24 via a tie-up with Samsung and expanded to the Open Market in FY 2024-25 through CholaKaart, the in-house digital LOS platform.
- Disbursement crossed a substantial ₹2,174 crore during the financial year achieving a year-on-year growth of 50%.
- Successfully acquired more than 10 lakh customers in FY 2025-26.
- Strong nationwide presence across ~10,000 pincodes and rapidly growing.

Secured Business & Personal Loans

Fuelling Progress with Formal Credit for Businesses



Secured Business & Personal Loans (SBPL) drives financial growth in emerging India by enabling formal credit access for small and independent businesses across Tier III–VI markets. By moving beyond conventional underwriting frameworks, the division caters specifically to entrepreneurial segments with limited documentation and informal income structures. Operating on a dedicated high-touch, high-tech delivery model, SBPL unlocks credit by combining collateral strength with a deep understanding of localized business dynamics.

Strategic Initiatives

Cash Flow-Based Underwriting: Assesses real earning capacity and business viability by combining collateral value with a nuanced evaluation of customer cash flows rather than traditional documentation alone.

High-Touch Delivery & Last-Mile Access: Enhances accessibility in traditionally unbanked geographies through proactive doorstep service and an expanded on-ground field force.

Digital Velocity: Maximizes operational efficiency and improves customer convenience through targeted investments in digitization that accelerate onboarding and credit decisions.

Tailored Product Architecture: Offers simple, transparent secured lending solutions customized for businesses and enterprises, with monthly repayments of tenures ranging from 2-10 years.

Key Highlights

- Supported **89,000+** customers in establishing and scaling sustainable livelihoods and enterprises
- **400+** touchpoint locations across emerging markets
- **Expanded formal credit access** to stimulate local entrepreneurship, regional employment, and widespread income generation
- Disbursed a total of ₹ 1,667 crore in FY 2025-26.

Small and Medium Enterprise Loans

Empowering Entrepreneurs, Catalyzing Growth



The Micro, Small, and Medium Enterprises (MSME) sector is a cornerstone of India's economic progress, contributing significantly to GDP, exports and employment generation. Anchored in core values of trust, agility and customer-centricity, Chola is deeply committed to strengthening this vital ecosystem positioning itself as a long-term growth partner to India's entrepreneurs. The Company delivers comprehensive and tailored funding solutions to private limited companies, partnership firms and proprietorship concerns.

Strategic Initiatives

Comprehensive Funding Solutions: Provides wide-ranging financial support from ₹5 lakh to ₹15 crore, empowering SMEs to scale confidently, unlock new opportunities and enhance operational capabilities.

Tailored Client Engagement: Nurtures the entrepreneurial ecosystem by offering customized loan products designed specifically for the unique needs of diverse business structures, including private limited companies and partnerships.

Digital & Data-Driven Underwriting: Leverages advanced digital capabilities and robust, data-driven underwriting frameworks to ensure faster, precise and well-informed lending decisions while maintaining high portfolio quality.

Strategic OEM Partnerships: Collaboration with over 40 Original Equipment Manufacturers (OEMs) enhances access to seamless, need-based financing and drives deeper market penetration.

Key Highlights

- Supporting **12,200 SME** customers, contributing meaningfully to job creation and economic activity within local communities
- Strong presence across **120+ branches in 22 states**.
- Disbursed a total of ₹ 7,312 crore in FY 2025-26

Gold Loan

Transforming Trust Hassle-Free Capital Access



In its first year of operations, Gold Loan business has established a robust foundation, transforming trust into immediate opportunity. The business offers customers a quick, secure and transparent way to unlock the true value of their gold assets to meet diverse financial aspirations ranging from business expansion to personal needs. Closing FY 2025-26 with a strong performance, the segment continues to leverage Chola's legacy of reliability to build a distinctive market presence.

Strategic Initiatives

Customer-Centric Product Design: Offers a competitive loan value per gram to maximize asset value alongside quick approvals, disbursals and minimal documentation to ensure a seamless customer journey.

Robust 10-Layer Security Framework: Implemented a comprehensive security architecture across all branches, integrating advanced vault systems, centralized OTP-based access controls, 24x7 CCTV surveillance, RFID tagging and centralized monitoring.

Branch Network Expansion: Plans to add new branches in FY 2026-27, aiming to strengthen presence across high-potential markets in South India while extending the franchise into new geographies.

Integrated Sourcing & Marketing: Adopted a dynamic sourcing model combining branch-led acquisition with digital outreach, supported by significantly increased investments in BTL activations, outdoor, digital, and ATL campaigns.

Key Highlights

- AUM of ₹ **1,804 crore**
- **119** exclusive Gold Loan branches
- **Loan amounts starting from ₹ 5,000**, scaling up based on the value of the pledged ornaments
- Balanced rapid expansion with strong underwriting practices and operational excellence to ensure long-term sustainable scaling.

Analytics

Transforming Data into Insight-Led Decisions



In a rapidly evolving financial and technological ecosystem, the Analytics function plays a pivotal role in transforming data into meaningful business value. By leveraging data-driven insights, advanced analytical frameworks and scalable reporting capabilities, the function contributes meaningfully to business growth, portfolio quality and operational effectiveness.

Strategic Initiatives

Advanced Underwriting Architecture: Enhanced underwriting scorecards through segmented models based on the depth and availability of bureau data. It successfully incorporated alternate data elements into underwriting frameworks, specifically targeting thin-bureau and New-to-Credit (NTC) customers. Periodic scorecard performance monitoring was implemented to identify and initiate timely recalibration measures.

Targeted Customer Growth: Identified creditworthy customers for cross-sell and retention opportunities based on repayment behaviour. Customers are evaluated across multiple products to enable targeted campaigns and outreach. This enabled over 10% of monthly disbursements in FY 2025-26.

Scalable Business Intelligence: Enabled Enterprise Data Lake, automated and scalable dashboards were delivered across multiple functions. This deployment increased dashboard refresh frequency and reporting agility through automated scheduling capabilities.

Proactive Portfolio Monitoring: Enabled specialized collection prioritization engines for current-bucket customers to improve overall collection effectiveness. Furthermore, it utilized bureau-based portfolio reviews to strengthen repayment monitoring and early risk identification frameworks.

Process Optimization: Automated, standardized manual processes successfully through Gen AI to reduce process time and manual involvement in credit and operations activities.

Human Resources

Empowering Growth Through Values, Purpose, Progress



FY 2025-26 was a defining year in Chola's people journey, one shaped by a deeper commitment to building an organisation where people can grow with purpose, perform with confidence and thrive in an environment anchored in care and opportunity.

Articulating Our Promise - The Chola EVP

In FY 2025-26, Chola articulated a formal Employee Value Proposition (EVP), one of the organisation's most extensive employee listening exercises, shaped through the voices of employees, candidates and alumni across the organisation.

The EVP was built on insights gathered from over 15,250 employee pulse responses, several external reviews across platforms such as AmbitionBox and Glassdoor, focused group discussions, and candidate feedback. The exercise revealed a consistent perception of Chola as a workplace defined by career growth, strong brand equity, learning opportunities, performance-driven rewards and long-term stability.

The findings were crystallised into a simple, yet powerful framework anchored on three pillars:

*"I **grow** here"*

Career mobility, capability mastery, stretched horizons.

*"I **belong** here"*

Unwavering support, amplified voice, meaningful recognition.

*"I **matter** here"*

Strategic line of sight, innovation catalyst, social impact.

Advancing Women at Chola

FY 2025-26 marked another meaningful step in our ongoing commitment to advancing an inclusive and supportive workplace for women. Through initiatives focused on recognition, wellbeing, leadership, and opportunity, we continued to strengthen an environment where women can thrive and succeed.

Programmes such as **She Leads** celebrated women across the organisation by amplifying their stories and leadership journeys, while **Sakhi**, the women referral programme launched on Women's Day, encouraged employees to strengthen the women talent pipeline through a special referral initiative.

Chola also introduced dedicated wellness and rest spaces for women employees through the **Recharge Room / She Care Lounge** initiative across key office locations. Designed as comfortable spaces to pause, reset, and recharge during the workday, the initiative reinforced Chola's commitment to supporting women's wellbeing in practical and meaningful ways.

Women's Day celebrations such as **Chandini Chowk to Chola** created spaces for connection, creativity, and community, transforming the workplace into a vibrant celebration of women employees.

#SHELEADS



Talent Assurance: Building a Future Ready Workforce

Chola JOBS

Chola Jobs is a technology-enabled talent platform designed to create a strong pipeline of skilled and job-ready talent across the country. Combining digital outreach with on-ground engagement, the platform simplified candidate access and introduced a structured assessment framework focused on role fit, capability and potential.

Anchored on the Success Profile Quotient, the framework evaluated candidates on passion, capability and alignment to role requirements, helping ensure stronger career fit and better long-term success for employees joining the organisation.

Chola also partnered closely with business teams to redesign role structures, enhance workforce effectiveness and strengthen capability-building interventions across functions. Insights from performance studies are now being integrated into hiring, development and recognition practices to create more focused growth pathways for employees.

MyCompass

The year also saw the launch of **Chola MyCompass**, a mobile-first learning and performance enablement platform designed to make learning accessible in the flow of work. With anytime-anywhere access, the platform enables employees across locations and roles to continuously build skills and stay connected to business knowledge.

A key feature of the platform is **Buddy AI**, an intelligent conversational assistant that provides employees with real-time support, quick clarifications, and bite-sized learning inputs during the course of work. Gamified learning journeys and integrated analytics further enhanced engagement and learning effectiveness.

Chola MyCompass achieved an adoption rate of 81% within the first three months of launch, reflecting strong employee engagement and reinforcing Chola's commitment to building a future-ready workforce through continuous learning and development.



Capability building: Growing People who grow the business

FY 2025-26 marked a significant step forward in Chola's capability-building journey, with focused investments in leadership development, performance enablement and continuous learning.

The **Chola Certified People Manager** programme was launched to strengthen frontline leadership capability by equipping managers with essential people leadership skills such as coaching, feedback, delegation and goal setting. Built around practical business scenarios and supported through continuous learning interventions, the programme aimed to translate leadership learning into everyday managerial practice.

To strengthen performance culture at the team level, Chola introduced the **Chola Certified Performance Catalyst** initiative, creating a peer-led coaching ecosystem where high-potential employees supported team capability improvement through structured mentoring and performance guidance.

Chola Soukhyam – Your wellbeing Matters!

At Chola, employee wellbeing is viewed not as an initiative, but as a foundation for sustainable performance and growth. FY 2025-26 saw the launch of **Chola Soukhyam**, the organisation's integrated wellbeing framework designed to support employees across five dimensions - physical, emotional, financial, social and spiritual wellbeing.

Bringing the programme to life was **HoneyBee**, the wellness mascot that became the voice of wellbeing across the organisation, supported through campaigns such as #EnterABetterLife, #BeCalm, #BeAmazing, and #Believe. Together, these initiatives helped create a more open and engaging conversation around wellbeing across teams and locations.

A key pillar of Soukhyam was the **Employee Assistance Programme (EAP)**, which provided employees and their families with access to free and confidential professional counselling services, available round the clock. Awareness initiatives across the year focused on improving accessibility and encouraging employees to seek support without hesitation.

The organisation also rolled out structured wellbeing interventions through health camps, wellness sessions, and focused awareness programmes aimed at supporting both physical and mental wellbeing. Complementing this was **Wellness Wednesday**, a recurring initiative that encouraged employees to pause, recharge, and reconnect amidst the demands of everyday work life. Through Soukhyam, Chola continues to strengthen a culture where employees feel supported not only in their professional growth, but also in their overall wellbeing.

Why Chola Matters?



Arpita Kayal
Zonal Coordinator LAP
Kolkata

At Chola, I've experienced a culture of inclusivity and respect as a woman.



Geeta Devi
Branch Business Manager
Aizawl

At Chola, everyone's potential is valued and supported. It's encouraging to be part of a workplace that truly believes in equal opportunities for all.



Gitanjali Deka
Sales Support LAP
Guwahati

Chola is a place where employees are treated equally without any kind of bias. I feel blessed being part of such an employee-centric organization.



Leona Yuvaraj
Deputy Vice President
Chennai

I chose Chola for its strong culture, employee-first approach and growth opportunities.



Maninder Kaur
Regional Credit Operations Manager
Delhi

Chola is an ocean of opportunities where you can learn, grow and achieve more than you ever imagined.



Pamarty Charusree
Assistant General Manager
Chennai

Chola is the best thing that has ever happened to me. It has given me a supportive environment where I can grow, learn and achieve more than I imagined.



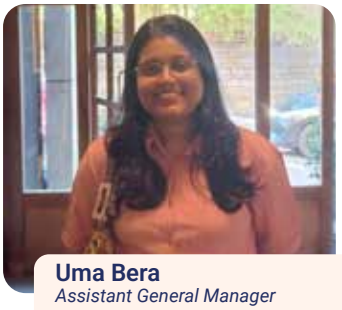
Rashmi Singh
Zonal Hygiene Manager
Delhi

It is the place where I grew professionally, raised my children alongside my career and built a lifetime of memories.



Rudrani Ajay Gosavi
Regional HR Manager
Pune

Chola gives me the freedom to take up diverse responsibilities. Every day brings something new!



Uma Bera
Assistant General Manager
Chennai

More than a workplace, it feels like a home away from home—supportive, inclusive and encouraging at every step.

Compliance



At Chola, compliance is viewed not merely as a regulatory obligation, but as a foundational pillar of governance and sustainable value creation.

In an increasingly dynamic financial services landscape, a strong compliance culture is fundamental to building stakeholder trust, strengthening Company's reputation and ensuring long-term sustainability. The Company continues to embed compliance as a core strategic priority, enabling it to navigate regulatory requirements with confidence and credibility.

Chola has established a robust governance and compliance framework, anchored in ethical practices and integrity across all levels of the organization. This is reinforced by a clear "compliance-first" philosophy led by the Board and senior management, reflecting a zero-tolerance approach to non-compliance. The culture is further strengthened through ongoing employee training and awareness initiatives, well-defined policies and procedures and a proactive approach by senior management and compliance function in identifying and managing compliance risks.

The Company leverages technology to enable real-time monitoring of compliance obligations, supported by a dedicated team of qualified and independent professionals. The Compliance function undertakes periodic independent testing to assess adherence to applicable regulatory requirements, including master directions and circulars issued by the regulators from time to time.

The Company follows a structured three-tier independent compliance framework involving the Compliance, Internal Audit and Risk functions. This multi-layered approach provides robust oversight and assurance on adherence to regulatory standards which strengthens the overall governance framework. The Company continues to uphold a strong reputation for maintaining high standards of compliance culture.

Through this integrated and disciplined approach, the Company remains committed to upholding the highest standards of compliance and governance, thereby reinforcing stakeholder confidence and supporting sustainable growth.

Environmental, Social and Governance

Embedding Sustainable and Inclusive Practices

Chola's commitment to Environmental, Social and Governance (ESG) principles is integral to its core business strategy of driving sustainable growth and fostering positive societal impact. By progressively embedding responsible and sustainable practices across all operational touchpoints, the Company continuously strives to maximize long-term environmental value and create deep, meaningful social empowerment.

Strategic Initiatives

Environmental Stewardship: Chola continues to upgrade branches using energy efficient LED configurations and installed aerators for taps, thereby contributing to environmental stewardship. These practices are also implemented at the Head Office, where the use of reusable water bottles is encouraged to minimize single-use plastic waste. Chola also minimizes physical paper consumption through automated workflows, digital onboarding, e-receipts and the deployment of eco-friendly recyclable paper across 40 branches.

Green Financing Solutions: Focus on green portfolio growth accelerating disbursements for Electric Vehicles (EVs) and initiating project funding for solar energy deployment under the SME lending segment.

Inclusive Social Architecture: Affordable and customized financial products engineered for individuals in the unorganized sector, low-income groups and women borrowers. Accessible micro-credit solutions are delivered across diverse lines of business, including tailored Vehicle Loans, Loans Against Property (LAP) for small entrepreneurs, SME/inventory funding, Secured Business & Personal Loans (SBPL), and quick-access Gold Loans that make financing accessible.

Governance, Privacy & Compliance: Chola upholds exemplary standards of transparency and corporate governance. Data privacy frameworks are continually reinforced through periodical reviews, mandatory information security training for employees, and stringent cyber-resilience SLAs.

Key Highlights

- Successfully exceeded the institutional disbursement targets established for electric vehicle funding during the financial year.
- Achieved a sustained drop in Scope 3 emission per rupee of business turnover via eco-efficient solutions like water aerators and plastic elimination.
- More than 90% of Chola's branches are within Tier III to Tier VI towns as of March 31, 2026, and are actively expanding formal credit lines to underbanked rural and semi-urban geographies.
- Registered a consecutive, sustained increase in ESG scores from voluntary global rating agencies.

Corporate Social Responsibility

Building Self-Sustaining Grassroot Ecosystems



In FY 2025–26, Chola channelled its CSR investments across nine interconnected pillars of national development: health, education, sports, environment, livelihoods, rural development, skill development, water & sanitation, and the preservation of India's cultural heritage through four core communities with an overarching theme of environment. This is a belief built on a decade worth of community investment. This mission is realized through the lives of those we serve. It begins with the **Aarthik Engine,** our commitment to the Commercial Vehicle drivers and the sprawling transport ecosystem—the literal backbone of Indian commerce that keeps the country moving. Chola has been actively working with the **Annadata,** the small and marginal farmers who represent the heartbeat of rural India. To ensure a future of meritocracy, **Thulir** focuses on our scholarship students and young athletes, providing the "pioneer" spirit needed to break the cycle of poverty through education and sport. Finally, through **Project Sanrakshanam,** we protect our heritage and monuments, elevating India's cultural legacy to a standard of global excellence.

Aarthik Engine

(Logistics & Transport Communities)

Project Raahi: Highway centric Static centers offering refractive errors screening, cataract, DR screening, hypertension, diabetes and TB screening. This is tailored for India's underserved commercial vehicle drivers and other transport workers.

Maternal & Critical Healthcare: Funds advanced neonatal care, maternal health interventions and life-saving critical care (including paediatric cancer treatments and corrective cardiac surgeries) through dedicated healthcare facilities.







Annadata
(Agrarian Resilience & Environment)

Agricultural Empowerment: Supports small and marginal farmers in climate vulnerable and rain shadow regions through 24 FPCs. The support is through advanced training, regenerative inputs and sustainable livelihood programs.

Project Nanneer: Restores vital water security by undertaking holistic lake rejuvenation, de-siltation and water-body restoration projects across diverse topographies.





Thulir
(Youth, Meritocracy & Sports)

Educational Scholarships: Delivers long-term financial assistance, academic mentorship and smart classroom infrastructure to first-generation, underprivileged students.

Sports Mastery & MYFA: Promotes health, discipline and competitive sports excellence among rural youth by providing world-class coaching and training infrastructure through the Murugappa Youth Football Academy (MYFA).



Chola Chess

Elite in-person coaching for Chess for 233 players and 25 GM players, driving global excellence on national soil.

Project Sanrakshanam
(Conservation of Arts and Culture)

Preserves and promotes India's cultural and architectural legacy by facilitating visitor experience, by providing infrastructural support around historical monuments (Kailasanathar temple in Kancheepuram and Airavateswara temple in Darasuram)



Adopt a monument

Restoration and enrichment of tourist experience at historical monuments.



Kailasanathar Temple, Kanchipuram



Airavateswara Temple, Darasuram

Healthcare & Well-being



13,14,279
Lives actively impacted through healthcare delivery



1,70,000+
Comprehensive health screenings



76,583
Free prescription spectacles for drivers and rural residents



21,585
Cataract surgeries across projects



213
Critically ill children saved via specialized tertiary interventions (105 Cardiac surgeries, 108 paediatric cancer therapies)

Education, Livelihoods & Inclusion



71,065
Students supported



34,679+
Farmers upskilled and integrated into sustainable farming networks



241
Marginalized women transitioned into career livelihoods

Environment & Coexistence



12 Lakes
Rejuvenated under Project Nanneer, replenishing local water tables



Deployed voice-based elephant tracking and early-warning systems to safeguard agricultural families in man-animal conflict plantation zones (Belur and Sakleshpur in Hassan districts of Karnataka).

Enterprise Risk Management

Embedding Institutional Resilience and Stability



Chola embeds a proactive, Board-governed risk culture across all organizational layers to safeguard long-term operational stability and sustainable strategic growth. The Risk Management Committee (a committee of the Board of Directors)oversees the proactive risk management culture by setting the organization's risk appetite, by monitoring key risks and by ensuring alignment with strategic goals. The Risk Management division, under the Chief Risk Officer, develops and reviews risk management policies and establishes risk management framework across the organisation, including various metrics, indicators and other data. Risk owners across departments are responsible for implementing mitigation strategies and reporting emerging risks. Driven by robust internal controls, sound operating procedures and constant regulatory alignment, the team continually evolves to mitigate emerging market and technology vulnerabilities. The Company assesses and mitigates various risks by:

Stress testing of

- Capital to assess resilience to strategic risks.
- Liquidity to assess liquidity buffer position and specific regulatory requirements (LCR and ALM mismatches).
- Cyber security and IT risk by regular penetration testing and vulnerability assessment, red teaming.
- Operational risk through RCSA.

Credit Risk management through predictive analytics, underwriting models and bounce prediction collection strategies.

Regulatory and compliance risk, Audit, compliance monitoring tools and automated reporting framework for total adherence to regulatory guidelines.

Resilience building through BCP and DR drills.

Review and monitoring of adherence to Environmental, Social and Governance standards.

Highlighting this commitment to global standards, Chola is ISO 9001:2015 certified for its Enterprise-wide Risk Governance and Risk Management Services.


TÜVINDIA

Certificate

ISO/IEC 27001:2022

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

Chola

TÜVNORDGROUP

Operations

Delivering Seamless and High-Tech Execution



The Operations function champions a customer-centric journey by driving the strategic 'A4C framework' (Automation, Cost Reduction, Compliance, Controls, Customer). By anchoring its interventions around cost efficiency, process controls, regulatory integrity and data security, the function ensures zero-error processing and an elevated customer experience across all physical and digital touchpoints.

Strategic Initiatives

Enterprise Tech Deployment: Implemented 70+ technology initiatives across core business lines and CRM systems to enhance operational speed, accuracy and scalability.

Advanced AI Integration: Rolled out OCR-AI based health checks and Post Disbursement Document automation at the Central Processing Unit (CPU).

Digital Mortgage Evolution: Adopted GenAI-based property boundary verification and a modern Document Management System (DMS) for scan-based disbursements and digital file storage.

Ecosystem Connectivity: Automated banking presentations for major partners and completed direct MoRTH integration for automated hypothecation cancellation.

Process & CRM Innovation: Executed 118 Kaizens to maximize efficiency while enhancing digital customer convenience via enhanced self-service modules on the Chola One app.

Key Highlights

- **Customer Sentiment:** Achieved Customer Satisfaction Survey score of 91 and a customer Google rating of 4.6 out of 5.
- **CII Gold Award:** Awarded top honours at the 6th CII National DigiTech Competition 2025 for the breakthrough Kaizen, "Automation of Health check with AI + OCR".
- **CII Platinum Award:** Secured the accolade for 'Best case study in Digitization for Quality' for 'Disburse-eye', an in-house developed health-check automation system.

Finance

Driving Strategic Clarity and Sustainable Value Creation

The Finance function is central to advancing Chola's purpose of enabling customers and communities to progress with confidence. Anchored in integrity, accountability and prudent stewardship, the function drives sustainable growth through a strong Financial Planning & Analysis (FP&A) framework, disciplined capital allocation, and robust internal governance. Finance strengthens execution discipline, operational agility and data-driven decision-making across the entire organization

Key responsibilities and contributions include:

- **Integrated Strategic Planning:** By combining rigorous analysis, scenario planning and complex financial modelling.
- **Tight Functional Integration:** Ensures the seamless integration of organizational strategy with the long-term plans.
- **Forward-Looking Business Partnering:** Leveraging data to support forecasting accuracy and accelerate decision cycles.
- **Capital Market Engagement:** Proactive, transparent investor engagement and high-quality financial communication to all stakeholders.

The Finance function plays a pivotal role in translating Chola's values and purpose into sustainable progress. Through prudent financial management, strong governance, and disciplined capital stewardship, it enables the Company to grow responsibly, deliver meaningful financial solutions, and create enduring value for all stakeholders.



Treasury

Driving Agility in Capital Mobilisation

The Treasury function creates value by mobilising resources to support business growth and operations while managing cost, risk and compliance.

Key Strategic Initiatives

Diversified Sourcing: Maintains relationships with a wide spectrum of banks, financial institutions and institutional investors to ensure a diversified funding base.

Structural Segregation: Maintains appropriate checks and balances, reporting transparency, and independent validation of transactions.

Market Monitoring: Tracks macroeconomic trends and market indicators to manage liquidity and interest rate risk effectively.

Process Automation: Implements automated systems and controls across the transaction lifecycle to reduce manual interventions.

Key Highlights

- Improved market intelligence helped maintain uninterrupted access to funds at optimal rates.
- Strength of middle and back-office treasury operations through automation and improved process controls.

Marketing and Corporate Communications

Amplifying Brand Value

Chola's Marketing & Corporate Communications function focuses on consolidating data into actionable insights, automating interactions for operational excellence and delivering seamless, personalized omnichannel customer journeys across both digital and physical touchpoints. By integrating advanced technologies such as Conversational AI and a unified Customer Data Platform, the team strengthens the customer connect while ensuring sustainable, cost-efficient marketing execution.

Strategic Initiatives

Unified Data Architecture: Successfully implemented the Customer Data Platform (CDP), consolidating disparate customer databases into a unified 360-degree view to enable advanced segmentation and data-driven engagement at scale.

Intelligent Automation: Leveraged the CDP to automate collection campaigns across key product portfolios, significantly reducing manual intervention while improving operational efficiency and campaign execution accuracy.

AI-Driven Optimization: Deployed an AI-powered website optimization platform to enhance content discoverability and brand visibility across emerging AI search and generative platforms.

Customer Acquisition & Leads: Launched targeted performance marketing initiatives across Google and Meta platforms, generating high-intent leads to support qualified customer acquisitions and business conversions.

Digital Self-Service Transformation: Enhanced the customer experience within the Chola One App by enabling advanced self-service automation, empowering customers to manage requests seamlessly without branch interaction.

Key Highlights

- Executed over 50,000+ targeted digital campaigns and deployed 500+ personalized chatbot journeys resulting in reduction in cost per lead by 10%.
- Grew digital footprint on LinkedIn by 40.6% and Instagram by 67.7%.
- Cross-sell, upsell and organic campaigns contributed to 5% of overall business.

Empowering the Customer through an Omnichannel Ecosystem

Branches
1,700+

223,000+
Avg Monthly Website Visitors

Chola One App
10 Lakh+
Downloads | 11 Languages
Rating: 4.2 (Play Store)
3.5 (App Store)



Yuva Chatbot & Call Centers
AI-Powered
customer support

Social Media
6 Lakh+
Followers

Awareness SMS/ WhatsApp/RCS
Important updates, financial awareness messages, service information, and customer advisories

Customer Awareness Campaigns
Awareness initiatives through reels and social media posts aligned with RBI guidelines on responsible financial practices, digital safety, and banking awareness.

Information Technology

Delivering a Tech-Driven Enterprise Anchored in Operational Resilience



Technology serves as the critical engine of growth, customer trust and operational resilience and the IT team's mission is focused on delivering an experience-first, data-driven and AI-led enterprise. An organisation that is secure by design, scales effectively, responds rapidly to customer needs and ensures regulatory adherence. Driven by a solution-first innovation culture, the IT function strengthens Chola's digital backbone while advancing agentic AI across the value chain.

Strategic Initiatives

AI-Embedded Engineering Excellence: Adopted an AI-embedded software development lifecycle (SDLC) that caters to both new in-house builds and existing platform evolution. The integration of AI-pair programming, automated test generation, shift-left security and AIOps accelerates delivery while preserving audit-grade governance.

Unified Omni-Channel Experience: Deployed an Enterprise Customer Data Platform to unify the Customer 360 profile alongside the Chola One interface to enable AI-driven personalization and contextual campaigns. Furthermore, customer and partner communication has been re-architected on "Bridge", an in-house stack with a unified messaging spine for consistent, multilingual conversations across preferred channel be it web, mobile, voice, chat, WhatsApp, SMS, e-mail, IVR and in-branch.

Intelligent Automation & Agentic Workflows: Progressive elimination of manual touchpoints across operations through intelligent document processing, voice intelligence and process orchestration. Beyond basic automation, agentic workflows absorb rote work apart from executing multi-step business processes to support underwriting and other critical functions.

Robust & Secure Architecture: Anchored on a three-layer architecture: Systems of Engagement for real-time customer and ecosystem partner interactions; Systems of Record for data integrity and operational continuity; and Systems of Intelligence for AI-infused, action-ready insights. With cloud-native architecture adoption and proven business-continuity capabilities the architecture backs strong design and observability foundations.

Key Highlights

- **Data-Driven Decisioning:** Consolidates lending, finance, risk and infrastructure data into a single source of truth to power regulatory reporting, early-warning systems and faster, objective lending decisions.
- **Responsible Operations:** Reduced environmental footprint through paperless lending journeys and optimization based on design and Fin-Ops architecture. Ethical disposal of electronic equipment is managed through certified partners.
- **Workforce Transformation:** Organised into outcome-focused product squads with aligned vertical ownership, deepening in-house capability for digitization. Structured learning programs equip employees for an AI-led operating model through curricula in AI, data, cloud, and cybersecurity.

Our Subsidiaries

Investing Built on Insight and Trust



Chola Securities continues to strengthen its position as a technology-first, research-led financial services platform designed to enable informed financial decisions for its customers. Reflecting the trusted legacy and core values of the Murugappa Group, the business delivers comprehensive investment solutions across asset classes. The platforms bring together multiple asset classes in one place, enabling customers to explore and invest across financial products apart from offering Margin Trade Funding at preferential rates, supporting eligible customers in managing their trading requirements more effectively.

Strategic Initiatives

Multi-Asset Integration: Unifies a diverse range of investment opportunities into a single ecosystem, giving customers seamless access to equities. Distribution of Mutual funds, bonds, insurance, Alternative Investment Funds (AIF) and Portfolio Management Services (PMS) via its dedicated app and web platforms.

Advanced Research Architecture: Deploys an expert in-house research team to provide structured, data-driven recommendations across intraday, Futures & Options (F&O), Buy Today Sell Tomorrow (BTST) and long-term fundamental calls.

Curated Investment Baskets: Provides specialized, internally managed "research baskets" that help customers easily access tailored investment ideas backed by rigorous market analysis.

Partner First Platform: Engineered a digital platform for its partner network, enabling partners to track real-time business analytics and leverage performance-driving insights.

Margin Trade Funding (MTF): Offers Margin Trade Funding at highly preferential rates, supporting eligible customers in managing their leverage and trading requirements more effectively.

Key Highlights

- Successfully expanded market reach by pairing robust digital capabilities with the human touch of highly experienced advisors.
- Strengthened the advisor and partner ecosystem by backing them with continuous market analysis, dedicated training and comprehensive technical assistance.
- Delivered a secure and transparent trading environment that honours institutional legacy while adapting to the needs of modern digital investors.

Payswiff
SUCCESS, CREDITED.

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.

Awards

Validating Innovation and Inspiring Future Excellence

Our relentless focus on operational excellence, technological innovation and customer-centricity consistently translates into meaningful industry recognition. The accolades we receive serve as a powerful validation of our core values and the impactful solutions we deliver across our ecosystems. These prestigious awards reinforce our organizational purpose, celebrate our teams' forward-thinking execution and act as a catalyst that inspires us to continuously raise the bar as we look ahead towards the next frontier of sustainable growth.



Business Icon of the Year

Mr. Vellayan Subbiah received the Business Icon of the Year award in recognition for his visionary leadership, enduring excellence and outstanding contribution to the business world.



Winner of Services Category at the
23rd MMA Awards for Managerial Excellence



Best Data Quality Award



Data Excellence Award in the NBFC Commercial Segment



Gold Award for Best Kaizen
in Productivity Improvement

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.

Financial Highlights

(₹ in crore)

Financial Year Ended	FY 26	FY 25	FY 24	FY 23	FY 22
Operating Results					
Total Income	31,445	26,055	19,216	12,978	10,139
Profit Before Tax (PBT)	6,961	5,737	4,582	3,600	2,891
Profit After Tax (PAT)	5,220	4,259	3,423	2,666	2,147
Assets					
Loans (net) - Ind AS / Receivables under financing activity - IGAAP	2,17,571	1,81,930	1,44,424	1,04,748	74,149
Cash, Bank and Cash Equivalents	14,611	9,401	4,320	2,961	4,220
Others	12,888	10,318	7,707	5,806	3,994
Total Assets	**2,45,070**	**2,01,648**	**1,56,451**	**1,13,515**	**82,363**
Liabilities and Equity					
Borrowings	2,10,867	1,74,946	1,34,474	97,356	69,174
Others	3,798	3,073	2,420	1,863	1,482
Equity	30,404	23,627	19,557	14,296	11,708
Total Liabilities	**2,45,070**	**2,01,648**	**1,56,451**	**1,13,515**	**82,363**
Key Indicators*					
Earnings per Equity Share - Basic (₹)	61.83	50.67	41.20	32.45	26.16
Earnings per Equity Share - Diluted (₹)	61.68	50.55	41.09	32.40	26.11
Dividend per Equity Share (%)	100%	100%	100%	100%	100%
Book Value per Equity Share (₹)	356.84	280.96	232.64	174.02	142.59

*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 FY18 onwards and rest of the years are as per IGAAP.

Financial Highlights

(₹ in crore)

Financial Year Ended	FY 21	FY 20	FY 19	FY 18	FY 17
Operating Results					
Total Income	9,576	8,715	7,049	5,529	4,660
Profit Before Tax (PBT)	2,038	1,586	1,823	1,401	1,106
Profit After Tax (PAT)	1,515	1,052	1,186	918	719
Assets					
Loans (net) - Ind AS / Receivables under financing activity - IGAAP	65,839	55,403	52,622	42,253	28,414
Cash, Bank and Cash Equivalents	5,232	6,959	3,675	888	471
Others	3,477	1,640	1,129	949	1,710
Total Assets	**74,548**	**64,002**	**57,426**	**44,090**	**30,595**
Liabilities and Equity					
Borrowings	63,730	55,005	50,567	38,330	24,109
Others	1,258	825	683	662	2,201
Equity	9,560	8,172	6,176	5,098	4,285
Total Liabilities	**74,548**	**64,002**	**57,426**	**44,090**	**30,595**
Key Indicators*					
Earnings per Equity Share - Basic (₹)	18.48	13.37	15.2	11.8	9.2
Earnings per Equity Share - Diluted (₹)	18.45	13.35	15.2	11.7	9.2
Dividend per Equity Share (%)	100%	85%	65%	65%	55%
Book Value per Equity Share (₹)	116.58	99.71	78.99	65.22	54.84

*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 FY18 onwards and rest of the years are as per IGAAP.

Board's Report

Your Directors have pleasure in presenting the forty-eighth annual report, together with the audited financial statements of the Company for the year ended 31 March, 2026.

FINANCIAL RESULTS

₹ in crores

Particulars	2025-26	2024-25
Gross Income	31,444.84	26,054.76
Profit Before Tax (PBT)	6,960.66	5,736.87
Profit After Tax (PAT)	5,219.59	4,258.53
Total Comprehensive income	5,392.06	4,117.07
Appropriation:		
Transfer to statutory and other reserves	1,050.00	860.00
Dividend – Equity	169.60	168.14

SHARE CAPITAL

During the year, there was an increase in paid-up equity share capital by ₹ 2.23 crores, consequent to the allotment of shares upon exercise of stock options by employees under the Company's employee stock option scheme and the allotment of equity shares pursuant to the conversion of Compulsorily Convertible Debentures allotted on 5 October, 2023. As at 31 March, 2026 the total paid-up equity share capital of the Company is ₹ 170.48 crores.

OPERATIONS

The financial year 2025-26 saw steady and disciplined growth for the Company, driven by sustained growth across product segments. Unsecured portfolios stabilised following regulatory recalibration, with improved origination quality supporting portfolio resilience. Asset quality improved across product segments and liquidity remained robust, underpinned by prudent underwriting, diversified funding, and strong balance sheet management.

The Company has crossed the milestone of achieving highest ever disbursals at ₹ 1,11,642 crores in FY 2025-26 with YoY growth at 11%. Disbursements in Vehicle Finance (VF) business grew by 15% in FY 2025-26 to ₹ 62,123 crores. Disbursements in Loan against property (LAP) business grew by 14% to ₹ 20,459 crores in FY 2025-26. Disbursements in Home Loans (HL) stood at ₹ 7,363 crores in FY 2025-26, which is a marginal de-growth of 1% YoY. Disbursements in Small and Medium Enterprises (SME) stood at ₹ 7,312 crores in FY 2025-26 which is a de-growth of 6% YoY. Disbursements in Consumer and Small Enterprise Loans (CSEL-Consol) stood at ₹ 10,249 crores which is a de-growth of 18% YoY. Disbursements in Secured Business & Personal Loans (SBPL) grew by 27% in FY 2025-26 to ₹ 1,667 crores. The business AUM of the Company stood at ₹ 2,24,334 crores which is a growth of 21% YoY. The profit before tax of the Company for FY 2025-26 is ₹6,961 crores as against ₹ 5,737 crores for FY 2024-25, which is a growth of 21% YoY. The Company holds a management overlay of ₹ 200 crores as of 31 March, 2026 towards potential adverse impact of geo-political risks on the loan portfolio of the Company. The Company continues to hold a strong liquidity position with ₹ 20,692 crores as cash and liquid asset balances as at end of March 2026 (including ₹ 4,152 crores invested in Gsec & SDL, ₹ 1,100 crores invested in T-Bill & ₹ 829 crores invested in Strips shown under investments), with a total liquidity position of ₹ 21,186 crores (including undrawn sanctioned lines).

The ALM had no negative cumulative mismatches across all time buckets.

OUTLOOK

The outlook for FY 2026-27 remains stable, underpinned by resilient domestic demand, sustained infrastructure investment, and continued expansion in formal credit penetration, even as growth normalises after a strong base. Consumption and credit-led segments-including automobiles, mortgages and consumer lending are expected to exhibit healthy and more calibrated growth, supported by improving origination quality, better risk selection, and underwriting. In unsecured lending, recent moderation and regulatory interventions have strengthened portfolio resilience, with improving performance of newer cohorts supporting a gradual recovery in growth momentum. Against this backdrop, the Company remains well positioned to pursue disciplined growth, safeguard asset quality, and drive long-term value creation through prudent capital allocation and robust governance.

CHANGE IN NATURE OF BUSINESS

There has been no change in the existing nature of business and operations of the Company.

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://files.cholamandalam.com/files/Dividend-Distribution-Policy.pdf*)

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 30 January, 2026 for the year ended 31 March, 2026. The Directors' are pleased to recommend a final dividend of 35% (₹ 0.70/- per equity share) on the equity shares of the Company. Upon approval by the shareholders, the total dividend for the year ended 31 March, 2026 shall amount to 100% (₹ 2/- per equity share). The dividend recommended is in accordance with the Company's Dividend Distribution Policy, within the prescribed ceiling and in compliance with the framework laid down under the RBI Master Directions.

TRANSFER TO RESERVES

The Company transferred a sum of ₹ 1,050 crores to the statutory reserve as required under the Reserve Bank of India Act, 1934.

FIXED DEPOSITS

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

LICENSES HELD

The Company is registered as a Non Banking Financial Company - Investment and Credit Company (NBFC- ICC). The Company also holds a license to carry on the factoring business (NBFC-F). The Company is categorised as an NBFC in Upper Layer (NBFC-UL) by the Reserve Bank of India under the RBI Master Directions. The Company also holds a Composite Corporate Agency License issued by the Insurance Regulatory and Development Authority of India, enabling it to carry on the business of a corporate insurance agent.

CAPITAL ADEQUACY

The Company's capital adequacy ratio was at 19.21% as on 31 March, 2026 well above the statutory minimum capital adequacy threshold of 15% set by RBI. The Common Equity Tier 1 (CET1) capital was at 14.40% and Tier I capital was at 14.73% as against the statutory minimum requirement of 9% and 10% respectively. Tier II capital was at 4.48% as on 31 March, 2026.

EMPLOYEE STOCK OPTION (ESOP) SCHEME

Pursuant to the approval accorded by the shareholders on 3 January, 2017, the Nomination and Remuneration Committee formulated an employee stock option scheme 2016 (ESOP 2016). During the year, the Company made grants aggregating to 13,94,443 options to 198 employees. As at 31 March, 2026, the total number of options outstanding under ESOP 2016 is at 58,87,750 comprising both vested (exercisable) and unvested options.

The scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEB Regulations) and the provisions of the Companies Act, 2013 (the Act). A certificate from the secretarial auditor, M/s. BP & Associates, Company Secretaries confirming the implementation of ESOP 2016 in accordance with the SEBI (SBEB) Regulations and the shareholders' resolutions has been obtained and will be available for inspection by the shareholders at the ensuing annual general meeting (AGM). The details of the scheme as at 31 March, 2026 and the certificate are disclosed on the website of the Company. (*weblink: https://www.cholamandalam.com/investors/esop*)

DIRECTORS

Appointment / Re-appointment

Mr. Vellayan Subbiah was appointed as a Whole-time Director, designated as Executive Chairman for a term of five years commencing from 1 April, 2025 to 31 March, 2030. The appointment was approved by the shareholders on 28 April, 2025 by way of a postal ballot. Mr. Anand Kumar was re-appointed as an Independent Director of the Company for a second consecutive term of five years commencing from 16 March, 2026 to 15 March, 2031. The re-appointment was approved by the shareholders on 8 March, 2026 by way of a postal ballot.

Mr. Ravindra Kumar Kundu, Managing 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.

All Directors have confirmed that they satisfy the 'fit and proper' criteria as prescribed under the RBI (Non-Banking Financial Company - Governance) Directions, 2025.

DECLARATION FROM INDEPENDENT DIRECTORS

All the Independent Directors (IDs) have submitted their declarations of independence, as required pursuant to section 149(7) of the Act, confirming that they meet the criteria of independence as provided under 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 thereunder for appointment as IDs including integrity, expertise, experience and proficiency and confirm that they are independent

of the management. All the IDs of the Company have registered their names in the data bank of IDs and have completed the online proficiency self-assessment test within 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 thereunder, the following employees are the whole-time key managerial personnel of the Company as at the date of this report:

a) Mr. Vellayan Subbiah, Executive Chairman

b) Mr. Ravindra Kumar Kundu, Managing Director

c) Mr. D. Arulselvan, Chief Financial Officer and

d) 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 OR MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant or material orders passed by any regulators, courts or tribunals that would impact the going concern status of the Company or its future operations.

MATERIAL CHANGES OR COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis report (MDA), highlighting business-wise details is attached and forms part of this report. The MDA also contains details of the Company's risk management framework, 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 required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is attached and forms part of this report. The report also contains details required to be disclosed including the composition and category of Directors, number of meetings of the Board, composition of various committees, annual Board evaluation, remuneration policy, criteria for Board nomination and senior management appointments, whistle blower policy / vigil mechanism, disclosure of relationships between Directors inter-se, state of Company's affairs, and other related matters.

The Managing Director and the Chief Financial Officer have submitted a compliance certificate to the Board in respect of the financial statements and other matters, as required under regulation 17(8) of the Listing Regulations.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of Regulation 34(2)(f) of Listing Regulations read with SEBI Master Circular dated 30 January, 2026 (as amended from time to time), the Business Responsibility and Sustainability Report (BRSR) and the Reasonable Assurance report of the BRSR Core are attached and forms part of this report.

CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITORS

M/s. B.K. Khare & Co., Chartered Accountants and M/s. KKC & Associates LLP, Chartered Accountants are the joint statutory auditors of the Company. They were appointed at the 46th AGM held on 26 July, 2024 for a term of three years commencing from the conclusion of 46th AGM until the conclusion of 49th AGM. The statutory auditors' report which is attached to the financial statements and forms part of this report, does not contain any qualifications, reservations, adverse remarks or disclaimers.

SECRETARIAL AUDIT

M/s. BP & Associates, Company Secretaries are the Secretarial Auditors of the Company. They were appointed as secretarial auditors at the 47th AGM held on 31 July, 2025 for a term of 5 years commencing from FY 2025-26 to FY 2029-30. The Secretarial Audit Report forms part of this report and does not contain any qualifications, reservations, adverse remarks or disclaimers.

COST RECORDS AND COST AUDIT

The maintenance of cost records and the requirements of cost audit as prescribed under the provisions of section 148(1) of the Act are not applicable to 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/investors*.

CORPORATE SOCIAL RESPONSIBILITY

Cholamandalam positions itself as the "Capital for Change" to drive deep, long-term social impact. The Company's philosophy moves beyond basic funding by channelising its CSR investments across nine interconnected national development pillars - with an overarching environmental focus - via a National Development Blueprint of Viksit Bharat 2047.

This strategic mission actively empowers four core community pillars. Aarthik Engine: Supporting small shop owners and the transport ecosystem. Annadata: Empowering small and marginal farmers. Thulir: Nurturing economically weaker students and young athletes through education and sport. Sanrakshanam: Preserving heritage and monuments to elevate India's cultural legacy.

The Company has been carrying out corporate social responsibility (CSR) activities for many years even prior to such activities being mandated under the Act. The Company has in place a Board approved CSR policy. The policy and details on the composition of CSR committee and projects approved by the Board are available on the website of the Company. (*Weblink: https://files.cholamandalam.com/files/csr-policy-2026.pdf*)

In accordance with 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, which aggregated to ₹ 91.14 crores (after adjusting the excess amount of ₹ 1 crore pertaining to FY 2024-25). During FY 2025-26, the Company spent ₹ 91.19 crores and the excess amount of ₹ 0.05 crore shall be carried forward and adjusted against the CSR expenditure for FY 2026-27. The details of the CSR activities are annexed hereto and forms part of this report.

INTERNAL FINANCIAL CONTROLS

The Company has in place a comprehensive and adequate Internal control framework including clear delegation of authority and standard operating procedures that are established and implemented across all businesses and functions. The framework is reviewed periodically at various 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 size, scale and complexity of operations of the Company. The internal financial controls with reference to the financial statements were tested and found to be adequate.

RELATED PARTY TRANSACTIONS

The Company has in place a robust process for approval of transactions with related parties. The policy on related party transactions as approved by the Board is available on the website of the Company (*weblink: https://files.cholamandalam.com/files/rpt-2026.pdf*). All contracts, arrangements and transactions with related parties that were entered into during the financial year were in the ordinary course of business and 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 interests of the Company at large. Accordingly, there were no contracts or arrangements entered into with related parties during the year that are required to be disclosed under sections 188(1) and 134(h) of the Act in form AOC-2. An omnibus approval of the Audit Committee was obtained at the beginning of the financial year for the transactions proposed to be entered into by the Company with related parties including any unforeseen transactions up to ₹ 1 crore per transaction per party. The disclosures required under the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" (as amended from time to time), were duly provided to the Audit Committee. 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 ₹ 2,088.17 crores towards repayment of overseas borrowing and interest, 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 an NBFC, the Company is exempt from the disclosure requirements relating to particulars of loans given, guarantees given and security provided under the provisions of section 186(11) of the Act. With regard to investments made by the Company, the relevant details are provided in note 10 to the standalone financial statements and note 12 to the consolidated financial statements of the Company for the year ended 31 March, 2026.

DISCLOSURE OF REMUNERATION

The disclosure with respect to remuneration as required under section 197 of the Act read with rule 5(1) 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). Any member interested in obtaining a copy, may send an e-mail to the Company Secretary in this regard.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Company has 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 the 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, probationers, trainees, apprentices or any person so employed at the workplace by any other such name are covered under this policy. During the year, the Company conducted awareness for employees on the POSH Act. E-learning modules were also rolled out during the year to create awareness on the POSH Act. The details on complaints received under this policy are provided in the report on corporate governance (refer page no. 92).

OTHER DISCLOSURES

No fraud was reported by the auditors of the Company under section 143 (12) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 during FY 2025-26 requiring disclosure in the Board's report.

During the year ended 31 March, 2026, the Company had not made any application under the Insolvency and Bankruptcy Code, 2016 ("the Code"). As at 31 March, 2026, total number of applications filed and pending under the Code are 10 cases amounting to ₹ 42.41 crores. No proceedings are pending against the Company under the Code. Further, during the year, the Company had not entered into any one-time settlement with banks or financial institutions.

The Company has complied with the relevant provisions relating to the Maternity Benefits Act, 1961.

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES / ASSOCIATES AND JOINT VENTURES

CHOLAMANDALAM SECURITIES LIMITED (CSEC)

During FY 2025-26, CSEC remained focussed on maintaining operational efficiency and strengthening its business and demonstrated resilience in spite of market challenges. CSEC achieved a gross income of ₹ 92.54 crores and a Profit before Tax of ₹ 10.80 crores during the year ended 31 March, 2026. As at 31 March, 2026, the Company directly holds 92% of equity share capital of CSEC with the balance 8% held through Cholamandalam Leasing Limited, thereby making CSEC a wholly owned subsidiary.

CHOLAMANDALAM LEASING LIMITED (CLL) (FORMERLY KNOWN AS CHOLAMANDALAM HOME FINANCE LIMITED)

During the year, the Board and shareholders of CLL approved amendments to the Object clause of the Memorandum of Association enabling the company to undertake activities relating to fleet operations and mobility solutions services. CLL recorded a gross income of ₹ 2.71 crores for the year ended 31 March, 2026 and incurred a Profit before Tax of ₹ 1.25 crores as against a loss of ₹ 0.45 crores in the previous year. As at 31 March, 2026, CLL is a wholly owned subsidiary of the Company.

PAYSWIFF TECHNOLOGIES PRIVATE LIMITED (PTPL)

During the year, PTPL submitted an application to the RBI seeking approval to act as a Payment Aggregator. The review of application by regulator is under process. PTPL recorded a gross income of ₹ 100.24 crores for the year ended 31 March, 2026 and reported a Profit before Tax of ₹ 6.72 crores as against a profit of ₹ 6.27 crores in the previous year. As at March 31, 2026, the Company holds 74.63% of the equity share capital of PTPL.

ACKNOWLEDGEMENT

The Directors wish to thank the Company's customers, regulators, vehicle manufacturers, dealers, channel partners, banks, mutual funds, rating agencies and shareholders for their continued support. The Directors also place on record their appreciation for the valuable contribution made by the employees of the Company to the Company's operations during the year under review.

On behalf of the Board

Place : Chennai
Date : 30 April, 2026

Vellayan Subbiah
Executive 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, 2026 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, 2026; 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, 2026.

On behalf of the Board

Place : Chennai
Date : 30 April, 2026

Vellayan Subbiah
Executive Chairman

Annexure-I
Secretarial Audit Report
for the financial year ended 31st March, 2026

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

To
The Members,
CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED
Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate,
Guindy, Guindy Industrial Estate, Chennai,
Tamil Nadu, India, 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,** (hereinafter called the Company). The 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 by the company and also the information provided by the company, its officers, agents and authorised 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, 2026 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 made available to us and maintained by Company for the financial year ended on 31st March, 2026 according to the applicable provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment (Not Applicable during the year under review);

v. Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 and Master Directions on External Commercial Borrowings 'ECB', Trade Credits and Structured Obligations ('Revised ECB Framework')

vi. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

vii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

viii. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

ix. 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;

x. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

xi. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

xii. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

xiii. 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).

xiv. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

xv. Other laws applicable to the Company as per the representations made by the Management are:

a. Reserve Bank of India Act, 1934, Rules, Regulations, guidelines, circulars, directions, notifications made thereunder applicable to Non-Banking Financial Company (including but not limited to Branch Authorisation, Governance, Capital Adequacy, Credit Information Reporting, IRACP Norms, Wilful Defaulters, Financial

Statements & Disclosures, Dividend Declaration, KYC, Responsible Business Conduct, and Outsourcing Risk Management Directions, 2025 (as amended from time to time) .

b. Master Direction – RBI (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

c. Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025.

d. Reserve Bank of India (Non-Banking Financial Companies Acceptance of Public Deposits Directions, 2025 (Not applicable as the company has not accepting any public deposit during the said period).

e. Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act, 2025 and the Insurance Regulatory and Development Authority (Registration of Corporate Agents) Regulations, 2015.

With respect to Fiscal laws such as Income Tax and Goods and Service Tax we have reviewed the systems and mechanisms established by the Company for ensuring compliances under various Acts and based on the information and explanation provided to us by the management and officers of the Company and the compliance reports taken on record by the Board of Directors of the Company, we report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.

We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor for relating to maintenance of account as required under rule 3(1) of Companies (Accounts) Rules, 2014, Statutory payments due, systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

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

i. Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, issued by The Institute of Company Secretaries of India have been complied with.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above:

We further report that:

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors 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.

Adequate notice has been given to all directors to schedule the Board Meetings, agenda and detailed notes on the 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. The decisions were carried unanimously.

We report that there are adequate systems and processes in the company that commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the following significant events have taken place:

S.NO	Significant Events
A.	**Fund Raising (Debentures)**
1.	**Non-Convertible Debentures** The Board of Directors, at its meeting held on 31st July, 2025 approved the issuance/re-issuance of 4,00,000 Secured and/or Unsecured, Redeemable, Non-convertible debentures of face value of ₹ 10 lakhs each aggregating to ₹ 40,000 crores (including partly paid-up debentures) at par in one or more tranche(s) by way of Public placement/Private placement.
2.	**Subordinated debt instrument** The Board of Directors, at its meeting held on 31st July, 2025, approved the issuance/re-issuance of 1,00,000 Unsecured, Redeemable, Non-convertible debentures by way of face value of ₹ 10 lakhs each at par aggregating to ₹ 10,000 crores in one or more tranche(s) on Private placement.
3.	**Perpetual debt instrument** The Board of Directors, at its meeting held on 31st July, 2025, approved the issuance of 50,000 Unsecured, Redeemable, Non-convertible debentures of face value of ₹ 10 lakhs each at par aggregating to ₹ 5,000 crores in one or more tranche(s) by way of private placement.
B.	**Changes in Directors / KMP**
1.	Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors at their meeting held on 24th March, 2025 had approved the appointment of Mr. Vellayan Subbiah (DIN: 01138759) as a Whole-time Director, designated as the Executive Chairman of the Company for a period of five years commencing from 01st April, 2025 till 31st March, 2030. Subsequently the shareholders of the company approved the same by way of Postal ballot dated 28th April, 2025.
2.	The Nomination and Remuneration Committee (NRC) and the Board at their meetings held on 30th January, 2026 has recommended the reappointment of Mr. Anand Kumar (DIN: 00818724) as an Independent Director for a second term of five (5) consecutive years commencing from 16th March, 2026 till 15th March, 2031. Subsequently the shareholders of the company approved the same by way of Postal ballot dated 08th March 2026.

Annexure-I

Secretarial Audit Report

for the financial year ended 31st March, 2026 (Contd.)

C.	Shareholding Pattern Changes
1.	The Board of Directors, at its meeting held on 06th November, 2025, approved reclassification request letter dated 16th September 2025 received from M/s. Yanmar Coromandel Agrisolutions Private Limited and request letter dated 24th September 2025 from M/s. Coromandel Engineering Company Limited from "Promoter and Promoter Group" to "Public Shareholder" category under Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and obtained approval from Stock Exchange on 09th January 2026.
2.	The Board of Directors at its Board meeting held on 30th January 2026 has approved the reclassification request dated 18th December, 2025 received from M/s. Algavista Greentech Private Limited from "Promoter and Promoter Group" to "Public Shareholder" category under Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 and is pending for approval from Stock Exchange as on the date of this report.

For BP & Associates
Company Secretaries
Peer Review No: 7014/2025
Sd/-
K J CHANDRA MOULI
Partner
M.NO: F11720 | CP NO: 15708
UDIN: F011720H000247021

Place : Chennai
Date : 30 April, 2026

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

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

1. Maintenance of secretarial record 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. The verification was done on a test basis 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 Account of the company

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For BP & Associates
Company Secretaries
Peer Review No: 7014/2025
Sd/-
K J CHANDRA MOULI
Partner
M.NO: F11720 |CP NO: 15708
UDIN: F011720H000247021

Place : Chennai
Date : 30 April, 2026

Annexure-II

CSR Report

Annual Report on Corporate Social Responsibility (CSR) Activities:

Chola has for decades powered the aspirations of millions of Indians — from the truck driver on a national highway to the farmer in a rain-shadow district — We understand, perhaps better than most, that economic participation begins with access: access to healthcare, to education, to clean water, and to opportunity.

In FY 2025–26, Chola channelled its CSR investments across nine interconnected pillars of national development: health, education, sports, environment, livelihoods, rural development, skill development, water & sanitation, and the preservation of India's cultural heritage through four core communities with an overarching theme of environment. This is a belief built on a decade worth of community investment.

This mission is realized through the lives of those we serve. It begins with the Aarthik Engine, our commitment to the CV drivers and the sprawling transport ecosystem—the literal backbone of Indian commerce that keeps the country moving. Chola has been actively working with the Annadata, the small and marginal farmers who represent the heartbeat of rural India. To ensure a future of meritocracy, Thulir focuses on our scholarship students and young athletes, providing the "pioneer" spirit needed to break the cycle of poverty through education and sport. Finally, through Project Sanrakshanam, we protect our heritage and monuments, elevating India's cultural legacy to a standard of global excellence.

Moving forward, we strip away the noise. Every proposal that crosses our desk will be met with a singular, uncompromising question: "By mapping our investments in health, education, and the environment directly to these four groups, to answer the questions of Which community does this serve, and how does it deepen our relationship with them?"

We want to transform "corporate responsibility" into a National Development Blueprint. We aren't just funding initiatives; we are powering the people who power India.

The scale of our health initiatives alone tells a compelling story: over 1.70 lakh health screenings conducted in FY 2025-26, more than 76,000 free spectacles distributed, nearly 21,585 cataract surgeries performed, and 213 children given a second chance at life through cardiac and cancer interventions.



I. Health: Healing at Scale

Healthcare inaccessibility is among the most stubborn forms of inequality in India. Distance, cost, language, and awareness conspire to keep preventive and curative care out of reach for millions. Project Raahi targets the 14 million truck drivers who form the backbone of India's logistics. By transitioning from a "hospital-centric" to a "highway-centric" model, the program overcomes the unique barriers of time and mobility that prevent drivers from seeking care.

The scale of the program in the latest fiscal year underscores its role as a critical safety net for the informal transport sector:

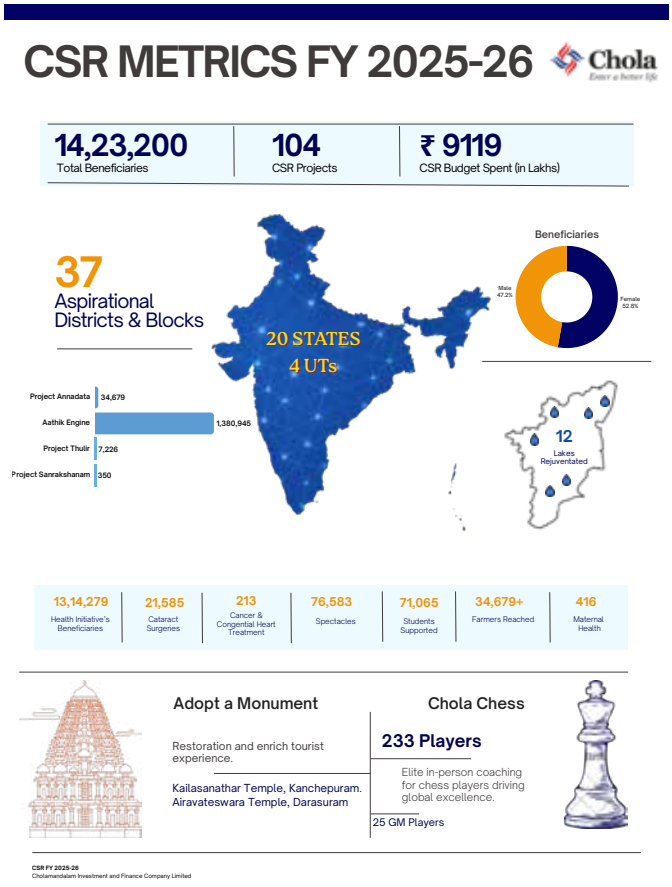
India's 14 million truck drivers are the invisible engine of the nation's supply chain. They spend weeks away from home, eating irregularly, sleeping in their cabins, and missing the most basic health checks. Project Raahi — among India's largest highway health outreach programmes for the informal transport workforce — brings the clinic to the driver, not the other way around.

Vision Care: Static Centre Health Units deployed across highway dhabas and truck stops conduct comprehensive free screenings — vision, blood pressure, diabetes, and BMI. Those requiring spectacles receive them on the spot. Complex ophthalmic cases are referred to partner hospitals. The numbers from FY 2025–26 speak the programme's extraordinary reach:

Total Screenings	Spectacles Distributed	Cataract Surgeries	DR Screenings
1,49,715	76,583	21,585	3,805

The program has successfully pivoted the mindset of the driver community. Historically, truckers viewed illness as an "occupational hazard" to be ignored. Through health literacy sessions reaching over 1.49 lacs drivers, the initiative has fostered a culture of preventive care, focusing on early detection of "silent killers" like hypertension and diabetes.

Operating across India's priority districts (including Bihar, Odisha, and West Bengal), this program treats blindness not just as a medical issue, but as an economic barrier. Chola's rural eye health programme partners with district-level institutions to strengthen primary eye care services and perform cataract surgeries that restore sight and, with it, economic participation.



The companion urban eye health initiative, centred in Asansol, improves access to primary eye health services for urban-poor communities who fall through the gaps of both public systems and corporate philanthropy. Together, the programmes have touched over 1.57 lakh lives this year — each one a family whose daily burden has been permanently lightened.

The first thousand days of life are irreversible. A child's trajectory — cognitive, physical, economic — is shaped indelibly by the quality of care received from conception through early infancy. For families in the commercial transport ecosystem and socio-economically backward communities across Haryana, Chandigarh, Uttarakhand, Jharkhand, and Maharashtra, Mamatva Centres provide the full continuum of maternal care that public facilities often cannot.

In FY 2025–26, 416 pregnant mothers received comprehensive antenatal care — ultrasound scans, medication, and specialist consultations — followed by supported institutional deliveries and postnatal follow-through. Every one of those 416 births was a healthy birth outcome. Every one of those children began life with the biological foundation they deserved.

A congenital heart defect or a cancer diagnosis is catastrophic in any family. In a family dependent on a truck driver's daily earnings, it is existential. The Gift of Life programme bridges the gap between a diagnosis and a cure, funding surgical and treatment interventions for children from transport-industry families and low-income backgrounds across Haryana, Chhattisgarh, Maharashtra, Telangana, and Tamil Nadu.

In FY 2025–26, 105 children received corrective cardiac surgery and 108 children received cancer treatment — all entirely free of cost. Each number is a name. Each name is a future returned.

Physical health is only one dimension of human flourishing. Chola's mental well-being portfolio recognises that resilient individuals build resilient communities. Working through Isha Foundation's Sadhanapada and Samskriti programmes in Tamil Nadu and Karnataka, the Company supports yoga training, ancient arts education, and outreach awareness that promotes inner engineering as a practical self-management tool.

Dedicated yoga and mindfulness sessions serve youth and prison inmates — demographics whose emotional challenges are acute and whose access to mental health support is minimal. Hospital clowning interventions for paediatric cancer patients offer a powerful therapeutic complement to clinical care, easing anxiety for children and families navigating the most difficult passages of their lives. School counselling programmes create safe spaces for expression, equipping students with emotional intelligence and coping mechanisms that will serve them for decades.

II. Education: Investing in Tomorrow's India

Education is the single highest-return investment a society can make in its future. Chola's education portfolio operates across two complementary axes — scholarship support that keeps deserving students in the system, and infrastructure investment that transforms the quality of learning environments for the most underserved students. Chola through its support made an impact on more than 71,000 students via scholarships, infrastructural support and other aids to provide assistance in their studies.

Financial pressure is the most common reason a capable student abandons formal education. Chola's scholarship programme targets precisely this failure point, supporting 6,923 students — 3,527 females and 3,396 males — across eight states: Tamil Nadu, Maharashtra, Jharkhand, Bihar, Haryana, Uttar Pradesh, Madhya Pradesh, and Gujarat. The gender balance of the cohort reflects a conscious institutional commitment to girls' education as a multiplier for intergenerational change.

Each scholarship is not merely a cheque — it is a signal to a family that their child's ambition is worth backing, and to a young person that the system has not forgotten them. Across 6,923 such signals this year, Chola is investing in the future of India.

A scholarship that enables a student to attend school means little if the school itself is inadequate. Chola's infrastructure programme addresses the supply side of educational quality, funding computer labs in special schools, inclusive smart classrooms, science centres, and school transportation facilities across Tamil Nadu, Maharashtra, and Karnataka.

The programme's particular focus on students with speech, language, hearing, cognitive, and developmental disabilities reflects a conviction that inclusion is not an afterthought but a design principle. Science centres equipped with facilities for physics, chemistry, biology, robotics, digital literacy, and astronomy give underprivileged students access to the same quality of learning infrastructure that their more advantaged peers take for granted.

III. Sports: Discipline, Inclusion & National Pride

Sport is a proven pathway out of poverty and into national recognition. It builds discipline, teamwork, resilience, and identity. Chola's sports portfolio operates at three levels: grassroots infrastructure, elite athlete development, and inclusive sports for para-athletes — a comprehensive ecosystem designed to identify and nurture talent from the most unlikely places.

Quality infrastructure is the great equaliser in sport. The programme has invested in sports facilities in schools and training centres across Chennai, Tamil Nadu, creating safe, accessible, multi-sport training environments for 1,089 young athletes. The focus is on physical fitness at the grassroots level, talent identification, and holistic development — teamwork, discipline, and the habits of mind that competitive sport instils.

Excellence without inclusion is incomplete. The inclusive sports programme provides high-frequency mentorship — five to six sessions per week covering conditioning, mental wellness, and nutrition — across badminton, para-athletics, sailing, and tennis. Specialised pathways and equipment for para-athletes ensure that disability is no barrier to competitive aspiration.

A particularly innovative strand of the programme provides vocational training in sport for underprivileged youth, enabling career pathways into the Indian defence services. This is nation-building in its most direct form: transforming talent spotted on a city playground into the uniform of a national institution.

IV. Environment: Stewards of the Natural Commons

The ecological crisis and the poverty crisis are not separate phenomena — they are the same crisis seen from different angles. Communities dependent on rain-fed agriculture, coastal fisheries, and forest ecosystems are the first and hardest hit by biodiversity loss and climate disruption. Chola's environment portfolio addresses this nexus directly, investing in conservation, regenerative agriculture, water body restoration, and climate resilience.

Across Valparai and Sakleshpur, the programme funds peaceful co-existence initiatives that reduce human-wildlife conflict through livestock security schemes, corral reinforcement, crop guarding, and voice-based elephant vigilance technology. In Spiti, Kinnaur, and Hassan, carbon sequestration research and long-term forest restoration build local conservation capacity while addressing climate change. In the Lakshadweep Archipelago and the Andaman Islands, marine scientists study reef health, seagrass meadows, and commercial fisheries — work that is critical to the food security and livelihoods of island communities.

India's 140 million smallholder farmers face a triple crisis: degraded soils, volatile markets, and climate uncertainty. Chola's regenerative agriculture programme works with over 34,000 farmers across 62 districts to restore soil health, reduce chemical dependence, diversify income streams, and improve farm economics. The programme's alignment with agroecological principles ensures that practices are locally adapted and climate-resilient — not generic prescriptions imposed from above.

Farmer Producer Organisations (FPOs) form the institutional backbone of this work, giving smallholders the collective bargaining power and market access that individual farms lack. The programme provides FPOs with capacity building, technical assistance, and strategic oversight — transforming farming from a survival strategy into a dignified, profitable livelihood.

Water is the original infrastructure. In drought-prone regions, the difference between a functioning and a degraded lake is the difference between a functioning and a displaced community. The programme has rejuvenated 12 lakes covering 116 acres, combining water body restoration with groundwater recharge, solar-powered water and energy solutions, and ecosystem health monitoring. Agricultural water availability has improved for thousands of farming families, and biodiversity has returned to restored habitats.

V. Arts & Cultural Heritage: Preserving India's Soul

A nation that forgets its past has no foundation for its future. Chola's cultural heritage and arts initiatives reflect a profound institutional commitment to preserving India's civilisational legacy while making it accessible and alive for contemporary communities.

In partnership with the Archaeological Survey of India, the programme supports the conservation and refurbishment of two UNESCO World Heritage temple complexes: the Kailasanathar Temple in Kancheepuram and the Airavateswara Temple in Darasuram. Infrastructure upgrades, authentic heritage interpretation, improved visitor management, and site safety standards have transformed the visitor experience, increased tourism footfall, and generated livelihoods for local communities. The programme demonstrates that heritage conservation and economic development are not trade-offs — they are the same investment.

Roja Muthiah Research library has been tirelessly working to preserve the Tamil culture via its Tamil Knowledge Campus. The programme has built institutional infrastructure for intergenerational cultural transmission, Structured platforms for young Carnatic artists promote Southern classical temple music through performance and mentorship. The rendering of the Bhagavad Gita's sacred verses into Tamil literature enhances community access to philosophical heritage. These initiatives recognise that culture is not a museum exhibit — it is a living practice that requires institutional support to survive.

Research & Development: Technology in Service of Humanity

Chola's CSR investments reflect a conviction that innovation must be directed toward the underserved. The development of an indigenous ultrasound scanner for maternal and foetal healthcare — operable at frame rates competitive with current market leaders, at a fraction of the cost — is designed explicitly to extend diagnostic imaging to rural geographies where imported technology is unaffordable. A working prototype is complete; the path to commercialisation and rural deployment is under active development.

A parallel research study investigating neuro-hemodynamic changes in participants of the Isha Samyama meditation programme combines functional brain connectivity mapping, cognitive performance testing, and psychological well-being measurement to build an evidence base for mindfulness-based interventions in population health. This is boundary-spanning research — bridging ancient wisdom and modern neuroscience — with direct implications for mental health policy.

VII. Livelihoods, Rural Development & Sanitation

The final cluster of our CSR work addresses the material conditions of daily life — the dignified employment, decent housing, functional sanitation, and accessible skills that make everything else possible.

In Karnataka, Hyderabad, and West Bengal, the livelihood programme has equipped 91 women with professional driving skills — breaking a deeply entrenched occupational stereotype — and enabled 150 women to enter the retail, logistics, warehousing, e-commerce, and NBFC sectors. Financial independence and dignified employment are the foundation of women's agency. Each of the 241 women supported this year represents a multiplier: her income, her confidence, and her story will shape the choices of the women around her.

Having last year supported 14 homes for the Irular community, the programme this year extended dignified housing to 13 families from the Adhiyan community in Tiruvannamalai, Tamil Nadu. Each home includes a toilet, a thinnai, and solar panels powering five lights and two fans. For 52 people previously living in inadequate structures without sanitation or reliable electricity, this is a transformation that no GDP statistic can fully capture.

Vocational training for 2,657 tribal children across Maharashtra — equipping them with market-relevant skills that bridge the gap between traditional community life and modern economic participation — represents Chola's commitment to the most structurally excluded communities. Skills are the most portable form of capital; no market shock can repossess them.

Across Tamil Nadu and Odisha, the WASH programme has constructed 65 toilets serving 60 households and 3 schools, providing safe sanitation to 622 beneficiaries and ensuring proper menstrual hygiene management for women and girls. Dignified sanitation is a health intervention, a women's rights intervention, and an educational intervention — children, particularly girls, who have access to functioning school toilets are dramatically more likely to attend and complete their education.

Through two dedicated initiatives, Chola provides customised hearing aids and assistive equipment through systematic assessment, improving access to learning and therapy for children with hearing and mobility impairments. At Khadakwasla, Pune, Chola Foundation funds advanced life support ambulance services and a comprehensive therapy suite — including palliative care, occupational therapy, speech and language therapy, cognitive therapy, and a sensory room — for 36 children, supporting veterans' families and serving personnel alongside civilian beneficiaries.

VIII. Governance & the Road Ahead

CSR Committee, Board of Directors

Chola's CSR governance framework ensures that every programme is subject to rigorous need assessment, outcome measurement, and independent verification. The CSR Committee of the Board provides

strategic oversight, while the Chola team serves as the operational vehicle for programme design, partner management, and impact monitoring. All programmes are implemented in compliance with Schedule VII of the Companies Act, 2013, and in alignment with the United Nations Sustainable Development Goals.

Looking to FY 2026–27, the Company's strategic intent is to deepen geographic focus in aspirational districts, accelerate the scaling of technology-enabled interventions (including the indigenous ultrasound scanner and digital health literacy tools), and strengthen the linkages between our CSR ecosystem and our core business — creating a virtuous cycle in which financial inclusion and social inclusion reinforce each other.

India is at an inflection point. The decisions made in this decade — about who is included in the growth story and who is left behind — will shape the country's social fabric for generations. Chola is committed to being on the right side of those decisions: investing in people, in ecosystems, and in institutions that endure.

2. Composition of CSR Committee (as on March 31, 2026):

S. no	Name of the Director	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	Promoter Director / Executive 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. Provide the 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*

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

Detailed report can be accessed at *https://files.cholamandalam.com/files/cifcl-consolidated-2026.pdf*

FY 2024-25 | 12 Programs | Education · Healthcare · Well-being · Environment · Sports

Programs Assessed	Sectors Covered	Eye Screenings (RAAHI)	Avg. Beneficiary Satisfaction
12	**5**	**1.6L+**	**97%**

Framework Dimensions

Relevance	Effectiveness	Efficiency	Social Impact	Sustainability

01 AMM Murugappa Chettiyar Centenary Full Fee Scholarship [Education]

RELEVANCE

Removes financial barriers to higher education for first-generation and economically disadvantaged learners in Tamil Nadu. Aligns with NEP 2020's focus on equitable access in government and aided institutions.

EFFECTIVENESS

Most scholars report significant reduction in education expenses and financial stress. High confidence in continuing education; strong engagement in development sessions.

EFFICIENCY

Institutional partnerships enable targeted outreach. Reimbursement-based disbursement maintains transparency. Financial aid bundled with training maximises outcomes per rupee spent.

SOCIAL IMPACT

- 62% would have relied on loans or informal sources
- 56% report higher employment confidence
- 75% willing to mentor future scholars

SUSTAINABILITY

Enables long-term educational mobility and employability. Scholar confidence, skills, and career aspirations signal durable individual and intergenerational impact.

02 Murugappa Science Centre [Education]

RELEVANCE

Bridges the experiential science gap for government school students in rural and semi-urban Tamil Nadu, providing curriculum-aligned, hands-on learning where functional labs are absent.

EFFECTIVENESS

Teachers report improved comprehension and classroom participation. Multi-format learning — labs, demonstrations, discussions — translates into knowledge and behavioural change.

EFFICIENCY

Rotational lab model maximises exposure per visit. Indoor labs and Science Park are well-integrated. Mobile labs extend reach beyond the central facility efficiently.

SOCIAL IMPACT

- 97% received hands-on learning every visit
- 99% improved ability to explain science concepts
- 90% found school topics easier; 86% interested in STEM higher education

SUSTAINABILITY

Backed by AMM Foundation and sustained CSR support. High school participation and mobile outreach enable scalability. Teacher capacity-building can deepen systemic reach.

03 Isha Samskriti — Infrastructure Expansion [Education / Well-being]

RELEVANCE

Addresses facility capacity strain at a residential institution integrating classical arts, yoga, and academics. Student feedback universally affirmed the need for expanded infrastructure.

EFFECTIVENESS

Students report smoother daily routines and improved comfort. Universal agreement that a well-designed classroom environment enhances focus and learning quality.

EFFICIENCY

Phased construction by an in-house engineering team maintained academic continuity, ensured quality control, and minimised disruptions throughout the project.

SOCIAL IMPACT

- 100% identified dormitories and practice halls as essential
- 90% report deeper engagement with Indian cultural practices
- 80% report improved living and practice environments

SUSTAINABILITY

Expanded capacity enables broader access to the institution's unique residential education model. Infrastructure investment preserves and transmits traditional Indian knowledge for future generations.

04 RAAHI — Eye Care for the Trucking Community [Healthcare]

RELEVANCE

Addresses unmet eye-care needs of truck drivers — a mobile workforce with irregular schedules who rarely access preventive healthcare. Care is delivered directly at transport hubs and workplaces.

EFFECTIVENESS

FY 2024-25 outcomes: 1,58,282 screenings; 79,141 refractions; 66,479 spectacles distributed; 2,374 cataract cases identified; 1,140 diabetic retinopathy screenings.

EFFICIENCY

Combines screening, diagnosis, spectacles, and referral at transport-linked locations. Saves time, travel, and cost. Peer mobilisation and immediate support drove high uptake.

SOCIAL IMPACT

- 71% improved ability to read road signs and react faster
- 60% report near-miss incidents nearly eliminated
- 82% cite safer driving as the most important change
- 51% saved ₹ 500-1,000 on eye-related expenses

SUSTAINABILITY

Growing repeat visits, peer referrals, and voluntary walk-ins indicate deepening community trust. Continued spectacle use and productivity gains sustain impact over time.

05 Gift of Life — Paediatric Cardiac Care [Healthcare]

RELEVANCE

Addresses life-threatening Congenital Heart Disease in children of road transport families, where income instability delays access to specialised tertiary care. Removes cost and referral barriers entirely.

EFFECTIVENESS

Enabled life-saving cardiac surgeries and catheter interventions. Caregivers report clear health and functional improvement. Counselling and discharge guidance rated highly effective.

EFFICIENCY

Leverages an established paediatric cardiac care network across Raipur, Palwal, and Navi Mumbai. Full care continuum delivered through a single coordinated pathway — no fragmentation.

SOCIAL IMPACT

- 96% — child's overall health improved after treatment
- 97% — child can now do age-appropriate activities
- 100% — free treatment helped family avoid financial crisis
- 95% — caregiver stress reduced significantly

SUSTAINABILITY

Discharge guidance on medicines, diet, and activity restrictions supports continuity of care. Follow-up mechanisms ensure ongoing monitoring and recovery after treatment.

06 CHOLA–ISHA Sadhanapada [Well-being]

RELEVANCE

Meets growing demand for mental well-being and life clarity among young adults and working professionals. Aligns with the National Mental Health Programme, Fit India, and AYUSH yoga initiatives.

EFFECTIVENESS

Overwhelming majority report enhanced energy and improved sleep quality. Stronger emotional regulation and intentionality. Most participants describe the program as deeply transformative.

EFFICIENCY

Immersive residential model integrates daily routines, yogic practices, mentorship, and community living. Volunteer engagement (seva) and shared infrastructure at Isha Yoga Center ensure cost-effectiveness.

SOCIAL IMPACT

- 77% report significantly improved quality of life
- 22% influenced others to explore yoga / well-being
- 26% continued volunteering after completing the program

SUSTAINABILITY

A substantial proportion continue yogic practices post-program. Alumni networks and volunteering opportunities sustain engagement and behavioural change well beyond the formal duration.

07 Primary Healthcare at AMM Hospital, Pallathur [Healthcare]

RELEVANCE

Serves Pallathur and 1,436 surrounding villages in Sivagangai district, where government facilities are overburdened. Addresses chronic disease management needs for elderly rural populations.

EFFECTIVENESS

Majority are repeat visitors managing chronic conditions. Improved symptom control, increased treatment adherence, and proactive monitoring reflect strong disease management outcomes.

EFFICIENCY

₹ 1 OPD, free medicines, in-house diagnostics (lab, X-ray, ECG), and hospital management software reduce patient costs and improve operational flow.

SOCIAL IMPACT

- 87% report higher costs at alternative providers
- 87% now complete full treatment; 92% seek timely care
- 100% report health improvement; 71% recommend the hospital

SUSTAINABILITY

High repeat utilisation and community trust signal embedded behavioural change. Financial sustainability depends on continued CSR support; diversified funding and capacity expansion are key.

08 Quality Healthcare at AMM Arunachalam Hospital, Nellikuppam [Healthcare]

RELEVANCE

Serves rural Cuddalore district where secondary care is scarce. Addresses continuous care needs for diabetes, hypertension, and kidney disease among patients who lack insurance coverage.

EFFECTIVENESS

Improved health outcomes, better chronic disease management, and strengthened trust in formal healthcare. Many report treatment would have been delayed or unaffordable without the hospital.

EFFICIENCY

Subsidised medicines, minimal consultation fees, and in-house diagnostics minimise direct and indirect costs. Multiple services under one roof reduce duplication and enable faster treatment.

SOCIAL IMPACT

- 70% report highest savings in medicine costs
- 85% can perform most or all daily activities
- 96% of dialysis patients receive treatment without interruption

SUSTAINABILITY

High repeat utilisation and long-term patient engagement confirm durable impact. Infrastructure strengthening and diversified funding can enhance long-term financial resilience.

09 Strengthening Maternal Health [Healthcare]

RELEVANCE

Addresses maternal and newborn care gaps in vulnerable communities across Raiwala, Palwal, Bhagola, Raipur, Yavatmal, and Jamshedpur. Mitigates financial and structural barriers to antenatal and postnatal care.

EFFECTIVENESS

Strong adherence to iron, folic acid, and calcium supplementation. Improved antenatal regularity and universal institutional delivery uptake among surveyed participants.

EFFICIENCY

Integrated model spans community outreach, antenatal diagnostics, institutional delivery, and postnatal follow-up. ASHA coordination and comprehensive no-cost care maximise efficiency.

SOCIAL IMPACT

- 88% safe deliveries without complications
- 93% completed postnatal check-ups
- 94% report appropriate infant feeding practices
- Eliminates ₹ 15,000-20,000+ delivery costs for vulnerable families

SUSTAINABILITY

Beneficiaries intend to continue recommended nutrition and postnatal practices. ASHA linkages and multi-centre infrastructure provide a strong base for scalable geographic expansion.

10 Project Nanneer — Water Body Restoration [Environment]

RELEVANCE

Addresses declining groundwater and degraded traditional water bodies in Erode and Sivagangai. Restores surface water storage and groundwater recharge that agriculture in these regions depends on.

EFFECTIVENESS

Desilting, deepening, and bund strengthening enhanced water retention beyond the monsoon season. Evidence shows improved irrigation reliability, crop growth, and farmer confidence.

EFFICIENCY

Nature-based restoration of existing water bodies avoids expensive new infrastructure. Reduced borewell dependence and improved natural recharge indicate high community-level resource efficiency.

SOCIAL IMPACT

- 99% report significant increase in crop yield and improved groundwater
- 66% report increased household income
- 84-88% report dependence on alternate work has stopped
- 91% observe increased aquatic life; 64% note more bird presence

SUSTAINABILITY

Growing repeat visits, peer referrals, and voluntary walk-ins indicate deepening community trust. Continued spectacle use and productivity gains sustain impact over time.

11 Murugappa Centre for Excellence in Sports [Sports]

RELEVANCE

Fills a critical gap in professional-grade football infrastructure and certified coaching in Tamil Nadu. Majority of players report no comparable facility nearby. Targets late-adolescent athletes at a pivotal stage.

EFFECTIVENESS

Structured coaching and position-specific training produce measurable gains in skill, tactical awareness, and match readiness. Stakeholders confirm training converts to tangible performance outcomes.

EFFICIENCY

Majority of players train daily, ensuring high infrastructure utilisation. FIFA-compliant facilities, certified coaching, and support systems in one ecosystem eliminate training fragmentation.

SOCIAL IMPACT

- 100% report improved confidence and training quality
- 95% report skill improvement
- 71% report fewer injuries or reduced discomfort
- 90% train daily; 71% have no comparable alternative

SUSTAINABILITY

Strong institutional backing and 100% player intent to continue indicate high perceived value. Strengthening linkages to universities, clubs, and associations will ensure progression beyond adolescence.

12 Murugappa Youth Football Academy (MYFA) [Sports]

RELEVANCE

Addresses structural gaps in grassroots football for school-going children in Avadi and Pallathur. A zero-cost, school-integrated model provides structured coaching, nutrition support, and early development pathways.

EFFECTIVENESS

Consistent skill progression and competitive readiness across age groups. Players have transitioned from informal play to structured multi-level competition, with visible improvements in discipline and tactical understanding.

EFFICIENCY

Training aligned with school timings avoids academic disruption. Zero-cost model ensures inclusion. Strong retention reflects effective program management at both locations.

SOCIAL IMPACT

- 100% report improved ability to balance studies and sport
- 96% report high confidence in competitive matches
- 100% now view football as a potential career
- 57% report improved discipline and routine

SUSTAINABILITY

Integration with school systems and community embedding builds long-term trust. Formal progression pathways to higher competitive levels will strengthen sustainable impact.

5. a. Average net profit of the Company as per section 135(5): ₹ 4,607.15 crores
b. Two percent of average net profit of the Company as per section 135(5) – ₹ 92.14 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 – ₹ 1 Crore
e. Total CSR obligation for the financial year (b+c-d) – ₹ 91.14 Crores

6. a. CSR amount spent on CSR Projects (both ongoing and other than ongoing projects- ₹ 88.53 crores
b. Amount Spent in administrative overheads- ₹ 1.75 crores
c. Amount Spent on Impact assessment – ₹ 0.91 crores
d. Total amount spent for the financial year (a+b+c)- ₹ 91.19 crores
e. CSR amount spent or unspent for the financial year:

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
91.19	Nil	NA	NA	Nil	NA

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) (net off of excess amount of previous financial year of ₹ 1 crore)	91.14
(ii)	Total amount spent for the Financial Year	91.19
(iii)	Excess amount spent for the financial year ((ii) – (i))	0.05
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years ((iii) – (iv))	0.05

7. Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years: Nil

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

If yes, enter the number of Capital assets created/ acquired

Furnish 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, 2026

Vellayan Subbiah
Chairman - CSR Committee

Ravindra Kumar Kundu
Managing Director

Annexure-III

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forming part of the Board's report for the year ended 31 March, 2026

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 in Remuneration in FY 2026 as compared to FY 2025**	**Ratio of Remuneration to Median Remuneration of employees**
	Executive Chairman		
	Mr. Vellayan Subbiah, Promoter Director	NA*	367.53:1
	Non-Executive Directors:		
	Mr. N. Ramesh Rajan, Non-Executive / Independent Director	Nil	6.78:1
	Ms. Bhama Krishnamurthy, Non-Executive / Independent Director	Nil	5.65:1
	Mr. M.A.M. Arunachalam, Non-Executive / Promoter Director	Nil	5.65:1
	Mr. Anand Kumar, Non-Executive / Independent Director	Nil	5.65:1
	Mr. M R Kumar, Non-Executive / Independent Director	NA**	5.65:1
	Mr. Ramkumar Ramamoorthy, Non-Executive / Independent Director	NA**	5.65:1
	Managing Director:		
	Mr. Ravindra Kumar Kundu	20.28	219.7:1
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 FY 2026 as compared to FY 2025**	
	Mr. D Arulselvan, Chief Financial Officer	23.86 %	
	Ms. P Sujatha, Company Secretary	13.65 %	
c) Percentage increase in median remuneration of employees in the financial year	23% decrease in median remuneration mainly on account of onboarding of about 12,000 employees at the entry level.		
d) Number of permanent employees on the rolls of company (as of 31 March, 2026)	51,320		
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 2025 and FY 2026, the average increase is 11%. The average increase for managerial personnel is 19%.		
f) Key parameters for any variable component of remuneration availed by the director	The remuneration to Non-Executive Directors is by way of commission on profits. The remuneration to the Executive Chairman and the Managing Director (MD) comprises fixed & variable components. Further, the MD receives stock options as per the Company's ESOP scheme. The increments are determined by the Nomination and Remuneration Committee based on 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.		

**Remuneration not comparable as Mr. Vellayan Subbiah was appointed as Executive Chairman w.e.f. 1 April, 2025 and remuneration for FY 2024-25 represents commission paid to him as Non-Executive Chairman during that year.*

***Appointed as Directors during FY 2024-25 and hence remuneration paid for FY 2024-25 and FY 2025-26 is not comparable.*

On behalf of the Board

Place : Chennai
Date : 30 April, 2026

Vellayan Subbiah
Executive Chairman

Management Discussion and Analysis

MACROECONOMIC OVERVIEW

FY 2025–26 began on a positive note for the Indian economy, supported by strong domestic fundamentals and continuity in economic policy. Moderating inflation, a normal monsoon and resilient consumption contributed to a stable macroeconomic environment during the early and mid-part of the year. The Government's continued emphasis on fiscal discipline, coupled with sustained public infrastructure investment, fostered confidence across sectors, while private consumption and services activity remained robust. Collectively, these factors underpinned broad-based economic momentum and financial stability during the first three quarters of the fiscal year.

Reflecting this strength, the Government of India continued its commitment to fiscal consolidation, targeting a fiscal deficit of 4.4% of GDP for FY 2025-26, while sustaining growth-oriented capital expenditure. Supported by healthy domestic demand and proactive policy measures, India remained among the fastest growing major economies globally, with full year GDP growth estimated in the range of 6.8%–7.0%.

Macroeconomic conditions, however, became more challenging in the latter part of the year as global uncertainties intensified. The escalation of geopolitical tensions in March 2026 led to sharp volatility in global energy markets and disruptions across critical supply chains. The resultant increase in crude oil and fuel prices introduced renewed inflationary pressures and heightened external risks, moderating the otherwise favourable domestic economic momentum.

Despite these global headwinds, India's robust foreign exchange reserves, resilient domestic demand and proactive policy management provided important buffers, enabling the economy and financial system to navigate this period of heightened uncertainty with relative stability.

Inflation and monetary conditions during FY 2025-26 reflected contrasting trends across the fiscal. During the first three quarters, CPI inflation moderated significantly to an average of 3.7%, aided by a normal monsoon, strong agricultural output and effective supply side interventions. This benign inflationary environment enabled the Reserve Bank of India (RBI) to adopt a growth supportive monetary stance. Accordingly, the RBI cumulatively reduced the policy repo rate to 5.25% by December 2025 to support economic activity.

In the final quarter, however, inflation dynamics shifted following the geopolitical escalation. Global crude oil prices rose by 10–13% over a short period, accompanied by sharp increases in diesel and aviation fuel prices, raising concerns around imported inflation and currency pressures. In response, the RBI adopted a more watchful and data dependent stance, with liquidity management remaining a key focus. The Monetary Policy Committee (MPC) thereafter maintained a largely neutral stance to ensure effective transmission of earlier rate actions while remaining responsive to evolving macro financial risks.

For the NBFC sector, FY 2025-26 reinforced the importance of disciplined growth, prudent risk management and balance sheet resilience amidst fluctuating liquidity conditions and evolving credit risks. Maintaining high underwriting standards, diversified funding sources and calibrated asset liability management remained critical, alongside the continued responsibility of supporting credit flow to priority segments of the real economy.

Against this backdrop, the Company remained focused on protecting stakeholder interests through prudent capital allocation, strong governance practices and a long term approach to sustainable growth. These fundamentals are expected to position the Company well to manage near term uncertainties while continuing to create long term value for shareholders.

INDUSTRY GROWTH PROSPECTS

Automobile Industry

The Indian automobile industry sustained its growth momentum in FY 2025-26, supported by a combination of cyclical recovery and structural tailwinds. The Commercial Vehicle (CV) segment emerged as a key growth driver, registering a robust 13% expansion and achieving peak volumes, reflecting strong underlying economic activity.

Segment-wise, growth remained broad-based. Heavy Commercial Vehicles (HCVs) and Light Commercial Vehicles (LCVs) grew by 10% and 17%, respectively, driven by an infrastructure push, rising industrial activity, and e-commerce-led logistics demand. Growth in Small Commercial Vehicles (SCVs), however remained comparatively subdued at 6%, indicating a gradual recovery following a two-year downturn.

The upcycle was supported by multiple structural and policy-led factors, including GST efficiencies, sustained government capital expenditure, the vehicle scrappage policy, and increased activity in the mining and construction sectors. Additionally, the industry is witnessing an early but steady transition towards alternative powertrains, particularly electric vehicles (EVs) and last-mile delivery segments.

Looking ahead to FY 2026-27, the CV segment is expected to enter a normalization phase, with growth moderating to 4–6%, largely due to a high base effect. However, medium-term fundamentals remain strong, underpinned by continued infrastructure investments,

rising freight demand, improving fleet utilization, and a regulatory push towards fleet modernization and emission compliance.

The Passenger Vehicle (PV) segment continued its structural growth trajectory, expanding by 8% in FY 2025-26 and recording its fourth consecutive year of peak sales. This growth reflects evolving consumer preferences, including increasing urbanisation, rising disposable incomes, and a marked shift towards SUVs and higher-end variants. Export opportunities and increasing localization levels are also contributing to long-term resilience.

PV growth is expected to moderate to 4–6% in FY 2026-27, signalling demand stabilization after a strong multi-year growth phase. Key growth drivers include rural recovery, new model launches, and continued premiumisation. However, the segment remains exposed to risks such as global supply chain disruptions, semiconductor availability constraints, commodity price volatility, and geopolitical uncertainties.

The two-wheeler segment recorded strong growth of 11% in FY 2025-26, driven by rural demand recovery, improved access to financing, and affordability enhancements. Demand from Tier 3 and Tier 4 markets, along with increasing participation by women riders, has structurally expanded the consumer base.

Going forward, growth is expected to moderate to 3–5% in FY 2026-27, reflecting a transition from cyclical rebound to steady-state demand. EV is expected to be a key disruptor, particularly in the entry-level and commuter segments, supported by government incentives, lower operating costs, and increasing product availability. However, price sensitivity in this segment remains a critical factor.

The geo-political conflict has led to an increase in crude oil prices, resulting in higher fuel costs and creating near-term headwinds for the vehicle finance industry. We expect a moderation in vehicle loan growth, particularly in commercial vehicles along with a potential cash flow disruptions among small transport operators if elevated fuel prices persist. While the long-term growth remains intact, near-term geopolitical and fuel-price uncertainties may create short term disruptions. The vehicle finance division remains well positioned, supported by a diversified mix of products across geographies, strong collection infrastructure, and robust underwriting models.

Construction Equipment Industry

The Construction Equipment (CE) industry experienced a contraction of 8% in FY 2025-26, primarily due to the elevated base of the previous year and a temporary slowdown in project execution during certain periods.

Despite this short-term correction, the medium-term outlook remains positive, driven by the government's sustained focus on infrastructure development across roads, railways, urban infrastructure, and mining. The Union Budget's capital expenditure allocation of ₹ 12 lakh crore provides strong demand visibility for the sector.

Growth in FY 2026-27 is expected to be moderate yet stable, supported by a healthy project pipeline and increased mechanization. Additionally, rising adoption of technologically advanced and fuel-efficient equipment, along with digitization and telematics integration, is expected to improve operational efficiency and lifecycle management.

However, execution risks, land acquisition challenges, regulatory clearances, and input cost fluctuations remain key monitorable for the sector.

Tractor Industry

The tractor industry recorded exceptional growth of 23% in FY 2025-26, achieving peak sales levels on the back of favourable monsoon conditions, strong rural liquidity, and higher agricultural output.

The outlook for FY 2026-27 indicates a likely sharp moderation primarily due to the high base effect and the implementation of stricter emission norms, which could increase acquisition costs and temporarily impact demand.

Over the medium term, the sector's performance will remain closely linked to monsoon variability, crop realizations, minimum support prices (MSP), and government subsidies.

Loan Against Property

The NBFC Loan Against Property (LAP) portfolio is expected to moderately grow by 19-21% in FY 2026-27, driven by rising property ownership, sustained demand from MSMEs, increasing reliance on secured credit for business expansion, and steady sourcing from non-metro and self-employed segments. However, the ongoing geopolitical tensions in West Asia present incremental downside risks through elevated inflation, supply chain disruptions and moderation in economic activity, which could impact borrower cash flows and asset quality, particularly within MSME-linked segments. While the secured nature of LAP provides relative resilience, portfolio performance and growth momentum remain sensitive to evolving macroeconomic conditions and interest rate trajectory.

(Source : https://www.icra.in/Research/ResearchDetails/2)

NBFCs continue to benefit from customized underwriting frameworks and faster turnaround times, supported by a deep understanding of local property markets, particularly in underserved segments. Retail-ticket LAP loans remain the primary driver of market expansion, with a strong emphasis on asset quality. Ongoing digitization across application processing, documentation, credit assessment, and portfolio monitoring has further enhanced scalability and efficiency while maintaining underwriting discipline.

Housing Finance (Home loans)

The housing finance services industry is expected to report a double-digit growth in revenues on the back of continued healthy demand for housing, particularly affordable housing. The housing finance services industry is likely to grow at a healthy pace on the back of a revival in demand for affordable housing and an increase in demand for mid-segment and premium-segment housing.

Analysts expect the portfolio of Affordable Housing Finance Companies (AHFCs) to grow by 19–21% in FY 2026-27. Delinquencies remained stable in FY 2025-26 after a marginal

uptick in Q1 FY 2025-26 due to portfolio seasoning for entities that sourced significant portfolios in recent years.

The West Asia conflict could potentially lead to disruptions causing an adverse increase in input costs for construction, softening demand, and tightening cash flows — which could lead to customer income and repayment deterioration.

Small and Medium Enterprises (SME)

MSME's are the backbone of India's economic landscape, pivotal in employment generation, entrepreneurship promotion, and economic development. Through resilience, innovation, and adaptability, MSMEs have consistently driven the nation's growth, providing employment to millions and fostering inclusive development. As India strives to position itself as a global economic powerhouse, the MSME sector undoubtedly plays a central role, fostering innovation, generating employment, and enhancing export competitiveness.

The MSME sector continues to be a cornerstone of India's economic growth, contributing significantly to employment, manufacturing, and exports. In recent years, the sector has displayed remarkable resilience, with its share in the country's Gross Value Added (GVA) in India's GDP increasing from 29.6% in 2021-22 to 30.1% in 2022-23 & 2023-24, highlighting its growing role in national economic output.

Micro, Small and Medium Enterprises (MSME) sector, with more than 7.16 crore enterprises registered on Udyam Registration Portal and Udyam Assist platform, employing 31.33 crores workforce has emerged as a highly vibrant and dynamic sector of the Indian economy contributing around 30% of India's GDP, and 45% of India's exports. It contributes significantly to the economy and social development of the country by fostering entrepreneurship and generating large employment opportunities at comparatively lower capital cost. This sector contributes significantly to inclusive industrial development of the country.

MSME exports have witnessed a remarkable rise, increasing from ₹3.95 lakh crore in 2020-21 to ₹12.39 lakh crore in 2024-25, underscoring their critical role in boosting India's economy and strengthening global trade. The total number of exporting MSMEs in 2024-25 has also increased considerably from 52,849 in 2020-21 to 1,73,350 in 2024-25. MSMEs demonstrated an exemplary growth trajectory, in India's external trade, with their contribution to total exports increasing from around 45.7% in 2023–24 to 48.55% in 2024–25, and further estimated at ~48.6% in 2025–26, underscoring their expanding role in driving India's trade performance and global competitiveness.

The formalization of the MSME sector particularly within the micro and small enterprises segment has gained a significant impetus through the increasing adoption of Udyam Registration and Udyam Assist Portal. Over 7.16 crore MSMEs have been registered by Nov 2025 as compared to 2.5 crore as of March 2024. Higher levels of registrations are expected to not only help in providing better credit access but also enhance the effectiveness and reach of the various government policy measures in the sector.

Impact of West Asia war in MSME industry

The ongoing West Asia conflict has severely impacted Indian Micro, Small, and Medium Enterprises (MSMEs) by triggering global supply shocks, surging commodity and crude prices, and increasing compliance burdens for exporters. It is emerging as a multi dimensional stress factor for the MSME sector. The impact is visible across cost inflation, export disruption, liquidity pressure, and demand slowdown, with early signals of credit stress.

The ongoing conflict has triggered cash flow stress across MSMEs, with firms increasingly borrowing just to sustain operations rather than expand. Payments are delayed, shipments rerouted, and working capital cycles have lengthened significantly. Reports indicate that geopolitical tensions may weaken the repayment capacity due to higher input costs and demand slowdown. MSMEs are facing 15–25% increase in operating costs due to fuel, freight, and raw material price spikes linked to the conflict.

Personal Loans

Personal loans—constituting ~11% of NBFC AUM—had sharply moderated from 37% growth in FY 2023-24 to 18% in FY 2024-25, driven by regulatory tightening and lender recalibration. However, CRISIL now expects personal loan growth to improve to ~22–25% across FY 2025-26 and FY 2026-27, supported by better performance of recent originations and more calibrated risk selection. This suggests that while the breakneck expansion of earlier years is unlikely to return, personal loan growth is expected to regain momentum in FY 2026-27, significantly higher than the 15–16% moderation projected earlier.

Portfolio Performance and Delinquencies: The ongoing conflict in West Asia has led to an increase in fuel prices, which is reducing the disposable income of retail borrowers. This is also expected to moderate consumption, as households adjust their spending patterns in response to rising costs.

If the conflict persists over a prolonged period in FY 2026–27, it could adversely impact personal loan growth due to price pressures, supply chain disruptions, and potential job losses.

AUM Share of Personal Loans:

With personal loans constituting ~11% of NBFC AUM, a recovery to 22–25% growth ensures that the segment continues to be a meaningful contributor to overall NBFC AUM expansion.

Given that NBFC AUM is expected to grow at 18–19% annually and cross ₹50 lakh crore by March 2027, the personal loan segment is expected to remain one of the stronger retail growth engines.

Unsecured Business Loans:

Consumer Durables (CD)

According to industry reports by India Brand Equity Foundation (IBEF), India's consumer electronics and appliances sector is witnessing strong structural growth and is expected to emerge as one of the largest markets globally. By FY 2026-27, India is projected to become the fourth-largest consumer durables market in the world, with the sector growing at an estimated ~11% CAGR, driven by rising disposable incomes, urbanisation, increasing household penetration, and a shift toward smart, energy-efficient,

and premium appliances. The market size is expected to reach ~₹3 lakh crore by FY 2028-29, supported by favourable demographics and technology-led consumption trends.

The industry posted double-digit growth through FY 2025-26, with strong demand for premium, feature-rich, and connected products, including large-screen televisions, AI-enabled laptops, and smart appliances. Premiumisation is increasingly visible across categories, reflecting rising aspirational consumption across urban as well as Tier II and Tier III markets.

On the supply side, government initiatives such as the Production Linked Incentive (PLI) scheme for electronics and white goods have strengthened domestic manufacturing and localisation. The PLI programme has attracted investments exceeding ₹1.7 lakh crore and has created more than 1.2 million jobs, significantly boosted electronics production and strengthening India's manufacturing ecosystem.

The growth of the consumer durables sector is also closely linked to the availability of consumer financing, which plays a critical role in improving affordability and accelerating purchases. Industry estimates suggest that nearly 35–40% of consumer durable sales are financed, supported by innovations such as no-cost or low-cost EMIs, longer-tenure loans, zero down-payment options, digital onboarding, and paperless processing.

As per the latest CRIF report, the consumer durable (CD) loan portfolio outstanding has expanded to ₹96,000 crore, registering ~14% YoY growth, with a ~7% sequential rise during the festive quarter. This indicates a recovery in originations, supported by seasonal demand and continued adoption of consumer financing. Portfolio quality metrics have remained largely stable, with marginal improvements in delinquency indicators across most lender categories.

Looking ahead, in the long term, the CD finance segment is expected to maintain strong structural momentum, supported by rising credit penetration, growth of organised retail and e-commerce channels, and increasing adoption of digital and embedded finance models at the point of sale. Industry estimates continue to project the consumer durable finance market to grow at ~20–22% CAGR over the period 2024–2029, driven by rising consumption in Tier II and Tier III markets and the wider availability of instant credit solutions.

However, in the near term, geopolitical developments—particularly the West Asia conflict—have introduced downside risks to demand. The conflict has disrupted global supply chains and led to a sharp increase in crude oil and freight costs, along with shortages in key inputs such as petrochemicals and semiconductors. At the same time, rupee depreciation has further inflated the landed cost of imported components.

As a result, manufacturers across consumer durables and mobile segments have been compelled to pass on cost increases through price hikes, leading to higher ticket sizes for end consumers. This, combined with inflationary pressures on household budgets, has started to moderate discretionary spending, particularly in price-sensitive segments.

Consequently, while the long-term growth trajectory of CD finance remains intact, the near-term environment is likely to see:

- Softening in volume growth, especially in mass and entry-level categories
- Increased reliance on financing to sustain demand, partly offsetting the affordability impact
- Margin pressures across OEMs, with NBFCs seeing relatively better resilience due to penetration gains

In essence, the sector is entering a phase where structural drivers (credit access, distribution expansion) remain strong, but cyclical headwinds (inflation, pricing pressure, geopolitical uncertainty) may temporarily moderate growth momentum.

Secured Business and Personal Loan (SBPL)

India's lending landscape continues to exhibit a structural credit gap, with a large segment of borrowers remaining underserved despite having both collateral and repayment capacity. This segment—distinct from traditional Loan Against Property (LAP) customers—is often excluded from formal credit due to rigid underwriting norms, limited documentation, and non-standard income profiles.

The challenge is more pronounced in rural and semi-urban regions, where access to formal banking remains limited. Despite improvements in financial inclusion, barriers such as low financial literacy, informal income streams, and high servicing costs persist. As a result, many households continue to rely on informal credit sources, including moneylenders, highlighting a significant unmet demand.

SBPL addresses this gap by offering collateral-backed business and personal loans tailored to this underserved segment. Its approach combines cash flow–based credit assessment with prudent loan-to-value (LTV) ratios, enabling access to smaller ticket-size loans aligned with customer needs. By leveraging property as collateral while evaluating repayment capacity beyond traditional metrics, SBPL expands formal credit access in underpenetrated markets while maintaining a disciplined risk framework.

Geopolitical conflicts primarily impacts India's self-employed, non-professional segment in Tier 3–8 markets through an oil-driven inflation shock that compresses both incomes and cash flows. Rising crude prices transmit into higher fuel, transport, and input costs, which in turn push up food inflation and reduce real household incomes, forcing customers to cut discretionary spending. For micro-entrepreneurs and informal workers, this results in a dual squeeze—declining business revenues alongside rising operating costs—leading to margin compression, working capital stress, and higher reliance on short-term borrowing. Since this segment lacks stable income buffers, even small cost shocks translate quickly into repayment stress, increasing credit risk while simultaneously driving higher demand for formal credit as reliance on expensive informal sources becomes unsustainable. Overall, the impact is characterised by weaker consumption, volatile cash flows, and elevated credit demand, making it both a risk and an opportunity for lenders like Chola.

Gold Loan

The gold loan industry has emerged as one of the fastest-growing retail credit categories over the past year. The portfolio stood at approximately ₹ 16 lakh crore as of December 2025, growing by over 40% year-on-year. This rapid expansion has been strongly supported by an rally in gold prices. According to India Bullion and Jewellers Association (IBJA) rates, domestic 24-karat gold prices surged from approximately ₹ 64,000 per 10 grams in early 2024 to over ₹1.5 lakh per 10 grams in 2026. This near-doubling of gold prices over a two-year period has significantly enhanced collateral values, enabling borrowers to access higher loan amounts against the same quantity of gold and making gold-backed credit an increasingly attractive alternative to unsecured lending products.

In recent months, gold prices have witnessed short-term volatility owing to heightened geopolitical tensions, which triggered sharp two-way movements as safe-haven demand and oil-driven inflation fears pulled prices in opposite directions. While such corrections have not historically deterred the long-term growth trajectory of gold. Gold prices have consistently delivered over 10% CAGR, the current environment carries a greater degree of near-term uncertainty. Should this volatility persist, elevated LTVs will leave thinner buffers to absorb sharp price corrections.

The growing scale of the gold loan market has attracted increased regulatory attention, signalling a systemic shift in what was traditionally an unorganised sector. The comprehensive measures outlined in the Master Directions are expected to create a more sustainable foundation for long-term growth, while validating the industry's scale and importance within India's broader financial ecosystem.

Despite its significant growth, the gold loan industry remains materially underpenetrated. India holds an estimated 25,000–35,000 tonnes of gold across households and temples, valued at approximately US$4 trillion. Yet, only a small fraction of this vast gold reserve has been monetised through organised lending, positioning the industry for disproportionate growth in the coming years.

Source: CRIF High Mark, World Gold Council

BUSINESS ANALYSIS

VEHICLE FINANCE (VF)

Disbursements during the year stood at ₹ 62,123 crores, as against ₹53,922 crores in the previous year, registering a robust growth of 15%. This growth was primarily driven by strong momentum across key segments, new commercial vehicles recorded a 20% year-on-year increase, the new passenger vehicle segment grew by 15%, while the two-wheeler segment witnessed a significant surge of 34%, reflecting improving demand dynamics and market recovery. Assets Under Management (AUM) expanded by 18% to ₹ 1,19,558 crores in FY 2025-26, compared to ₹ 1,01,257 crores in FY 2024-25, underpinned by sustained disbursement growth and product portfolio expansion. Profit Before Tax (PBT) for the year stood at ₹ 3,145 crores, as against ₹ 2,824 crores in the previous year, reflecting a healthy growth of 11%, supported by improved business volumes and operational efficiencies. Stage 3 assets stood at 3.84% in FY 2025-26 compared to 3.52% in FY 2024-25. The marginal movement was primarily attributable to subdued cash flows in certain segments, reflecting continued stress in select pockets of the market.

The Vehicle Finance (VF) business will continue to maintain a calibrated mix of new and used vehicle financing, with a focus on sustaining higher yields and margins. Given its predominantly fixed-rate lending model, the stabilisation of interest rates is expected to support an expansion in net interest margins (NIMs), thereby strengthening overall profitability.

The VF division continues to invest in strengthening its credit architecture through data-driven underwriting frameworks incorporating no-touch/ low-touch swim lanes, leveraging alternate data sources and analytics led decisioning. This enhanced credit ecosystem is aimed at improving risk segmentation, enabling sharper credit filters at micro-market levels, and reducing delinquencies while improving overall portfolio quality.

Deep penetration in semi-urban and rural markets remains a key differentiator. Sustained expansion across Tier 3, Tier 4, and Tier 5 geographies is expected to further diversify portfolio risk, reduce geographic concentration, and enhance last-mile reach for both sourcing and collections. This extensive distribution network, supported by localized expertise, positions the VF division to effectively capture incremental growth opportunities in underpenetrated markets.

Tech-powered centralized lead generation, score based pre-approved loan offers for wallet deepening, hyper-personalized marketing campaigns along with conversational D2C loans are expected to enhance engagement with the existing customer base driving repeat and cross-sell opportunities aimed at strengthening customer lifetime value.

Technology will remain a core enabler, with increased adoption of digital tools and GenAI-led solutions across the value chain including underwriting, customer engagement, and collections. Personalized, data-driven collection strategies are expected to enhance recovery efficiencies and optimize operating costs, further strengthening the resilience and scalability of the VF business.

LOAN AGAINST PROPERTY (LAP)

LAP business delivered a strong performance in FY 2025-26, with disbursements rising to ₹ 20,459 crore, reflecting 14% growth over FY 2024-25 and a five-year CAGR of 41% (FY 2020-21 to FY 2025-26). Assets Under Management (AUM) increased by 26% on Y-o-Y basis to ₹ 52,295 crores in FY 2025-26 up from ₹41,439 crores in FY 2024-25, translating into a CAGR of 29% over FY 2020-21 to FY 2025-26.

Growth was driven by strategic expansion into non-metro markets, supported by distribution scale-up, a diversified channel ecosystem, and a continued focus on retail ticket LAP. The business has also initiated deployment of AI-enabled tools to enhance underwriting processes and KYC verification, improving efficiency. LAP continues to remain a key contributor to MSME growth in India by supporting business expansion and working capital needs, with 97% of

FY 2025-26 disbursements directed towards the Self-Employed Non-Professional (SENP) segment, reinforcing the Company's focus on underserved borrower segments.

The business operates through 814 branches across 26 states and union territories, serving over 87,077 customers; notably, 76% of branches are in rural areas, contributing ₹ 7,094 crore in disbursements, or 35% of total LAP disbursements, underscoring the effectiveness of a branch-led distribution model. The portfolio has achieved greater diversification across customer segments and geographies, reducing concentration risks and enhancing overall stability, with over 75% of exposures backed by residential properties and an average ticket size of approximately ₹ 52 lakh. Asset quality remained stronger than industry averages, supported by sustained improvements in collection efficiency, effective Gross Stage 3 rollbacks, and focused collection initiatives.

During FY 2025-26, the business further strengthened its focus on early-bucket delinquency management through pre-delinquency interventions, early risk identification, analytics-driven prioritisation frameworks, and enhanced digital collections, resulting in a significant improvement in customer reach and engagement.

HOME LOANS (HL)

As of 31 March, 2026, the HL business reported over 1.68 lakh live accounts (20% growth YoY) with an AUM of ₹ 22,688 crores (23% growth YoY). The portfolio is from Tier II, III, IV cities and towns. The disbursements for FY 2025-26 stands at ₹ 7,363 crores. The target group remains the lower middle income group customer. The average ticket size stood at 18.5 lakhs with an average LTV of 49.5%. Approximately 88% of the portfolio comprises business owners with semi-formal income and significant business vintage while 17% of customers are first time borrowers.

The HL business leverages Chola's strengths in reaching out and underwriting lower and middle-income borrowers across the country, extending its presence to even the smallest villages and towns through prudent underwriting, careful risk segmentation and a balanced portfolio mix. Chola offers loans for self-construction, purchase of new flats/independent houses, purchase of pre-owned flats/independent houses, balance transfer from other financiers, mortgage of existing houses for business use and shop loans and also facilitates purchase of plot.

Chola has established a strong presence across Tier II, III, IV towns and cities. The business continues to strengthen its channel partner network to expand customer reach. Home Loans now has pan-India presence positioning it well to benefit from steady demand for affordable housing with a continued focus on first time homebuyers in semi-urban and rural areas. The branch network has also been further expanded across states where the Company is already operational. Home loans are currently serviced through 712 touchpoints across 22 states.

Chola continues to build a strong ecosystem of channel partners, complemented by its digital offerings for customer service and on boarding, positioning it as a trusted choice for customers pan-India.

CONSUMER & SMALL ENTERPRISE LOAN (CSEL)

The Consumer and Small Enterprise Loans (CSEL) division witnessed a strong resurgence in FY 2025-26. Despite challenges in the MSME sector, the division implemented multiple technological and analytical interventions achieving a disbursement of ₹ 7,137 crores with AUM growing by 13% YOY to ₹ 12,362 crores. With a live customer base of over 1.8+ lakh customers and presence across 500+ locations, the division delivered a PBT of ₹ 147 crores.

Key Differentiators & Technology

- Significant business loan disbursements supporting the growth of MSME segment
- Transparent end to end digital process
- Strong data driven underwriting model and risk management capabilities powered by technology and analytics
- Seamless paperless customer journey with quick turnaround times
- Flexible repayment options enabled through flexi loan structures
- Presence across 500+ locations covering 25 states and 4 union territories with a continued focus on financial inclusion

CONSUMER DURABLES LOAN (CD)

Chola entered the Consumer Durables Lending space in FY 2023-24 through a strategic tie-up with Samsung to provide financing to consumers for purchase of Samsung mobile phones. In FY 2024-25, the business expanded into open market consumer durables financing by partnering directly with other OEMs/brands. In FY 2025-26, the combined disbursements crossed ₹ 2,174 crores and also helped in acquiring more than 8.3 lakh customers.

FY 2025-26 was a year of strong expansion for Consumer Durables Lending business, with disbursement growth of 50% from last FY. This growth was supported by the addition of several leading brands—Vivo, Oppo, Realme, Xiaomi, Haier, Whirlpool, Havells-Lloyd, Tecno, Infinix, TCL, IFB, and Amstrad—significantly strengthening the product and dealer ecosystem. The brand network will be further expanded in FY 2026-27.

FY 2025-26 also marked an important milestone in strengthening Chola's in-house digital and sourcing capabilities. The CholaKaart in-house LOS platform was successfully launched, providing a streamlined, internally owned sourcing engine.

FY 2025-26 also witnessed significant digital-process enhancements aimed at improving efficiency, speed, and portfolio quality. These digital capabilities are expected to be leveraged more extensively in FY 2026-27 to drive higher operating efficiency, sharper monitoring, and more scalable execution across SF+ and CholaKaart platforms.

DIRECT TO CUSTOMER (D2C)

Chola launched its Direct-to-Customer (D2C) channel, enabling seamless loan disbursals directly to both existing and new customers without reliance on intermediaries such as Direct Selling

Agent (DSA). The initiative began in Q4 FY 2022-23 through the Chola One app, initially offering personal loans to employees.

By H2 FY 2023-24, the D2C business sharpened its focus towards a pre-approved, fully digital loan journey designed specifically for Chola's captive customer base—including Vehicle Finance, and Consumer Durable customers. The Chola One app was further enhanced to support this targeted, automated lending experience, ensuring faster approvals, improved customer engagement, and a more scalable digital loan origination model. In FY 2025-26, the D2C channel further strengthened its presence by leveraging the Consumer Durables customer base, significantly expanding its reach and deepening engagement across Chola's retail franchise.

Moving into FY 2026-27, the D2C vertical is poised for broader scale, with plans to extend its coverage beyond captive segments while simultaneously enhancing the value proposition for maturing its customer base through differentiated offerings and more advanced digital journey.

SMALL AND MEDIUM ENTERPRISES LOAN (SME)

SME business disbursements during the year were at ₹ 7,312 crores in FY 2025-26. AUM grew by 41% to ₹ 9,338 crores in FY 2025-26 as compared to ₹ 6,628 crores in FY 2024-25. PBT during the year was at ₹ 165 crores as against ₹ 111 crores during last year with growth of 49%.

The SME business has expanded its footprint across the country covering 22 regions with over 120 branches serving approximately 12,200 MSME customers. The business has established strategic partnerships with more than 40 OEMs across key segments such as Industrial equipment, Gensets, Medical Equipment and Solar finance to drive greater financial inclusion in the market.

With the continued growth of the Small and Medium Enterprises ecosystem, Chola's SME loans business division offers a comprehensive bouquet of products to meet the requirements of working capital and capex of SMEs. The portfolio includes multiple products like Term loan, Micro Term loan, Equipment finance, Supply chain finance and Leasing. Further, subproducts offered under Equipment finance are industrial equipment finance, Genset finance, medical equipment finance, Working capital finance and Lease rental discounting.

During the financial year, solar funding was launched as the Company's first Green Finance offering to fund aimed at funding commercial and industrial Roof top installations. Under the leasing segment, the business has also commenced corporate car leases, commercial vehicle and Equipment leasing.

SECURED BUSINESS AND PERSONAL LOAN (SBPL)

As of 31 March, 2026, the SBPL business had crossed 89,000+ live accounts with an AUM of ₹3,500+ crores. The average ticket size is around ₹ 4.49 lakhs with an average tenure of 6 years. SBPL vertical is currently being distributed across 400+ touchpoint locations spanning 11 states.

Key differentiators include a high-touch, on-ground engagement model that brings services directly to customers, a proprietary income assessment framework tailored to informal business profiles, and a seamless digital journey that ensures speed and transparency. The offering is further strengthened by customised solutions designed to meet the needs of first-time borrowers entering the formal credit ecosystem.

GOLD LOANS

As on 31 March, 2026, Chola has built an AUM of ₹ 1,804 crores from over 26,000 customers across ~119 branches in South and East India, with an average AUM of over 15 crores per branch. The average ticket size stands at around ₹ 2 lakh, with a portfolio of over 1,800 kg of gold as underlying security. This has been possible due to its key differentiators in the gold loan industry, combining the Chola culture of robust risk and processes with the energy of a new business:

- 100% paperless customer journey
- 10+ security measures in every branch
- Rigorous appraisal and risk assessment
- Deep micro-market understanding
- Customer experience at the core of our offering

The business plans to deepen its footprint in the coming years.

ASSET LIABILITY MANAGEMENT (ALM)

India's growth remained strong across FY 2025-26, powered by consumption, rural recovery, government capex, and GST reforms. GDP growth was consistently above 7% through the quarters , and the full-year expectations settled at 7.4%, placing India among the fastest-growing major economies globally.

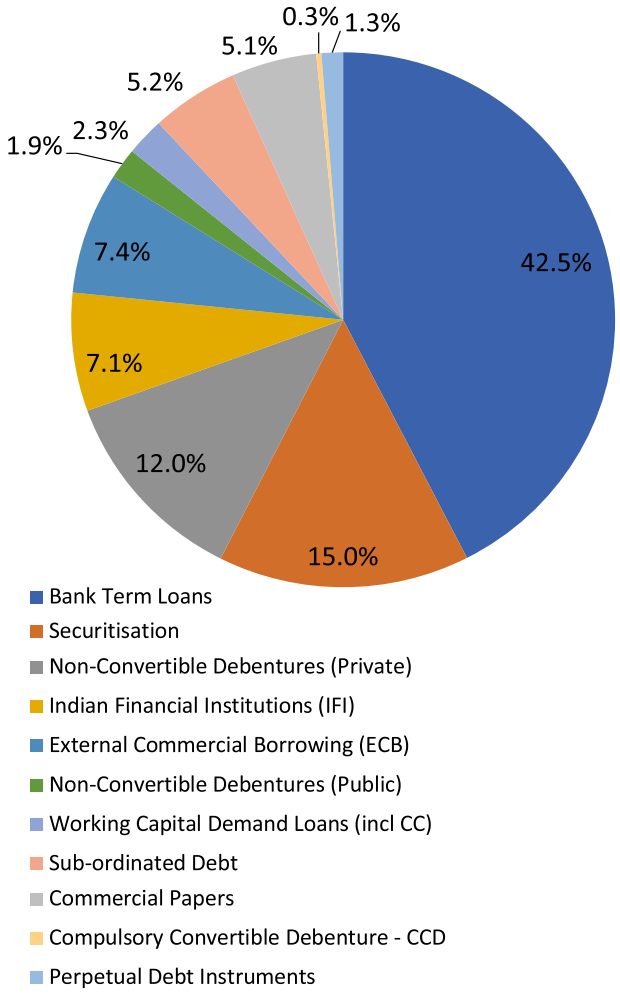
Inflation fell sharply in the first half of FY 2025-26 due to softer food prices and supportive supply conditions. It firmed up marginally in the latter part of the year but stayed well below RBI's target range, underpinning a stable policy backdrop. The rupee depreciated significantly and approaching historic lows through the year, exerting pressure on the economy.

Liquidity stayed largely in surplus across FY 2025-26. CRR cuts, regulatory eases and strong government cash balances kept liquidity conditions comfortable. The RBI actively managed fluctuations in liquidity and rupee depreciation through heavy monetary operations and forex swaps, ensuring smooth transmission even during brief tight phases.

Interest rates eased steadily through FY 2025-26 as inflation softened and real rates allowed space for monetary adjustment. The RBI front-loaded cuts, bringing the repo to 5.25% with a neutral monetary stance, from 6.25% at the beginning of the FY. However, the long-term yields rose significantly on account of fiscal concerns, tariffs and GST reforms. This was exacerbated in Q4 by the onset of the war in West Asia which resulted in a spike in crude oil prices and critical inputs. The 10-year benchmark crossed the 7% mark in March 2026, up from a level of 6.35%, in spite of a 100 bps cut by the RBI in FY 2025-26.

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 while maintaining a healthy asset liability position. The borrowing profile as on 31 March, 2026, is given below:



BANK BORROWING

In FY 2025-26, the Company mobilised ₹ 47,334 crores (net) of medium-term loans & ECB and ₹ 3,200 crores (net) as working capital / cash credit / short term loan facilities from banks. The Company continued getting strong 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 the steadfast support of the lending banks and the strong relationship helped manage the borrowing plan for FY 2025-26.

MARKET BORROWING

During FY 2025-26, the Company raised CPs of ₹ 20,715 crores and repaid ₹ 9,650 crores towards maturities in FY 2025-26. CP outstanding as at the end of the year was ₹ 11,065 crores. Medium and long-term secured NCDs aggregating ₹ 9,602 crores were mobilised at competitive rates through private placements. At the end of FY 2025-26, total NCD outstanding stood at ₹ 28,228 crores (₹ 24,454 crores through Private Placements and ₹ 3,774 crores through public issuances).

Compulsorily Convertible Debentures (CCD) aggregating ₹ 1,370 crores (out of the total issuance of ₹ 2,000 crores in FY 2023-24) were converted into equity shares during FY 2025-26. The residual CCDs of ₹ 630 crores outstanding as at the end of FY 2025-26 will get compulsorily converted in FY 2026-27.

The Tier II borrowings raised during the year was ₹ 100 crores of Perpetual debt and ₹ 2,502 crores of Sub Debt. As at the end of FY 2025-26, Tier II borrowings stood at ₹ 13,223 crores.

MOVEMENT IN INTEREST COST

The Company benefited from the easing interest rates in the economy, given its borrowing mix comprising both floating and fixed rate instruments. On the floating rate borrowings, the Company enjoyed significant transmission of the rate cuts in the economy and marginal borrowings were also mobilised at relatively lower rates during the year.

As a percentage of average borrowings, interest cost stood at 7.5% in FY 2025-26 as compared to 8.0% in FY 2024-25.

CAPITAL ADEQUACY RATIO (CAR)

As at the end of FY 2025-26, the capital adequacy ratio stood at 19.21% (Tier I: 14.73% and Tier II: 4.48%).

INVESTMENTS

The Company's investments of ₹ 6,638 crores include investments in G-Sec of ₹ 4,152 crores, investments in treasury bill of ₹ 1,100 crores, investments in GSTRIPS of ₹ 829 crores, investments in subsidiaries, joint ventures and associates of ₹ 557 crores.

FINANCIAL REVIEW

The Company's aggregate disbursements grew by 11% from ₹ 1,00,869 crores in FY 2024-25 to ₹ 1,11,642 crores in FY 2025-26. The business AUM (including on book and assigned net of provisions) in FY 2025-26 grew by 21% and stood at ₹ 2,24,334 crores in FY 2025-26 as against ₹ 1,84,746 crores in FY 2024-25. Profit before tax (PBT) for the year was at ₹ 6,961 crores after the creation of a management overlay provision of ₹ 200 crores towards potential adverse impacts on account of geo-political risks on the loan portfolio of the Company. On a comparable basis, PBT for the year ended March 2026 was at ₹ 7,161 crores before considering management overlay, as against PBT of ₹ 5,737 crores last year, registering a growth of 25%. Comparable PBT-ROTA for FY 2025-26 before management overlay was at 3.4% for the year as against 3.3% in FY 2024-25.

HUMAN RESOURCES (HR)

In FY 2025–26, Chola's HR function took a decisive step forward—from being a process custodian to becoming a business partner. Anchored in the HR 2.0 framework of Right Talent, Right Leadership, Right Capabilities, and Right Workplace, every initiative during the year was guided by a clear focus: its impact on business outcomes and on the people who drive the organisation.

During FY 2025–26, the HR function strengthened its role as an employee champion through structured engagement, early intervention, and responsive support mechanisms.

- Key initiatives included KY HR and Handholding, a first-month connect programme designed to understand post-joining sentiment and support employees in transitioning smoothly from onboarding to performance. The Talent Shield framework further strengthened employee retention by deploying stay interviews, structured pulse checks during the critical initial 90 days, root cause analysis of attrition, and programmes that deepened employee connection with the organisation's growth journey.
- To enhance accessibility and accountability, the Employee Care Programme established a dedicated helpline, providing employees with a clear and reliable channel for raising and resolving concerns.
- In support of new business initiatives, HR played a critical role in building the Gold Loan vertical, encompassing talent acquisition, onboarding, and delivery of structured training programmes covering lending systems, gold testing, fraud prevention, and customer engagement—ensuring readiness from day one.
- Further, the Chola Jobs initiative transformed talent acquisition by introducing a QR-code-driven application process, enabling seamless candidate access at scale. The programme also established a dual-track pipeline, certifying candidates both for training and for hiring, thereby creating a scalable and job-ready talent ecosystem.

During FY 2025–26, Chola strengthened its focus on capability building by aligning all learning and development initiatives directly with business outcomes, including productivity enhancement, portfolio quality improvement, and customer retention. Leadership development remained a priority through the Chola Certified People Manager programme, equipping managers with essential capabilities in goal setting, coaching, feedback, and delegation. In parallel, the Chola Certified Performance Catalyst initiative leveraged high-potential employees to mentor and improve the performance of peers, creating a scalable performance improvement model.

The launch of Chola MyCompass, a performance enablement platform, marked a significant step forward in digital learning. With embedded AI support through Buddy AI, the platform enabled learning in the flow of work, achieving an adoption rate of 81% within three months of launch.

Chola reaffirmed its commitment to employee wellbeing through the launch of Soukhyam, a holistic programme built across five pillars—physical, emotional, spiritual, financial, and social wellbeing. The initiative reflects the Company's belief that its people are its greatest strength and aims to support them comprehensively. As part of this programme, structured wellness touchpoints were implemented throughout the year, including health camps, wellness seminars, and focused interventions addressing both physical and mental wellbeing, thereby fostering a healthier and more engaged workforce.

TECHNOLOGY INITIATIVES

Digital at the Core - Continuing the Journey

Advancements in the areas of GenAI and Digital Public Infrastructure in India coupled with an expanding data ecosystem is driving extremely rapid changes in the lending landscape. These factors are breaking traditional credit barriers, allowing lenders to assess underserved segments using combinational of traditional and non-traditional data points to enable frictionless, real-time credit delivery. As this evolves, the Digital Personal Data Protection (DPDP) Act ensures that data democratization is balanced with stringent privacy and consent frameworks. Combined with transformative power of Generative AI, the future of lending will shift from being a process digitization play to an intelligent and deeply personalized financial ecosystem.

At the heart of this transformation will be the tech-enabled and intelligence-led experience, where speed and relevance are paramount. Customers today expect drastically improved Turnaround Times (TAT) along with timely and appropriate product offers tailored to their specific needs. Platforms like Chola One deliver this by providing a seamless, end-to-end digital journey—from origination to servicing. Simultaneously, ecosystem partners such as dealers, brokers, and OEMs will continue to be empowered by platforms like Gaadi Bazaar, which integrate vehicle trading, auctions, and trade advances into a unified digital workflow, creating a cohesive and highly efficient value chain for all stakeholders.

The foundation for delivering a delightful experience for our customers will be based on continuous optimization of internal IT operations through the increasing adoption of AI. Generative AI is revolutionizing the entire software development lifecycle and IT operations. From AI-assisted code generation and automated testing to intelligent support and proactive operations, AI will help in accelerating delivery timelines while improving system resilience. This deep integration ensures that the technology backbone remains as agile and responsive as the market demands.

It is, however, critical that the digital innovation cycle be firmly anchored by robust cybersecurity controls and a secure infrastructure. Delivering next-gen solutions requires protecting every layer - endpoints, networks, applications, and data – while ensuring strict compliance with evolving regulations like the DPDP Act. Beyond technological defenses, the focus also extends to establishing a security-first culture by increasing employee awareness against emerging threats. By balancing aggressive digital innovation with uncompromising cyber protection and risk mitigation, we intend to build enduring customer trust while

establishing a platform that blends innovation and customer-centric experience as driver for business growth.

RISK MANAGEMENT

Chola recognizes that effective risk management is essential to achieving strategic objectives and ensuring long-term sustainability. The Company is committed to identifying, assessing, and mitigating risks across all levels of the business through a structured and proactive approach. 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 to reinforce the existing risk mitigations and to meet the new & emerging risks.

During FY 2025-26, the Risk Management function continued to strengthen the Company's risk management framework through structured review, independent assessment and ongoing monitoring of material risks across the enterprise. Enhancement of key risk management components, including Risk MIS, Risk Appetite Statement, Enterprise Risk Management (ERM) Plan, Risk Management Policy and ICAAP framework was undertaken to ensure alignment with the Company's evolving business profile, scale of operations and regulatory expectations.

Capital Risk: In line with regulatory requirements, the function reviewed the Internal Capital Adequacy Assessment Process (ICAAP) during the year. This included:

- Assessment of material risks at an enterprise level, including emerging and non-financial risks
- Conduct of stress testing and scenario analysis, including evaluation of vulnerabilities under adverse conditions
- Review of capital adequacy against the Company's risk profile and alignment with business growth plans

Liquidity risk: In the area of liquidity and balance sheet risks, the Risk function reviewed the adequacy and effectiveness of liquidity risk assessment and management practices, including monitoring of risk positions against internal thresholds, funding profiles and evolving market conditions.

Cyber security & IT risk: With increasing digitalisation, the Risk function expanded its focus on technology, cyber and digital risks, including:

- Assessment of cybersecurity threats such as malware, phishing attacks and data breaches
- Review of system vulnerabilities and readiness to respond to security incidents
- Validation of key controls including firewalls, encryption standards, multi-factor authentication and incident response mechanisms

Credit risk: A key focus area during the year was independent monitoring and challenge of risk exposures across credit, financial and portfolio risk dimensions. This included detailed evaluation of portfolio quality, sanctioned loan risks, takeover exposures, write-off trends and QMA movements, along with root cause analysis of portfolio stress drivers to enable timely corrective actions.

The function also monitored digital lending risks, fraud risk indicators and Early Warning Signals (EWS) to enable early identification of emerging credit stress and support proactive mitigation measures across portfolios.

Operational risk: The Risk function undertook enterprise-level assessment of material risks, including evaluation of control effectiveness and monitoring of inherent compliance risks across operations. Specific focus areas included:

- Review of outsourced activities and risk management practices in factoring operations
- Assessment of Business Continuity Planning (BCP) and Disaster Recovery (DR) drills
- Evaluation of operational resilience and readiness to respond to disruptions.

Regulatory Compliance risk: The Risk function also strengthened its coverage of regulatory, compliance and conduct risks, including:

- Assessment of Money Laundering and Terrorist Financing risks (AML/TF)
- Review of legal cases and regulatory exposures
- Monitoring of regulatory developments and compliance risk areas.

- Further, the function monitored reputational risks through peer benchmarking and tracking of regulatory actions and public disclosures, with the objective of identifying emerging risk signals and reinforcing a preventive risk culture across the organisation.
- The Risk function also continued to monitor people risk, including critical skill dependencies and resourcing aspects relevant to risk and control functions.

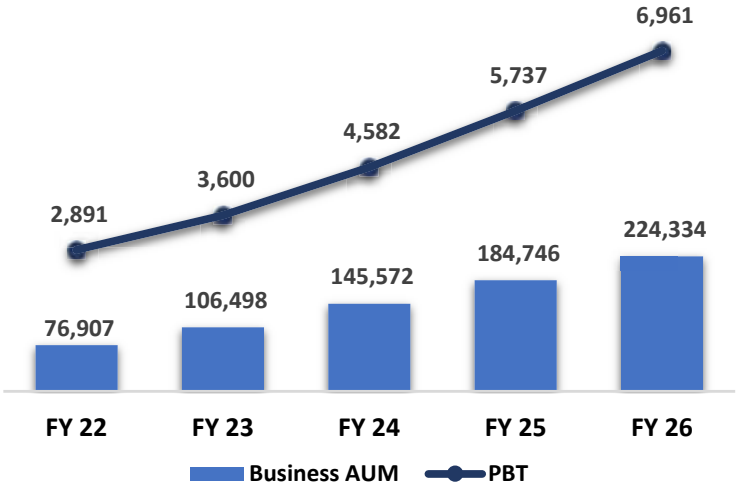
Emerging risks: The emerging risks were tracked through periodic market bulletins, covering the macro-economic development, impact on portfolio behaviour to enable strategic alignment and long term impact on portfolio behaviour.

The function also strengthened its oversight on strategic and emerging risks, including geo-political developments, climate related risks and governance effectiveness, and tracked progress of key risk management initiatives during the year.

The Risk Management function played a key role in providing independent oversight, strengthening risk frameworks and enabling proactive identification, monitoring and mitigation of risks, thereby supporting the Company's risk-resilient growth strategy.

RESULT OF OPERATIONS

The Company's Business AUM and PBT has steadly grown over the years at a CAGR of 31% and 25% respectively.



STATEMENT OF PROFIT & LOSS

₹ in Crores

Particulars	Mar-25	Mar-26	Growth %
Disbursements	1,00,869	1,11,642	11%
Assets Under Management	1,99,876	2,42,630	21%
Income	26,055	31,445	21%
Cost of Funds	-12,485	-14,374	15%
Net Margin	13,570	17,071	26%
Operating Expenses	-5339	-6574	23%
Provisions and Losses *	-2494	-3536	42%
Profit Before Tax (PBT)	5,737	6,961	21%
Current and Deferred Tax	-1478	-1741	18%
Profit After Tax (PAT)	4,259	5,220	23%

Note:- * Provisions and Losses include Management overlay of ₹ 200 crores having an impact of 0.09% of Average assets in FY 2025-26

BALANCE SHEET

₹ in Crores

Particulars	Mar-25	Mar-26	Growth %
Assets			
Business Assets	1,81,930	2,17,571	20%
Cash & Bank Balances	9,401	14,611	55%
Other Liquid Assets	5,869	6,116	4%
Other Assets	4,448	6,772	52%
TOTAL	**2,01,648**	**2,45,070**	**22%**
Liabilities			
Net worth	23,627	30,404	29%
Borrowings	1,48,280	1,79,314	21%
Securitisation	26,667	31,552	18%
Other Liabilities	3,074	3,800	24%
TOTAL	**2,01,648**	**2,45,070**	**22%**

KEY OPERATING MEASURES

Particulars	Mar-25	Mar-26	Change*
Net Income Margin	7.7%	8.0%	0.3%
Operating Expenses to Assets	-3.0%	-3.1%	-0.1%
Return on Total Assets - PAT	2.4%	2.5%	0.1%
Return on Equity - PAT	19.8%	19.7%	-0.1%
Profit Before Tax to Income	22.0%	22.1%	0.1%
Total Assets under Management – ₹ in crores	1,99,876	2,42,630	21%
Gross Stage 3 Assets	2.8%	3.0%	0.2%
Stage 3 (Net off ECL) Assets	1.6%	1.6%	0.0%
Provision Coverage	45.3%	47.3%	2.0%
Earnings Per Share - Basic in ₹	50.7	61.8	22%
Book Value Per share	281.0	356.8	27%
Price to Book Ratio (no. of times)	5.4	3.8	-30%
Market Capitalisation – ₹ in crores	1,27,885	1,15,353	-10%
CAR	19.7%	19.2%	-0.5%

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 ₹ 5,232.61 crores, as against ₹ 4,262.70 crores in FY 2024-25.

On behalf of the Board

Place : Chennai
Date : 30 April, 2026

Vellayan Subbiah
Executive Chairman

Report on Corporate Governance

The Company firmly believes that sound Corporate Governance forms the foundation of a resilient and responsible financial institution. As a listed Upper Layer Non Banking Financial Company, the Company is deeply committed to upholding the highest standards of governance, ethical conduct, transparency, and accountability in serving the interests of all stakeholders. The Company views good governance not merely as a matter of regulatory compliance, but as a strategic imperative that supports sustainable growth, effective risk management, and long term value creation. The Company's governance framework comprises systems, policies, and processes that guide and manage the Company while balancing the interests of all stakeholders. The framework is aligned with applicable laws and regulations, including those of the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and the Reserve Bank of India's guidelines applicable to NBFCs and continues to evolve in line with emerging best practices.

CORPORATE GOVERNANCE PHILOSOPHY

The Company is committed to maintaining the highest standards of corporate governance across all its operations. The Board, senior management and employees of the Company are focussed in their commitment to conducting business in an ethical and lawful manner and to upholding the highest standards of corporate governance. Acknowledging the evolving nature of governance expectations, the Board remains focussed on maintaining the highest levels of transparency through comprehensive, accurate and timely disclosures.

The Company believes that sound corporate governance is essential to efficient operations, its ability to attract investment, protect the interests of its stakeholders and the creation of long-term shareholder value. The Company's actions are guided by high standards of governance, that reflect and reinforce its core values. The Company firmly believes in and adheres to the following 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 the law;
- Maintain a high degree of transparency and disclosures;
- Maintain a clear distinction between personal interests and corporate interests;
- Maintain a transparent corporate structure driven by business needs; and
- Ensure compliance with applicable laws.

BOARD OF DIRECTORS

During the year under review, the Board and its Committees exercised their oversight responsibilities with diligence and independence, providing strategic direction while ensuring effective supervision of financial performance, risk management, internal controls, and regulatory compliance. The Board also emphasised the importance of robust credit discipline, strengthened governance processes and a culture of integrity across the organisation.

The Board remains mindful of its fiduciary responsibilities and is committed to balancing entrepreneurial decision making with prudent oversight. It will continue to strengthen the governance framework to meet the expectations of shareholders, customers, regulators, and the broader financial ecosystem, while guiding the Company towards sustainable and responsible growth. The day-to-day affairs of the Company are managed by the Managing Director (MD) and an experienced and competent management team, under the overall supervision of the Executive Chairman and the Board. The Company has established a comprehensive risk management framework covering various risks to which the Company is exposed to, including fraud risk. These risks are reviewed on an ongoing basis by the management and periodically by the Risk Management Committee, Audit Committee and the Board. Additionally, the fraud risks are also reviewed by the Special Committee of the Board for monitoring and follow-up of cases of fraud.

Composition

The Board has been constituted in accordance with Regulation 17 of the Listing Regulations, the Act and the Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 ("RBI Master Directions on Governance"). The Board comprises an appropriate mix of executive, non-executive and Independent Directors, including a Woman Independent Director, to ensure effective governance and management. The Board Members collectively bring experience across diverse fields including banking

and financial services, audit, finance, risk management, compliance, data science and technology. The Directors are appointed based on their qualifications, expertise and experience in their respective fields. None of the Directors are inter-se related.

Core Skills / Expertise / Competencies

In accordance with the Listing Regulations, the Board has identified the following core skills, expertise, and competencies that are relevant to the Company's business and sector for its effective functioning:

Core Skills / expertise / competencies	Status
Finance	Competency available
Strategy, planning and marketing	
Technology & Cyber security	
Compliance, 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, cyber security, compliance, governance and risk, management and leadership
Mr. N. Ramesh Rajan	Finance, compliance, governance and risk, technology, cyber security, management and leadership
Ms. Bhama Krishnamurthy	Finance, strategy, planning and marketing, compliance, 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, cyber security, governance, risk, management and leadership
Mr. M R Kumar	Finance, strategy, planning and marketing, compliance, governance and risk, management and leadership
Mr. Ramkumar Ramamoorthy	Finance, strategy, technology, cyber security, planning and marketing, governance and risk, management and leadership
Mr. Ravindra Kumar Kundu	Finance, strategy, planning and marketing, technology, cyber security, compliance, governance and risk, management and leadership

Formal induction and familiarisation programme for directors

The Company's Independent Directors are distinguished professionals with extensive experience spanning banking and financial services industry, technology, finance, governance, risk management, analytics, strategy, marketing and management. They are well-versed with and are fully familiar with the business of the Company. The Company has instituted an ongoing familiarisation programme for all Directors to enhance their understanding of their roles, duties, rights, responsibilities as well as the industry in which the Company operates and its business model. The programme is integrated into the regular meeting agenda wherein, in addition to the review of operations, updates on the industry developments, competition and the Company's strategy are presented and deliberated upon on a quarterly basis. The details of the familiarisation programme attended by the Directors are available on the website of the Company (*weblink: https://files.cholamandalam.com/files/familiarisation-2026.pdf*).

The Company follows a structured process for the induction of Directors. As part of this process, Directors are familiarised with the Group and Company structure, subsidiaries, applicable regulatory framework, the various committees of the Company and their terms of reference as well as the Company policies. Directors are also provided with a detailed overview of the compliances required under the Act, the Listing Regulations, RBI Regulations and other applicable laws and their affirmation in this regard is obtained. Directors are inducted into the Company's business and functional areas through detailed presentations by Chief Business Officers and functional heads, covering the organisational structure, products, and responsibilities. At the time of induction, a formal invitation letter is issued along with a brief profile of the Company. Directors are also provided with a copy of the Company's latest annual report and the schedule of the forthcoming Board and Committee meetings for the calendar year and financial year.

In addition, the Company's Code of Conduct which sets out the core values and principles of the Company as well as the functions, duties, and responsibilities of Directors, including the statutory duties of Independent Directors under the Act is provided to the Directors at the time of induction and reaffirmed on an annual basis. Further, detailed quarterly discussions and presentations on review of operations of the Company and key regulatory developments impacting the business are undertaken enabling the Directors to familiarise themselves with the Company, its business, and the regulatory environment in which the Company operates. During the year, the Company also organised a certification programme on Information Technology & Cyber Security to familiarise Directors with emerging cyber risks trends, enhance their understanding of the Board's role in IT & cyber security matters and strengthen oversight and governance capabilities. The details of the Directors as of 31 March, 2026, including their other Board Directorships and Committee Memberships as determined in accordance 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	Executive / Promoter Director/ Executive Chairman	13 (2)	Nil	2 (1)
Mr. N. Ramesh Rajan	Non-Executive / Independent Director	3	Nil	4 (3)
Ms. Bhama Krishnamurthy	Non-Executive / Independent Director	7	Nil	8
Mr. M.A.M. Arunachalam	Non-Executive / Promoter Director	16(6)	1,65,752	4 (2)
Mr. Anand Kumar	Non-Executive / Independent Director	4	Nil	2
Mr. M R Kumar	Non-Executive / Independent Director	3 (2)	Nil	2
Mr. Ramkumar Ramamoorthy	Non-Executive / Independent Director	2	Nil	2 (1)
Mr. Ravindra Kumar Kundu	Managing Director	5(2)	2,46,645	1

**For reckoning Directorships / Committee Memberships, all public, private companies and section 8 companies have been considered.*

***Only Chairmanships / Memberships of Audit Committee and Stakeholders' Relationship Committee have been considered.*

No. of Convertible Instruments held by Directors (excluding ESOPs): Nil

The names of the other listed entities where Directors hold directorship as at 31 March, 2026 are given below:

Name of the director	Name of the listed entity	Category of directorship
Mr. Vellayan Subbiah	SRF Limited	Non-Executive Non-Independent Director
	Tube Investments of India Limited	Non-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	Rane (Madras) Limited	Non-Executive / Independent Director
	ESAB India Limited	
Ms. Bhama Krishnamurthy	Five-Star Business Finance Limited	Non-Executive / Independent Director
	Thirumalai Chemicals Limited	
	Muthoot Microfin Limited	
	Just Dial 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. M R Kumar	Bank of India	Non-Executive Chairman / Independent Director
	Aurobindo Pharma Limited	Non-Executive Chairman / Independent Director
Mr. Ramkumar Ramamoorthy	Five-Star Business Finance Limited	Non-Executive / Independent Director
Mr. Ravindra Kumar Kundu	-	-

In the opinion of the Board, the Independent Directors satisfy the criteria specified under the Listing Regulations, the Act and the RBI Master Directions on Governance and are independent of the management of the Company. All Board Members, including Independent Directors, are provided with adequate access and opportunity to interact with the management.

Separate meeting of Independent Directors

During the year, and in accordance with the requirements of section 149(8) read with schedule IV of the Act, the Independent Directors held a separate meeting on 24 March, 2026 without the presence of non-Independent Directors and management team. All the Independent Directors were present at the meeting.

Board Meetings

The Board meets at regular intervals in accordance with an annual calendar and a defined schedule of matters specifically reserved for consideration ensuring effective oversight of key strategic, financial, operational and compliance matters. The Board is regularly apprised of the key activities of the business and is provided with comprehensive review and presentations on operations, regulatory compliance, risk management systems, internal controls, asset liability management, risk & IT framework, new products, fraud control measures, quarterly financial statements and other matters concerning the Company. Besides, information about statutory compliances, minutes of all the meetings of subsidiary companies

and Committees of the Board and other information as required under the Listing Regulations and RBI directions is also provided to the Directors on a quarterly basis. The Board at every meeting also reviews the key regulatory developments and their impact on the Company's operations between meetings. The Board and its Committees have established a structured mechanism to monitor and review actions taken by management on matters advised or recommended by the Board and the Committees. Updates on the status of such actions are presented to them at the subsequent meetings. The dates of Board meetings are scheduled in advance for the entire calendar year and financial year to facilitate maximum participation by Directors. During the year, the Board met five times on 25 April, 2025, 31 July, 2025, 6 November, 2025, 30 January, 2026 and 23 March, 2026. The Act read with the relevant rules framed thereunder and the Listing Regulations, facilitate the participation of Directors in Board and Committee meetings through video conferencing or other audio-visual means. Accordingly, the Company provides the option to Directors to participate in meetings through video conferencing. The Board periodically reviews matters 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 also monitors the overall performance of the Company and reviews other matters which require the Board's attention. The Board also reviews the Company's adherence to market conduct and compliance with the Fair Practices Code adopted by the Company in accordance with the RBI Directions. In addition, the Board takes on record, on a quarterly basis, the declarations and confirmations provided by the Managing Director, Chief Financial Officer and Company Secretary regarding compliances with applicable laws.

Certificate from Company Secretary in Practice

Mr. K J Chandra Mouli of M/s. BP & Associates, Practising Company Secretaries has issued a certificate in accordance with the requirements of the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or from continuing as a Director of companies by SEBI, the Ministry of Corporate Affairs or any other statutory authority. The said certificate has been enclosed with this report.

COMMITTEES OF THE BOARD

The Board has constituted various Committees to assist it in effectively discharging its responsibilities. The Board has established ten sub-committees namely Audit Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Risk Management Committee, IT Strategy Committee, Business Committee, Special Committee of the Board for Monitoring and Follow-up of cases of Frauds, Review Committee constituted pursuant to the RBI (Treatment of Wilful Defaulters and Large Defaulters) Directions, 2024 and Customer Service Committee.

In addition, the Board has constituted certain management level committees including the Asset Liability Management Committee, Internal Complaints Committee, Whistle Blower Committee, Customer Grievance Committee, Identification Committee (pursuant to RBI Master Direction on Treatment of Wilful Defaulters and Large Defaulters), IT Steering Committee and IT Security Committee in accordance with the RBI Master Directions. At the time of constitution of each Committee, the Board defines its terms of reference, roles and responsibilities and delegates the appropriate powers, which are reviewed by the Board from time to time. Various recommendations of the Committees are submitted to the Board for consideration and approval. During the year, the Board accepted all recommendations submitted by the Committees.

AUDIT COMMITTEE (AC)

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, adequacy of internal financial controls and risk management systems, review and approval of transactions with related parties, review of findings of internal audits / investigations, oversight of the whistle blower mechanism, monitoring the utilisation of funds from issue proceeds, review the financial statements, in particular, the investments made by the unlisted subsidiary companies. The Committee also reviews the utilisation of loans, advances received, investments in the subsidiaries exceeding ₹100 crores or 10% of the asset size of the subsidiary whichever is lower and compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015.

In addition, the Committee recommends the appointment and removal of the Chief Compliance Officer, Chief Financial Officer, joint statutory auditors and the internal auditors, fixes their remuneration and reviews the effectiveness of the audit process. The Committee also considers and comments on the cost benefit analysis and impact of schemes involving mergers and demergers, approves risk based internal audit plan, reviews performance of internal auditor, formulates quality assurance and improvement program of the internal audit function, reviews consolidated position of major risks faced by the organisation, reviews pending high and medium risk observations, approves information system (IS) audit policy and reviews processes and system of internal audit of all outsourced activities.

Composition & Meetings

As at 31 March, 2026, the Committee comprised five Non-Executive Directors, all of whom were Independent Directors. The Committee comprised of Mr. N. Ramesh Rajan, Independent Director as the Chairman, Ms. Bhama Krishnamurthy, Mr. Anand Kumar, Mr. M R Kumar, Mr. Ramkumar Ramamoorthy as its Members. Mr. Vellayan Subbiah, Executive Chairman, Mr. M.A.M Arunachalam, Non-Executive Director and Mr. Ravindra Kumar Kundu, Managing 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 the requisite knowledge of financial management, audit and accounting. The joint statutory auditors, the internal auditors and senior management are invited to attend the meetings of the Committee. The Company has established a mechanism for meetings of the Audit Committee Members with the joint statutory auditors and Head – Internal Audit without the presence of Executive Chairman, Managing Director and management team. The Committee accordingly held two meetings with joint statutory auditors and four meetings with Head - Internal Audit during the year. In addition, the Audit Committee also met representatives of

the Credit Rating Agencies during the year, without the presence of the Executive Chairman, Managing Director and management team.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

Terms of Reference

The role of the Committee is to determine the Company's policy on remuneration for Executive Directors and senior management, including periodic salary increments and implementation of compensation policy of the Company. The Committee is also empowered to determine the annual commission and incentives payable to the Executive Directors and the minimum remuneration payable to the Executive Directors in the event of inadequacy of profits. In addition, it determines the remuneration including commission payable to Non-Executive Directors, and administers and monitors the employee stock option plans and schemes of the Company.

The terms of reference of the Committee inter-alia include identifying and recommending to the Board, individuals who are qualified for Board positions, evaluating Directors' performance prior to recommending their re-appointments, assessing the fit and proper criteria of all the Directors, identifying persons who are qualified for senior management and recommending their appointments, remuneration and removal. The terms of reference also include formulating the criteria for determining qualifications, positive attributes and independence of Directors, devising a policy on Board diversity, determining whether to extend or continue the terms of appointment of Independent Director based on the outcome of performance evaluation.

Decisions relating to the selection of Directors are based on merit, qualification, competency and the Company's business requirements. Such candidates are required to be free of conflict of interest that could impair their ability to discharge their duties effectively. Further, the Committee works in coordination with the Risk Management Committee to achieve effective alignment between compensation structures and risks management.

Composition & Meetings

As at 31 March, 2026, the Committee comprised Mr. Anand Kumar, Independent Director as Chairman, Mr. N Ramesh Rajan and Mr. M R Kumar as Members. All the Members of the Committee are Independent Directors. The Committee held three meetings during the year ended 31 March, 2026.

REMUNERATION OF DIRECTORS

Remuneration Policy

The success of any organisation in achieving strong performance and effective governance depends on its ability to attract high quality individuals to the Board. The Company has in place a remuneration policy guided by the principles and objectives as set out in section 178 of the Act, Regulation 19 read with Part D of Schedule II of the Listing Regulations and the RBI (Non-Banking Financial Companies - Governance) Directions, 2025 ("RBI Master Directions on Governance"). The elements of compensation for Executive Directors comprise a fixed component and a performance-linked incentive. Compensation is determined based on the level of responsibility and the scales prevailing in the industry. Executive Directors are not paid sitting fees for any Board or Committee meetings attended by them. Executive Directors, other than promoters, are eligible to receive employee stock options.

The Company ensures that the compensation to Executive Directors remains within the limits approved by the Board and shareholders. The Board based on the recommendation of the NRC, may decide the portion of variable pay comprising cash and non-cash components that is subject to deferral taking into account the time horizon of the associated risks. Claw back provisions applicable to deferred variable pay including the 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 available on the Company's website (*weblink: https://files.cholamandalam.com/files/remuneration-policy-2026.pdf*).

Compensation payable to Non-Executive Directors takes the form of commission on profits. Although the shareholders have approved the payment of commission up to one per cent of the net profits of the Company for each year, calculated in accordance with the provisions of section 198 of the Act, the actual commission paid to Directors is restricted to a fixed sum within the approved limit and is determined based on their tenure in office during the financial year. The amount of commission is reviewed periodically, taking into consideration various factors such as performance of the Company, prevailing industry standards, time devoted by each Director to the affairs and business of the Company and the extent of responsibilities assigned to them under applicable laws and other relevant factors. The Chairman of the Audit Committee is paid a differential commission in recognition of his enhanced role. Non-Executive Directors are also paid sitting fees subject to the statutory limits for all Board and Committee meetings attended by them.

Criteria for Board Nomination

The Nomination and Remuneration Committee is responsible for identifying individuals for initial nomination as Directors and for evaluating incumbent Directors for their continued service. The Committee has formulated a charter in accordance with the provisions of the Act, Regulation 19(4) of the Listing Regulations and RBI Master Directions on Governance applicable for non-banking finance companies. The charter, inter-alia, sets out the personal traits, competencies, experience, background, and other fit and proper criteria to be considered for nominating candidates for appointment to the Board or for the re-appointment of Directors.

Criteria for appointment in senior management

The Nomination and Remuneration Committee is responsible for identifying and recommending individuals who are qualified for appointment to senior management including recommending their promotion and remuneration. The Committee has formulated a charter in accordance with the provisions of the Act, Listing Regulations and RBI Master Directions on Governance. The charter inter-alia, sets out the criteria for identifying qualified senior management personnel and provides for the periodic review of succession planning for the Board and senior management. These attributes are considered for nominating candidates for senior management positions.

Performance Evaluation

In accordance with the provisions of the Act and the Listing Regulations, the Board undertakes an annual performance evaluation of its own performance. The Directors including the

Executive Chairman and Managing Director carry out both self-evaluation as well as peer evaluation. Individual Committees also conduct an evaluation of the working of their respective Committees. The performance evaluation of the Independent Directors is carried out by the entire Board, while the performance evaluation of non-Independent Directors is undertaken by the Independent Directors at their separate meeting held during the year. The Chairman of the Board anchors the sessions relating to self-evaluation, peer evaluation, and Board effectiveness. The Chairman of the Nomination and Remuneration Committee anchors the session relating to evaluation of the Chairman.

The evaluation of Executive Directors is carried out based on parameters such as leadership qualities, strategic planning, communication and engagement with the Board. The evaluation of Independent Directors is carried out based on their level of engagement and contribution, as well as their ability to exercise objective judgement etc. The Board evaluation process is conducted entirely in a secured digital environment.

Policy on Board diversity

The Nomination and Remuneration Committee has devised a policy on Board diversity that sets out the Company's approach to promoting diversity on the Board. The policy aims to ensure a truly diverse Board, comprising appropriately qualified individuals with a broad range of experience relevant to the business of the Company.

Remuneration of Managing Director

Details of the remuneration payable to the Executive Chairman and Managing Director for the year ended 31 March, 2026 are as follows:

₹ in crores

Name of the Director	Salary	Allowance	Incentive (provisional)	Perquisites & Contributions	Total
Mr. Vellayan Subbiah	7.56	-	4.05	1.41	13.01
Mr. Ravindra Kumar Kundu	4.98	-	2.00	0.79	7.78

Note:
Mr. Vellayan Subbiah and Mr. Ravindra Kumar Kundu are not eligible for any severance fee. Their Service contracts and the notice periods are governed by the terms of agreements entered into by them with the Company.

Stock Options: The details of ESOPs granted to Mr. Ravindra Kumar Kundu is as below:

Particulars	ESOP Scheme 2007			ESOP Scheme 2016				
	30 July 2007	25 January 2008	27 January 2011	25 January 2017	30 January 2018	7 May 2021	24 September 2022	31 July 2025
Options granted	17,600	1,367	17,200	1,21,500	40,800	93,600	1,81,920	2,60,900
Options vested	16,368	1,271	15,824	1,21,500	40,800	93,600	1,81,920	-
Options cancelled	1,232	96	1,376	-	-	-	-	-
Options lapsed	3,168	246	-	-	-	-	-	-
Options exercised	13,200	1,025	15,824	1,21,500	40,800	93,600	15,480	-
Options outstanding	-	-	-	-	-	-	1,66,440	2,60,900
Exercise Price (in ₹)	35.74	35.74	37.52	202.00	261.94	580.30	738.50	1,478.10

Remuneration of non-executive directors

Non-Executive Directors of the Company were paid sitting fees of ₹ 1,00,000/- per meeting of Board and ₹ 50,000/- per meeting for Committees of the Board during FY 2025-26.

The details of commission provided and sitting fees paid to Non-Executive Directors for the year ended 31 March, 2026 are as follows:

₹ in crores

Name of the director	Commission	Sitting Fees paid	Total
Mr. N. Ramesh Rajan	0.240	0.190	0.430
Ms. Bhama Krishnamurthy	0.200	0.175	0.375
Mr. M.A.M Arunachalam	0.200	0.080	0.280
Mr. Anand Kumar	0.200	0.135	0.335
Mr. M R Kumar	0.200	0.125	0.325
Mr. Ramkumar Ramamoorthy	0.200	0.135	0.335
TOTAL	**1.240**	**0.840**	**2.080**

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

STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

Terms of Reference

The role of the Committee includes formulation of shareholders' servicing plans and policies, issuance of letters of confirmation for share transmissions or in lieu of duplicate share certificates, for share split, consolidation of shares, etc. The Committee monitors and reviews the mechanism for dematerialisation of shares, payment of dividends and adherence to the service standards by the Registrar & Share Transfer Agent. The Committee also oversees the measures taken to facilitate effective exercise of voting rights by shareholders and approves the transfer of shares to the Investor Education and Protection Fund. In addition, the Committee reviews the redressal of security holder's grievances including non-receipt of annual reports, and declared dividends, interest, determines, monitors and reviews the standards for resolution of shareholders' grievances. During the year, the Company received 16 complaints from the shareholders all of which were resolved. There were no investor complaints pending as at 31 March, 2026 and there were no complaints that remained unresolved to the satisfaction of shareholders. In addition, one customer complaint was incorrectly classified as an investor complaint on the SCORES platform, which was also duly redressed.

Composition & Meetings

As at 31 March, 2026, the Committee comprised 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. The Committee met twice during the year.

RISK MANAGEMENT COMMITTEE (RMC)

Terms of Reference

The role of the Committee includes formulation and periodic review of the risk management policy, and ensuring that appropriate methodologies, processes and systems are in place to monitor and evaluate risks associated with the business including liquidity risk given that the Company is a non-banking finance company. The Committee monitors and oversees the implementation of the risk management policy, including evaluating the adequacy of risk management systems, reviewing matters relating to the appointment, removal, and terms of remuneration of the chief risk officer, reviewing the annual risk management framework document including action plan and its progress thereon. In addition, the Committee periodically monitors the critical risk exposures through specialised analysis and quality reviews, and reports to the Board on significant developments, reviews outsourcing risks, facilitates the engagement of external experts, where required and carries out such other function as may be necessary to ensure that an effective risk management system is in place. The Committee also reviews information technology and cyber security related risks in consultation with IT Strategy Committee and evaluates the overall risks faced by the Company including liquidity risk.

Composition & Meetings

As at 31 March, 2026, the Committee comprised Ms. Bhama Krishnamurthy as Chairperson, Mr. N. Ramesh Rajan, Mr. M R Kumar and Mr. Ravindra Kumar Kundu as Members. The Chief Financial Officer, Company Secretary, Chief Risk Officer and Head - Internal Audit of the Company are permanent invitees to the Committee meetings. The Committee met five times during the year ended 31 March, 2026.

During the year under review, in line with the requirements of the RBI Master Directions on Governance, the Committee held separate one-on-one meetings every quarter with the Chief Risk Officer of the Company without the presence of the Executive Chairman, Managing Director and the management team.

IT STRATEGY COMMITTEE (ITSC)

Terms of Reference

The role of Committee includes approving information technology (IT) strategy and policy documents and ensuring that the management has established an effective strategic planning process to enable IT to deliver value to the business. The Committee reviews and approves IT budget and capacity requirements, ensuring that IT investments strike an appropriate balance between risks and benefits, oversees processes for assessing and managing IT, information security and cybersecurity risks, ensures an appropriate balance of IT investments to support the Company's growth and reviews adequacy and effectiveness of the business continuity planning and disaster recovery management.

Composition & Meetings

As at 31 March, 2026, the Committee comprised Mr. Ramkumar Ramamoorthy as Chairman, Mr. N Ramesh Rajan and Mr. Anand Kumar as Members. The Committee held five meetings during the year ended 31 March, 2026.

BUSINESS COMMITTEE (BC)

Terms of Reference

The role of the Committee includes reviewing the business of the Company, including approval and review of business proposals beyond certain financial limits, approving investments and borrowings, approving the assignment of receivables in accordance with the limits prescribed by the Board and overseeing the asset liability management system of the Company.

Composition & Meetings

As at 31 March, 2026, the Business Committee comprised Mr. Vellayan Subbiah as Chairman, Mr. M.A.M. Arunachalam and Mr. Ravindra Kumar Kundu as Members. The senior management is invited to attend the meetings of the Committee. The Committee held two meetings during the year ended 31 March, 2026.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSRC)

Terms of Reference

The role of the Committee includes the formulation and recommendation of a corporate social responsibility (CSR) policy for the Company, formulation of an annual action plan for the CSR activities, recommending the amount of expenditure to be incurred on the CSR activities, monitoring the CSR policy of the Company from time to time, instituting a transparent monitoring mechanism for implementing the CSR activities and carrying out any other function or activity as may be required to ensure that the CSR objectives are achieved.

Composition & Meetings

As at 31 March, 2026, the Committee comprised Mr. Vellayan Subbiah as Chairman, Ms. Bhama Krishnamurthy and Mr. M.A.M. Arunachalam as Members. The Committee held two meetings during the year ended 31 March, 2026.

SPECIAL COMMITTEE OF THE BOARD FOR MONITORING AND FOLLOW-UP OF CASES OF FRAUDS (SCBMF)

Terms of Reference

The role of the Committee includes overseeing the effectiveness of the fraud risk management, reviewing and monitoring cases of fraud, including root cause analysis, and recommending mitigating measures for strengthening the internal controls and the fraud risk management framework with a view to minimising the incidence of fraud.

Composition & Meetings

As at 31 March, 2026, the Committee comprised Ms. Bhama Krishnamurthy as Chairperson, Mr. N Ramesh Rajan and Mr. Ravindra Kumar Kundu as Members. The Committee held four meetings during the year ended 31 March, 2026.

REVIEW COMMITTEE (RC)

Terms of Reference

The role of the Review Committee constituted pursuant to the RBI (Treatment of Wilful Defaulters and Large Defaulters) Directions, 2024 includes reviewing the proposals submitted by the Identification Committee, to classify an account as a wilful defaulter, providing an opportunity for personal hearing to the borrower, assessing the facts or material on record, including any written representations received, considering the proposal of the Identification Committee and to take a decision on classification of the borrower as a defaulter and passing a reasoned order and communicating the same to the borrower.

Composition & Meetings

As at 31 March, 2026, the Committee comprised Mr. Ravindra Kumar Kundu as Chairman, Mr. N Ramesh Rajan and Ms. Bhama Krishnamurthy as Members. The Committee held two meetings during the year ended 31 March, 2026.

CUSTOMER SERVICE COMMITTEE (CSC)

Terms of Reference

The role of the Committee includes reviewing periodic reports submitted by the Internal Ombudsman (IO), reviewing cases where the decisions of the IO were overruled by the Company, reviewing management information system (MIS) reports on customer complaints and the status of redressal of such complaints, along with root cause analysis, reviewing awareness and sensitisation programmes conducted for staff and vendors and determining the structure of emoluments, facilities and benefits accorded to the IO.

Composition & Meetings

The Committee comprised Mr. Ramkumar Ramamurthy as Chairman, Ms. Bhama Krishnamurthy and Mr. Ravindra Kumar Kundu as Members. The Committee held three meetings during the year ended 31 March, 2026.

PARTICULARS OF SENIOR MANAGEMENT

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

Name	Designation
Mr. Vellayan Subbiah	Executive Chairman
Mr. Ravindra Kumar Kundu	Managing Director
Mr. D Arulselvan	Chief Financial Officer
Ms. P Sujatha	Company Secretary & Chief Compliance Officer
Mr. Jeeva Balakrishnan	Chief Human Resources Officer
Mr. Aman Sharma	Chief Processing Officer
Mr. S Manickam	Chief Internal Audit Officer
Mr. Durgaprasad Swaminathan	Chief Information Officer
Mr. Ajay Bhatia	Chief Risk Officer

There were no changes in the particulars of senior management during FY 2025-26.

ATTENDANCE AT BOARD, COMMITTEE AND GENERAL MEETINGS

Name of the Director	Board	AC	SRC	NRC	BC	RMC	CSRC	ITSC	SCBMF	RC	CSC	Attendance at last AGM
Mr. Vellayan Subbiah	5 (100%)	NA	NA	NA	2 (100%)	NA	2 (100%)	NA	NA	NA	NA	Yes
Mr. N. Ramesh Rajan	5 (100%)	9 (100%)	NA	3 (100%)	NA	5 (100%)	NA	5 (100%)	4 (100%)	2 (100%)	NA	Yes
Ms. Bhama Krishnamurthy	5 (100%)	8 (89%)	2 (100%)	NA	NA	5 (100%)	2 (100%)	NA	4 (100%)	2 (100%)	2 (67%)	Yes
Mr. M.A.M. Arunachalam	5 (100%)	NA	2 (100%)	NA	2 (100%)	NA	2 (100%)	NA	NA	NA	NA	Yes
Mr. Anand Kumar	5 (100%)	9 (100%)	NA	3 (100%)	NA	NA	NA	5 (100%)	NA	NA	NA	Yes
Mr. M R Kumar	5 (100%)	8 (89%)	NA	2 (67%)	NA	5 (100%)	NA	NA	NA	NA	NA	Yes
Mr. Ramkumar Ramamoorthy	5 (100%)	9 (100%)	NA	NA	NA	NA	NA	5 (100%)	NA	NA	3 (100%)	Yes
Mr. Ravindra Kumar Kundu	5 (100%)	NA	2 (100%)	NA	2 (100%)	5 (100%)	NA	NA	4 (100%)	2 (100%)	3 (100%)	Yes

GENERAL BODY MEETINGS

The particulars of the venue, date and time of the previous three annual general meetings are set out below:

Year	Date and Time	Venue
2023	1 August, 2023 at 4.00 p.m.	Video conferencing
2024	26 July, 2024 at 3.30 p.m.	Video conferencing
2025	31 July, 2025 at 3:30 p.m.	Video conferencing

DETAILS OF SPECIAL RESOLUTIONS PASSED

The particulars of the special resolutions passed at the previous three annual general meetings are given below:

Date of AGM	Details
1 August, 2023	Increase in the borrowing powers of the Company. Payment of commission to the Non-Executive Chairman for the 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 the Articles of Association of the Company.
26 July, 2024	Appointment of Mr. M R Kumar as an Independent Director of the Company. Re-appointment of Ms. Bhama Krishnamurthy as an Independent Director of the Company. Payment of commission to Non-Executive Directors not exceeding 1% of the net profits of the Company.
31 July, 2025	Increase in the borrowing powers of the Company

POSTAL BALLOT

During the year, the shareholders passed a special resolution through postal ballot for the re-appointment of Mr. Anand Kumar as an Independent Director in accordance with the provisions of Act and the Listing Regulations.

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 the postal ballot. The resolution was passed by the shareholders with the requisite majority.

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

Particulars	No. of ballots / e-voting	No. of shares (votes)	% on total shares (votes) received
Assent	1,254	74,50,27,765	96.61
Dissent	196	2,61,78,985	3.39
Total	**1,450**	**77,12,06,750**	**100**

Currently, there is no proposal to pass any special resolution through postal ballot except where such resolutions are required to be passed pursuant to the Act or Listing Regulations. Any such resolution, if required, will be done after providing adequate notice to the shareholders.

COMPLIANCE REPORT

A detailed compliance report is placed before the Board and highlights of the report are 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 with all applicable laws every quarter and issues appropriate directions, wherever necessary.

SECRETARIAL AUDIT

For the year ended 31 March, 2026, M/s. BP & Associates, Practising Company Secretaries, conducted the secretarial audit of the Company. The secretarial audit report is annexed to this annual report.

RECONCILIATION OF SHARE CAPITAL AUDIT

As required by the Securities and Exchange Board of India (SEBI), a quarterly audit of the Company's share capital is carried out by an independent auditor to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as well as the share capital held in physical form, with the issued and listed capital of the Company. The certificate issued by an independent Practising 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 Designated Persons 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 relating to the Company and during periods when the trading window is closed. The Board has further approved a code of practices and procedures for the fair disclosure of unpublished price sensitive information and a policy governing the procedure for inquiry in cases of actual or suspected leakage of such information. The code has been hosted on the website of the Company. In addition, the Company has 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 with corporate governance norms issued by an independent practicing Company Secretary is annexed to this report.

CEO/CFO CERTIFICATION

The Managing Director and the Chief Financial Officer have provided a compliance certificate to the Board with respect to the 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 is available on the Company's website (*weblink: https://files.cholamandalam.com/files/material-subsidiaries-2026.pdf*). The financial statements of the subsidiary companies are tabled at the meetings of the Audit Committee and Board every quarter.

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

DISCLOSURES

Related party transactions

All transactions with related parties entered into during the financial year were carried out in the ordinary course of business and on an arm's length basis. There were no materially significant related party transactions i.e., transactions of a material nature, with the Company's promoters, Directors or management, their subsidiaries, or relatives, which could have had a potential conflict with the interests of Company at large. Suitable disclosures, as required in accordance with accounting standards are provided in Note 38 to the financial statements forming part of the annual report.

The Board has put in place a policy on related party transactions which has been uploaded on the Company's website (*weblink: https://files.cholamandalam.com/files/rpt-2026.pdf*).

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 accordance with the applicable accounting standards, in respect of transactions in which Directors are interested are provided in Note 38 to the financial statements forming part of the annual report.

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

Total fee for all services paid by the Company and its subsidiaries, on a consolidated basis to the joint Statutory Auditors of the Company and other firms within the network entity of which the joint statutory auditor is a part, as included in the consolidated financial statements of the Company for the year ended 31 March, 2026 are as follows:

M/s. B.K. Khare & Co., Chartered Accountants, and M/s. KKC & Associates LLP, Chartered Accountants:

₹ in crores

Particulars	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	1.27
Other fees paid to joint statutory auditors and affiliates firms and to entities of the network of which the statutory auditor is a part	0.28
Total fees*	**1.55**

*Includes input tax credit expensed wherever applicable

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

During the financial year, the Company received two complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, both of which were enquired into and closed during the year. There were no complaints pending as at 31 March, 2026.

Whistle blower policy / vigil mechanism

The Company has established a whistle blower mechanism to provide an avenue to raise concerns. The mechanism provides adequate safeguards against victimisation of customers, employees and Directors who avail of the mechanism and also provides for the constitution of a Whistle Blower Committee to deal with complaints received. The policy lays down the process to be followed for handling complaints and in exceptional cases, provides for direct access to the chairperson of the Audit Committee. During the year, no personnel were denied access to the Audit Committee. The policy is available on the Company's website (*weblink: https://files.cholamandalam.com/files/whistle-blower-policy-2026.pdf*).

Penalties

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

Other Disclosures

There are no agreements entered into by the shareholders, Promoters, Promoter Group entities, Related Parties, Directors, Key Managerial Personnel or Employees of the Company, its subsidiaries

or associate companies which are binding on the Company in terms of clause 5A of Paragraph A of Part A of Schedule III of the Listing Regulations.

Further, during the year, the Company did not raise funds through preferential allotment or qualified institutional placement.

COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

The Company has complied with all mandatory requirements of corporate governance norms as specified in chapter IV of the Listing Regulations. The requirements under Regulations 17 to 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 duly 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: the Company's financial statements have unmodified audit opinions.

MEANS OF COMMUNICATION

The audited financial results, quarterly results, and other major announcements including notices of the annual general meeting and book closures were published in Business Line and Dinamani and are also available on the Company's website at *https://www.cholamandalam.com/investors*. Press releases are given in leading newspapers and also posted on the Company's website. The investors' presentations and call transcripts are made available on stock exchanges and Company's website. The Company has also hosted a shareholders' satisfaction survey on its website to assess the level of 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
Vellayan Subbiah
Executive Chairman

Place: Chennai
Date: 30 April, 2026

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 their compliance with the Code of Conduct for the year ended 31 March, 2026 as envisaged under Schedule V read with Regulation 34 (3) of the Listing Regulations.

Ravindra Kumar Kundu
Managing Director

Place: Chennai
Date: 30 April, 2026

Certificate of non-disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members,

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

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

Guindy, Guindy Industrial Estate,

Chennai, Tamil Nadu, India, 600032

We have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of **Cholamandalam Investment and Finance Company Limited having CIN: L65993TN1978PLC007576** and having registered office at Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Guindy Industrial Estate, Chennai, Tamil Nadu, India, 600032.(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers-

We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.NO	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF INITIAL APPOINTMENT*
1.	01138759	Vellayan Subbiah	Whole-time Director – Executive 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 – Promoter Director	29/01/2021
5.	00818724	Anand Kumar	Non-Executive - Independent Director	16/03/2021
6.	03628755	Mangalam Ramasubramanian Kumar	Non-Executive - Independent Director	01/05/2024
7.	07936844	Ramamoorthy Ramkumar	Non-Executive - Independent Director	26/07/2024
8.	07337155	Ravindra Kumar Kundu	Managing Director	23/01/2020$

**The date of appointment is as per the MCA Portal.*

#Appointed as a Whole-time Director designated as Executive Chairman from 01/04/2025.

$Appointed as the Managing Director from 07/10/2024.

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 the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BP & Associates
Company Secretaries
Peer Review No: 7014/2025

-sd
K J Chandra Mouli
Partner
M.NO: F11720 | CP NO: 15708
UDIN: F011720H000247111

Place : Chennai
Date : 30 April, 2026

Certificate on Compliance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
Cholamandalam Investment and Finance Company Limited,
Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate,
Guindy, Guindy Industrial Estate, Chennai,
Tamil Nadu, India, 600032.

We have examined the compliance of conditions of Corporate Governance by **Cholamandalam Investment and Finance Company Limited ("the Company")** for the year ended 31st March, 2026, 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 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to a review of the procedures adopted and implementation thereof, 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 to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BP & Associates
Company Secretaries
Peer Review No: 7014/2025

-sd
K J Chandra Mouli
Partner
M.NO: F11720 | CP NO: 15708
UDIN: F011720H000247221

Place : Chennai
Date : 30 April, 2026

General Shareholders Information

REGISTERED OFFICE

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

CORPORATE IDENTITY NUMBER (CIN)

L65993TN1978PLC007576

ANNUAL GENERAL MEETING

Date	Time	Mode
28 July, 2026	3.30 p.m.	The Annual General Meeting (AGM) will be held through video conference in compliance with applicable circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI).

FINANCIAL YEAR

1 April to 31 March.

DIVIDEND PAYMENT DATE

The Board, at its meeting held on 30 January, 2026 approved the payment of an interim dividend on the equity shares for the year ended 31 March, 2026 at the rate of 65% (₹ 1.30 per equity share of ₹ 2 each) and fixed the record date as 5 February, 2026. The interim dividend was paid to all shareholders on 20 February, 2026.

The Board, at its meeting held on 30 April, 2026 has further recommended the declaration of a final dividend of 35% (₹ 0.70 per equity share of ₹ 2 each) for the year ended 31 March, 2026. The same will be paid within 30 days of its declaration by the shareholders at the ensuing annual general meeting.

LISTING ON STOCK EXCHANGES

Equity Shares:

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

Debt Securities:

The Company's 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 fee for FY 2026-27 has been paid to both the aforementioned stock exchanges.

REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Limited (KFin) is the Registrar and Share Transfer Agent (RTA) of the Company. 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

Registered Address: 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai, 400 070, Maharashtra.
CIN: L72400MH2017PLC444072
Address for Correspondence / Operations Centre:
(Unit: Cholamandalam Investment and Finance Company Limited)
Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032.

Email ID:	einward.ris@kfintech.com
Toll Free / Phone Number:	1800 309 4001
WhatsApp Number:	(91) 910 009 4099
Investor Support Centre:	https://kprism.kfintech.com/
RTA Website:	https://ris.kfintech.com
KPRISM (Mobile Application):	https://kprism.kfintech.com/signup
Contact person:	Mr. S R Ramesh – Deputy Vice President - Corporate Registry

TRUSTEES FOR THE DEBENTURE HOLDERS

The Company has appointed SEBI registered Debenture Trustees - IDBI Trusteeship Services Limited, Catalyst Trusteeship Limited and SBICAP Trustee Company Limited, as 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 : Mr. Omkar Bandekar, Deputy Manager - Operations and Marketing

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. Yasmin Sayyed - Asst. Vice President

3. **SBICAP Trustee Company Limited**
   4th Floor, Mistry Bhavan, 122, Dinshaw Vaccha Road,
   Churchgate, Mumbai - 400020
   Phone : +91 22 4302 5566
   Website : www.sbicaptrustee.com
   Email : corporate@sbicaptrustee.com; dt@sbicaptrustee.com
   Contact person : Shaanya Srivastava, Group Head

DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's shares are tradable only in electronic form. The Company has established connectivity with National Securities Depository Limited and Central Depository Services (India) Limited. As at 31 March, 2026, 99.94% of the Company's shares were held in dematerialised form. The Company's shares are regularly traded on the National Stock Exchange of India Limited and BSE Limited under ISIN: INE121A01024. Shareholders holding shares in physical mode are requested to convert their shareholding into demat mode at the earliest.

SHARE TRANSFER SYSTEM

SEBI vide its notification dated 8 June, 2018, disallowed listed companies from accepting requests for the transfer of securities held in physical form with effect from 1 April, 2019. Accordingly, requests for transfer of shares held in physical form were not accepted and shareholders were advised to dematerialise their holdings to effect any transfer.

Subsequently, SEBI vide its circular dated 2 July, 2025 had provided a special window for re-lodgement of transfer requests that were lodged prior to 1 April, 2019 and were rejected, for a period of six months from 7 July, 2025 to 6 January, 2026. Further, SEBI vide its circular dated 30 January, 2026 has, inter alia, permitted the re-lodgement of transfer requests in respect of securities held in physical form that were lodged prior to 1 April, 2019 and were rejected/returned/not attended due to deficiency in the document(s)/process/ or otherwise, during a special window of one year from 5 February, 2026 to 4 February, 2027. During the special window, investors holding original security certificates, who had not lodged any request for transfer prior to 1 April, 2019 are also eligible to apply. Upon completion of the re-lodgement process and subject to the fulfilment of documentation requirements and procedural formalities, the securities shall be mandatorily credited to the transferee in dematerialised form. Further, the securities so transferred shall be subject to a lock-in for a period of one year from the date of registration of transfer. Such securities shall not be transferred, lien-marked or pledged during the said lock-in period.

The Company has been disseminating information in this regard through newspaper advertisements and its social media platforms from time to time to create awareness among investors holding securities in physical form. Investors having any pending or rejected transfer requests (executed prior to 1 April, 2019) are requested to contact the Company's Registrar and Share Transfer Agent (RTA) for assistance in this regard.

SIMPLIFIED NORMS FOR PROCESSING INVESTOR SERVICE REQUEST

In continuation of its efforts to enhance the ease of dealing in the securities market for investors, SEBI has issued various circulars from time to time (as integrated into SEBI Master Circular for Registrars to an Issue and Share Transfer Agents dated 6 February, 2026) simplifying the process for transmission of shares and issue of duplicate share certificates. Further, listed entities are mandated to issue securities only in dematerialised form for service requests such as the issue of duplicate securities certificates, claims from unclaimed suspense accounts, renewal or exchange of securities certificates, endorsement, sub-division or splitting of securities certificates, consolidation of securities certificates or folios, transmission and transposition.

The manner and process for submission of service requests are available on the Company's website at *https://www.cholamandalam.com/investors/sebi-norms*. Till 1 April, 2026, a letter of confirmation (LOC) was issued to the shareholder after processing the service request. The LOC was valid for a period of 120 days, within which the shareholder was required to make a request to the Depository Participant for dematerialising the shares. Unclaimed shares beyond 120 days were to be transferred to the suspense escrow demat account held by the Company. Shareholders could claim these shares upon submission of the necessary documents. As at 1 April, 2026, no shares were lying unclaimed in the Suspense Escrow Demat Account maintained for this purpose.

With effect from 2 April, 2026, the issuance of a letter of confirmation has been discontinued, and the Company/RTA is required to credit the securities directly to the investor's demat account within 30 days of receipt of such request(s).

UPDATION OF KYC DETAILS

SEBI vide circulars issued from time to time (refer SEBI Master Circular for Registrars to an Issue and Share Transfer Agents dated 6 February, 2026) has made it mandatory for holders of physical securities to furnish their KYC details viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature. With effect from 1 January, 2022, any service request or complaint received from a shareholder, will not be processed by the RTA unless the KYC details are provided to the RTA and updated against the folio.

Further, with effect from 1 April, 2024, shareholders shall be eligible for any payment, including dividend, interest or redemption in respect of such folios only through electronic mode. A separate communication is sent to shareholders to whom the dividend was not paid due to non-updation of KYC details, advising them to update their KYC details, including bank account information.

Relevant details and forms prescribed by SEBI in this regard are available on the Company's website at *https://www.cholamandalam.com/investors/sebi-norms*. FAQs with respect to investor service requests processed by the RTA as published by SEBI on its website can be viewed at *https://www.sebi.gov.in/sebi_data/faqfiles/jan-2026/1767611333081.pdf*.

NOMINATION FACILITY

As per SEBI circulars issued from time to time (refer SEBI Master Circular for Registrars to an Issue and Share Transfer Agents dated 6 February, 2026), the facility for registering nomination is mandatory 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 an earlier nomination and record a fresh nomination, he or she may submit the same in Form ISR-3 or SH-14, as the case may be, to the RTA. The said forms can be downloaded from the Company's website at *https://www.cholamandalam.com/investors/sebi-norms*. Shareholders holding shares in dematerialised form are requested to submit their nomination form to the concerned Depository Participants.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Companies Act, 2013, the Rules referred therein and Listing Regulations 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 2025-26 will be sent to all the shareholders whose email addresses are registered with the Company/ Depository Participants. Further, the Company will send a letter to shareholders whose e-mail IDs are not registered with the Company, RTA or Depositories providing the weblink of the Company's website from where the Annual Report and AGM Notice for FY 2025-26 can be accessed. Shareholders holding shares in electronic mode are requested to register their e-mail ID with their Depository Participants. Shareholders holding shares in physical mode are requested to furnish their email addresses to the RTA for receiving the aforesaid documents in electronic mode.

DETAILS OF COMPLAINTS RECEIVED AND REDRESSED

During the year, 16 investor complaints relating to transmission of shares, name change, the issue of duplicate share certificates and KYC updation were received and redressed. No investor complaint was pending as at 31 March, 2026. One customer complaint was tagged as an investor complaint on the SCORES platform, which was also redressed.

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", C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate,

Guindy, Chennai – 600032

Phone: 044-40907172 (B) 40907055 (D)

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

CREDIT RATING

The credit rating details of the Company as at 31 March, 2026 are as follows:

Rating Agency	Term	Type	Rating as on 31 March, 2026	Revisions during the year	Obtained on
ICRA	LT	NCD / SD / CC / TL	[ICRA]AA+ with Positive Outlook	NA	NCD MLD - March 23, 2026 NCD - March 23, 2026 TL /CC - March 13, 2026
	LT	PD	[ICRA]AA with Positive Outlook	NA	PD - March 23, 2026
	ST	CP	[ICRA]A1+	NA	CP - March 23, 2026
CRISIL	ST	CP	[CRISIL]A1+	NA	CP – August 29, 2025
CARE	LT	PDI	CARE AA Stable	NA	PDI - March 24, 2026
	LT	NCD/SD	CARE AA+ Stable	NA	NCD/SD - March 24, 2026
	ST	CP	CARE A1+	NA	CP - March 24, 2026
INDIA Ratings and Research Pvt Ltd	LT	NCD / SD	IND AA+ with Stable Outlook	NA	NCD / SD - Feb 24, 2026
	LT	PD	IND AA with Stable Outlook	NA	PD - Feb 24, 2026

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, PD - Perpetual debt instrument

PAYMENT OF UNCLAIMED / UNPAID DIVIDEND

In respect of unclaimed dividends, the Company sends periodic reminders to the shareholders before transferring the unclaimed dividends to the Investor Education and Protection Fund (IEPF) established by the Central Government. The dividends lying unclaimed or unpaid with the Company for a period of seven consecutive years are transferred from time to time to the IEPF. The Company has remitted ₹ 0.025 crores to the 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
2019 - Final	30 July, 2019	03 September, 2026
2020 - Interim I	12 December, 2019	16 January, 2027
- Interim – II	26 February, 2020	01 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	29 July, 2022	02 September, 2029
2023 - Interim	31 January, 2023	07 March, 2030
- Final	1 August, 2023	05 September, 2030
2024 - Interim	25 January, 2024	28 February, 2031
- Final	26 July, 2024	30 August, 2031
2025 - Interim	31 January, 2025	07 March, 2032
- Final	31 July, 2025	04 September, 2032
2026 - Interim	30 January, 2026	06 March, 2033

During the year, the IEPF Authority launched the "100 Days Campaign – Saksham Niveshak" with the objective of reaching out to shareholders to update their KYC details, including bank mandates and contact information, to facilitate the payment of unclaimed dividends. The Company actively participated in the campaign by sending intimations to shareholders whose KYC details were not updated. The Company also published advertisements in leading newspapers (in English and vernacular languages), disseminated information through its social media platforms and issued intimations to the Stock Exchanges, encouraging shareholders to update their KYC details and claim their dividends. Further, the Company duly informed the IEPF Authority of the actions taken and the progress made in updating the KYC details of shareholders holding shares in physical form.

TRANSFER OF EQUITY SHARES TO IEPF

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

The Company has also sent individual communications to the concerned shareholders whose shares are liable to be transferred to the IEPF Account. Pursuant to the said Rules, the details of such shareholders and the shares due for transfer are displayed on the Company's website at *https://www.cholamandalam.com/investors/unclaimed-dividend-amounts*.

During the year, the Company transferred 62,792 shares pertaining to 128 shareholders to the demat account maintained by the IEPF authority. Shareholders may note that both the unclaimed dividend and corresponding shares transferred to the IEPF, including all benefits accruing on such shares, if any, may be claimed from the IEPF authority, in accordance with the procedure prescribed under the Rules. No claim shall lie with the Company in respect thereof.

Particulars	No. of shares
Shares lying in the IEPF – Balance as at 1 April, 2025	5,67,215
Transferred to IEPF during FY 2025-26	62,792
Shares refunded from IEPF during FY 2025-26	67,355
Shares lying in the IEPF – Balance as at 31 March, 2026	5,62,652

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, 2026.

DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH, 2026

Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Equity
1 – 500	1,54,984	93.16	98,08,955	1.15
501 – 1000	4,620	2.78	33,49,914	0.39
1001 – 3000	3,664	2.20	63,97,649	0.75
3001 – 10000	1,590	0.96	87,10,173	1.02
10001 – 20000	419	0.25	60,87,178	0.71
20001 – 100000	583	0.35	2,59,62,467	3.05
100001 and above	508	0.31	79,17,20,833	92.92
Total	**1,66,368**	**100**	**85,20,37,169**	**100**

SHAREHOLDING PATTERN

Category (Shares)	As at 31 March, 2026	
	No. of Shares	% of shareholding
Promoter and promoter group	41,96,40,045	49.25
Foreign Portfolio Investors / Foreign Institutional Investors	21,19,35,396	24.87
Mutual Funds / Trust / Banks / Financial Institutions / AIFs / QIBs	16,96,46,426	19.91
Private Corporate Bodies / NBFCs	49,96,585	0.59
Resident Individuals and others	4,58,18,717	5.38
Total	**85,20,37,169**	**100**

OUTSTANDING GDRs/ADRs etc.

The Company has not issued any GDR / ADR that is likely to impact the equity share capital of the Company.

The Company on 5 October, 2023 allotted 2,00,000 7.5% Compulsory Convertible Debentures (CCD) at a face value of ₹ 1,00,000 each to eligible qualified institutional buyers at an issue price of ₹ 1,00,000 per CCD. The CCDs are convertible into equity shares of face value ₹ 2 each at a conversion price, to be determined at the time of conversion in accordance with the terms prescribed in the Placement Document and in line with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Accordingly, the impact of conversion of the CCDs on the equity share capital will be determined at the time of conversion.

During FY 2025-26, the Company had allotted 98,74,127 equity shares based on applications made by holders for conversion of 1,37,000 CCDs.

Date of allotment	No. of CCDs applied for conversion	Conversion price	No. of equity shares allotted
8 October, 2025	30,700	₹ 1,369.05	22,42,436
8 January, 2026	1,06,300	₹ 1,392.88	76,31,691
Total	**1,37,000**		**98,74,127**

As at 31 March, 2026, 1,37,000 CCDs have been converted into equity shares. The balance 63,000 CCDs remaining outstanding are available for optional conversion until 30 June, 2026. The outstanding CCDs as at 30 September, 2026 shall be compulsorily converted into equity shares.

COMMODITY PRICE RISK / FOREIGN EXCHANGE RISK AND COMMODITY HEDGING ACTIVITIES

The Company is engaged in the 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 payments in foreign currency, payments are made based on the exchange rate prevailing on the date of payment and in accordance with the terms specified in the contract. To this extent, if there are adverse movements in currency rates, the payments may be impacted by such currency exposure.

As per the Company's Resource management Policy, the Company enters into derivative transactions to hedge its exposure to foreign exchange risk arising from foreign currency loans. These transactions are structured in such a manner that the Company's foreign currency liability is crystallised at a predetermined exchange rate on the date of entering into the derivative transaction. The Company has hedged all its foreign currency borrowings for their full tenure and is in compliance with the applicable RBI guidelines. The Company also undertakes derivative transactions to hedge interest rate risk relating to rupee loans. The Company follows the accounting policy and disclosure norms for derivative transactions as prescribed by the relevant regulatory authorities and accounting standards from time to time. The accounting policy and required details of foreign exchange exposure as at 31 March, 2026 are disclosed in Note 42 to the Standalone Financial Statements forming part of this Annual Report.

LOCATION

The Company's registered office is in Chennai and it operates out of 1,761 branches across the country.

On behalf of the Board

Place : Chennai
Date : 30 April, 2026

Vellayan Subbiah
Executive 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**	https://www.cholamandalam.com/
9	**Financial year for which reporting is being done**	1 April 2025 to 31 March, 2026
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**	₹170.48 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: Managing Director & CEO 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**	B. Thiagarajan & Co., Chartered Accountants
15	**Type of assurance obtained**	Reasonable Assurance has been provided for BRSR core indicators for the period 1 April, 2025 to 31 March, 2026

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, Small and Medium Enterprises Loans, Consumer Durables and Gold Loans.	94.21%

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, Small and Medium Enterprises Loans, Consumer Durables and Gold Loans.	K649	94.21%

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	-	1,761	1,761
International	-	-	-

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	26 States / 7 Union Territories
International (No. of Countries)	-

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 offers a wide range of financing solutions tailored to rural and semi-urban customers, primarily targeting retail clients such as first-time borrowers (FTB) and new-to-credit customers (NTCC). It serves customers from various sectors, providing loans for diverse purposes including the purchase of vehicles for personal or commercial use, home purchases and for other personal or business needs. Chola caters to a diverse range of customers across its various business and addresses various social commitments including funding to marginalised segments, such as under served self employed and cash-salaried individuals, etc. The Company practices and upholds financial inclusion as a core principle of responsible business. Following are the types of customers based on products:

Vehicle Finance (VF):

The Company provides financing for the purchase of commercial vehicles, cars, multi-utility vehicles, three-wheelers, two-wheelers, tractors, and construction equipment, covering both new and used vehicles through its branches pan-India.

- In its commitment to responsible business practices, the Company is funding electric vehicles across all segments to help reduce environmental pollution.
- Financial inclusion is another key focus for Chola. The Company extends loans to New to Credit customers(NTCC), thus ensuring financial inclusion.
- Additionally, the Company provides special schemes to women borrowers for the purchase of vehicles from time to time. This initiative encourages women to purchase vehicles, thereby enabling them to be more independent and empowered. This also helps in creating more women entrepreneurs.
- By primarily operating in tier III to tier VI cities, the Company ensures that financial inclusion is achieved, by providing underserved communities with access to credit. This initiative helps improve the financial standing of individuals in these areas and enhances their standard of living.
- As part of Chola's commitment to responsible lending, we recognise the importance of supporting sustainable agricultural practices. The Company offers loans to agri customers who lack access to organised finance for purchase of farm equipment, tractors etc. This helps in enhancing farmers' productivity, reduces manual labour and contributes to the overall growth of the agricultural sector.
- Funding to fuel-efficient farm equipment and tractors reduces the carbon footprint of farming activities, thereby contributing to our environmental sustainability goals.

b. Loan against Property (LAP): LAP product provides access to credit for individuals and businesses in need, thereby promoting financial inclusion and economic empowerment.

- This product segment has an extensive network in tier 2+ cities, where banking penetration is limited, ensuring that the Company's financial services reach the underserved population. The Company's presence in these cities helps promote financial inclusion, economic growth, and social development.
- This financing supports infrastructure projects, including building of roads, construction of warehouses, industrial facilities and commercial buildings for economic growth and urban development.
- The segment provides financial assistance for educational purposes, making quality education more accessible, and thereby promoting social mobility and economic growth.
- The Company's financing solutions help women access the funds they need to start or grow their businesses, promoting economic independence. social mobility thereby aiding women empowerment and gender equality.

c. Home Loans business focusses on providing Home Loans under affordable segment with pan India presence.

- The Company offers loans for self-construction, purchase of resale flats/independent houses, purchase of new flats/independent houses, mixed-use properties (residential with a small commercial unit), home extension, balance transfer of existing loans from other financiers and plot purchase.
- It serves underserved markets, operating in tier 2 to 6 cities and suburbs of tier 1 cities, with 98% of its asset base in these locations supporting the Prime Minister's vision of "Home for All".
- The Company offers loans to young adults aged 21 to 30 who wish to transition to independent living.
- The Company also offers loans to women borrowers. This initiative helps empower women by providing them with the financial resources needed to secure housing.

d. Secured Business & Personal Loans: Through this segment, Chola is funding to the underserved self-employed non-professional customers (e.g. grocery shop, dairy owners, unskilled labourers, low salaried/cash salaried workers). This ensures access to capital for small businesses to expand, innovate and increase their productivity. This, in turn, stimulates economic activity and contributes to overall economic growth. Further, small businesses often operate within local communities. Lending to them helps circulate money within the community, supporting local economies and fostering a sense of community development.

e. Small & Medium Enterprise Loans(SME): SME Loans exclusively support Micro, Small and Medium Enterprises (MSME), for them to grow and diversify their business.

- The Company caters to MSMEs, thereby fulfilling the Priority Sector Lending (PSL) norms. By doing so, the Company provides credit to sectors critical for the sustained development of the economy.
- MSME lending also encourages local entrepreneurship by providing the necessary financial support to start and expand small businesses and stimulate local economies.
- MSMEs operate in various sectors such as manufacturing, services, and agriculture. Thus, lending to this segment supports diversification and provides a wide range of job opportunities to the local population.
- Funding to buy medical equipment is given to small nursing homes or public health centres, thereby improving access to healthcare to rural and semi urban areas as the Company majorly has presence in tier 2+ cities.
- Also, the Company funds to delivery partners for procurement of electric commercial vehicles addressing the concern of pollution.
- The Company also lends to women entrepreneurs ensuring financial inclusion.
- By providing loans to schools in tier II+ cities, the Company helps improve access to essential services like education for the local population.
- The Company commenced funding solutions specifically for rooftop solar installations, enabling enterprises to significantly reduce their electricity costs. In addition to cost savings, rooftop solar adoption promotes environmental sustainability through the use of clean energy, enhances energy independence, and offers a long-term investment with minimal maintenance requirements.

f. Consumer & Small Enterprise Loans: The Company offers a range of unsecured loans, including personal, business and professional loans, to retail customers. This includes loans for NTC (New to Credit) customers based on income assessment, supporting lower-income segments, salaried individuals, self-employed persons, and proprietorships/partnerships firms to meet their business or personal needs.

By providing loans to small businesses in rural/semi-urban areas, the Company helps create job opportunities, income generation and improving standard of living conditions. Borrowers also use loans to establish pharmacies or small clinics, enhancing healthcare access in underserved areas. Additionally, the Company supports agri-based entrepreneurs in setting up processing and storage facilities in the agriculture sector.

g. Gold Loan: Gold Loans are offered for personal/business purposes, with distinctive features such as, quick approvals and minimal documentation. This makes financing easy, accessible, and affordable. Gold Loans empower individuals, strengthens families and supports thriving communities.

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)	51,320	49,488	96%	1,832	4%
2.	Other than permanent (E)	7	6	86%	1	14%
3.	**Total employees (D+E)**	51,327	49,494	96%	1833	4%
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)	25	24	96%	1	4%
2.	Other than permanent (E)	-	-	-	-	-
3.	**Total differently abled employees (D+E)**	25	24	96%	1	4%
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

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors#	8	1	13%
Key Management Personnel	2	1	50%

#includes Executive Chairman and Managing Director, who are the KMPs of the Company.

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

Particulars	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	29.1%	22.2%	28.9%	27.43%	19.51%	27.19%	32.87%	23.92%	32.61%
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 Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	Subsidiary	100%	No
4	Payswiff Technologies Private Limited*	Subsidiary	74.63%	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.
#92% held directly and balance 8% held through Cholamandalam Leasing Limited.
@Holding Company as per IND AS.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
(ii) Turnover (in ₹) - ₹ 30,981.74 crores
(iii) Net worth (in ₹) - ₹ 30,404.02 crores

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 2025-26			FY 2024-25		
		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://files.cholamandalam.com/files/business-responsibility-policy-2026.pdf*	-	-	-	-	-	-
Investors (other than shareholders)	Yes *https://files.cholamandalam.com/files/business-responsibility-policy-2026.pdf*	-	-	-	-	-	-
Shareholders	Yes *https://files.cholamandalam.com/files/business-responsibility-policy-2026.pdf*	16	-	-	10	-	-

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 2025-26			FY 2024-25		
		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
Employees and workers	Yes https://files.cholamandalam.com/files/whistle-blower-policy-2026.pdf	2	-	-	2	-	-
Customers	Yes https://files.cholamandalam.com/files/grievance-redressal-policy-2026.pdf	21,036	182*	-	5,113	266	-
Value Chain Partners	Yes https://files.cholamandalam.com/files/business-responsibility-policy-2026.pdf	-	-	-	-	-	-
Other (please specify)		Not Applicable					

*All pending complaints except 1 have since been resolved.

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

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

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	With new technologies, more sensitive data is being processed and cyber threats are becoming more advanced.	In order to mitigate these risks, the Company has implemented various information security controls, including ISO 27001:2022 certification of its IT infrastructure as well as mobile and web based applications. ISO 27001:2022 is an international standard that provides a framework for establishing, implementing, maintaining, and continually improving an Information Security Management System (ISMS).	Negative Implication – direct financial loss, regulatory fines, data loss, litigation, revenue and reputation loss.

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)
4	Regulatory Compliance	O	Robust governance mechanisms ensure adherence to all applicable regulations and continuous monitoring of upcoming regulations.	-	Positive Implication
5	Employee Growth and Development	O	The Company focusses on developing employees' professional and personal competencies.	-	Positive Implication
6	Employee Wellbeing (Health and Safety)	O	As the Company is in BFSI sector, human capital is its significant investment. Measures undertaken to maintain employee health and ensure their wellbeing.	-	Positive Implication
7	Customer Support and Satisfaction	O	Company's corporate vision is 'to enable customers to enter a better life'. Customer helplines are designed for ensuring quick closure of customer issues.	-	Positive Implication
8	Geographical Expansion	O	The Company has identified its growth story with the geography of the Indian sub-continent.	-	Positive Implication
9	Human Rights	O	The Company ensures respect for an individual's rights and no discrimination on any grounds are permitted.	-	Positive Implication
10	CSR	O	The Company's brand is leveraged to support community development.	-	Positive Implication
11	Branding and Reputation	O	Enhances credibility and trust amongst diverse stakeholders, emphasises the Company's reputation as an ethically managed business.	-	Positive Implication
12	Climate Change	R	This has implications considering the impact on the climate and the criticality of transitioning to a carbon neutral business.	BCP/DR activities, robust macro-economic monitoring and 24 x 7 work-arounds are part of risk management practices, are well established in the Company.	Negative Implication
13	Operational eco- efficiency and emission Waste	O	The Company adopts responsible operations and takes steps for management of waste in compliance with regulations.	-	Positive Implication
14	Diversity and Inclusiveness	O	The Company is committed to social inclusion and merit-based engagement of employees, customers and suppliers.	-	Positive Implication

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)
15	Local Employment	O	The Company believes that financial inclusion 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 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.	P9: ISO 9001:2015 Quality Management System >> Loan disbursement services and its allied operational activities >> Enterprise wide Risk Governance and Risk Management Services P9: ISO 27001:2022 ISMS Certification >> Digital Technology Services								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	P1: Ensure 0% data breaches in customer data protection P2: Pursue increase of EV loan disbursements by 5% YOY P3: Achieve and sustain Zero accident culture through the Company's road safety awareness initiatives and programs. Implement digitisation solutions for enhanced learning and development purposes. P6: Achieve green building status for corporate office P9: Maintain ISO standards in loan disbursement process, risk								

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.	P1: 0% breach in data security in FY 2025-26. P2: EV disbursement target of 5% improvement Y-o-Y was over-achieved. ₹ 628.75 crores disbursed in FY 2025-26, while ₹ 525.46 crores was disbursed in FY 2024-25. P3: E-modules are assigned to all the employees and road safety mailers are circulated periodically. P6: Green building status is being pursued. P9: These targets are ongoing in nature.								

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)

The Company is committed to fostering a sustainable future by addressing the pressing challenges of climate change, promoting financial inclusion, and practising responsible lending. Dedication to environmental guardianship drives the Company to implement solutions that reduce our carbon footprint and mitigate the impacts of climate change. Simultaneously, the Company strives to empower underserved communities by enhancing access to financial services, ensuring that everyone has the opportunity to thrive economically. Through responsible lending practices, the highest standards of integrity and transparency, have been upheld, supporting the growth of businesses and individuals in a manner that is both ethical and sustainable.

Our Company prioritises Environmental, Social and Governance (ESG) practices and is committed to achieving all the objectives to make a better and sustainable tomorrow for everyone. The Company is working diligently to meet its ESG objectives by enhancing policies and processes and having a continuous review and monitoring mechanism.

With a wide range of product offerings under different businesses, the Company is also committed to enhancing rural and semi - urban quality of living. Having a pan-India presence with over 1700 branches, the Company has major presence in tier II+ cities, penetrating small villages and towns and lending to lower and middle-income borrowers. This enables the Company to address the financial requirement of under-served customers and micro & small enterprises.

The Company believes in achieving success by having a positive impact for its employees by actively promoting diversity in hiring, career advancements and availing opportunities within the organisation. The Company encourages women in business and functional roles and provides equal opportunities to them. The Company also emphasises on local hiring thus creating job opportunities locally. With an unwavering commitment to a sustainable growth, the Company has integrated ESG into the core of its operations. This not only enhances the resilience but also contributes in creating a sustainable and equitable society. The Company's journey in achieving ESG goal will be on-going, to help build a better future.

Sincerely,

Ravindra Kumar Kundu,
Managing Director & CEO

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	1. DIN 07337155 2. Name Mr. Ravindra Kumar Kundu 3. Designation: Managing Director & CEO
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 an executive level senior management personnel 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 sustainable and responsive business conduct initiatives. In addition, the Risk Management Committee also assesses internal/external risks pertaining to sustainability as identified, periodically.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half-yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The relevant policies for the above principles are reviewed annually by the Board and any necessary changes suggested to these policies are implemented accordingly.																	
Compliance with statutory requirements of relevance to the principles,and, rectification of any non-compliances	The relevant policies for the above principles are reviewed annually by the Board / Internal ESG Steering Committee and any necessary changes suggested to these policies are implemented accordingly.																	

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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.								

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	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 categorised 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	153	Employees of the Company undergo various training programmes throughout the year. Trainings undertaken during the year include induction covering 5 Lights, ESG (Principle 1 & 6), Business Continuity Plan (Principle 2), Mental Health, Defensive driving (Principle 3), POSH (Principle 5), Fair Practices Code, KYC guidelines (Principle 7) and Cyber security (Principle 9)	82%
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 2025-26	FY 2024-25
Directors	Nil	Nil
KMPs		
Employees		
Workers	Not applicable	

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

	FY 2025-26	FY 2024-25
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 2025-26	FY 2024-25
Number of days of accounts payables	Not Applicable	Not Applicable

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 2025-26	FY 2024-25
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)	0.17%	0.26%
	d. Investments (Investments in related parties / Total Investments made)	7.86%	8.16%

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
The Company has conducted periodical trainings for its value chain partners[1] on BRSR principles during the financial year.		

[1]Outsourcing Vendor

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

Yes, The Company has an unflinching stand on unethical or unlawful business practices and ensures complete adherence to all of its principles. The Company has a code of conduct (CoC) for Board and senior management covering conflict of interest, misuse of authority etc. The CoC policy ensures that the management and Board follow high standards of ethics. The Board and the management shall not act in any way that is against the principles of the Company. Weblink: *https://files.cholamandalam.com/files/code-of-conduct-2026.pdf*. The Independent Directors are also required to follow the Code enlisted in Schedule IV of the Companies Act, 2013.

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.

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	-	-	Not Applicable
Capex	₹ 27.02 crores (11.38%)	₹ 24.5 crores	Capital expenditure across the Digital and Energy Efficiency categories included electric mobility, digital and software assets, energy efficient smart air conditioning, LED lighting and monitors, RFID enabled devices, safety signage, and UPS infrastructure, supporting digital transformation, automation led governance, and operational efficiency for lending operations while reducing energy consumption and emissions, improving operational reliability and strengthening long term environmental and sustainability performance.

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

Yes. The entity has established procedures to support sustainable sourcing and promote environmentally responsible operations. The organisation is actively implementing measures to reduce paper consumption and enhance sustainability.

Given the nature of its operations, the Company does not have requirement for any raw materials. The Company is in the business of providing financial solutions addressing the needs of financial requirements to people in urban and rural areas. However, any requirement that can be sourced locally and sustainably, the Company has taken steps to avail the same. During FY 2025-26, steps were taken to source eco-friendly paper made from sugar cane pulp, across 40 locations pan India.

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

The Company uses recycled A4 sheets for all its locations in Chennai. Further the usage of recycled papers across 40 locations, has been initiated in the current financial year.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Company is in the business of lending. There is no product that needs to be reclaimed for reusing, recycling and disposing at the end of its useful life. Moreover, the Company recycles all the e-waste generated through an authorised recycler at the end of its useful life.

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.

Not applicable

Leadership Indicators

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

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
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 2025- 26	FY 2024- 25
Recycle Paper*	6%	6%

*During FY 2024-25 and FY 2025-26, 100% of A4 paper used in business operations at the Chennai location comprised recycled paper. Effective FY 2025-26, the use of recycled paper has been extended to branch operations as well.

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 2025- 26			FY 2024- 25*		
	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	Total (A)	% of employees covered by									
		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	49,488	49,488	100%	31,891	64%	0	0%	33,890	68%	791	2%
Female	1,832	1,832	100%	1,272	69%	1,532	84%	0	0%	239	13%
Total	**51,320**	**51,320**	**100%**	**33,163**	**65%**	**1,532**	**3%**	**33,890**	**66%**	**1,030**	**2%**
Other than Permanent Employees											
Male	Not Applicable										
Female											
Total											

*Inclusive of ESI coverage
** all eligible employees

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

Category	Total (A)	% of workers covered by									
		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 2025- 26	FY 2024- 25
Cost incurred on well-being measures as a % of total revenue of the company	0.46%	0.45%

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

Benefits	FY 2025- 26			FY 2024- 25		
	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. As per the requirements of the Rights of Persons with Disabilities Act, 2016, the premises / offices of the entity are accessible to differently abled employees and workers with Persons With Disabilities friendly wash rooms wherever possible.

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 is an equal opportunity employer and follows the policy as per the Rights of Persons with Disabilities Act, 2016 in letter and spirit. The policy is accessible to all our employees through the Company's intra-net portal.

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

	Permanent Employees		Permanent Workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	91%	73%	NA	NA
Female	53%	70%	NA	NA
Total	**79%**	**72%**	**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 Employee Care Program and whistle blower policy which inter-alia lays down the process to be followed for dealing with concerns / complaints raised under vigil mechanism. Weblink of the Policy: *https://files.cholamandalam.com/files/whistle-blower-policy-2026.pdf*
Other than Permanent Employees	

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

Category	FY 2025- 26			FY 2024- 25		
	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	NA					
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2025- 26					FY 2024- 25				
	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	49,494	25,324	51%	40,766	82%	45,194	16,886	37%	21,198	47%
Female	1,833	1,076	59%	1,538	84%	1,484	693	47%	550	37%
Total	**51,327**	**26,400**	**51%**	**42,304**	**82%**	**46,678**	**17,579**	**38%**	**21,748**	**47%**
Workers										
Male	Not Applicable									
Female										
Total										

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)*	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	49,494	42,616	86%	45,194	40,854	90%
Female	1,833	1,458	80%	1,484	1,242	84%
Total	**51,327**	**44,074**	**86%**	**46,678**	**42,096**	**90%**
Workers						
Male	Not Applicable					
Female						
Total						

*100% of 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 such system?

Yes, the Company has implemented safety policies for employees that reduce work place hazards and accidents.

Coverage:

- Conducting Emergency Response Training (ERT) at select locations.
- Performing risk assessments and safety audits for fire and electrical hazards at branches and the head office.
- Providing safety training at branches and the head office, emphasising the importance of wearing helmets and seat belts during travel among employees
- Reinforcing other safety measures for employees to follow while on the road for work.
- Holding safety audit and review meetings to implement recommended policies at all locations.

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 conducts safety audits on a periodic or on a need basis wherein parameters related to fire safety, housekeeping, electrical safety, and emergency preparedness are assessed.

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

Given the nature of business, this is 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 2025- 26	FY 2024- 25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	-	-
	Workers	Not Applicable	Not Applicable
No. of fatalities	Employees	-	-
	Workers	Not Applicable	Not Applicable
High consequence work-related injury or ill-health (excluding fatalities, and including permanent disabilities)	Employees	-	-
	Workers	Not Applicable	Not Applicable

*Including the contract work force

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

The Company guarantees highest standards of health, safety, and well-being, providing a safe and healthy work environment for its employees. The Company has a dedicated Environment Health and Safety team that focusses on this aspect.

All the employees are covered under health insurance. Master health check options are mandated for all employees (once a year for employees above 40 years of age and once in two years for employees below 40 years).

Ambulances and a doctor on call are available at select locations to respond to any workplace incidents, ensuring immediate medical attention, thus enhancing the safety and well-being of employees. A dedicated ambulance is also housed at the Head Office to cater to critical medical requirements of the Chennai locations.

The following steps are taken for safeguarding employee health and safety:

- Risk assessments at branches to ensure safety standards are met, such as maintaining fire extinguishers in proper working condition and ensuring all exit routes are accessible.
- Safety equipment at branches.
- Fire safety training and periodic mock drills.
- Safety advisories communicated to employees through comprehensive training programs and well-defined policies.
- Regular safety awareness programs.
- Placing of sign boards on electrical devices, emergency exit marking, and fire extinguishers.
- Regular webinar/talk shows on various health topics including mental health.
- Employees' direct helpline number (044-40907408) to report any grievances, whether related to infrastructure, health and hygiene, or workplace issues (All matters will be handled with confidentiality).
- Napkin dispensers and napkin disposal chutes in women's washrooms to support women's hygiene.
- Third-party counsellor to enable employees discuss their mental health concerns in anonymity.

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

	FY 2025- 26			FY 2024- 25		
	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	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

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.

The Company establishes clear expectations with all its vendors and suppliers, to ensure compliance with applicable laws and regulations in their respective areas of operations. The Company also strives to encourage its value chain partners by seeking confirmations of compliance based on the nature of the products or services provided (included in the engagement agreement).

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 2025- 26	FY 2024- 25	FY 2025- 26	FY 2024- 25
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[1] (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

[1]Outsourcing Vendors

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 addresses stakeholders' concerns, maintains transparency about plans, and creates shared value through robust engagement process. By connecting with stakeholders year-round via formal and informal mechanisms, the Company fosters trust-based relationships and gathers input for the materiality assessment process.

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 & Marginalised 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	Customer Meets for engagement, digital platforms and applications, in-person engagement	Periodic	• Product customisation and personalisation • Consistently enable better lives for a larger number and diverse segments of Indians • Ensure protection of personal information • Consistent improvement in customer satisfaction
Local Communities	Yes	Corporate social responsibility initiatives	Periodic	• 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	• 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	• Financial performance • Business updates • ESG Performance • Close co-ordination with RTA for closure of investor service requests
Regulators	No	Mandatory compliance reports; In person meetings	Ongoing	• 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)
Lenders	No	In person and online meetings and visits	Quarterly	• Transparent financial transactions; • Timely repayment of debt.
Employees	No	Internal communication platforms; E-learning platforms and capability development programs; Employee connect tool and personalised help desk	Periodic	• 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 believes that continuous engagement with the stakeholders is key to overall success. The Company employs a range of formal and informal communication methods to engage with stakeholders and the Board. Any feedback received from the stakeholders are analysed and any changes needed is incorporated in the processes. The Board also reviews the Environmental, Social and Governance obligations of the Company towards the stakeholders.

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 feedback received through continued engagement with stakeholders, is incorporated into our policies & practices. Their inputs help us in making strategic and operational decisions for promoting environmental and social resilience. Any material issues identified are prioritised based on their impact on stakeholders and business.

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

The Company's business offer a highly diversified range of loan products in diverse rural, semi – urban and urban geographies ensuring financial inclusion of especially those who are disadvantaged, vulnerable and marginalised. The Company believes that affordable and appropriate access to loans is a key driver of economic growth, poverty alleviation and prosperity.

The Company has set up 90+% of its branches in Tier-III, Tier-IV, Tier V and Tier-VI towns ensuring financial inclusion.

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,
- 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 2025- 26			FY 2024- 25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	51,320	44,866	87%	46,678	39,327	84%
Other than permanent	7	-	-	-	-	-
Total	**51,327**	**44,866**	**87%**	**46,678**	**39,327**	**84%**
Workers						
Permanent	Not Applicable					
Other than permanent						
Total						

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

Category	FY 2025- 26					FY 2024- 25				
	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	**51,320**	**0**	**0**	**51,320**	**100%**	**46,678**	**-**	**-**	**46,678**	**100%**
Male	49,488	0	0	49,488	100%	45,194	-	-	45,194	100%
Female	1,832	0	0	1,832	100%	1,484	-	-	1,484	100%
Other than Permanent	**7**		**0**	**7**	**100%**	**13**	**-**	**-**	**13**	**100%**
Male	6	0	0	6	100%	12	-	-	12	100%
Female	1	0	0	1	100%	1	-	-	1	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:

Category		Male	Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in crores)	Number	Median remuneration/ salary/ wages of respective category (₹ in crores)
Board of Directors (BoD)	7	0.20	1	0.20
Key Managerial Personnel	1	5.82	1	2.63
Employees other than BoD and KMP	49486	0.035	1,831	0.035
Workers	-	-	-	-

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

Particulars	FY 2025- 26	FY 2024- 25
Gross wages paid to females as % of total wages	3.43%	3.25%

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, for any customer related concern, the Company's customer service head and the grievance redressal officer would be the focal point and would be responsible for addressing any impacts or issues and can be reached at *customerservicehead@chola.murugappa.com* or *gro@chola1.murugappa.com*. The Customer Service Committee of the Board also reviews the customer grievances on a quarterly basis. The Whistle Blower Committee constituted under the Whistle Blower Policy of the Company reviews all referrals made to it including human rights impacts. Such referrals are also reviewed by the Audit Committee on a quarterly basis. This policy extends to all stakeholders including vendors. The Internal Complaints Committee, constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 addresses grievances enlisted in the policy. Besides these, the Human Resources function also facilitates an environment of free unbiased dialogue to discuss any concerns. In line with the Fair Practices Code, the Company also emphasises its commitment towards treating its customers fairly, by maintaining ethical practices and fostering a cordial relationship with its customers.

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

Human rights is a core value of the Company, and every employee is committed to upholding them. The Company maintains a zero-tolerance policy towards any form of harassment, whether physical, sexual, or verbal. The Whistle Blower Committee & the Internal Complaints Committee constituted under the respective policies provide a forum to handle and address grievances and complaints related to human rights issues and the details are available on the Company's website. The detailed process is available as a policy in the link - *https://files.cholamandalam.com/files/whistle-blower-policy-2026.pdf*.

The Company also adheres to the Fair Practice Code to ensure that the customers are treated fairly, ethical practices are followed at all points of time while dealing with customers and their grievances are resolved on a timely basis. Customer Complaints addressed to the Customer Services is closely reviewed by a dedicated Customer Services Committee and necessary interventions are made to address their concerns including on human rights

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

	FY 2025- 26			FY 2024- 25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	Nil		2	Nil	
Discrimination at workplace	Nil			Nil		
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 2025- 26	FY 2024- 25
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	2
Complaints on POSH as a % of female employees / workers	0.11%	0.13%
Complaints on POSH upheld	2	2

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

Concerns raised 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 victimisation of employees, customers, directors and other stakeholders who avail of the mechanism. The Whistle Blower Committee / Internal Complaints Committee preserves the anonymity of the complainant to avoid any instances of discrimination/ harassment throughout the investigation of the complaint. Any unjustified behaviour against the victim is taken up seriously by the Committee.

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 the Board on an annual basis. During FY 2025-26, two complaints/referrals were received by the Internal Complaints Committee, which were disposed off during the year.
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 in compliance with wages payable as per the Minimum Wages Act, 1948 and in compliance with wages being notified by the State Governments. There is a mechanism 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 and hence not applicable.

Leadership Indicators

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

None. No grievance or complaints were received by the Company for human rights violation during the year. 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, which is reflected upon in every business process.

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, in line with the Rights of Persons with Disabilities Act, 2016, the Company has ramp/wheelchair facility in Head Office and Central Processing Unit.

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	-

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 the 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 2025- 26	FY 2024- 25
From renewable sources		
Total electricity consumption (A)	155.88	193.32
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	155.88	193.32
From non-renewable sources		
Total electricity consumption (D)	1,16,150.10	85,094.25
Total fuel consumption (E)*	6,621.05	4,799.73
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	1,22,771	89,893.97
Total energy consumed (A+B+C+D+E+F)	**1,22,927.03**	**90,087.30**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) GJ/INR	0.000000391	0.000000346

Parameter	FY 2025-26	FY 2024-25
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0000080	0.0000070
Energy intensity in terms of physical output	2.0	1.61
Energy intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	

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.

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants.

*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 2025- 26	FY 2024- 25
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) (i + ii + iii + iv + v)	-	-
Total volume of water consumption (in kilolitres)*	6,88,037.2	5,96,223
Water intensity per rupee of turnover (Water consumed KL / turnover)	0.000002188	0.000002288
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.0000445	0.0000465
Water intensity in terms of physical output	-	-
Water 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.

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants.

* The water consumption is based on the Central Ground Water Authority (CGWA) estimate for water consumption which determines the water availability and is at 45 litres per head per working day for offices.

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
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)	**-**	**-**

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.

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants.

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 2025- 26	FY 2024- 25
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.

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants.

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

Parameter	Unit	FY 2025- 26	FY 2024- 25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	491	356
Total Scope 2 emissions (Break-up of the GHG into,CO2, CH4, N2O, HFCs, PF Cs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	22,907	16,924
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Tonne CO2 per INR	0.00	0.00
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 CO2 per INR	0.00	0.00
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.38	0.31
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		Not Applicable	Not Applicable

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.

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants.

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

Yes, The Company continues to finance 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 2025- 26	FY 2024- 25
Total Waste generated (in metric tonnes)		
Plastic waste ***(A)***	Not Applicable	Not Applicable
E-waste ***(B)***	10.06	7.12
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)	-	-
Total (A+B + C + D + E + F + G+ H)	10.06	7.12

Parameter	FY 2025- 26	FY 2024- 25
Total Waste generated (in metric tonnes) (Contd.)		
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00	0.00
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.00	0.00
Waste intensity in terms of physical output	0.00	0.00
Waste intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable
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	0.57	-
(ii) Re-used	-	-
(iii) Other recovery operations	9.49	7.12
Total	**10.06**	**7.12**
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

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants.

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 following practices have been adopted in the Company' s businesses and support functions:

Information Technology: The Company is aware of the extent of the environmental impact of improper management of e-waste and has adopted a strong e-waste management practice to minimise adverse outcomes. It strives to make sure that e-waste is disposed of in the most scientific way, that the recycling organisation has a valid permit and follows the required protocols laid down by regulatory bodies. The Company has also adopted a tool that monitors print usage by a user. This helps to reach high volume users and educate the users on sensitiveness of paper usage /need for saving of trees.

Infra and Admin:

- With a view to conserving paper, the Company has transitioned paper – related processes to a digital platform and carries out minimal manual documentation.
- Implementation of new LOS software has helped save at least 3500 prints per month.
- The Company has started promoting the use of recycled paper in FY 2022-23 and has taken several steps across the organisation that allow for more efficient paper usage.
- The measures adopted include a transition to 'double side printing mode', using single side printed wastepaper to create stationery products like note pads etc.
- To conserve energy, the Company has installed LED lights and sensor-based lighting in the corporate office to reduce electricity consumption.
- The Company has also advised employees to use stainless steel / ceramic cups of their own, in order to reinforce our efforts and manage waste. Further, the coffee cups used are also eco-friendly and bio-degradable.
- As part of its environment responsibility initiatives, the Company has installed water sensor taps in its offices to promote water conservation and sustainability.
- The Company has installed solar panels in its corporate office for electricity generation.

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 / offices in or near ecologically sensitive areas.			

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 head office and all its branches are in compliance 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:

(i) Name of the area

(ii) Nature of operations

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

Parameter	FY 2025- 26	FY 2024- 25
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	**-**	**-**
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

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

Parameter	FY 2025- 26	FY 2024- 25
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 - Not applicable

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

Parameter	Unit	FY 2025- 26	FY 2024- 25
Total Scope 3 emissions	Metric tonnes of CO_2 equivalent	37,571.52	33,680.62
Total Scope 3 emissions per rupee of turnover	Tonne CO_2 per INR crores	0.000000119	0.000000129
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	NA	NA

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 extends finance for electric vehicles and for solar panels. *https://www.cholamandalam.com/esg*	For the details of the outcome achieved please refer Section B in 5th and 6th questions

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 Plan as well as Business Continuity Plan 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 or emergency / crises.

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

Given the nature of 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

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

a. By the Company:

Nil

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

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 an impact assessment through an external independent agency, after the project has been implemented. The grievances of the community are received through this review process. The Company undertakes suitable action to address the concerns of the community at the end of the assessment.

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

	FY 2025- 26	FY 2024-25
Directly sourced from MSMEs/ small producers	8%	5%
Directly from within India	100%	100%

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

Location	FY 2025- 26*	FY 2024- 25
Rural	22%	19%
Semi-urban	57%	54%
Urban	12%	3%
Metropolitan	8%	24%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

*Location categories have been standardised for consistency.

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/UT	Aspirational District/ Block	Amount spent (In INR)
1	Andaman And Nicobar Islands	Nicobar	58,51,888
2	Andhra Pradesh	Visakhapatnam	15,97,370
3	Bihar	Aurangabad	60,97,370
4	Bihar	Kaimur	15,97,370
5	Gujarat	Kachchh/Kutch	15,97,370
6	Haryana	Palwal	83,06,574
7	Himachal Pradesh	Kinnaur	44,18,000
8	Jharkhand	Seraikella	45,00,000
9	Karnataka	Uttara Kannada	4,11,19,000
10	Kerala	Palakad	15,97,370
11	Madhya Pradesh	Jhabua	15,97,370
12	Madhya Pradesh	Satna	15,97,370
13	Maharashtra	Yavatmal	1,04,96,000
14	Odisha	Nabrangpur	45,00,000
15	Odisha	Mayurbhanj	15,97,370
16	Punjab	Jalandhar	15,97,370
17	Rajasthan	Sirohi	45,00,000
18	Tamil Nadu	Sivagangai	4,08,98,078
19	Tamil Nadu	Pudukottai	2,99,21,078
20	Tamil Nadu	Karur	25,68,772
21	Tamil Nadu	Ariyalur	10,53,925
22	Tamil Nadu	Thiruvannamalai	74,36,078
23	Tamil Nadu	Ramanathapuram	8,61,078
24	Tamil Nadu	Trichy	93,875
25	Tamil Nadu	Tenkasi	7,67,203
26	Tamil Nadu	Tirunelveli	7,67,203
27	Tamil Nadu	Kallakuruchi	7,67,203
28	Tamil Nadu	Nilgiris	12,50,000
29	Tamil Nadu	Virudhunagar	8,61,078
30	Tamil Nadu	Vellore	93,875
31	Tamil Nadu	Villupuram	32,30,512
32	Tamil Nadu	Perambalur	26,60,081
33	Tamil Nadu	Ranipet	44,57,194
34	Uttar Pradesh	Prayagraj	15,97,370
35	Uttar Pradesh	Sambhal	45,00,000
36	Uttarakhand	Haridwar	38,74,000
37	West Bengal	Bankura	15,97,370

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

No

b) From which marginalised /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 benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Chola Chess	233	100%
2	Comprehensive respiratory health care program for children - Phase II	Medical Equipment	100%
3	Holistic educational support for the rural students and tribal communities	397	100%
4	Elite Chess Excellence & Grandmaster Development Program	3	100%
5	Raahi- National Commercial Vehicle Crew Members Eye Health Program	1,77,264	100%
6	Inclusive Sailing Sports Training Program – Phase II	17	100%
7	Integrated Rural Sanitation & Village Development Program	240	100%
8	Advanced Imaging for Maternal & Fetal Health Initiative	Research and Development	100%
9	Inclusive Sports Excellence: Paralympic Tennis Development	1	100%
10	Cardiac Care Program for Congenital Heart Disease	105	100%
11	Integrated Maternal Health & Safe Motherhood Program	416	100%
12	Urban Vision Care & Preventive Eye Health Program	21,120	100%
13	Rural Eye Health & Vision Restoration Initiative	1,36,346	100%
14	High Performance Golf Athlete Excellence Program	7	100%
15	Environmental Stewardship & Sustainability Program	Conservation of Environment	100%
16	Youth Wellness & Mental Well Being Promotion Program	66,000	100%
17	Arts, Heritage & Museum Leadership Development Program	10	100%
18	Integrated Rural Health and Development Project	2657	100%
19	Infrastructural development at Government Higher Secondary School	614	100%
20	Foundational Learning & Child Development Initiative	6	100%
21	Skill Development & Livelihood Training Program	20	100%
22	Holistic Well Being & Mindfulness Development Program	1000	100%
23	Community Wellness & Yoga Infrastructure Initiative	200	100%
24	Community Water Body Restoration & Conservation Initiative	10000	100%
25	Centenary Merit Scholarship for Higher Education	126	100%
26	Scholarship for higher education	90	100%
27	Inclusive School Infrastructure Development Program	85	100%
28	Mobile Primary Healthcare & Outreach Services	87433	100%
29	Safe School Mobility for Rural Children Initiative	20	100%
30	Assistive Technology for Independent Living Program	23	100%
31	Elite Table Tennis Athlete Development Program	15	100%

6. Details of beneficiaries of CSR Projects: (Contd.)

S.No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
32	Hospital Infrastructure Expansion & OPD Modernization-SISH	513961	100%
33	Renal Care Infrastructure Development Program	61	100%
34	Professional Table Tennis High Performance Program	1	100%
35	My Dream: Aspirational Scholarship Program – Phase VII	190	100%
36	Tamil Cultural Heritage & Classical Literature Preservation	Promotion of Arts and Culture	100%
37	Farmer Collective Empowerment & Market Access Initiative	15021	100%
38	Creative Arts Therapy for Emotional Well Being	200	100%
39	Regenerative Soil Health & Sustainable Agriculture Initiative	9658	100%
40	Community Science Education & Innovation Hub	53441	100%
41	Active Ageing & Senior Well Being Centre- Koratty	61	100%
42	Emergency Medical Transport Services	363	100%
43	Women's Economic Empowerment & Leadership Program	91	100%
44	Self Reliance & Employability Skills Development	15	100%
45	Scholarship for higher education-Chennai	80	100%
46	School Based Psychosocial & Social Work Support	8100	100%
47	Rising Sports Scholarship Program	12	100%
48	Women Leadership & Career Advancement Program	150	100%
49	Elite Women Swimmer Performance Development Program	1	100%
50	Foundational Literacy & Numeracy Enhancement Program	144	100%
51	Advanced Diagnostic Infrastructure for Preventive Healthcare	Provision of medical equipment	100%
52	Motorsports Talent Development Program	1	100%
53	Community Based Science Learning Centre	848	100%
54	Community Healthcare Services & Hospital Operations	1,46,798	100%
55	Financial Support for education of 24 underprivileged rural girls	24	100%
56	Empowering Vision: Scholarships for Students with Disabilities	100	100%
57	Sports Infrastructure & Athlete Support Development	Construction Project	100%
58	Holistic Education & Cultural Values Development Initiative	209	100%
59	Community Healthcare Services & Hospital Operations	1,25,446	100%
60	Secondary Healthcare & Community Medical Services	26883	100%
61	Active Ageing & Senior Well Being Centre- Pallathur	56	100%
62	Emergency Medical Transport & Community Outreach Services	2290	100%
63	Hearing Health & Assistive Device Support Program	27	100%
64	School Infrastructure Development & Upgradation Program	101	100%
65	Adolescent Girls Nutrition & Holistic Development Initiative	42	100%
66	Scientific Research on Neuro Physiological Impact of Meditation	Research and Development	100%
67	Professional Badminton High Performance Training Program	1	100%
68	Fire Safety & Emergency Preparedness Infrastructure	Construction Project	100%
69	Inclusive Education & Disability Support Resource Centre	300	100%

6. Details of beneficiaries of CSR Projects: (Contd.)

S.No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
70	Higher Education Scholarship for Underprivileged Youth	53	100%
71	Digital Learning & Computer Literacy Infrastructure Initiative	2000	100%
72	Foundational Literacy & Early Reading Advancement Program	5149	100%
73	Preservation of Classical Music & Cultural Heritage Festival	350	100%
74	Heritage Conservation & Temple Restoration Project	Conservation of Heritage	100%
75	School Digital Infrastructure Renovation Program	1057	100%
76	Educational Infrastructure Development – Tamil Knowledge Campus	Construction Project	100%
77	Comprehensive Mother & Child Healthcare Infrastructure Initiative	Construction Project	100%
78	Heritage Conservation & Cultural Preservation Initiative	Conservation of Heritage	100%
79	Inclusive Education Strengthening & Access Program	80	100%
80	Housing Security & Dignified Living Initiative	52	100%
81	Safe Sanitation & Hygiene Infrastructure in Schools	151	100%
82	Accessible Transportation Support for Persons with Disabilities	175	100%
83	Basic Infrastructure Access & Women Economic Empowerment Initiative	162	100%
84	Rural Child Education & Empowerment Program – Vembakkam	344	100%
85	Renewable Energy & Water Security Development Initiative	Construction Project	100%
86	Advanced Medical Equipment Installation for Healthcare Facilities	Provision of medical equipment	100%
87	Sports Infrastructure Development & Capacity Building	400	100%
88	Future Ready Government School Transformation Initiative	140	100%
89	Community Water Body Rejuvenation & Ecological Restoration	Water body rejuvenation	100%
90	Pediatric Cardiac Care & Treatment Support Initiative	66	100%
91	Technology Enabled Classroom Enhancement Program	2600	100%
92	Inclusive Digital Learning Classroom Initiative	70	100%
93	Project Nalam: Healthcare Equipment Strengthening Program	Provision of medical equipment	100%
94	Sustainable & Low Carbon Commute Initiative	367	100%
95	Industrial Infrastructure & Operational Efficiency Enhancement	Provision of medical equipment	100%
96	Day Care Centre Infrastructure Development Program	207	100%
97	Advanced Life Support Ambulance Services for Defence Forces	Provision of medical equipment	100%
98	Comprehensive Therapeutic & Rehabilitation Support Program	35	100%

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.

Customer grievance redressal and customer feedback are vital for any business as it retains customers, builds trust, enhances reputation, and provides valuable feedback for improvement. The Company has a multi-level grievance redressal system to address any disputes, grievances, or concerns raised by customers. This system adheres to the requirements of the RBI's Ombudsman Scheme.

The mechanism is as follows:

Level 1: Submit written requests from registered email IDs. If the grievance is not satisfactorily resolved, the grievance can be escalated to Head – Customer Service.

Level 2: Contact the Head - Customer Service via telephone or in writing. If redressal is unsatisfactory even at this level, the grievance can be escalated to Grievance Redressal Officer.

Level 3: Approach the Principal Nodal Officer/Grievance Redressal Officer. If the grievance is not resolved within one month of registering the complaint, the regional office of DNBS - RBI in Chennai may be approached.

Level 4: If the grievance is not resolved to the customer's satisfaction within one month of registering the complaint, the RBI Ombudsman may also be approached.

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 2025- 26			FY 2024- 25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other (Product related)	21,036	182*	-	5,113	266	-

*All pending complaints except 1 have since been resolved.

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 minimise risks associated with customers' privacy and cyber security. Weblink: *https://www.cholamandalam.com/privacy-policy*

The Company follows Reserve Bank of India's Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices. The Company is also certified for ISO 27001:2022 – Information security management systems. The Company has also put in place processes and systems to ensure compliance with the Digital Personal Data Protection Act, 2023 and the rules defined. Some of the policies defined and managed at the organisation level are:

1. Access Management Controls
2. Network Management Controls
3. Cloud Security Controls
4. API Security Controls
5. Various Acceptable Usage Policies
6. Internet Acceptable Usage Policy
7. Email Usage Policy
8. Technical Risk Management And Control Policy
9. Third Party Risk Management
10. Business Continuity Management
11. Malware Protection Policy
12. Endpoint Protection Policy
13. Physical Equipment and Access Control Policy
14. Software Usage Policy
15. Data Backup and Retention Policy
16. Password Management Policy
17. Employee Awareness Policy
18. Incident Management Policy
19. Disposal of IT Asset Policy
20. Monitoring and Detection (SOC Control) Policy
21. Governance, Audit and Compliance

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:

a. Number of instances of data breaches - Nil

b. Percentage of data breaches involving personally identifiable information of customers - Not Applicable

c. Impact, if any, of the data breaches - Not Applicable

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 websites like the Company's customer facing application and Gaadi Bazaar platform. *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 should take in situations when there is a malpractice or a 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 through 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 in this financial year using means 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 like server maintenance of the Company's website.

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. 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, we also monitor the transactional CSAT for customer calls that land on the inbound tollfree number basis an SMS that goes out at the conclusion of the call asking for satisfaction levels.

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 agreement letter dated January 21, 2026, 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, 2026.

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, 2026 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 CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Principle 6, Question 7 of Essential Indicators
2	Total Scope 2 emissions (Break-up of the GHG (CO2e) into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	GHG (CO2e) 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
	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 Indicators
		Bio-medical waste (C)	Principle 6, Question 9 of Essential Indicators
		Construction and demolition waste (D)	Principle 6, Question 9 of Essential Indicators
		Battery waste (E)	Principle 6, Question 9 of Essential Indicators
		Radioactive waste (F)	Principle 6, Question 9 of Essential Indicators

Sr. No	Attribute	Measurement	Reference to BRSR
		Other Hazardous waste. Please specify, if any. (G)	Principle 6, Question 9 of Essential Indicators
		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 Indicators
		Total waste generated (A+B + C + D + E + F + G + H)	Principle 6, Question 9 of Essential Indicators
		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 Gender Diversity in Business	Gross wages paid to females as % of total wages paid by the company	Principle 5, Question 3(b) of Essential Indicators
		Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	Principle 5, Question 7 of Essential Indicators
11	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
12	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 9, Question 7 of Essential Indicators
		Number of days of accounts payable	Principle 1, Question 8 of Essential Indicators
13	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 Indicators

Our reasonable assurance engagement was with respect to the year ended March 31, 2026 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 BRSR-Core Reporting Standard issued by SEBI, 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, 2025, to March 31, 2026

Boundary

The reporting boundary covers the Company's operations in India on a standalone basis for Cholamandalam Investment and Finance Company Limited.

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 are prepared, in all material respects, in accordance with the Reporting 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:

1. Reviewed the approach to stakeholder engagement and materiality determination process and its outcomes as brought out in the Report.
2. 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.
3. 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.
4. 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.
5. 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.

6. 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 "Scope of Assurance".
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data outside the operations specified in the assurance boundary.
- Data and information outside the defined reporting period i.e. March 31, 2026.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company. Additionally, assertions related to Intellectual Property Rights and other competitive issues.
- Review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.
- Review of the Company's strategy or other related linkages expressed in the Report.
- Mapping of the Report with reporting frameworks other than those mentioned in Criteria above.

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, 2026 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the criteria.

Restriction on use

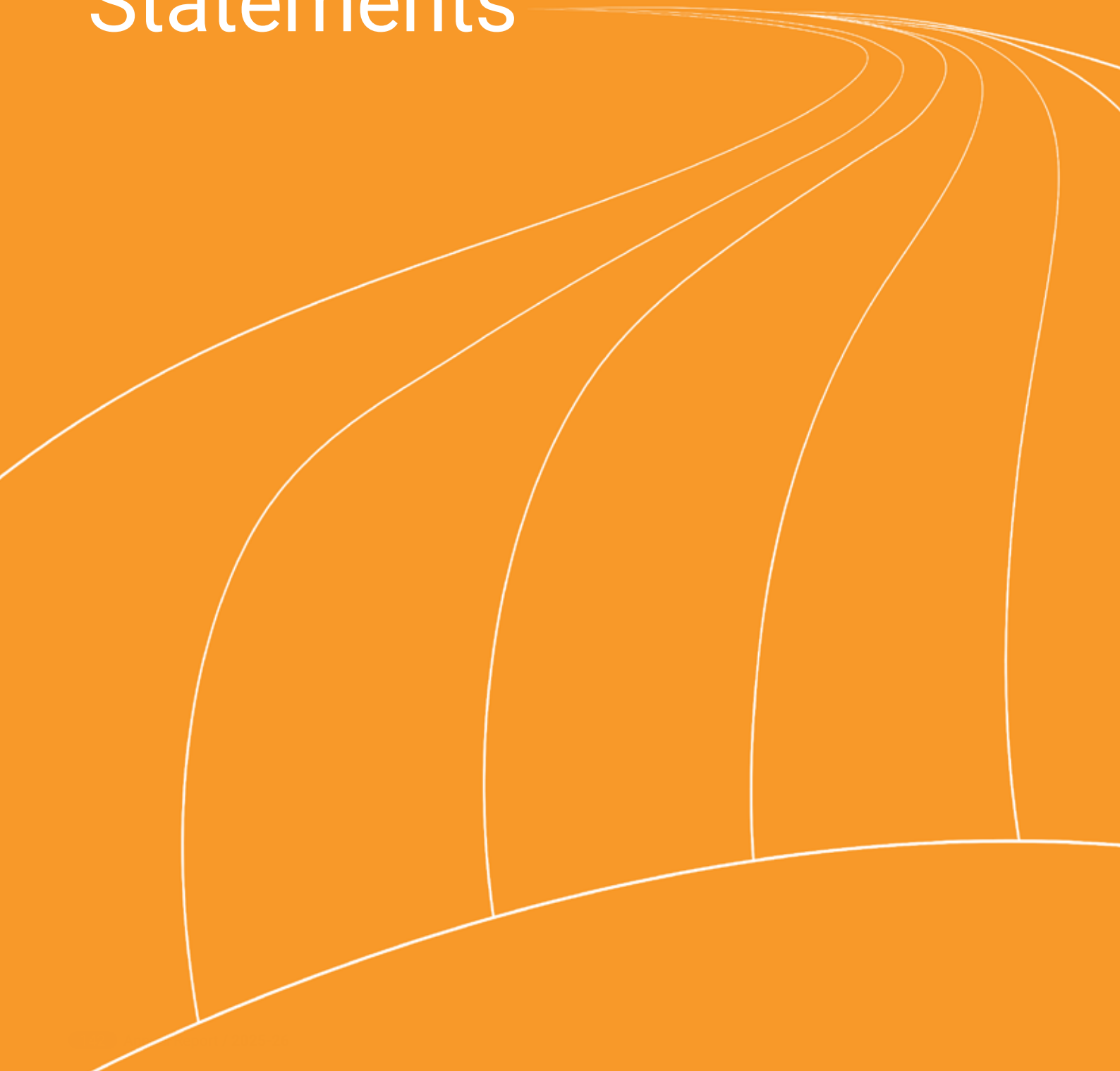
Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of the company at the request of the company solely, to assist the company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone other than the company. 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 B Thiagarajan & Co.
Chartered Accountants
Firm Regn. No. 004371S

Ram Srinivasan
Partner
Membership No. : 220112
UDIN: 26220112CVQSG74654

Date : April 30, 2026
Place : Chennai

Financial Statements



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 audited the accompanying Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2026, and the Standalone Statement of Profit And Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year ended on that date and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information ('the Standalone Financial Statements').

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 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2026, and its Profit and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act, and the rules 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 on the Standalone Financial Statements.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. 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 the matter was addressed in our audit
Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 9 of the standalone financial statements) The loan balances towards vehicle finance, home loans, loans against property, and other loans aggregating to ₹ 2,21,941.56 crores and the associated impairment allowances aggregating to ₹ 4,370.40 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 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	The audit procedures performed by us to assess appropriateness of the impairment allowance based on ECL on loans included the following: • We understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over: i. the assumptions used in the calculation of ECL and its various aspects such as determination of Probability of Default, Loss Given Default, Exposure at Default, Staging of Loans, etc. ii. the completeness and accuracy of source data used by the Management in the ECL computation; and iii. ECL computations for their reasonableness • We, along with the assistance of the auditor's IT expert, verified the appropriateness of methodology and models used by the Company and reasonableness of the assumptions used within the computation process to estimate the impairment provision. • We test-checked the completeness and accuracy of source data used. • We recomputed the impairment provision for a sample of loans across the loan portfolio to verify the arithmetical accuracy and compliance with the requirements of Ind AS 109. • We evaluated the reasonableness of the judgement involved in management overlays that form part of the impairment provision, and the related approvals.

Independent Auditor's Report (Contd.)

Key audit matters	How the matter was addressed in our audit
nature and the complexity of model involved, we determined this to be a Key Audit Matter.	• Reviewed the Company's accounting policies for estimation of Expected Credit Loss on loans and assessing compliance with the policies in terms of Ind AS 109. • We evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the standalone financial statements
Audit in an Information Technology (IT) enabled environment – including considerations on exceptions identified in IT Environment. The IT environment of the entity involves a few independent and inter-dependent IT systems used in the operations of the entity for processing and recording of the business transactions. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the entity. Appropriate IT general controls and IT application controls are required to ensure that such IT systems can process the data as required, completely, accurately, and consistently for reliable financial reporting. 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	Our audit procedures with respect to this matter included the following: In assessing the controls over the IT systems, we have involved our Technology Assurance specialists to obtain an understanding of the IT environment, IT infrastructure and IT systems. • With respect to the "In-scope IT systems" identified as relevant to the audit of the 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. • On such "In-scope IT systems", we have covered the key IT general controls with respect to the following domains: • Program change management, which includes that program changes are moved to the production environment as per defined procedures and relevant segregation of environment is ensured. • User access management, which includes user access provisioning, de-provisioning, access review, password management, sensitive access rights and segregation of duties to ensure that privileged access to applications, operating system and databases in the production environment were granted only to authorized personnel. • Other areas that were assessed under the IT control environment included backup management, business continuity and disaster recovery, incident management, batch processing and monitoring, cybersecurity controls, end user computing and physical security and datacentre controls. • We have also evaluated the design and tested the operating effectiveness of key IT application controls within key business processes, which included testing automated calculations, automated accounting procedures, system interfaces, system reconciliation controls and key system generated reports, as applicable. • Where control deficiencies have been identified, we have tested a combination of compensating controls, remediated controls and/ or performed alternative audit procedures, where necessary

Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report
6. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. 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

Independent Auditor's Report (Contd.)

with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

8. 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

9. 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 State of Affairs, profit and Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in) conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; 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.

10. In preparing the Standalone Financial Statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Standalone Financial Statements

12. 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    12.1. 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.

    12.2. 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) 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.

    12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

    12.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

Independent Auditor's Report (Contd.)

Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

12.5. 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.

13. 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.

14. 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.

15. 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 year 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.

Report on Other Legal and Regulatory Requirements

16. 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 A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

17.1. 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.

17.2. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

17.3. The standalone balance sheet, the standalone statement of profit and loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.

17.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.

17.5. On the basis of the written representations received from the directors as on 01 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

17.6. 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 B'.

17.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

18. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

18.1. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its Standalone Financial Statements – Refer Note 39 to the Standalone Financial Statements;

Independent Auditor's Report (Contd.)

18.2. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 7 to the Standalone Financial Statements;

18.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

18.4. The Management has represented, to best of their knowledge and belief, that 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.

18.5. The Management has represented, to best of their knowledge and belief, that 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.

18.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e), as provided under para 18.4 and 18.5 above, contain any material misstatement.

18.7. In our opinion and according to the information and explanations given to us, the dividend declared and / or paid during the year by the Company is in compliance with Section 123 of the Act

18.8. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software .Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For B.K. Khare & Co.
Chartered Accountants
Firm Registration Number- 105102W

Shirish Rahalkar
Partner
ICAI Membership Number: 111212
UDIN: 26111212IUGWFH6446

Place : Chennai
Date : 30 April 2026

For KKC & Associates LLP
Chartered Accountants (formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Devang Doshi
Partner
ICAI Membership Number: 140056
UDIN: 26140056LZYEMA5897

Place : Chennai
Date : 30 April 2026

Annexure A to Independent Auditor's Report

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2026

(Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').

The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner over a period of 3 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, 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) disclosed in the financial statements are held in the name of the Company..

(d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on Clause 3(ii)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions on the basis of security of current assets. The difference between the quarterly returns or statements filed by the Company with such banks or financial institutions and the books of account of the Company is not material in nature.

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) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans are not prejudicial to the Company's interest. The Company has not granted any advances in the nature of loans.

(c &d) The company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 9, 9.2 to the Standalone Ind AS Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations as also details of reasonable steps taken by the Company for recovery thereof.

(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) According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act with respect to the loans given, investments made, guarantees given and security provided.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and hence reporting under paragraph 3(vi) of the Order is not applicable to the Company.

vii. (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities.

Annexure A to Independent Auditor's Report (Contd.)

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2026

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, cess and any other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute. The particulars of dues of Goods and Services tax, Income Tax, Sales Tax and Service Tax which have not been deposited to/with the appropriate authority on account of any 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, 1991-92 and 2009-10	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	0.01	2012-13	Assessing Officer
Tamil Nadu General Sales Tax Act, 1959	TNGST and CST	9.99	1995-96	High Court
Tamil Nadu Value Added Tax Act, 2006	Sales tax	9.71	2006-07 to 2017-18	High Court
Finance Act, 1994	Service tax	58.44	2005-06 to 2017-18	CESTAT
Goods and Services Tax Act, 2018	Goods and Service Tax	15.73	2017-18 to 2021-22	Commissioner of GST (Appeals)

* Represents amount less than ₹ 1 lakh

#Above amounts are net of amount paid under protest/refunds adjusted by the authorities.

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.

(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 or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, other than temporary parking in Cash credit account for a few days during the year, pending utilization towards the purpose for which the same are obtained.

Annexure A to Independent Auditor's Report

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2026

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the 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 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 ventures.

(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 ventures or associate companies.

x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 42 and 62 of the Act in connection with the funds raised through fully convertible debentures and the same have been utilised for the purposes for which they were raised.

xi. (a) During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) Our review of the whistle blower complaints received during the year by the Company did not reveal any material observations.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.

(b) In our opinion, the Company has conducted Non-Banking Financial or Housing Finance activities and has obtained a valid Certificate of Registration ('CoR') 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 Reserve Bank of India and accordingly reporting under clause 3(xvi)(c) of the order is not applicable to the Company.

(d) In our opinion there are two CICs within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions 2016).

xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly this paragraph 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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 the 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

Annexure A to Independent Auditor's Report (Contd.)

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2026

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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.

Also, refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual report is expected to be made available to us after the date of this auditor's report.

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 paragraph 3(xx)(a) and (b) of the Order is not applicable.

For B.K. Khare & Co.
Chartered Accountants
Firm Registration Number- 105102W

Shirish Rahalkar
Partner
ICAI Membership Number: 111212
UDIN: 26111212IUGWFH6446

Place : Chennai
Date : 30 April 2026

For KKC & Associates LLP
Chartered Accountants (formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Devang Doshi
Partner
ICAI Membership Number: 140056
UDIN: 26140056LZYEMA5897

Place : Chennai
Date : 30 April 2026

Annexure B to Independent Auditor's Report

Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company for the year ended 31 March 2026

(Referred to in paragraph '17.6' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').

Opinion

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of Cholamandalam Investment and Finance Company ('the Company') as at 31 March 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the 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.

6. 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 with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

7. A company's internal financial controls with reference to the 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 the Standalone Financial Statements include 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 B to Independent Auditor's Report (Contd.)

Annexure 'B' to the Independent Auditor's Report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2026

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the 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 the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B.K. Khare & Co.
Chartered Accountants
Firm Registration Number- 105102W

Shirish Rahalkar
Partner
ICAI Membership Number: 111212
UDIN: 26111212IUGWFH6446

Place : Chennai
Date : 30 April 2026

For KKC & Associates LLP
Chartered Accountants (formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Devang Doshi
Partner
ICAI Membership Number: 140056
UDIN: 26140056LZYEMA5897

Place : Chennai
Date : 30 April 2026

Standalone Balance Sheet As at March 31, 2026

₹ in crores

	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Financial Assets			
Cash and Cash Equivalents	5	8,312.40	5,278.19
Bank Balances other than Cash and Cash Equivalents	6	6,298.99	4,122.49
Derivative financial instruments	7	1,701.06	203.32
Receivables	8		
i) Trade Receivables		289.56	187.58
ii) Other Receivables		202.20	116.64
Loans	9	2,17,571.16	1,81,929.90
Investments	10	6,638.05	6,390.39
Other Financial Assets	11	840.48	349.74
		2,41,853.90	**1,98,578.25**
Non- Financial Assets			
Current Tax Assets(Net)		29.47	216.45
Deferred Tax Assets (Net)	12	1,158.32	946.72
Investment Property	13	0.13	0.13
Property, Plant and Equipment	14	1,834.03	1,746.85
Capital Work in Progress	49	18.29	3.69
Intangible Assets Under Development	49	14.50	7.22
Other Intangible Assets	15	28.50	24.96
Other Non-Financial Assets	16	132.71	123.32
		3,215.95	**3,069.34**
TOTAL ASSETS		**2,45,069.85**	**2,01,647.59**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	7	86.45	284.60
Payables			
(I) Trade Payables	20		
i) Total outstanding dues of micro and small enterprises		13.19	14.33
ii) Total outstanding dues of creditors other than micro and small enterprises		103.65	134.90
(II) Other Payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		2,225.41	1,573.28
Debt Securities	17	40,636.05	30,133.99
Borrowings (Other than Debt Securities)	18	1,56,528.78	1,33,791.98
Subordinated Liabilities	19	13,701.73	11,020.14
Other Financial Liabilities	21	1,009.49	738.73
		2,14,304.75	**1,77,691.95**
Non-Financial Liabilities			
Provisions	22	279.21	233.62
Other Non-Financial Liabilities	23	81.87	94.62
		361.08	**328.24**
Equity			
Equity Share Capital	24A	170.48	168.25
Other Equity	24B	30,233.54	23,459.15
		30,404.02	**23,627.40**
TOTAL LIABILITIES AND EQUITY		**2,45,069.85**	**2,01,647.59**
The accompanying notes are integral part of the Standalone financial statements			

As per our report of even date
For KKC & Associates LLP
Chartered Accountants
ICAI Firm Regn No. 105146W/WI00621

Devang Doshi
Partner
Membership No: 140056

Date : April 30, 2026
Place : Chennai

For B.K. Khare & Co
Chartered Accountants
ICAI Firm Regn No. 105102W

Shirish Rahalkar
Partner
Membership No: 111212

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Managing Director
DIN: 07337155

Vellayan Subbiah
Executive Chairman
DIN: 01138759

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Standalone Statement of Profit and Loss for the year ended March 31, 2026

₹ in crores

	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from Operations			
Interest Income	25A	28,372.63	23,719.96
Net gain on derecognition of financial instruments under amortised cost category	32.1B	439.11	159.04
Fee & commission income	25B	2,053.48	1,666.45
Net gain on fair value change on financial instruments	25C	111.38	196.57
Sale of Services	25D	5.14	3.55
Total Revenue from operations (I)		**30,981.74**	**25,745.57**
Other Income (II)	26	**463.10**	**309.19**
Total Income (III) = (I) + (II)		**31,444.84**	**26,054.76**
Expenses			
Finance costs	27	14,374.20	12,484.85
Impairment of financial instruments (Net)	28	3,535.83	2,494.26
Employee benefits expense	29	4,152.80	3,280.51
Depreciation and amortisation expense	13, 14 & 15	281.32	242.12
Other expenses	30	2,140.03	1,816.15
Total Expenses (IV)		**24,484.18**	**20,317.89**
Profit before tax (V) = (III) - (IV)		**6,960.66**	**5,736.87**
Tax expense/(benefit)			
- Current tax		2,049.43	1,713.10
- Adjustment of tax relating to earlier year(s)		(38.75)	10.22
- Deferred tax	12	(269.61)	(244.98)
Net tax expense (VI)		**1,741.07**	**1,478.34**
Profit for the year (A) = (V) - (VI)		**5,219.59**	**4,258.53**
Other Comprehensive income:			
i) Items that will not be reclassified to profit or loss:			
Re-measurement gain /(loss) of Post employment benefit Obligations (net)	36	(3.80)	(14.13)
Income tax impact		0.96	3.56
ii) Items that will be reclassified to profit or loss:			
Net gain /(loss) On Cashflow Hedge Reserve		234.28	(174.92)
Income tax impact		(58.97)	44.03
Other comprehensive income/(loss) net of tax for the year (B)		**172.47**	**(141.46)**
Total comprehensive income net of tax for the year (A + B)		**5,392.06**	**4,117.07**
Earnings per equity share of ₹ 2 each			
Basic (₹)	31	61.83	50.67
Diluted (₹)		61.68	50.55
The accompanying notes are integral part of the Standalone financial statements			

As per our report of even date

For KKC & Associates LLP
Chartered Accountants
ICAI Firm Regn No. 105146W/W100621

Devang Doshi
Partner
Membership No: 140056

For B.K. Khare & Co
Chartered Accountants
ICAI Firm Regn No. 105102W

Shirish Rahalkar
Partner
Membership No: 111212

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Managing Director
DIN: 07337155

Vellayan Subbiah
Executive Chairman
DIN: 01138759

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Date : April 30, 2026
Place : Chennai

Standalone Statement of Changes in Equity for the year ended March 31, 2026

1) Current reporting period

A) Equity Share Capital (Refer Note 24A)

₹ in crores

Balance as at March 31, 2025	Changes in Equity Share capital due to prior period 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, 2026
168.25	-	**168.25**	**2.23**	**170.48**

B) Other Equity (Refer Note 24B)

₹ in crores

Particulars	Share application money pending allotment	Reserve and Surplus							Equity instruments through other comprehensive income	Effective portion of cashflow hedge	Total
		Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share Based Payments reserve			
Balance as at March 31, 2025	**1.98**	**0.04**	**4,963.91**	**33.00**	**5,739.13**	**8,534.05**	**4,110.46**	**213.24**	**(1.29)**	**(135.37)**	**23,459.15**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	**-**
Restated Balance at the beginning of the current reporting year	**1.98**	**0.04**	**4,963.91**	**33.00**	**5,739.13**	**8,534.05**	**4,110.46**	**213.24**	**(1.29)**	**(135.37)**	**23,459.15**
Profit for the year	-	-	-	-	-	5,219.59	-	-	-	-	**5,219.59**
Remeasurement of defined benefit plans	-	-	-	-	-	(2.87)	-	-	-	-	**(2.87)**
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	175.31	**175.31**
Dividends	-	-	-	-	-	(169.60)	-	-	-	-	**(169.60)**
Share Premium received on allotment of equity shares under ESOP	-	-	83.52	-	-	-	-	-	-	-	**83.52**
Share Premium received on allotment of equity shares upon Conversion of CCDs	-	-	1,368.03	-	-	-	-	-	-	-	**1,368.03**
Recognition of Share based Payments	-	-	-	-	-	-	-	86.13	-	-	**86.13**
Share application money -Pending for allotment	14.28	-	-	-	-	-	-	-	-	-	**14.28**
Transfer to reserves from Retained earings during the year	-	-	-	-	-	(1,050.00)	1,050.00	-	-	-	**-**
Balance as at March 31, 2026	**16.26**	**0.04**	**6,415.46**	**33.00**	**5,739.13**	**12,531.17**	**5,160.46**	**299.37**	**(1.29)**	**39.94**	**30,233.54**

Standalone Statement of Changes in Equity for the year ended March 31, 2026 (Contd.)

Standalone Statement of Changes in Equity for the year ended March 31, 2025

2) Previous reporting period

A) Equity Share Capital (Refer Note 24A)

₹ in crores

Balance as on March 31, 2024	Changes in Equity Share capital due to prior period 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, 2025
168.06	-	168.06	0.19	168.25

B) Other Equity (Refer Note 24B)

₹ in crores

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	Equity instruments through other comprehensive income	Effective portion of cashflow hedge	Total
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**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting year	**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**
Profit for the year	-	-	-	-	-	4,258.53	-	-	-	-	**4,258.53**
Remeasurement of defined benefit plans	-	-	-	-	-	(10.58)	-	-	-	-	**(10.58)**
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-		-	-	(130.89)	**(130.89)**
Dividends	-	-	-	-	-	(168.14)	-	-	-	-	**(168.14)**
Share Premium received on allotment of equity shares under ESOP	-	-	46.94	-	-	-	-	-	-	-	**46.94**
Recognition of Share based Payments	-	-	-	-	-	-	-	74.45	-	-	**74.45**
Share application money-Pending for allotment	0.39	-	-	-	-	-	-	-	-	-	**0.39**
Transfer to reserves from Retained earings during the year	-	-	-	-	-	(860.00)	860.00	-	-	-	**-**
Balance as at March 31, 2025	**1.98**	**0.04**	**4,963.91**	**33.00**	**5,739.13**	**8,534.05**	**4,110.46**	**213.24**	**(1.29)**	**(135.37)**	**23,459.15**

The accompanying notes are integral part of the Standalone financial statements

As per our report of even date
For KKC & Associates LLP
Chartered Accountants
ICAI Firm Regn No. 105146W/WI00621

Devang Doshi
Partner
Membership No: 140056

Date : April 30, 2026
Place : Chennai

For B.K. Khare & Co
Chartered Accountants
ICAI Firm Regn No. 105102W

Shirish Rahalkar
Partner
Membership No:111212

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Managing Director
DIN: 07337155

Vellayan Subbiah
Executive Chairman
DIN: 01138759

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Standalone Cash Flow Statement for the year ended March 31, 2026

₹ in crores

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
Cash Flow from Operating Activities				
Profit Before Tax		**6,960.66**		**5,736.87**
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	281.32		242.12	
Impairment of financial instruments	3,535.83		2,494.26	
Finance Costs	14,374.20		12,484.85	
Net gain on derecognition of financial instruments under amortised cost category	(439.11)		(159.04)	
Loss on Sale of Property plant and equipment (Net)	7.18		1.89	
Intangible Assets Under Development -Expensed off	-		1.79	
Net gain on fair value change in Mutual Funds-realised	(123.16)		(184.79)	
Net gain on sale of equity shares-realised	-		(8.63)	
Net gain on fair value change in equity shares/ other Financial Instruments -Un-realised	11.78		(3.15)	
Interest Income on bank deposits and other investments	(800.55)		(639.01)	
Dividend Income	-		(5.94)	
Interest on Income Tax Refund	(43.73)		(40.82)	
Share based payment expense	80.27		70.53	
		16,884.03		14,254.06
Operating Profit Before Working Capital Changes		**23,844.69**		**19,990.93**
Adjustments for :-				
(Increase)/Decrease in operating Assets				
Loans	(45,055.52)		(42,001.23)	
Trade receivables	(187.54)		95.24	
Other Financial Assets	(52.11)		51.69	
Other Non Financial Assets	(9.39)	(45,304.56)	(23.67)	(41,877.97)
Proceeds from de-recognition of financial assets recognised at amortised cost		5,878.90		2,000.21
Increase/(Decrease) in operating liabilities and provisions				
Payables	620.75		255.29	
Other Financial liabilities	212.90		48.26	
Provisions	45.59		40.92	
Other Non Financial liabilities	(12.75)	866.49	12.39	356.86
Cash Flow used in Operations		**(14,714.48)**		**(19,529.97)**
Finance Costs paid	(14,217.02)		(11,964.61)	
Interest Received on Bank Deposits and other investments	790.29		628.64	
		(13,426.73)		(11,335.97)
		(28,141.21)		(30,865.94)
Income tax paid (Net of refunds)		(1,779.01)		(1,538.30)
Net Cash Used in Operating Activities (A)		**(29,920.22)**		**(32,404.24)**
Cash Flow from Investing Activities				
Purchase of Property, plant and equipment, Intangible assets, Capital work-in-progress and Intangible assets under development	(263.31)		(194.48)	
Proceeds from Sale of Property, plant and equipment	22.95		12.39	
Purchase of Mutual Funds Units	(1,61,201.94)		(1,97,645.12)	
Redemption of Mutual Funds Units	1,61,325.10		1,97,829.91	
Dividend Received	-		5.94	

Standalone Cash Flow Statement for the year ended March 31, 2026

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Investment in Treasury Bill (Net)	621.89	(281.24)
Investment in STRIPS (Net)	(57.46)	(172.66)
Investment in Government Securities (Net)	(776.74)	(1,836.24)
Investment in Security receipts-ARC	(47.14)	-
Sale of Investments - Asset held for sale	-	48.86
Contribution to Corpus Fund- CSR Trust	-	(0.01)
Investment in Bank Fixed Deposits (net of withdrawals)	(2,166.15)	(633.92)
Net Cash Used in Investing Activities (B)	**(2,542.80)**	**(2,866.57)**
Cash Flow from Financing Activities		
Proceeds from issue of Share Capital (Including Securities Premium and conversion of CCDs)	1,468.06	47.52
Payment of Lease liabilities	(152.67)	(133.09)
Proceeds from issue of Debt securities	30,317.00	23,576.56
Redemption of Debt securities (including conversion of CCDs)	(19,757.94)	(18,544.12)
Proceeds from Borrowing other than debt securities	1,28,792.94	1,31,326.24
Repayment of Borrowings other than debt securities	(1,07,602.64)	(1,02,045.57)
Proceeds from issue of subordinated liabilities	2,602.00	5,760.00
Repayment of subordinated liabilities	-	(112.40)
	34,351.36	39,960.71
Dividends Paid	(169.52)	(168.11)
Net Cash generated from Financing Activities (C)	**35,497.23**	**39,707.03**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**3,034.21**	**4,436.22**
Cash and Cash Equivalents at the Beginning of the Year	5,278.19	841.97
Cash and Cash Equivalents at the End of the Year	8,312.40	5,278.19
Non-cash financing and investing activities		
Acquistion of right -of-use of assets	165.87	313.31

Refer Note 5 for the components of cash and cash equivalents

The above Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'

The accompanying notes are integral part of the Standalone financial statements

As per our report of even date

For KKC & Associates LLP
Chartered Accountants
ICAI Firm Regn No. 105146W/WI00621

Devang Doshi
Partner
Membership No: 140056

For B.K. Khare & Co
Chartered Accountants
ICAI Firm Regn No. 105102W

Shirish Rahalkar
Partner
Membership No: 111212

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Managing Director
DIN: 07337155

Vellayan Subbiah
Executive Chairman
DIN: 01138759

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Date : April 30, 2026
Place : Chennai

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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 Non Deposit taking Non-banking finance company engaged in "Investment and Credit Company" (NBFC-ND-ICC) activities. Further, it 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, Mortgage Loans, SME Loans, Unsecured Loans and Gold Loans.

2.1 Basis of preparation

Compliance with Ind AS

The Standalone financial statements of the company have been prepared and comply in all material aspects 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:

a) certain financial assets, liabilities (including derivative instruments) and share based payments - measured at fair value

b) defined benefit plans – plan assets measured at fair value

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 (₹) (functional currency) and all values are rounded to the nearest crores, except when otherwise indicated.

The regulatory disclosures as required under RBI are included as a part of the Notes to the financial statements.

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:

- normal course of business
- event of default
- event of insolvency or bankruptcy of the Company and/or its counterparties

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 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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.

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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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.

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.

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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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 at fair value when funds reach the Company.

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 hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as net gain/loss on fair value changes in the statement of profit and loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

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 ,Associates and Joint Ventures are carried at Cost and are subject to impairment assessment of every reporting period.

The Company subsequently measures all equity investments other than investment in subsidiaries and

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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	3 years
Other Equipment	5 years
Leasehold improvements	Lease period or 5 years whichever is lower
Plant and Machinery	15 years
Servers	6 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

The above estimated useful life is based on respective asset usage policy or pattern of the Company.

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.

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.

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 and internally generated 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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Intangible assets including internally generated 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 loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an assets net selling price and the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

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 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 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.

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. A corresponding amount is then recognised directly in equity. As per the Companies Act, 2013 in India, a distribution of final dividend is authorised when it is approved by the shareholders. In case of interim dividend, the distribution is authorised by the board and is recognised at the time of payment as they are revocable till actually paid.

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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

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 recognized 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.

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, 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 year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Earnings considered for Earnings per share is the net profit for the year after deducting preference dividend, if any, and attributable tax thereto for the year.

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.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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.

Further, the Company also made an investment in the Government securities, and similar instruments 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.

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

It has been the company policy to regularly review its models in the context of actual loss experience and adjust when necessary.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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.

4B. New amendments issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at the date of authorisation of these financial statements, the Company has not applied the following new amendment to Ind AS that has been issued but is not yet effective:

Amendment to Ind AS 1 Presentation of Financial Statements

Where a covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the lender subsequently (i.e. after the reporting date but before approval of the financial statements) agrees not to demand payment.

The Company does not expect that the adoption of this amendment to have any material impact on the financial statements of the Company in future periods. However, in case of breach of covenants in future, the liability for long-term borrowings will be classified as current and will become repayable on demand.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 5 CASH AND CASH EQUIVALENTS		
Cash on hand	12.30	11.91
Balances with banks		
- In Current Accounts	2,760.94	525.80
- In Deposit Accounts - Original maturity of 3 months or less	5,531.72	4,732.05
Cheques, drafts on hand	7.44	8.43
Total	**8,312.40**	**5,278.19**

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 6 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
- In Deposit Accounts - Original maturity more than 3 months	2,468.57	1,175.60
- In earmarked accounts		
- In Unpaid Dividend Accounts	0.80	0.72
- In Unclaimed Debenture Account	1.26	0.59
- Balances with banks to the extent held as Margin Money or Security against the borrowings, guarantess, other commitments"		
- Margin account for derivatives	99.84	88.01
- Deposits with Banks as collateral towards securitisation loan	3,728.44	2,857.49
- Other deposit Account on amalgamation of Cholamandalam Factoring Limited	0.08	0.08
Total	**6,298.99**	**4,122.49**

₹ in crores

Particulars	As at March 31, 2026			As at March 31, 2025		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilites	Notional amounts	Fair Value -Assets	Fair Value -Liabilites
Note : 7 DERIVATIVE FINANCIAL INSTRUMENTS						
Part I						
Currency derivatives						
(i) Cross Currency Interest Rate Swap	13,254.27	1,661.04	-	12,230.47	155.62	53.09
Interest rate derivatives						
(i) Interest rate Swaps	7,162.42	13.07	34.33	8,320.22	-	100.78
(ii) Forward Contracts	485.60	26.95	52.12	701.43	47.70	130.73
Total Derivative financial Instruments	**20,902.29**	**1,701.06**	**86.45**	**21,252.12**	**203.32**	**284.60**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
Cash flow hedging:						
Currency derivatives						
(i) Cross Currency Interest Rate Swap	13,254.27	1,661.04	-	12,230.47	155.62	53.09
Interest rate derivatives						
(i) Interest rate Swaps	7,162.42	13.07	34.33	8,320.22	-	100.78
(ii) Forward Contracts	485.60	26.95	52.12	701.43	47.70	130.73
Total Derivative financial Instruments	**20,902.29**	**1,701.06**	**86.45**	**21,252.12**	**203.32**	**284.60**

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, 2026

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 8 RECEIVABLES (Unsecured)		
(i) Trade Receivables		
Considered Good	291.79	188.93
Less: Impairment Allowance	(2.23)	(1.35)
Total	**289.56**	**187.58**
(ii) Other Receivables		
Considered Good	202.45	117.29
Less: Impairment Allowance	(0.25)	(0.65)
Total	**202.20**	**116.64**

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, 2026

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months*	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	289.36	1.37	0.96	0.10	-	**291.79**
(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	**289.36**	**1.37**	**0.96**	**0.10**	**-**	**291.79**
Less: Impairment allowance						**(2.23)**
Total						**289.56**

Trade Receivables ageing schedule for the year ended March 31, 2025

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months*	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	188.17	0.51	0.22	0.02	0.01	188.93
(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	**188.17**	**0.51**	**0.22**	**0.02**	**0.01**	**188.93**
Less: Impairment allowance						(1.35)
Total						**187.58**

* Includes unbilled revenue of ₹ 119.99 crores for the year ended March 31, 2026 (₹ 95.52 crores for the year ended March 31, 2025)

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 9 LOANS (At amortised cost)		
(A)		
(i) Bills Discounted	378.82	464.33
(ii) Leasing - Finance Lease	96.24	22.29
(iii) Term loans	2,21,466.50	1,84,853.72
Total (A) Gross	**2,21,941.56**	**1,85,340.34**
Less: Impairment Allowance for (i), (ii) & (iii)	(4,370.40)	(3,410.44)
Total (A) Net	**2,17,571.16**	**1,81,929.90**
(B)		
(i) Secured by tangible assets	2,05,123.04	1,69,023.16
(ii) Unsecured	16,818.52	16,317.18
Total (B) - Gross	**2,21,941.56**	**1,85,340.34**
Less: Impairment Allowance for (i), (ii)	(4,370.40)	(3,410.44)
Total (B) - Net	**2,17,571.16**	**1,81,929.90**
(C)		
Loans In India		
(i) Public Sector	-	-
(ii) Others	2,21,941.56	1,85,340.34
Total (C) - Gross	**2,21,941.56**	**1,85,340.34**
Less: Impairment Allowance	(4,370.40)	(3,410.44)
Total (C) - Net	**2,17,571.16**	**1,81,929.90**

Secured indicates loans secured, wholly or partly, by way of hypothecation of vehicles, tractors, construction equipment, other equipment and / or pledge of securities / gold ornaments and / or equitable mortgage of property. 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.

Loans outstanding from related parties is given below. 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.

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Loan - Outstanding Value		
Payswiff Technology Private Limited - Joint Venture-Unsecured Short term loan	6.05	17.65
E I D Parry India Limited - Promoter-Secured-long term -Finance lease	2.21	2.34
Zetwerk Manufacturing Business Private Limited -Unsecured short term loan	14.97	-
MAVCO Investments Private Limited-Promoter Group-Secured-long term -Finance lease	0.41	-
Impairment Allowance		
Payswiff Technology Private Limited - Joint Venture-Unsecured Short term loan	0.02	0.07
E I D Parry India Limited - Promoter-Secured-long term -Finance lease	0.01	0.01
Zetwerk Manufacturing Business Private Limited -Unsecured short term loan	0.06	-
MAVCO Investments Private Limited-Promoter Group-Secured-long term -Finance lease	0*	-

* represents amount less than ₹1 lakh

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, 2025	450.59	1.96	11.78	464.33	1.86	0.18	10.52	12.56
New assets originated / Increase in existing assets (Net)	362.97	0.60	3.87	367.44	1.48	0.06	3.25	4.79
Exposure de-recognised / matured / repaid	(448.06)	(0.75)	(4.12)	(452.93)	(1.84)	(0.07)	(2.40)	(4.31)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(2.61)	(1.14)	3.75	-	(0.01)	(0.11)	0.12	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 9.1 LOANS (Contd.)

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
Impact on account of exposures transferred during the period between stages	-	-	0.02	0.02	-	-	1.95	1.95
Impact of changes on items within the same stage	-	-	-	-	-	-	1.23	1.23
Write off*	-	-	(0.04)	(0.04)	-	-	(0.04)	(0.04)
Closing as on March 31, 2026	**362.89**	**0.67**	**15.26**	**378.82**	**1.49**	**0.06**	**14.63**	**16.18**
Term loans								
Opening as on April 1, 2025	1,74,957.47	4,695.02	5,201.23	1,84,853.72	631.46	416.81	2,349.53	3,397.80
New assets originated / Increase in existing assets (Net)	1,00,937.97	352.91	291.33	1,01,582.21	355.04	34.10	1,888.78	2,277.92
Exposure de-recognised / matured / repaid	(58,111.14)	(1,950.18)	(3,460.39)	(63,521.71)	(309.03)	(86.20)	(222.17)	(617.40)
Transfer to Stage 1	907.19	(791.74)	(115.45)	-	83.60	(55.69)	(27.91)	-
Transfer to Stage 2	(5,221.92)	5,278.57	(56.65)	-	(23.34)	36.84	(13.50)	-
Transfer to Stage 3	(5,088.77)	(2,117.47)	7,206.24	-	(28.27)	(219.40)	247.67	-
Impact on account of exposures transferred during the period between stages	0.19	15.75	94.29	110.23	0.12	315.57	1,004.86	1,320.55
Impact of changes on items within the same stage	851.11	0.24	157.36	1,008.71	15.56	1.45	524.42	541.43
Write off*	-	-	(2,566.66)	(2,566.66)	-	-	(2,566.66)	(2,566.66)
Closing as on March 31, 2026	**2,09,232.10**	**5,483.10**	**6,751.30**	**2,21,466.50**	**725.14**	**443.48**	**3,185.02**	**4,353.64**
Leasing - Finance Lease								
Opening as on April 1, 2025	22.29	-	-	22.29	0.09	-	-	0.09
New assets originated / Increase in existing assets (Net)	76.47	2.04	-	78.51	0.30	0.21	-	0.51
Exposure de-recognised / matured / repaid	(4.56)	-	-	(4.56)	(0.02)	-	-	(0.02)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	-	-
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-	-
Closing as on March 31, 2026	**94.20**	**2.04**	**-**	**96.24**	**0.37**	**0.21**	**-**	**0.58**
Bills Discounted								
Opening as on April 1, 2024	736.85	4.98	11.94	753.77	5.91	0.48	10.14	16.53
New assets originated / Increase in existing assets (Net)	450.67	1.88	2.92	455.47	1.85	0.19	2.62	4.66
Exposure de-recognised / matured / repaid	(731.00)	(1.00)	(3.01)	(735.01)	(5.88)	(0.10)	(0.80)	(6.78)
Transfer to Stage 1	0.09	-	(0.09)	-	0.03	-	(0.03)	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(6.02)	(3.90)	9.92	-	(0.05)	(0.39)	0.44	-
Impact on account of exposures transferred during the period between stages	-	-	0.03	0.03	-	-	8.05	8.05
Impact of changes on items within the same stage	-	-	-	-	-	-	0.03	0.03
Write off*	-	-	(9.93)	(9.93)	-	-	(9.93)	(9.93)
Closing as on March 31, 2025	**450.59**	**1.96**	**11.78**	**464.33**	**1.86**	**0.18**	**10.52**	**12.56**
Term loans								
Opening as on April 1, 2024	1,39,341.55	3,216.81	3,632.87	1,46,191.23	535.47	285.78	1,682.93	2,504.18
New assets originated	86,715.71	504.04	448.55	87,668.30	312.34	58.95	1273.35	1,644.64
Exposure de-recognised / matured / repaid	(44,161.49)	(1,683.91)	(2,546.02)	(48,391.42)	(243.42)	(71.12)	(220.51)	(535.05)
Transfer to Stage 1	607.04	(523.29)	(83.75)	-	59.81	(39.35)	(20.46)	-
Transfer to Stage 2	(4,473.17)	4,508.12	(34.95)	-	(24.18)	32.92	(8.74)	-
Transfer to Stage 3	(3,859.15)	(1,341.22)	5,200.37	-	(21.30)	(133.58)	154.89	0.01
Impact on account of exposures transferred during the period between stages	0.11	14.40	63.95	78.46	-	281.58	717.14	998.72
Impact of changes on items within the same stage	786.87	0.07	111.91	898.85	12.74	1.63	362.63	377.00
Write off*	-	-	(1,591.70)	(1,591.70)	-	-	(1,591.70)	(1,591.70)
Closing as on March 31, 2025	**1,74,957.47**	**4,695.02**	**5,201.23**	**1,84,853.72**	**631.46**	**416.81**	**2,349.53**	**3,397.80**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 9.1 LOANS (Contd.)

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
Leasing - Finance Lease								
Opening as on April 1, 2024	-	-	-	-	-	-	-	-
New assets originated / Increase in existing assets (Net)	22.29	-	-	22.29	0.09	-	-	0.09
Exposure de-recognised / matured / repaid	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	-	-
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-	-
Closing as on March 31, 2025	**22.29**	**-**	**-**	**22.29**	**0.09**	**-**	**-**	**0.09**

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
*write off includes Loss on disposal of collateral

Note : 9.2 OVERDUE GREATER THAN 90 DAYS

₹ in crores

No. of loan accounts	Overdue Instalments*	Principal outstanding (not yet due)
As on March 31, 2026		
2,05,898	2,600.39	4,079.08
As on March 31, 2025		
1,96,892	2,172.27	3,167.21

*Overdue instalments include principal and interest overdue

Note : 10 INVESTMENTS

₹ in crores

Investments	As at March 31, 2026							As at March 31, 2025						
	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total
		Through Other Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss					Through Other Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss			
Government Securities	4,152.05	-	-	-	-	-	4,152.05	3,375.31	-	-	-	-	-	3,375.31
Treasury Bill	1,099.52	-	-	-	-	-	1,099.52	1,721.41	-	-	-	-	-	1,721.41
STRIPS	829.37	-	-	-	-	-	829.37	771.91	-	-	-	-	-	771.91
Debt Securities-Convertible Note (Fair value on acquistion - ₹ 10 crores)	-	-	0	-	-	-	-	-	-	0	-	-	-	-
Others	-	-	35.36	-	35.36	0.01	35.37	-	-	-	-	-	0.01	0.01
Equity Instruments														
Subsidiaries	-	-	-	-	-	64.90	64.90	-	-	-	-	-	64.90	64.90
Associates	-	-	-	-	-	9.75	9.75	-	-	-	-	-	9.75	9.75

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 10 INVESTMENTS (Contd.)

Investments	As at March 31, 2026							As at March 31, 2025						
	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total
		Through Other Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss					Through Other Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss			
Joint Ventures	-	-	-	-	-	456.82	456.82	-	-	-	-	-	456.82	456.82
Other equity investments	-	1.31	-	-	1.31	-	1.31	-	1.32	-	-	1.32	-	1.32
Total Gross (A)	**6,080.94**	**1.31**	**35.36**	**-**	**36.67**	**531.48**	**6,649.09**	**5,868.63**	**1.32**	**-**	**-**	**1.32**	**531.48**	**6,401.43**
Investments outside India	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Investments In India	**6,080.94**	**1.31**	**35.36**	**-**	**36.67**	**531.48**	**6,649.09**	**5,868.63**	**1.32**	**-**	**-**	**1.32**	**531.48**	**6,401.43**
Total (B)	**6,080.94**	**1.31**	**35.36**	**-**	**36.67**	**531.48**	**6,649.09**	**5,868.63**	**1.32**	**-**	**-**	**1.32**	**531.48**	**6,401.43**
Allowance for Impairment (C)	**-**	**1.29**	**-**		**1.29**	**9.75**	**11.04**	**-**	**1.29**	**-**	**-**	**1.29**	**9.75**	**11.04**
Total Net (D) =(A)-(C)	**6,080.94**	**0.02**	**35.36**	**-**	**35.38**	**521.73**	**6,638.05**	**5,868.63**	**0.03**	**-**	**-**	**0.03**	**521.73**	**6,390.39**

All Instruments except Government Securities,Treasury Bill and STRIPS are Unquoted

Note 1: The company has made an of ₹ 456 crores in the Joint venture, engaged in the business of omni-channel payment transaction processing services. Based on an independent valuation and in the opinion of the management, considering the future business potential, no impairment provision is required for this investment.

Note 2: During the previous year the company has provided the provision for investment in Vishvakarma Payments Private Limited (Associate).

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 11 OTHER FINANCIAL ASSETS		
Unsecured - considered good		
At amortised cost		
Security deposits	54.61	46.68
Other advances*	102.92	16.51
Interest only strip receivable	683.03	286.63
Gross Total	**840.56**	**349.82**
Less: Impairment Allowance	(0.08)	(0.08)
Net Total	**840.48**	**349.74**

*Amount for which services are yet to be received.

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 12 DEFERRED TAX		
Deferred Tax Assets		
Impairment allowance for financial instruments	1,044.21	808.91
Provision for Contingencies and Undrawn commitments	15.96	13.58
Provision for Compensated Absences and Gratuity	82.91	47.80
Difference between Depreciation as per Books of Account and the Income Tax Act,1961	33.59	24.97
Cash flow hedge reserve	-	45.53
Others	37.64	35.03
(A)	**1,214.31**	**975.82**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 12 DEFERRED TAX

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	0.92	0.92
Impact of Effective interest rate adjustment on Financial Assets	41.64	28.18
Cash flow hedge reserve	13.43	-
(B)	**55.99**	**29.10**
Net Deferred Tax Assets (A) - (B)	**1,158.32**	**946.72**

₹ in crores

Particular	Year ended March 31, 2026 Income Statement	Year ended March 31, 2026 OCI	Year ended March 31, 2025 Income Statement	Year ended March 31, 2025 OCI
Deferred Tax Assets				
Impairment allowance for financial instruments	(235.30)	-	(205.45)	-
Provision for Contingencies and Undrawn commitments	(2.38)	-	(1.02)	-
Provision for Compensated Absences and Gratuity	(34.15)	(0.96)	(14.18)	(3.56)
Difference between Depreciation as per Books of Account and the Income Tax Act,1961	(8.62)	-	(6.08)	-
Others	(2.62)	-	(15.53)	-
(A)	**(283.07)**	**(0.96)**	**(242.26)**	**(3.56)**
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	-	-	0.01	-
Impact of Effective interest rate adjustment on Financial Assets	(13.46)	-	2.71	-
Cash flow hedge reserve	-	(58.97)	-	44.03
(B)	**(13.46)**	**(58.97)**	**2.72**	**44.03**
Net deferred tax charge/(reversal) (A) - (B)	**(269.61)**	**58.01**	**(244.98)**	**(47.59)**

Note : 13 INVESTMENT PROPERTY

₹ in crores

Particular	
Gross carrying amount as at April 01, 2024	**0.14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2025	**0.14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2026	**0.14**
Accumulated depreciation and impairment	
Balance as at April 1, 2024	**0.01**
Depreciation for the year*	-
Depreciation on disposals	-
Balance as at March 31, 2025	**0.01**
Depreciation for the year *	-
Depreciation on disposals	-
Balance as at March 31, 2026	**0.01**
Net Carrying amount	
As at March 31, 2025	**0.13**
As at March 31, 2026	**0.13**
Useful Life of the asset (In Years)	60
Method of depreciation	Straight line method

*represents amount less than ₹ 1 lakh

The Company's investment property consists of 4 properties and includes one let out property as at March 31, 2026.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

i) Income earned and expense incurred in connection with investment property

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
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	0.01	0.01

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, 2026	As at March 31, 2025
Investment Property (₹ in crores)	2.35	3.21

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, 2026	Professional valuer	Price per Sq. feet	₹ 7,050 - ₹ 8,500 per Sq. feet	5%	2.35	0.12
Investment Property As at March 31, 2025	Professional valuer	Price per Sq. feet	₹ 8,500 - ₹ 15,000 per Sq. feet	5%	3.21	0.16

vi) The Title Deeds of the Immovable Properties mentioned above are in the name of the company

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, 2024	**842.75**	**3.66**	**204.52**	**56.12**	**57.27**	**112.69**	**129.61**	**52.64**	**617.53**	**2,076.79**
Additions	0.07	-	52.02	18.77	6.34	50.91	46.35	0.11	313.31	487.88
Disposals	-	-	59.23	8.45	6.51	12.11	20.06	-	221.87	328.23
Gross carrying amount as at March 31, 2025	**842.82**	**3.66**	**197.31**	**66.44**	**57.10**	**151.49**	**155.90**	**52.75**	**708.97**	**2,236.44**
Additions	21.28	-	53.35	16.85	9.01	30.64	84.65	2.73	165.87	384.38
Disposals	-	-	21.75	3.13	2.66	6.51	57.53	0.01	31.46	123.05
Gross carrying amount as at March 31, 2026	**864.10**	**3.66**	**228.91**	**80.16**	**63.45**	**175.62**	**183.02**	**55.47**	**843.38**	**2,497.77**
Accumulated depreciation / amortisation and impairment										
Balance as at April 1, 2024	**-**	**0.14**	**132.00**	**30.13**	**29.68**	**56.43**	**28.19**	**3.30**	**262.92**	**542.79**
Depreciation for the year	-	0.24	50.33	9.15	7.38	20.87	28.69	1.08	107.06	224.80
Depreciation on disposals	-	-	59.05	8.09	6.49	11.15	7.69	-	185.53	278.00
Balance as at March 31, 2025	**-**	**0.38**	**123.28**	**31.19**	**30.57**	**66.15**	**49.19**	**4.38**	**184.45**	**489.59**
Depreciation for the year	-	0.24	52.77	12.10	8.89	28.90	33.97	1.19	123.87	261.93
Depreciation on disposals	-	-	21.27	2.82	2.66	6.44	28.26	0.01	26.32	87.78
Balance as at March 31, 2026	**-**	**0.62**	**154.78**	**40.47**	**36.80**	**88.61**	**54.90**	**5.56**	**282.00**	**663.74**
Net Carrying amount										
As at March 31, 2025	**842.82**	**3.28**	**74.03**	**35.25**	**26.53**	**85.34**	**106.71**	**48.37**	**524.52**	**1,746.85**
As at March 31, 2026	**864.10**	**3.04**	**74.13**	**39.69**	**26.65**	**87.01**	**128.12**	**49.91**	**561.38**	**1,834.03**
Useful Life of the asset (In Years)		15	3/6	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, 2026

1. 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.
2. The Title Deeds of the Immovable Properties mentioned above are in the name of the company.
3. Company has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2026 and year ended March 31, 2025.

₹ in crores

Particulars	Computer Software
Note : 15 INTANGIBLE ASSETS	
Gross carrying amount as at April 1, 2024	**111.80**
Additions	19.66
Deletions	0.83
Gross carrying amount as at March 31, 2025	**130.63**
Additions	22.92
Deletions	-
Gross carrying amount as at March 31, 2026	**153.55**
Accumulated Amortization and impairment	
Balance as at April 1, 2024	**88.79**
Amortization for the year	17.32
Amortization on deletions	0.44
Balance as at March 31, 2025	**105.67**
Amortization for the year*	19.38
Amortization on deletions	-
Balance as at March 31, 2026	**125.05**
Net Carrying amount	
As at March 31, 2025	**24.96**
As at March 31, 2026	**28.50**
Useful Life of the asset (In Years)	3
Method of depreciation	Straight line method

* Includes Internally generated software

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 16 OTHER NON FINANCIAL ASSETS		
Prepaid expenses	69.69	60.16
Capital advances	4.08	3.63
GST Input Credit	8.31	13.03
Others*	50.63	46.50
Total	**132.71**	**123.32**

*Includes amount paid towards disputed legal/tax matters and Stamps

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 17 DEBT SECURITIES (at Amortised cost)		
Redeemable Non-Convertible Debentures		
Medium-Term - Secured	29,322.12	24,088.19
Compulsorily Convertible Debentures-Unsecured	653.57	2,074.06
Commercial Papers - Unsecured	10,660.36	3,971.74
Total	**40,636.05**	**30,133.99**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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, and other loans.

ii) TERMS OF THE COMPULSORILY CONVERTIBLE DEBENTURES (CCD)

Each CCD has a face vaule of ₹ 100,000 and shall constitute an unsecured and unsubordinated (as between other unsecured creditors) obligation of the Company.

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 is 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 the 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 or 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 the 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 the 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, 2026

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 ₹ in crores		Due date of redemption	Rate of interest %
		March 31, 2026	March 31, 2025		
32,85,035	1,000	-	328.50	Jun-25	8.25
5,000	10,00,000	-	500.00	Jul-25	7.92
5,000	10,00,000	-	500.00	Nov-25	8.45
17,34,226	1,000	-	173.42	Dec-25	8.40
6,050	10,00,000	-	605.00	Dec-25	8.30
11,35,778	1,000	-	113.58	Jan-26	8.45
8,000	10,00,000	-	800.00	Jan-26	7.9217
60,200	1,00,000	-	602.00	Mar-26	8.50
7,000	10,00,000	700.00	700.00	Apr-26	7.32
70,000	1,00,000	700.00	700.00	May-26	8.25
18,72,062	1,000	187.21	187.21	Jun-26	8.30
20,18,847	1,000	201.88	201.88	Sep-26	8.30
250	10,00,000	25.00	25.00	Nov-26	8.55
22,81,860	1,000	228.19	228.19	Dec-26	8.50
1,00,000	1,00,000	1,000.00	1,000.00	Dec-26	8.19
51,82,140	1,000	518.21	518.21	Jan-27	8.50
5,000	1,00,000	50.00	50.00	Jan-27	8.40
2,700	10,00,000	270.00	270.00	Mar-27	7.30
1,17,500	1,00,000	1,175.00	1,175.00	Mar-27	8.19
2,750	10,00,000	275.00	275.00	Apr-27	7.50
4,550	10,00,000	455.00	455.00	May-27	7.95
50,000	1,00,000	500.00	500.00	May-27	8.58
2,28,000	1,00,000	2,280.00	0.00	May-27	7.38
50,000	1,00,000	500.00	500.00	Jul-27	8.50
1,50,000	1,00,000	1,500.00	1,500.00	Sep-27	8.40
1,04,000	1,00,000	1,040.00	0.00	Sep-27	8.40
65,000	1,00,000	650.00	650.00	Feb-28	8.20
1,00,100	1,00,000	1,001.00	0.00	Feb-28	8.20
44,02,938	1,000	440.29	440.29	May-28	8.40
1,00,000	1,00,000	1,000.00	0.00	Jun-28	7.83
89,63,940	1,000	896.39	896.39	Aug-28	8.40
44,73,708	1,000	447.37	447.37	Dec-28	8.60
50,000	1,00,000	500.00	0.00	Dec-28	7.36
78,57,218	1,000	785.72	785.72	Jan-29	8.60
1,00,000	1,00,000	1,000.00	1,000.00	Feb-29	8.65
94,100	1,00,000	941.00	941.00	Mar-29	8.60
83,100	1,00,000	831.00	0.00	Mar-29	8.60
2,00,000	1,00,000	2,000.00	0.00	Mar-29	7.94
1,00,900	1,00,000	1,009.00	1,009.00	Apr-29	8.54 to 8.59
1,38,650	1,00,000	1,386.50	1,386.50	May-29	8.65
51,520	1,00,000	515.20	515.20	Jun-29	8.64
50,000	1,00,000	500.00	500.00	Jul-29	8.64
50,000	1,00,000	500.00	500.00	Oct-29	8.25
55,000	1,00,000	550.00	0.00	Oct-30	7.58
40,000	1,00,000	400.00	0.00	Jan-31	7.73
1,10,000	1,00,000	1,100.00	1,100.00	Nov-34	8.50
		28,058.96	**22,079.46**		

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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 ₹ in crores		Due date of redemption	Redemption price ₹	Premium ₹
		March 31, 2026	March 31, 2025			
74,466	1,000	0.00	7.45	Jun-25	1,156.64	156.64
5,000	10,00,000	0.00	500.00	Jun-25	12,56,740.00	2,56,740.00
850	10,00,000	0.00	85.00	Jul-25	13,53,045.00	3,53,045.00
1,250	10,00,000	0.00	125.00	Jul-25	14,61,481.00	4,61,481.00
1,26,294	1,000	0.00	12.63	Dec-25	1,175.32	175.32
1,00,942	1,000	0.00	10.09	Jan-26	1,176.40	176.40
83,500	1,000	8.35	8.35	Jun-26	1,279.15	279.15
1,12,926	1,000	11.29	11.29	Sep-26	1,279.15	279.15
1,12,696	1,000	11.27	11.27	Dec-26	1,277.58	277.58
48,858	1,000	4.89	4.89	Jan-27	1,277.29	277.29
1,000	10,00,000	100.00	100.00	Mar-27	14,22,599.00	4,22,599.00
1,24,336	1,000	12.43	12.43	May-28	1,497.40	497.40
96,548	1,000	9.65	9.65	Aug-28	1,497.41	497.41
89,123	1,000	8.91	8.91	Dec-28	1,511.28	511.28
25,903	1,000	2.59	2.59	Jan-29	1,511.28	511.28
		169.38	**909.55**			

(iii) Compulsorily Convertible Debentures

No. of Debentures	Face Value ₹	Balance as at ₹ in crores		Due date of redemption	Put option date	Rate of interest %
		March 31, 2026	March 31, 2025			
2,00,000	1,00,000	630.00	2,000.00	NA	NA	7.50%
		630.00	**2,000.00**			

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 18 BORROWINGS (Other than Debt Securities) at amortised cost		
A) Term Loans		
i) From Banks - Secured		
- Rupee Loans	89,567.48	76,466.27
- External Commercial Borrowings	14,876.29	12,349.08
ii) From Other Parties - Secured		
- Financial Institutions		
- Rupee Loans	15,073.06	12,564.31
- External Commercial Borrowings	639.60	877.28
- Securitisation - Rupee Loans	31,552.44	26,666.52
B) Loan repayable on demand - Secured From Banks - Rupee Loans	4,819.91	4,868.52
Total	**1,56,528.78**	**1,33,791.98**
Borrowings within India	1,41,012.89	1,20,565.62
Borrowings Outside India	15,515.89	13,226.36
	1,56,528.78	**1,33,791.98**

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 Vehicle Finance and Loans against Immovable Property and Home Loans, other 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

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2026	Amount outstanding March 31, 2025
Base Rate / MCLR	< 1year	1	500.00	50.00
		2	2,900.00	1,400.00
		3	75.00	225.00
		4	2,027.22	2,998.89
	1 - 2 years	1	500.00	500.00
		2	2,950.00	1,400.00
		3	123.75	-
		4	1,862.22	2,598.89
	2 - 3 years	1	-	500.00
		2	2,900.00	1,450.00
		3	532.50	241.67

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026	Amount outstanding March 31, 2025
		4	945.00	2,176.67
	3 - 4 years	1	445.00	-
		2	2,100.00	1,400.00
		3	-	232.50
		4	65.00	1,644.44
	4 - 5 years	1	216.25	450.00
		2	1,100.00	600.00
		4	-	300.00
Base Rate/ MCLR spread (0.10% to 0.20%)	< 1year	1	-	1,000.00
		4	1,857.14	2,652.14
	1 - 2 years	2	428.57	-
		3	562.50	-
		4	250.00	2,652.14
	2 - 3 years	2	-	428.57
		3	-	686.25
		4	250.00	880.00
	3 - 4 years	3	-	300.00
		4	-	495.00
	4- 5 years	1	-	45.00
		4	-	65.00
	> 5 Years	1	-	16.25
Rate based on T Bill	> 1year	4	20.00	20.00
	1-2 years	4	20.00	20.00
	2-3 years	4	15.00	20.00
		3	-	15.00
Rate based on T Bill + Spread (0.47% to 2.85%)	< 1 year	1	5,083.81	4,460.00
		2	2,839.29	2,238.21
		3	321.43	45.00
		4	7,780.90	7,470.36
		8	325.00	-
	1 - 2 years	1	1,620.24	1,817.14
		2	2,232.14	2,739.29
		3	1,125.00	321.43
		4	3,900.54	5,468.22
	2 - 3 years	1	1,166.67	1,553.57
		2	821.50	2,394.64
		3	-	750.00
		4	2,996.43	1,400.36
	3 - 4 years	1	309.00	1,100.00
		2	36.40	721.50
		4	2,425.08	358.75
	4 - 5 years	1	-	250.00
		2	270.00	36.40
		3	195.00	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026	Amount outstanding March 31, 2025
		4	1,400.06	-
	>5 Years	1	52.00	-
Fixed Rate (6.32% to 8.45%)	< 1year	1	1,350.00	1,684.00
		2	932.22	1,032.22
		4	2,108.12	2,119.80
		7	97.22	-
		12	-	166.67
	1 - 2 years	1	1,007.78	1,350.00
		2	50.00	932.22
		3	420.00	-
		4	1,556.12	2,024.80
		7	-	97.22
	2 - 3 years	1	263.77	1,007.78
		2	801.00	50.00
		3	68.32	420.00
		4	1,226.96	1,472.80
	3 - 4 years	1	41.10	113.77
		2	-	801.00
		3	435.00	68.32
		4	400.00	1,143.60
	4 - 5 years	1	-	41.10
		2	200.00	-
		3	-	435.00
		4	-	400.00
	>5 years	2	-	200.00
Repo rate	< 1year	2	2,030.00	450.00
		3	125.19	37.50
		4	8,385.71	3,114.05
	1 - 2 years	1	150.00	-
		2	2,031.11	460.00
		3	1,516.67	-
		4	5,856.94	3,119.05
	2 - 3 years	1	64.88	50.00
		2	2,313.65	661.11
		3	918.75	450.00
		4	5,555.11	1,876.83
	3 - 4 years	1	281.25	64.88
		2	2,832.50	743.65
		3	168.75	468.75
		4	2,260.67	975.00
	4 - 5 years	1	285.00	75.00
		2	2,300.00	300.00
		3	300.00	-
		4	435.67	600.00

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026	Amount outstanding March 31, 2025
	> 5 Years	1	550.00	-
		2	70.88	-
Overnight MIBOR +Spread (0.89% to 1.55%)	< 1year	1	43.75	-
	2	111.11	111.11	
		4	194.08	352.52
	1 - 2 years	1	55.56	43.75
		2	-	111.11
		3	62.44	-
		4	-	194.08
	2 - 3 years	1	55.56	55.56
		3	-	62.44
		4	83.25	-
	3 - 4 years	1	-	55.56
		2	41.63	-
		4	-	83.25
	4 - 5 years	2	-	41.63
USD 3M SOFR + Spread	< 1year	4	269.91	243.52
	1-2 years	1	4,030.38	-
		4	269.91	243.52
	2-3 years	1	67.48	3,636.30
		4	-	243.52
	3 - 4 years	1	-	60.88
USD 6M SOFR + Spread	< 1year	1	3,319.14	855.60
	1-2 years	1	3,195.86	2,994.60
	2 - 3 years	1	1,896.65	2,883.37
EURO 3M EURIBOR +Spread	1-2 years	1	2,452.41	-
	2-3 years	1	-	2,082.15
Total			**1,23,085.10**	**1,03,948.87**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026	Amount outstanding March 31, 2025
Fixed (4% to 8.65%)	Less than 1 year	11,902.44	11,113.27
	1-2 year	8,925.54	8,121.35
	2-3 year	5,067.50	4,833.49
	3-4 year	2,097.72	1,870.72
	4-5 year	419.07	458.84
	more than 5 years	69.13	115.99
Total		**28,481.40**	**26,513.66**
Floating	Less than 1 year	1,272.44	19.89
Base Rate/ MCLR - spread (0.75% to 1.30%)	1-2 year	979.53	17.14
	2-3 year	639.45	14.56
	3-4 year	100.64	11.12
	4-5 year	2.86	9.07
	more than 5 years	10.42	36.99
Total		**3,005.34**	**108.77**

18.3 No borrowings are guaranteed by directors and /or others.

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 19 SUBORDINATED LIABILITIES (at amortised cost)		
Perpetual Debt - Unsecured	2,697.59	2,593.20
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	408.52	408.32
b) Other Subordinated Debts	10,595.62	8,018.62
Total	**13,701.73**	**11,020.14**

i) All Subordinated liabilities have been contracted in India except for Rupee denominated bonds.
ii) 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 ₹ in crore March 31, 2026	Balance as at ₹ in crore March 31, 2025	Due date of redemption	Rate of interest %
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	300.00	May-30	8.75
11,000	1,00,000	110.00	110.00	Apr-31	9.00

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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 ₹ in crore		Due date of redemption	Rate of interest %
		March 31, 2026	March 31, 2025		
2,00,000	1,00,000	2,000.00	2000.00	Jun-31	9.10
200	1,00,00,000	200.00	200.00	Oct-31	7.90
150	1,00,00,000	150.00	150.00	Feb-32	8.10
1,00,000	1,00,000	1,000.00	1000.00	Mar-32	9.05
50,000	1,00,000	500.00	0.00	Apr-32	8.75
50,200	1,00,000	502.00	0.00	Jun-32	8.57
50,000	1,00,000	500.00	0.00	Nov-32	8.40
290	1,00,00,000	290.00	290.00	Dec-32	8.65
1,00,000	1,00,000	1,000.00	0.00	Feb-33	8.66
20,500	1,00,000	205.00	205.00	Oct-33	8.85
20,000	1,00,000	200.00	200.00	Nov-33	8.85
20,010	1,00,000	200.10	200.10	Mar-34	8.85
15,000	1,00,000	150.00	150.00	Jun-34	9.00
1,00,000	1,00,000	1,000.00	1000.00	Dec-34	8.92
50,000	1,00,000	500.00	500.00	Jan-35	9.00
		10,647.10	**8,145.10**		

(ii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at ₹ in crore		Call Option Date#	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31, 2026	March 31, 2025		
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	30.00	Jun-33	9.40

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

19.1 Details of Subordinated Liabilities - Contractual principal repayment value (Contd.)

(ii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at ₹ in crore		Call Option Date#	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31, 2026	March 31, 2025		
200	1,00,00,000	200.00	200.00	Jun-33	9.25
400	5,00,000	20.00	20.00	Sep-33	9.25
1,000	1,00,00,000	1,000.00	1,000.00	Aug-34	9.50
100	1,00,00,000	100.00		Aug-35	9.25
		2,576.00	2,476.00		

#Company can redeem using call option date with prior approval of RBI.

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 20 Trade Payables		
- Micro and Small enterprises	13.19	14.33
- Other than Micro and Small enterprises	103.65	134.90
	116.84	**149.23**

Trade Payables ageing schedule for the year ended March 31, 2026

₹ 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	14.49	-	-	-	14.49
(ii) Others	96.55	3.27	1.22	1.31	102.35
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**111.04**	**3.27**	**1.22**	**1.31**	**116.84**

Trade Payables ageing schedule for the year ended March 31, 2025

₹ 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	14.33	-	-	-	14.33
(ii) Others	126.18	7.43	1.26	0.03	134.90
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**140.51**	**7.43**	**1.26**	**0.03**	**149.23**

There are no balances not due or unbilled for the year ended March 31, 2026 and March 31, 2025

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 21 OTHER FINANCIAL LIABILITIES		
Unpaid dividend	0.80	0.72
Advance from customers	66.67	41.40
Security deposits received	18.30	7.71
Collections towards derecognised assets pending remittance	256.71	90.10
Lease liability (Refer note 48)	614.10	556.32
Other liabilities*	52.91	42.48
Total	**1,009.49**	**738.73**

*represents amount payable to insurance partners

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 22 PROVISIONS		
Provision for Employee Benefits		
- Compensated absences	215.81	179.66
	215.81	**179.66**
Other Provisions		
Provision for contingencies and disputed claims	40.29	39.54
Provision for expected credit loss towards undrawn commitments	23.11	14.42
	63.40	**53.96**
Total	**279.21**	**233.62**

Changes in Provisions

Particulars	As at March 31, 2025	Additional Provision	Utilization/ Reversal	As at March 31, 2026
Provision for Contingencies and disputed claims	39.54	0.75	-	40.29
Provision for Undrawn commitments	14.42	8.69	-	23.11
Particulars	**As at March 31, 2024**	**Additional Provision**	**Utilization/ Reversal**	**As at March 31, 2025**
Provision for Contingencies and disputed claims	39.54	-	-	39.54
Provision for Undrawn commitments	10.37	9.23	(5.18)	14.42

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 23 OTHER NON FINANCIAL LIABILITIES		
Income received in advance	4.76	5.41
Statutory liabilities	76.30	87.78
Others	0.81	1.43
Total	**81.87**	**94.62**

₹ in crores

Particulars	As at March 31, 2026 Nos.	Amount	As at March 31, 2025 Nos.	Amount
Note : 24 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
		740.00		740.00
ISSUED				
Equity Shares of ₹ 2 each with voting rights	85,27,20,939	170.54	84,16,24,675	168.32
SUBSCRIBED AND FULLY PAID UP				
Equity Shares of ₹ 2 each with voting rights	85,20,37,169	170.41	84,09,40,905	168.18
Add : Forfeited Shares	6,54,500	0.07	6,54,500	0.07
		170.48		**168.25**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 24 A) EQUITY SHARE CAPITAL (Contd.)

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

₹ in crores

	As at March 31, 2026		As at March 31, 2025	
	Nos.	Amount	Nos.	Amount
Equity Shares				
At the beginning of the year (₹2/- each)	84,09,40,905	168.18	83,99,68,962	167.99
Issued during the year				
a) a) Conversion of CCDs	98,74,127	1.97	-	-
b) Employees Stock Option (ESOP) Scheme	12,22,137	0.24	9,71,943	0.19
Outstanding at the end of the year - ₹2/- each	**85,20,37,169**	**170.39**	**84,09,40,905**	**168.18**
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.

(ii) Terms/rights attached to Compulsory convertible Debentures

The Company had on October 05, 2023 allotted 2,00,000, 7.5% Compulsorily Convertible Debentures (CCDs) of face value ₹ 1,00,000/- each to eligible qualified institutional buyers at an Issue Price of ₹ 1,00,000/- per CCD. Further, pursuant to the placement document, the CCDs have an early conversion option on or after September 30, 2025. Up to March 31, 2026, 1,37,000 CCDs were converted into 98,74,127 equity shares.

b) Equity Shares held by Holding Company

	As at March 31, 2026	As at March 31, 2025
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	37,28,85,889

c) Details of shareholding more than 5% shares in the Company

Equity Shares	As at March 31, 2026		As at March 31, 2025	
	Nos.	% holding in the class	Nos.	% holding in the class
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	43.76	37,28,85,889	44.34

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 below shareholding represents both legal and beneficial ownership of shares.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 24 A) EQUITY SHARE CAPITAL (Contd.)

Details of Shareholding of promoters and promoter Group as on March 31, 2026

Promoters Name	Category	No. of shares as on March 31, 2026	% to shares	No. of shares as on March 31, 2025	% to shares	% Change during the year
Valli Annamalai	Promoter Group	2,96,890	0.03	12,500	0.00	-0.03
M A M Arunachalam	Promoter	1,65,752	0.02	1,65,752	0.02	-
Arun Alagappan	Promoter	8,65,000	0.10	8,65,000	0.10	-
M.A.Alagappan	Promoter	24,88,760	0.29	24,88,760	0.30	0.01
Lakshmi Chockalingam	Promoter Group	1,03,125	0.01	1,32,625	0.02	0.01
A Vellayan	Promoter	-	-	1,35,785	0.02	0.02
Lalitha Vellayan	Promoter Group	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	Promoter Group	50,255	0.01	50,255	0.01	-
M M Murugappan	Promoter	21,035	0.00	21,035	0.00	-
A M Meyyammai	Promoter Group	25,188	0.00	25,188	0.00	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	Promoter	10,000	0.00	10,000	0.00	-
Meenakshi Murugappan	Promoter Group	245	0.00	245	0.00	-
Valli Alagappan	Promoter Group	5,200	0.00	5,200	0.00	-
A Venkatachalam	Promoter	4,93,990	0.06	2,09,605	0.02	-0.04
V Narayanan	Promoter	4,64,082	0.05	2,54,000	0.03	-0.02
V Arunachalam	Promoter	4,52,598	0.05	2,42,515	0.03	-0.02
Arun Venkatachalam	Promoter	4,10,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	Promoter Group	20,000	0.00	20,000	0.00	-
Vedika Meyyammai Arunachalam	Promoter Group	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	Promoter Group	15,960	0.00	15,960	0.00	-
M V AR Meenakshi	Promoter Group	-	-	8,53,155	0.10	0.10
A. Keertika Unnamalai	Promoter Group	1,08,881	0.01	1,08,881	0.01	-
Sigapi Arunachalam	Promoter Group	74,255	0.01	74,255	0.01	-
Uma Ramanathan	Promoter Group	23,500	0.00	23,500	0.00	-
V Vasantha	Promoter Group	1,250	0.00	1,250	0.00	-
Dhruv M Arunachalam	Promoter Group	50,000	0.01	50,000	0.01	-
Kanika Subbiah	Promoter Group	67,000	0.01	67,000	0.01	-
Pranav Alagappan	Promoter Group	3,11,440	0.04	3,11,440	0.04	-
A Venkatachalam HUF (A Venkatachalam hols shares in the capacity of Karta)	Promoter	-	-	7,000	0.00	-
A A Alagammai	Promoter Group	2,894	0.00	2,894	0.00	-
Umayal R	Promoter Group	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	Promoter Group	12,890	0.00	12,890	0.00	-
Ambadi Enterprises Ltd	Promoter	2,91,380	0.03	2,91,380	0.03	-
A M M Vellayan Sons P Ltd	Promoter Group	26,985	0.00	26,785	0.00	-
Carborundum Universal Limited	Promoter	500	0.00	500	0.00	-
E.I.D. Parry (India) Ltd.	Promoter	1,965	0.00	1,965	0.00	-
M.M. Muthiah Research Foundation	Promoter Group	1,41,750	0.02	1,41,750	0.02	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 24 A) EQUITY SHARE CAPITAL (Contd.)

Details of Shareholding of promoters and promoter Group as on March 31, 2026

Promoters Name	Category	No. of shares as on March 31, 2026	% to shares	No. of shares as on March 31, 2025	% to shares	% Change during the year
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	Promoter	3,37,21,870	3.96	3,37,21,870	4.01	0.05
Parry Enterprises India Ltd	Promoter Group	1,965	0.00	1,965	0.00	-
Cholamandalam Financial Holdings Limited (Formerly TIFinancial Holdings Ltd)	Promoter	37,28,85,889	43.76	37,28,85,889	44.34	0.58
AR Lakshmi Achi Trust	Promoter Group	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	Promoter Group	1,12,700	0.01	1,12,700	0.01	-
Murugappa Educational and Medical Foundation	Promoter Group	1,965	0.00	1,965	0.00	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	Promoter Group	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	Promoter Group	5,50,630	0.06	5,50,630	0.07	0.01
Murugappan Arunachalam Children Trust(Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees	Promoter Group	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (Subbiah Vellayan & M.V.Subbiah, Trustees holds shares for Trust)	Promoter Group	1,99,278	0.02	1,99,278	0.02	-
V S Bhairavi Trust (M V Subbiah & Subbiah Vellayan, Trustees holds shares for Trust)	Promoter Group	1,92,246	0.02	1,92,246	0.02	-
Arun Murugappan ChildrenTrust(MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust	Promoter Group	1,41,160	0.02	1,41,160	0.02	-
MA. Alagappan Grand Children Trust (Arun Alagappan & AA Alagammai, Trustees holds shares for Trust)	Promoter Group	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	1,58,765	0.02	1,58,765	0.02	-
M V Seetha Subbiah Benefit Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	2,64,000	0.03	2,64,000	0.03	-
M.A.Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	Promoter	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)	Promoter Group	46,620	0.01	46,620	0.01	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 24 A) EQUITY SHARE CAPITAL (Contd.)

Details of Shareholding of promoters and promoter Group as on March 31, 2026

Promoters Name	Category	No. of shares as on March 31, 2026	% to shares	No. of shares as on March 31, 2025	% to shares	% Change during the year
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	2,94,130	0.03	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	2,94,130	0.03	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust	Promoter Group	1,33,000	0.02	1,33,000	0.02	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	Promoter Group	25,000	0.00	25,000	0.00	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	Promoter Group	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah & S Vellayan,Trustees holds shares for Trust)	Promoter Group	13,50,284	0.16	14,74,534	0.18	0.02
M A M Arunachalam HUF (M A M Arunachalam is the Karta of HUF)	Promoter	38	0.00	38	0.00	-
		41,96,40,045	**49.23**	**41,97,93,595**	**49.92**	**0.69**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 24 A) EQUITY SHARE CAPITAL (Contd.)

Details of Shareholding of promoters and promoter Group as on March 31, 2025

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
Valli Annamalai	Promoter Group	12,500	0.00	12,500	0.00	-
M Vellachi	Promoter Group	-	-	11,60,427	0.14	0.14
M A M Arunachalam	Promoter	1,65,752	0.02	1,65,752	0.02	-
Arun Alagappan	Promoter	8,65,000	0.10	9,50,000	0.11	0.01
M.A. Alagappan	Promoter	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	Promoter Group	1,32,625	0.02	1,32,625	0.02	-
A Vellayan	Promoter	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	Promoter Group	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	Promoter Group	50,255	0.01	50,255	0.01	-
M M Murugappan	Promoter	21,035	0.00	21,035	0.00	-
A M Meyyammai	Promoter Group	25,188	0.00	25,188	0.00	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	Promoter	10,000	0.00	10,000	0.00	-
Meenakshi Murugappan	Promoter Group	245	0.00	245	0.00	-
Valli Alagappan	Promoter Group	5,200	0.00	5,200	0.00	-
A Venkatachalam	Promoter	2,09,605	0.02	2,09,605	0.02	-
V Narayanan	Promoter	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	Promoter	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	Promoter	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	Promoter Group	20,000	0.00	20,000	0.00	-
Vedika Meyyammai Arunachalam	Promoter Group	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	Promoter Group	15,960	0.00	15,960	0.00	-
M V AR Meenakshi	Promoter Group	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	Promoter Group	1,08,881	0.01	1,08,881	0.01	-
Sigapi Arunachalam	Promoter Group	74,255	0.01	74,255	0.01	-
Uma Ramanathan	Promoter Group	23,500	0.00	23,500	0.00	-
V Vasantha	Promoter Group	1,250	0.00	1,250	0.00	-
Dhruv M Arunachalam	Promoter Group	50,000	0.01	50,000	0.01	-
Kanika Subbiah	Promoter Group	67,000	0.01	67,000	0.01	-
Pranav Alagappan	Promoter Group	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	Promoter	-	-	11,90,583	0.14	0.14
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	Promoter	7,000	0.00	7,000	0.00	-
A A Alagammai	Promoter Group	2,894	0.00	2,894	0.00	-
Umayal R	Promoter Group	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	Promoter Group	12,890	0.00	12,890	0.00	-
Ambadi Enterprises Ltd	Promoter	2,91,380	0.03	2,91,380	0.03	-
A M M Vellayan Sons P Ltd	Promoter Group	26,785	0.00	26,725	0.00	-
Carborundum Universal Limited	Promoter	500	0.00	500	0.00	-
E.I.D. Parry (India) Ltd.	Promoter	1,965	0.00	1,965	0.00	-
M.M. Muthiah Research Foundation	Promoter Group	1,41,750	0.02	1,41,750	0.02	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 24 A) EQUITY SHARE CAPITAL (Contd.)

Details of Shareholding of promoters and promoter Group as on March 31, 2025

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	Promoter	3,37,21,870	4.01	3,37,21,870	4.01	-
Parry Enterprises India Ltd	Promoter Group	1,965	0.00	1,965	0.00	-
Cholamandalam Financial Holdings Limited (Formerly TIFinancial Holdings Ltd)	Promoter	37,28,85,889	44.34	37,28,85,889	44.39	0.05
AR Lakshmi Achi Trust	Promoter Group	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	Promoter Group	1,12,700	0.01	1,12,700	0.01	-
Murugappa Educational and Medical Foundation	Promoter Group	1,965	0.00	1,965	0.00	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	Promoter Group	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	Promoter Group	5,50,630	0.07	5,50,630	0.07	-
Murugappan Arunachalam Children Trust(Sigappi Arunachalam,MAM Arunachalam, AM Meyammai are Trustees	Promoter Group	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (Subbiah Vellayan & M.V.Subbiah, Trustees holds shares for Trust)	Promoter Group	1,99,278	0.02	1,99,278	0.02	-
V S Bhairavi Trust (M V Subbiah & Subbiah Vellayan, Trustees holds shares for Trust)	Promoter Group	1,92,246	0.02	1,92,246	0.02	-
Arun Murugappan ChildrenTrust(MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust	Promoter Group	1,41,160	0.02	1,41,160	0.02	-
MA.Alagappan Grand Children Trust (Arun Alagappan & AA Alagammai, Trustees holds shares for Trust)	Promoter Group	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	1,58,765	0.02	1,58,765	0.02	-
M V Seetha Subbiah Benefit Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	2,64,000	0.03	2,64,000	0.03	-
M.A.Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	Promoter	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)	Promoter Group	46,620	0.01	46,620	0.01	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 24 A) EQUITY SHARE CAPITAL (Contd.)

Details of Shareholding of promoters and promoter Group as on March 31, 2025

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	4,74,130	0.06	0.03
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	4,74,130	0.06	0.03
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	1,33,000	0.02	3,33,000	0.04	0.02
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	Promoter Group	25,000	0.00	25,000	0.00	-
M M Venkatachalam Family Trust(M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	Promoter Group	-	-	1,22,550	0.01	0.01
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	Promoter Group	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah & S Vellayan,Trustees holds shares for Trust)	Promoter Group	14,74,534	0.18	15,24,534	0.18	-
M A M Arunachalam HUF (M A M Arunachalam is the Karta of HUF)	Promoter	38	0.00	38	0.00	-
		41,97,93,595	**49.92**	**42,29,62,095**	**50.35**	**0.43**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 24 B) OTHER EQUITY

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 24 B) OTHER EQUITY		
Statutory Reserve (Refer Note a)		
Balance at the beginning of the year	4,110.46	3,250.46
Add: Amount transferred from retained earnings	1,050.00	860.00
Closing balance at the end of the year	**5,160.46**	**4,110.46**
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	4,963.91	4,916.97
Add: Premium on conversion of CCDs into equity shares (Refer note 24A(a))	1,368.03	-
Add: Premium on ESOPs exercised	83.52	46.94
Closing balance at the end of the year	**6,415.46**	**4,963.91**
General Reserve (Refer Note e)		
Balance at the beginning of the year	5,739.13	5,739.13
Add: Amount transferred from retained earnings	-	-
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	213.24	138.79
Addition during the year	86.13	74.45
Closing balance at the end of the year	**299.37**	**213.24**
Retained Earnings (Refer Note g)		
Balance at the beginning of the year	8,534.05	5,314.24
Profit for the year	5,219.59	4,258.53
Less:		
Dividend		
Equity - Final (₹ 0.70 per share)	(58.88)	(58.82)
Equity - Interim (₹1.30 per share)	(110.72)	(109.32)
Transfer to Statutory Reserve	(1,050.00)	(860.00)
Re-measurement Gain / (Loss) on Defined Benefit Obligations (Net) transferred to Retained Earnings	(2.87)	(10.58)
Closing balance at the end of the year	**12,531.17**	**8,534.05**
Cash flow hedge reserve (Refer Note h)		
Balance at the beginning of the year	(135.37)	(4.48)
Adjustments during the year	175.31	(130.89)
Closing balance at the end of the year	**39.94**	**(135.37)**
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 for Allotment (Refer Note j)		
Balance at the beginning of the year	1.98	1.59
Add: Changes during the year	14.28	0.39
Closing balance at the end of the year	**16.26**	**1.98**
Total Other Equity	**30,233.54**	**23,459.15**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 24 B) OTHER EQUITY (Contd.)

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 annually 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 year represents the premium received towards allotment of equity 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.

e) 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.

f) 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 with corresponding charge recoginised in Statement of Profit and Loss.

g) 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 and relevant RBI Regulations. 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 Company 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, 2026 and year ended March 31, 2025.

j) Share application money pending allotment 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, 2026 (₹ 0.70 per share - March 31, 2025) 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, 2026

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
REVENUE FROM OPERATIONS		
Note : 25A		
(i) Interest Income - on financial assets measured at amortised cost		
(a) Loans		
- Bills Discounting	46.30	86.28
- Term loans	27,519.66	22,993.41
- Leasing - Finance Lease	6.12	1.26
(b) Term Deposits With Banks		
- under lien	201.61	175.58
- free of lien	188.97	134.59
(C) Others -Gsec/T-bill/STRIPS	409.97	328.84
Total (A)	**28,372.63**	**23,719.96**
Note : 25B		
i) Fee & Commission income *		
- Loans	967.22	771.08
- Insurance agency	1,075.99	895.24
- Others	10.27	0.13
Total (B)	**2,053.48**	**1,666.45**
*Services are rendered at a point in time		
Note : 25C		
Net Gain/ (Loss) on financial instruments at fair value through profit or loss		
Realised		
Mutual fund units	123.16	184.79
Sale of equity shares	-	8.63
Un-realised		
Equity Shares	-	3.15
Security receipts of ARC	(11.78)	-
Total (C)	**111.38**	**196.57**
Note : 25D		
(i) Sale of Services		
(a) Servicing and Collection fee on Assignment*	5.14	3.55
Total (D)	**5.14**	**3.55**

*Services rendered at a point in time

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Note : 26 OTHER INCOME		
Recovery of Bad debts	415.30	253.70
Interest on Tax Refund	43.73	40.82
Dividend Income	-	5.94
Rent	1.14	1.00
Miscellaneous Income	2.93	7.73
Total	**463.10**	**309.19**

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Note : 27 FINANCE COST		
Interest on financial liabilities measured at amortised cost		
- Debt securities	2,773.56	2,330.37
- Borrowings other than debt securities	10,450.76	9,401.90
- Subordinated liabilities	1,080.62	692.26
Others		
- Bank charges	19.54	19.05
- Interest on lease liability (Refer note 48)	49.72	40.94
- Interest on income tax	-	0.33
Total	**14,374.20**	**12,484.85**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Note : 28 IMPAIRMENT OF FINANCIAL INSTRUMENTS - measured at amortised cost		
- Loans*	3,535.35	2,495.41
- Receivable and other Financial assets	0.48	(1.15)
- Equity Investment in Associate/Joint Venture	-	0.00
Total	**3,535.83**	**2,494.26**

*Impairment allowance for the year ended March 31, 2026, includes ₹ 200 crores as Management overlay towards potential adverse Impact of Geo-Political risks on the loan Portfolio of the company.

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Note : 29 EMPLOYEE BENEFITS EXPENSE		
Salaries, bonus and commission	3,737.27	2,992.80
Contribution to provident and other funds		
- Employers' provident fund	167.12	134.31
- Superannuation fund	5.51	7.84
- Employee State Insurance	9.78	6.42
- National Pension Scheme	5.48	3.85
- Labour welfare fund	0.15	0.11
Share based payment Expense	80.27	70.53
Gratuity expense (Refer note 36)	103.31	33.64
Staff welfare expenses	43.91	31.01
Total	**4,152.80**	**3,280.51**

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Note : 30 OTHER EXPENSES		
Rent and facility charges	54.88	31.94
Rates and taxes	63.56	50.46
Energy cost	31.62	27.43
Repairs and maintenance	9.23	9.80
Communication costs	56.24	45.21
Printing and stationery	32.42	30.04
Advertisement and publicity expenses	55.72	23.23
Directors fees, allowances and expenses	2.36	3.20
Auditors' remuneration (Refer note 33)	1.55	1.34
Legal and professional charges	265.25	205.82
Insurance	82.13	69.64
Travelling and conveyance	198.45	186.64
Information technology expenses	108.06	94.19
Loss on sale of property, plant and equipment(Net)	7.18	1.89
Recovery charges	516.99	440.88
Corporate social responsibility expenditure (Refer note 30.1)	92.19	73.24
Outsource cost	509.09	513.32
Miscellaneous expenses (Refer note 30.2)	57.25	13.04
	2,144.17	1,821.31
Less : Expenses recovered	(4.14)	(5.16)
Total	**2,140.03**	**1,816.15**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 30 OTHER EXPENSES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
30.1 Details of CSR expenditure		
Gross Amount required to be spent towards CSR u/s 135 (5) of Companies Act , 2013 (A)	92.14	73.18
Opening excess amout spent	1.00	
Amount spent during the year (B)		
(a) Construction/ acquisition of asset	-	-
(b) Others	92.19	74.24
Excess/(shortfall) (A-B)	0.05	1.06
Excess amount carry forward to next finnacial year	0.05	1.00
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)		
30.2 Contribution to Electoral Trust	10.00	-

Note : 31

a) Earnings per share

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit After Tax Attributable to Equity Shareholders (₹ in Crore)	5,219.59	4,258.53
Weighted Average Number of Equity Shares (Basic)*	84,42,36,356	84,04,70,631
Add: Dilutive effect relating to ESOP(No's)	19,87,122	19,03,879
Weighted Average Number of Equity Shares (Diluted)**	84,62,23,479	84,23,74,510
Earnings per Share - Basic (₹)*	61.83	50.67
Earnings per Share - Diluted (₹)**	61.68	50.55
Face Value Per Share (₹)	2.00	2.00

* Represents weighted average equity shares considered for calculation of earnings per share
** Represents weighted average equity shares considered for calculation of diluted earnings per share

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 year ended 31 March, 2026 and 2025 is, as follows:

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before tax from continuing operations	6,960.66	5,736.87
Income tax amount – 25.168% of above	1,751.86	1,443.86
Effects of:		
Impact of difference in tax base for Donations and CSR Expense	25.72	18.43
Impact of Deduction u/s 80JJAA and 80M	(0.39)	(1.90)
Impact of sale transactions taxable at differential rates (net)	-	(0.93)
Other Adjustments	(38.75)	18.06
Adjustments in respect of prior years	2.63	0.82
Income tax expense reported in statement of profit and loss	1,741.07	1,478.34
Effective income tax rate	25.01%	25.77%

Note : 32 TRANSFER OF FINANCIAL ASSETS

32.1 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 (measured at amortised cost) without transferring 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, 2026

Note : 32 TRANSFER OF FINANCIAL ASSETS (Contd.)

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of transferred assets measured at amortised cost	33,225.68	27,870.58
Carrying amount of associated liabilities (Borrowings other than Debt securities - measured at amortised cost)	33,866.87	28,490.72
Fair value of assets	32,652.06	27,480.89
Fair value of associated liabilities	31,415.41	26,577.68
Net position at Fair Value	1,236.65	903.20

B) Direct bilateral assignment

The Company has, transferred certain loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the 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.

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of de-recognised financial asset	6,727.72	2,816.48
Carrying amount of Retained Assets at amortised cost	750.53	317.24

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Gain on de-recognition of financial asset	439.11	159.04

32.2 The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

Note : 33 AUDITORS' REMUNERATION

₹ in crores

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025	
		Current Auditor	Previous Auditor
Statutory Audit	0.70	0.65	-
Interim & Limited Review	0.57	0.24	0.12
Other Services	0.07	0.01	0.07
Reimbursement of Expenses (including input tax credit expensed)	0.21	0.05	0.20
Total	**1.55**	**0.95**	**0.39**
Payment towards certification fees of non - convertible debentures public issue (input tax credit expensed) is part of the amortised cost of borrowing			
Price Waterhouse LLP	-	-	0.35
Sundaram & Srinivasan	-	-	0.79
Total	**-**	**-**	**1.14**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 34 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:

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Principal amount due to suppliers under MSMED Act, as at the year end	14.49	14.33
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: 35 a) EXPENDITURE IN FOREIGN CURRENCIES

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on financial liabilities measured at amortized cost - Borrowings other than debt securities	976.34	623.91
Legal and professional charges	11.33	10.92

b) REMITTANCES IN FOREIGN CURRENCIES

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Borrowing origination costs	9.72	70.74
Travelling and conveyance	2.17	5.37
Advance paid to travel vendor	5.36	5.00
Repayment of Borrowing	1,081.48	850.57
Design consultancy charges for new building	1.77	1.52

c) There is no dividend paid in foreign currency.

Note : 36 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 ₹ 167.12 crores (Previous year - ₹ 134.31 crores) to Provident Fund under Defined Contribution Plan, ₹ 5.51 crores (Previous year - ₹ 7.84 crores) for Contributions to Superannuation Fund and ₹ 9.78 crores (Previous year – ₹ 6.42 crores) 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, 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:

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Defined Benefit Obligation at the beginning of the year	**201.39**	**154.38**
Current Service Cost	46.72	32.77
Past Service Cost	49.45	-
Interest Cost	14.59	11.03
Remeasurement Losses/(Gains)		
a) Effect of changes in demographic assumptions	(2.17)	(0.99)
b) Effect of changes in financial assumptions	(7.14)	7.33
c) Effect of experience adjustments	13.11	6.32
Benefits Paid	(12.68)	(9.45)
Defined Benefit Obligation at the end of the year	**303.28**	**201.39**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 36 RETIREMENT BENEFIT (Contd.)

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Change in Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the Year	119.23	119.35
Investment Income	7.46	10.16
Employer's Contribution	-	0.54
Benefits Paid	(12.68)	(9.45)
Return on plan assets (excluding amount recognized in net interest expense)	-	(1.46)
Transfer In/(out)	-	0.09
Fair Value of Plan Assets at the end of the year	**114.00**	**119.23**
Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the End of the Year	114.00	119.23
Defined benefit obligation at the End of the Year	303.28	(201.39)
Amount Recognised in the Balance Sheet under Other Payables	**(189.28)**	**(82.16)**
Cost of the Defined Benefit Plan for the Year		
Current Service Cost	46.72	32.77
Past Service Cost	49.45	-
Net interest Expense	14.60	11.03
Expected Return on Plan Assets	(7.46)	(10.16)
Net Cost recognized in the statement of Profit and Loss*	**103.31**	**33.64**
Remeasurement Losses/(Gains)		
a) Effect of changes in demographic assumptions	(2.17)	(0.99)
b) Effect of changes in financial assumptions	(7.14)	7.34
c) Effect of experience adjustments	13.11	6.32
d) Return on plan assets (excluding amount recognized in net interest expense)	-	1.46
Net cost recognized in Other Comprehensive Income	**3.80**	**14.13**
Assumptions		
Discount Rate	6.85%	6.50% p.a.
Future salary increases		
- CFF Grade	7.50% p.a.	7.50% p.a.
- Other Grade	7.25% p.a.	7.25% p.a.
Attrition Rate		
- CFF Grade	25.00% p.a.	25.00% p.a
- Other Grades	13.00% p.a.	13.00% p.a.
Expected rate of return on Plan Assets	7.05%-7.63% p.a.	7.00%-7.68% 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)	44.14	30.30
Between 2 and 5 years	161.35	102.82
Between 6 and 10 years	139.61	90.81
Beyond 10 Years	133.15	86.84
Total Expected Cash flows	**478.24**	**310.77**

*Recognised under Employee Benefit Expenses (Refer Note 29)

Sensitivity Analysis of defined benefit obligation:

₹ in crores

Particulars	March 31, 2026		March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount Rate (+/- 1%)	286.95	321.33	190.42	213.53
Salary Growth Rate (+/- 1%)	319.27	288.35	212.08	191.38
Attrition Rate (+/- 50% of attrition rates)	292.08	317.27	193.31	212.60
Mortality Rate (+/- 10% of mortality rates)	303.30	303.27	201.40	201.39

Notes:

1. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
2. The Company's best estimate of contribution during the next year is ₹ 245.07 crores.
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.
4. 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, 2026

Note : 36 RETIREMENT BENEFIT (Contd.)

Notes:

5. 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.
6. 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, 2026	March 31, 2025
Discount Rate	6.85% p.a.	6.50% p.a.
Future salary increases		
- CFF Grade	7.50% p.a.	7.50% p.a.
- Other Grade	7.25% p.a.	7.25% p.a.
Attrition Rate		
- CFF Grade	25.00% p.a.	25.00% p.a.
- Other Grade	13.00% p.a.	13.00% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

Notes:

1. The Company has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2026.
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 : 37 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 the year ended March 31, 2026, for management purposes, the Company has been organised into the following operating segments based on products and services.

Vehicle Finance - Loan to customers against purchase of new/used vehicles, tractors, construction equipment and loan to automobile dealers.

Loan against Property - Loan to customer against immovable property

Home Loans - Loan 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 loans, SME loans and Gold loans.

The Managing Director 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, 2026

Note : 37 SEGMENT INFORMATION (Contd.)

₹ in crores

Particulars	Year ended March 31, 2026					
	Vehicle Finance	Loan against Property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
- Interest Income	15,180.05	5,143.92	2,967.33	4,280.44	800.89	**28,372.63**
- Net gain on derecognition of financial instruments under amortised cost category	-	439.11	-	-	-	**439.11**
- Fee and commission Income	1,155.35	397.90	215.59	284.64	-	**2,053.48**
- Net gain on Fair value change on financial instrument	-	-	(8.91)	(2.87)	123.16	**111.38**
- Sale of Services	0.01	4.95	0.18	-	-	**5.14**
Segment revenue from Operations (I)	**16,335.41**	**5,985.88**	**3,174.19**	**4,562.21**	**924.05**	**30,981.74**
Other Income (II)	175.62	3.00	66.72	172.25	45.51	**463.10**
Total Segment Income - (I) + (II)	**16,511.03**	**5,988.88**	**3,240.91**	**4,734.46**	**969.56**	**31,444.84**
Expenses						
- Finance costs	7,613.76	2,867.62	1,455.73	1,857.91	579.18	**14,374.20**
- Impairment of Financial Instruments	2,121.28	141.73	197.71	1,092.92	(17.81)	**3,535.83**
- Employee benefits expense	2,433.49	545.46	445.40	704.19	24.26	**4,152.80**
- Depreciation and amortisation expense	151.89	41.87	29.96	57.40	0.20	**281.32**
- Other expenses	1,045.94	233.23	254.75	503.49	102.62	**2,140.03**
Segment Expenses	**13,366.36**	**3,829.91**	**2,383.55**	**4,215.91**	**688.45**	**24,484.18**
Segment Profit / (Loss) before taxation	**3,144.67**	**2,158.97**	**857.36**	**518.55**	**281.11**	**6,960.66**
Tax expense						**1,741.07**
Profit for the year						**5,219.59**

₹ in crores

Particulars	Year ended March 31, 2025					
	Vehicle Finance	Loan against Property	Home Loans	Others	Unallocable	Total
Revenue from Operations						
- Interest Income	12,879.22	4,136.19	2,317.01	3,746.74	640.80	**23,719.96**
- Net gain on derecognition of financial instruments under amortised cost category	-	159.04	-	-	-	**159.04**
- Fee and commission Income	1,057.59	268.81	184.05	156.00	-	**1,666.45**
- Net gain on Fair value change on financial instrument	-	-	-	-	196.57	**196.57**
- Sale of Services	1.84	1.42	0.25	0.04	-	**3.55**
Segment revenue from Operations (I)	**13,938.65**	**4,565.46**	**2,501.31**	**3,902.78**	**837.37**	**25,745.57**
Other Income (II)	167.88	7.87	0.29	82.27	50.88	**309.19**
Total Segment Income - (I) + (II)	**14,106.53**	**4,573.33**	**2,501.60**	**3,985.05**	**888.25**	**26,054.76**
Expenses						
- Finance costs	6,723.05	2,470.33	1,152.26	1,614.30	524.91	**12,484.85**
- Impairment of Financial Instruments	1,523.66	53.38	63.15	864.00	(9.93)	**2,494.26**
- Employee benefits expense	1,971.44	429.30	336.21	477.16	66.40	**3,280.51**
- Depreciation and amortisation expense	146.52	33.57	25.31	36.57	0.15	**242.12**
- Other expenses	917.65	190.32	231.55	415.25	61.38	**1,816.15**
Segment Expenses	**11,282.32**	**3,176.90**	**1,808.48**	**3,407.28**	**642.91**	**20,317.89**
Segment Profit / (loss) before taxation	**2,824.21**	**1,396.43**	**693.12**	**577.77**	**245.34**	**5,736.87**
Tax expense						**1,478.34**
Profit for the year						**4,258.53**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 37 SEGMENT INFORMATION (Contd.)

₹ in crores

Particulars	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
As on March 31, 2026						
Segment Assets	1,19,557.39	45,808.08	22,448.37	29,792.68		**2,17,606.52**
Unallocable Assets					27,463.33	**27,463.33**
Total Assets						**2,45,069.85**
Segment Liabilities	1,04,724.78	40,125.01	19,663.37	26,096.52		**1,90,609.68**
Unallocable Liabilities					24,056.15	**24,056.15**
Total Liabilities						**2,14,665.83**
As on March 31, 2025						
Segment Assets	1,01,247.83	38,927.46	18,131.26	23,623.35		**1,81,929.90**
Unallocable Assets					19,717.69	**19,717.69**
Total Assets						**2,01,647.59**
Segment Liabilities	89,384.45	34,366.26	16,006.79	20,855.36		**1,60,612.86**
Unallocable Liabilities					17,407.33	**17,407.33**
Total Liabilities						**1,78,020.19**

In computing the segment information, certain estimates and assumptions have been made by the management and is consistent with the accounting policies that are used in preparation of the financial statements

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 are in India

Note : 38 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 Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)
- **Joint Venture:** Payswiff Technologies Private Limited
- **Associate:** 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, 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, TI Clean Mobility Private Limited, CG Power and Industrial Solutions Limited, Chola Foundation, Mavco Investments Private Limited, Axiro Semiconductor private limited.
- **Private companies in which a director or manager or his relative is a member or director##:** Zetwerk Manufacturing Business Private Limited, Finance Industry Development Council, Medall Healthcare Private Limited (upto 23rd September 2024), Mavnu Investments Private Limited.
- **Firm, in which a director, manager or his relative is a partner##:** Kadamane Estates Co
- **Key Managerial Personnel (KMP):**
  - a. Mr. Vellayan Subbiah, Executive Chairman
  - b. Mr. Ravindra Kumar Kundu, Managing Director
  - c. Mr. D. Arulselvan, Chief Financial Officer
  - d. Ms. P. Sujatha, Company Secretary
- **Non-Executive Directors**
  - a) Mr. N Ramesh Rajan
  - b) Ms. Bhama Krishnamurthy
  - c) Mr. M A M Arunachalam
  - d) Mr. Anand Kumar
  - e) Mr. M R Kumar (w.e.f. 1st May, 2024)
  - f) Mr. Ramkumar Ramamoorthy (w.e.f. 26th July 2024)

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, 2026

Note : 38 RELATED PARTY DISCLOSURES (Contd.)

a) Transactions during the year

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
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	0.09	0.10
e) M A Murugappan Holdings LLP	0.02	0.02
f) Kadamane Estates Co	0.07	0.07
g) Relatives of KMP & Directors	0.10	0.09
h) Promoter and Promoter Group	2.33	2.57
Dividend Received		
a) Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	-	5.94
Amount received towards Reimbursement of expenses		
a) Cholamandalam Financial Holdings Limited	1.95	1.77
b) Cholamandalam Securities Limited	14.84	16.25
c) Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	0.94	0.92
d) Cholamandalam MS General Insurance Company Limited	0.06	0.05
e) Murugappa Morgan Thermal Ceramics Limited	0.01	0.03
f) Payswiff Technologies Private Limited	1.68	1.66
g) Tube Investments of India Limited	0.15	0.31
h) Chola Business Services Limited	-	*
i) Mavco Investments Private Limited	0.08	0.09
j) Mavnu Investments Private Limited	-	0.19
Expenses – Reimbursed		
a) Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	-	1.19
b) Cholamandalam MS General Insurance Company Limited	-	0.11
c) Parry Enterprises India Limited	0.03	0.02
d) Tube Investments of India Limited	0.34	-
e) Mavco Investments Private Limited	1.01	-
Expense Recovery-Employee Benefit Expense		
a) CG Power and Industrial Solutions Limited	-	0.14
b) Chola Business Services Limited	-	7.00
c) Mavco Investments Private Limited	2.04	-
Services Received		
a) Cholamandalam Securities Limited	0.13	0.36
b) Parry Enterprises India Limited	19.99	28.16
c) Cholamandalam MS General Insurance Company Limited	80.57	55.64
d) Cholamandalam MS Risk Services Limited	-	0.01
e) Chola Business Services Limited	671.62	642.40
f) Murugappa Management services Private Limited	0.23	0.34
g) Net access India Limited	17.44	15.12
h) Payswiff Technologies Private limited	1.77	1.32
j) TI Clean Mobility Private Limited	1.02	-
k) Mavco Investments Private Limited	13.79	-
Rental Income		
a) Cholamandalam Securities Limited	0.29	0.24
b) Coromandel International Limited	*	-
c) Tube Investments of India Limited	0.76	0.72
d) Axiro Semiconductor Private Limited	*	-
Loans given		
a) Cholamandalam Securities Limited	343.00	446.50
b) Payswiff Technologies Private limited	9.50	30.00
c) Zetwerk Manufacturing Business Private Limited	32.88	9.95
d) EID Parry (India) Limited	-	2.86
e) Mavco Investments Private Limited	0.48	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 38 RELATED PARTY DISCLOSURES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Loans recovered		
a) Cholamandalam Securities Limited	343.00	521.00
b) Payswiff Technologies Private limited	21.00	12.50
c) Zetwerk Manufacturing Business Private Limited	17.91	9.95
d) Medall Healthcare Private Limited	-	3.20
e) EID Parry (India) Limited	0.13	0.05
Insurance Claims received		
a) Cholamandalam MS General Insurance Company Limited	1.32	0.09
Insurance Commission Income		
a) Cholamandalam MS General Insurance Company Limited	303.32	370.84
Interest Income Received		
a) Cholamandalam Securities Limited	0.32	1.78
b) Payswiff Technologies Private Limited	1.50	1.78
c) Zetwerk Manufacturing Businesses Private Limited	0.82	0.29
d) Medall Healthcare Private Limited	-	0.49
e) EID Parry (India) Limited	0.30	0.16
f) Mavco Investments Private Limited	*	0
Interest Expense - Debentures		
a) Cholamandalam MS General Insurance Company Limited	65.10	60.20
b) Promoters/Promoter group	7.79	27.42
Subscriptions/Advertisement Expenses		
a) Finance Industry Development Council	0.07	0.02
Services Rendered		
a) Payswiff Technologies Private Limited	-	0.01
Contribution to CSR activity		
a) AMM Foundation	32.02	26.19
b) Chola Foundation	0.49	-
Contribution to initial Corpus		
a) Chola Foundation	-	0.01
Purchase of Goods		
a) Parry Agro Industries Limited	-	0.48
Advances Paid		
a) Parry enterprises India Limited	2.78	8.26
Advances Settled		
a) Parry enterprises India Limited	5.16	10.47
Rental Deposits received		
a) EID Parry (India) Limited	0.07	0.40
Refund of Security deposit		
a) Coromandal International Limited	0.18	-
Loss sharing Arrangement - Recovery		
a) TI Clean Mobility Private Limited	4.57	0.38
Rent & Maintenance		
a) EID Parry (India) Limited	0.18	0.23
b) AMM Foundation	0.05	-
Purchase of Property, plant and equipment		
a) CG Power and Industrial Solutions Limited	-	0.44
b) Murugappa Management services Private Limited	0.12	-
c) Tube Investments of India Limited	0.08	-
d) EID Parry (India) Limited	22.00	-
Sale of Property, plant and equipment		
a) Mavco Investments Private Limited	5.12	-
b) Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	-	0.01
Commission and Sitting fees to non-executive Directors	2.08	2.95

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 38 RELATED PARTY DISCLOSURES (Contd.)

b) Balances Outstanding at the year end.

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Loans - Receivable		
a) Payswiff Technologies Private limited	6.05	17.65
b) EID Parry (India) Limited	2.21	2.34
c) Zetwerk Manufacturing Business Private Limited	14.97	-
d) Mavco Investments Private Limited	0.41	-
Debt Securities – Payable		
a) Cholamandalam MS General Insurance Company Limited	(772.34)	(772.34)
b) Debentures held by promoter and promoter group	(52.06)	(323.92)
Other Receivable / (Payable)		
a) Cholamandalam Securities Limited	0.20	1.34
b) Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	*	(0.01)
c) Cholamandalam MS General Insurance Company Limited	50.55	54.52
d) Tube Investments of India Limited	0.01	0.09
e) Parry Enterprises India Limited	(3.72)	(1.04)
f) Murugappa Morgan Thermal Ceramics Limited	-	*
g) Chola Business Services Limited	(63.83)	(54.49)
h) Payswiff Technologies Private Limited	(0.20)	0.04
i) Murugappa Management services Private Limited	*	-
j) EID Parry (India) Limited	-	(0.01)
k) Net access India Limited	(2.39)	(2.93)
l) TI Clean Mobility Private Limited	1.70	0.38
m) Parry Agro Industries Limited	-	(0.27)
n) Coromandel International Limited	(0.18)	-
o) Mavco Investments Private Limited	(0.71)	-
p) Axiro Semiconductor Private Limited	*	-

c) Remuneration & other transactions with Key Managerial Personnel (KMP)

₹ in crores

Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
Gross Salary Including Perquisites	26.50	12.10
Other – Contribution to funds	2.74	1.38
Dividend Payments	0.12	0.10
Share based payments	9.12	5.94
Sale of Car	0.34	-

d) Remuneration paid to Promoter and Promoter Group

₹ in crores

Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
Gross Salary Including Perquisites	1.12	1.81
Other – Contribution to funds	0.05	0.10
Sale of car	0.15	-

*Represents amounts less than ₹ 1 lakh.

Note: Transactions where Company act as intermediary and passed through Company's books of accounts are not in nature of related party transaction and hence they are not disclosed.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 38 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

Sl	Loans and Advances in the nature of Loans	2025-2026 Outstanding at the year end	2025-2026 Maximum Amount Outstanding during year March 2026	2024-2025 Outstanding at the year end	2024-2025 Maximum Amount Outstanding during year March 2025
(A)	To Subsidiaries				
	- Cholamandalam Securities Limited	-	80.00	-	220.00
(B)	To Associates				
	To Joint Venture				
	- Payswiff Technologies Private Limited	6.05	21.00	17.65	20.00
(C)	To Firms/Companies in which Directors are Interested (other than (A) and (B) above)	14.97	15.00	-	-
(D)	Investments by the loanee in the shares of parent company and subsidiary company	-	-	-	-

ii) Cholamandalam Financial Holdings Limited (CFHL), promoter-group company holds 43.76% of equity shares of the company. Disclosure relating to transactions with CFHL is given above.

Note : 39 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contested Claims not provided for:

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax and Interest on Tax issues where the Company has gone on appeal	22.30	26.85
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.	17.41	27.41
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.	70.91	76.49
Disputed claims against the Company lodged by various parties under litigation (to the extent quantifiable)	219.66	164.48

i) The Company is of the opinion that for the above demands, based on the management estimate no significant liabilities are expected to arise.

ii) 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.

iii) The Company does not expect any reimbursement in respect of the above contingent liabilities.

iv) 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, 2026	As at March 31, 2025
Capital commitments	601.87	58.95
Disbursements – Undrawn lines	7,442.32	4,383.66

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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 27, 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 an expense for the employees services received amounting to ₹ 80.27 crores during the year ended March 31, 2026 (₹ 70.53 crores during the year ended March 31, 2025), shown under Employee Benefit Expenses (Refer Note 29).

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 2025-26			Options outstanding	Options vested but not exercised	Options unvested		
		As at 31.03.2025	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2026	As at 31.03.2026	As at 31.03.2026	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 JAN 2017	25-Jan-17	83,870	-	-	83,870	-	-	-	202.00	-
GT30 JAN 2018	30-Jan-18	15,330	-	-	15,330	-	-	-	261.94	-
GT30 JAN 2018 A	30-Jan-18	-	-	-	-	-	-	-	261.94	-
GT23 APR 2018	23-Apr-18	-	-	-	-	-	-	-	312.47	
GT26 JUL 2018	26-Jul-18	30,660	-	-	17,760	12,900	12,900	-	299.46	-
GT30 OCT 2018	30-Oct-18	37,760	-	-	10,820	26,940	26,940	-	253.70	-
GT19 MAR 2019	19-Mar-19	85,930	-	-	32,750	53,180		53,180	278.01	-
GT05 NOV 2019	05-Nov-19	83,940	-	-	14,950	68,990	39,900	29,090	316.00	-
GT03 JUNE 2020	03-Jun-20	6,920	-	-	6,920	-	-	-	157.90	-
GT07 MAY 2021	07-May-21	6,91,620	-	-	3,37,870	3,53,750	3,04,630	49,120	580.30	-
GT30 JULY 2021	30-Jul-21	16,200	-	-	-	16,200	16,200	-	487.15	-
GT29 OCT 2021	29-Oct-21	5,19,275	-	-	1,57,040	3,62,235	3,37,225	25,010	609.00	-
GT29 OCT 2021 A	29-Oct-21	-	-	-	-	-	-	-	609.00	-
GT01 FEB 2022	01-Feb-22	79,630	-	-	35,400	44,230	44,230	-	629.50	-
GT05 MAY 2022	05-May-22	37,000	-	-	6,150	30,850	17,290	13,560	712.15	0.10

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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 2025-26			Options outstanding	Options vested but not exercised	Options unvested	Exercise Price ₹	Weighted Average Remaining Contractual Life
		As at 31.03.2025	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2026	As at 31.03.2026	As at 31.03.2026		
GT29 JUL 2022	29-Jul-22	41,910	-	-	10,150	31,760	31,760	-	690.10	0.33
GT29 JUL 2022 A	29-Jul-22	41,300	-	-	2,940	38,360	13,230	25,130	690.10	-
GT24 SEP 2022	24-Sep-22	15,660	-	-	8,250	7,410	-	7,410	738.50	-
GT24 SEP 2022 A	24-Sep-22	1,95,700	-	-	5,820	1,89,880	1,49,880	40,000	738.50	0.48
GT24 SEP 2022 B	24-Sep-22	3,780	-	-	1,260	2,520	2,520	-	738.50	-
GT01 NOV 2022	01-Nov-22	24,700	-	-	-	24,700	-	24,700	709.35	0.59
GT31 JAN 2023	31-Jan-23	12,25,033	-	52,000	2,54,505	9,18,528	4,47,737	4,70,791	710.75	0.84
GT01 AUG 2023	01-Aug-23	6,31,880	-	34,400	77,390	5,20,090	1,80,230	3,39,860	1,132.00	0.84
GT02 NOV 2023	02-Nov-23	3,360	-	-	-	3,360	2,100	1,260	1,149.00	0.59
GT02 NOV 2023 A	02-Nov-23	20,500	-	-	-	20,500	8,200	12,300	1,149.00	1.09
GT25 JAN 2024	25-Jan-24	3,34,800	-	28,400	28,660	2,77,740	91,030	1,86,710	1,245.08	1.32
GT29 APR 2024	29-Apr-24	2,62,380	-	6,400	23,210	2,32,770	37,470	1,95,300	1,171.70	0.47
GT26 JUL 2024	26-Jul-24	5,16,800	-	52,080	33,580	4,31,140	68,920	3,62,220	1,363.65	1.45
GT26 JUL 2024 A	26-Jul-24	1,50,720	-	9,100	4,900	1,36,720	32,380	1,04,340	1,363.65	0.82
GT26 JUL 2024 B	26-Jul-24	2,15,460	-	-	45,360	1,70,100	55,830	1,14,270	1,363.65	0.32
GT31 JAN 2025	31-Jan-25	5,16,500	-	22,800	7,252	4,86,448	83,147	4,03,301	1,279.40	1.96
GT03 MAR 2025	03-Mar-25	44,100	-	9,670	-	34,430	-	34,430	1,400.75	2.05
GT031 JUL2025	31-Jul-25	-	12,60,085	-	-	12,60,085	-	12,60,085	1,478.10	1.17
GT030 JAN 2026	31-Jan-26	-	1,34,358	2,424	-	1,31,934	-	1,31,934	1,648.90	4.71
Total		**59,32,718**	**13,94,443**	**2,17,274**	**12,22,137**	**58,87,750**	**20,03,749**	**38,84,001**		

Note: Outstanding Options includes options (vested and unvested) issued to employees of subsidiary and employees transferred to group companies (post grant of options) as at March 31, 2026 - 4,12,927 options.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2024	During the Year 2024-25 Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2025	Options vested but not exercised As at 31.03.2025	Options unvested As at 31.03.2025	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 JAN 2017	25-Jan-17	2,12,525	-	-	1,28,655	83,870	69,170	14,700	202.00	-
GT30 JAN 2018	30-Jan-18	28,230	-	-	12,900	15,330	15,330	-	261.94	-
GT30 JAN 2018 A	30-Jan-18	7,800	-	-	7,800	-	-		261.94	-
GT26 JUL 2018	26-Jul-18	40,880	-	-	10,220	30,660	30,660	-	299.46	-
GT30 OCT 2018	30-Oct-18	1,14,680	-	-	76,920	37,760	37,760	-	253.70	-
GT19 MAR 2019	19-Mar-19	2,30,574	-	-	1,44,644	85,930	85,930	-	278.01	-
GT05 NOV 2019	05-Nov-19	1,10,140	-	-	26,200	83,940	82,940	1,000	316.00	-
GT03 JUNE 2020	03-Jun-20	20,820	-	-	13,900	6,920	6,920	-	157.90	-
GT07 MAY 2021	07-May-21	8,81,120	-	-	1,89,500	6,91,620	3,76,580	3,15,040	580.30	0.10
GT30 JULY 2021	30-Jul-21	24,700	-	-	8,500	16,200	8,790	7,410	487.15	0.33
GT29 OCT 2021	29-Oct-21	6,22,909	-	8,200	95,434	5,19,275	3,01,295	2,17,980	609.00	0.58
GT29 OCT 2021 A	29-Oct-21	2,520	-	-	2,520	-	-	-	609.00	0.58
GT01 FEB 2022	01-Feb-22	98,260	-	-	18,630	79,630	39,450	40,180	629.50	0.84
GT05 MAY 2022	05-May-22	45,200	-	-	8,200	37,000	9,880	27,120	712.15	0.60
GT29 JUL 2022	29-Jul-22	50,700	-	-	8,790	41,910	20,700	21,210	690.10	0.83
GT29 JUL 2022 A	29-Jul-22	48,300	-	-	7,000	41,300	12,320	28,980	690.10	0.33
GT24 SEP 2022	24-Sep-22	20,600	-	-	4,940	15,660	840	14,820	738.50	0.98
GT24 SEP 2022 A	24-Sep-22	2,17,000	-	-	21,300	1,95,700	1,12,870	82,830	738.50	0.48
GT24 SEP 2022 B	24-Sep-22	6,300	-	-	2,520	3,780	3,780	-	738.50	-
GT01 NOV 2022	01-Nov-22	24,700	-	-	-	24,700	9,880	14,820	709.35	1.09
GT31 JAN 2023	31-Jan-23	14,52,243	-	74,400	1,52,810	12,25,033	3,64,743	8,60,290	710.75	1.34
GT01 AUG 2023	01-Aug-23	6,94,940	-	32,500	30,560	6,31,880	1,29,250	5,02,630	1,132.00	0.88

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2024	During the Year 2024-25 Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2025	Options vested but not exercised As at 31.03.2025	Options unvested As at 31.03.2025	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT02 NOV 2023	02-Nov-23	3,360	-	-	-	3,360	840	2,520	1,149.00	1.72
GT02 NOV 2023 A	02-Nov-23	20,500	-	-	-	20,500	4,100	16,400	1,149.00	1.09
GT25 JAN 2024	25-Jan-24	3,44,900	-	10,100	-	3,34,800	63,680	2,71,120	1,245.08	1.95
GT29 APR 2024	29-Apr-24	-	2,68,380	6,000	-	2,62,380		2,62,380	1,171.70	0.62
GT26 JUL 2024	26-Jul-24	-	5,28,800	12,000	-	5,16,800	6,000	5,10,800	1,363.65	2.02
GT26 JUL 2024 A	26-Jul-24	-	1,50,720	-	-	1,50,720	-	1,50,720	1,363.65	1.45
GT26 JUL 2024 B	26-Jul-24	-	2,15,460	-	-	2,15,460	-	2,15,460	1,363.65	0.82
GT31 JAN 2025	31-Jan-25	-	5,16,500	-	-	5,16,500	-	5,16,500	1,279.40	2.54
GT03 MAR 2025	03-Mar-25	-	44,100	-	-	44,100	-	44,100	1,400.75	2.62
Total		**53,23,901**	**17,23,960**	**1,43,200**	**9,71,943**	**59,32,718**	**17,93,708**	**41,39,010**		

Note: Outstanding Options includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2025 - 280,630 options.

The following tables list the inputs to the Black Scholes model used for the plans for the year ended March 31, 2026:

ESOP 2016

Variables						
Date of Grant	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of the underlying Share in the Market at the time of the Option Grant (₹)	Fair Value of the Option (₹)
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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026:

ESOP 2016

	Variables					
Date of Grant	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of the underlying Share in the Market at the time of the Option Grant (₹)	Fair Value of the Option (₹)
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
29-Apr-24	7.09% - 7.12%	3.5 -6.51 years	36.34% -44.58%	0.11%	1,171.70	576.27
26-Jul-24	6.75% - 6.81%	3.5 -6.51 years	35.49% -44.99%	0.15%	1,363.65	662.20
26-Jul-24	6.75% - 6.79%	3.5 -5.51 years	35.49% -46.25%	0.15%	1,363.65	628.27
26-Jul-24	6.75% - 6.77%	3.5 -4.50 years	35.49% -48.46%	0.15%	1,363.65	564.97
31-Jan-25	6.50% - 6.59%	3.5 -6.50 years	33.68% -45.07%	0.16%	1,279.40	595.17
03-Mar-25	6.52% - 6.63%	3.5 -6.50 years	33.64% -45.24%	0.14%	1,400.75	652.14
31-Jul-25	5.85% - 6.20%	3.5 -6.50 years	33.07% -44.47%	0.14%	1478.10	670.30
30-Jan-26	6.12% - 6.56%	3.5 -6.50 years	30.40% -44.47%	0.12%	1648.90	714.60
30-Jan-26	6.12% - 6.28%	3.5 -4.50 years	30.40% -33.25%	0.12%	1648.90	567.50
30-Jan-26	6.12%	3.50 years	30.40%	0.12%	1648.90	510.08

*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, 2026

Note : 41 SHARING OF COSTS

The Company shares certain costs / service charges with other companies. These costs have been allocated on reasonable basis between the Companies.

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, 2026 is 19.21% (March 31, 2025- 19.75%) 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.

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 and underwriting model to assess the credit worthiness of the borrower for underwriting decisions for its Vehicle Finance, Loan Against Property, Home loan, Secured business and Personal loan, Consumer durables, Small and medium enterprise loans, Consumer small enterprise loan business, Gold loans. 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 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, 2026

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 has been classified as Stage 2 due to significant increase in credit risk as on the date of such re-negotiation or modification.

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 14% 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 2019 to 2028 (including forecasts for 4 years) were obtained from World Economic Outlook, October 2025 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, 2026

Note : 42 CAPITAL MANAGEMENT (Contd.)

42.2.1.7 Macro economic variables

Segment	Macro-Economic Variables correlated for each segment	
Two Wheeler	Gross domestic product per capita, current prices	Volume of imports of goods and services
Three Wheeler	Total investment	Gross domestic product, current prices
Construction Equipment - New	Gross domestic product per capita, current prices	Total investment
Construction Equipment - Used	Gross domestic product, current prices	Inflation, end of period consumer prices
Commercial Vehicle Shubh	Gross domestic product per capita, current prices	Volume of imports of goods and services
Commercial Vehicle - Used	General government gross debtGovDebt	Gross domestic product per capita, current prices
Heavy Commercial Vehicle - New	Gross domestic product, current prices	Inflation, average consumer prices
Home Loan	Total investment	Gross domestic product, current prices
Loan Against Property	Total investment	Gross domestic product, current prices
Light Commercial Vehicle - New	Gross domestic product per capita, current prices	Volume of exports of goods and services
Mini Light Commercial Vehicle - New	Inflation, end of period consumer prices	Gross domestic product per capita, current prices
Passenger Vehicle - New (Car/MUV)	Gross domestic product per capita, current prices	Volume of imports of goods and services
Passenger Vehicle Shubh (Car/ MUV)	Total investment	Gross domestic product, current prices
Passenger Vehicle - Used (Car/ MUV)	Gross domestic product, current prices	Inflation, average consumer prices
Tractor - New	Gross domestic product per capita, current prices	Volume of exports of goods and services
Tractor - used	Gross domestic product, current prices	Volume of exports of goods and services

Since the company has used Gross Domestic Product (GDP) as a predominant macro-economic variable the sensitivity around the same is given below:

₹ in crores

Year ended	Increase/ (Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31, 2026	Decrease by 5%	(11.66)
March 31, 2026	Increase by 5%	54.77

Year ended	Increase/ (Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31,2025	Decrease by 5%	(9.72)
March 31,2025	Increase by 5%	39.01

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 loan to Automobile dealers) is lending against security (other than for loan to Automobile dealers) of Vehicle/ Tractor / Equipment and contributes to 53% of the loan book of the Company as of March 31, 2026 (55% as of March 31, 2025). 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 of 5% and 6% respectively.

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 23 % of the lending book of the Company as of March 31, 2026 (21% as of March 31, 2025). Portfolio is concentrated in South 42%, followed by North 32% and West 20% and with small presence in East 6% of the overall exposure of this segment.

Home Loan is loan provided to buy or construct new/existing homes and contributes 10% of the lending book of the Company as of March 31, 2026 (9% as of March 31, 2025). Portfolio is concentrated in South 63% followed by North and West at 12% each, East at 13% of the overall exposure of this segment.

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, 2026.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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.

Loan type	Nature of security
Vehicle finance	Hypothecation of vehicle/tractor/construction equipment
Loan against property/Home loans/secured business purpose loans	Mortgage of immovable property through deposit of title deeds.
SME loans	Hypothecation of Machinery/equipment, book debts, receivables, pledge of securities, mortgage of Immovable property.
Gold loans	Pledge of Gold Ornaments/coins

92% of the Company's term loan are secured by way of tangible Collateral.

In respect of some unsecured lending, the company obtains Default loss 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, 2026

₹ in crores

Maximum exposure to credit risk (a)	Vehicles (b)	Immovable property (c)	Other collaterals (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
6,766.56	4,315.76	3,758.30	122.97	(1,430.47)	3,199.65

Fair value of collateral held against credit impaired assets - March 31, 2025

₹ in crores

Maximum exposure to credit risk (a)	Vehicles (b)	Immovable property (c)	Other collaterals (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
5,213.01	3,358.23	2,301.36	14.94	(461.52)	2,360.05

Note: Column (b), (c), (d) of the above table, represents fair value of collateral

Valuation of Collateral:

a) Vehicles including construction equipment and tractors are valued at original cost less 20% depreciation per year on WDV

b) Immovable property is valued based on the amount as per the valuation report at the time of sanctioning of loan

c) Collateral for gold loan is valued based on Market price of gold per gram as on reporting date

d) 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, 2026

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 31,2026	Increase by 100 bps	133.43
March 31,2026	Decrease by 100 bps	(133.43)

₹ in crores

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31,2025	Increase by 100 bps	64.49
March 31,2025	Decrease by 100 bps	(64.49)

42.2.2.3 Foreign Currency Risk

Foreign currency risk for the Company arises mainly on account of foreign currency borrowings. The Company manages this foreign currency risk by entering into derivative contracts such as cross currency swaps or forward contracts. When such a derivative is entered into for the purpose of hedging, the Company negotiates the terms of those derivatives to match with the terms of the underlying exposure. 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, 2026

Note : 42 CAPITAL MANAGEMENT (Contd.)

42.2.2.4(a) Disclosure of Effects of Hedge Accounting

As at March 31, 2026

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	10	0	1,661.03	-	January 11, 2027 to February 05, 2029	(1,661.03)	1,640.16	Borrowings (other than debt securities)
Interest rate Swaps	4	11	13.07	34.33	May 26, 2026 to December 31, 2029	21.26	-	Borrowings (other than debt securities)
Forward contracts	1	1	26.95	52.13	June 20, 2028	25.17	121.69	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	234.28	-	-	NA

As at March 31, 2025

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	6	3	155.62	53.09	July 19, 2022 to March 27, 2028	(102.53)	221.55	Borrowings (other than debt securities)
Interest rate Swaps	0	13	-	100.78	March 10, 2023 to September 10, 2029	100.78	-	Borrowings (other than debt securities)
Forward contracts	1	1	47.70	130.72	July 01, 2020 to June 20, 2028	83.02	90.02	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	(174.92)	-	-	NA

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

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.

₹ in crores

	March 31, 2026		March 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash and Cash Equivalents	8,312.40	8,312.40	5,278.19	5,278.19
Bank balances Other than Cash and Cash Equivalents	6,298.99	6,298.99	4,122.49	4,122.49
Receivables				
i) Trade Receivables	289.56	289.56	187.58	187.58
ii) Other Receivables	202.20	202.20	116.64	116.64
Loans	2,17,571.16	2,20,776.64	1,81,929.90	1,84,433.25
Investments in Government Securities	4,152.05	4,016.51	3,375.31	3,289.21
Investment in Treasury Bills	1,099.52	1,091.61	1,721.41	1,719.53
Investment in STRIPS	829.37	835.20	771.91	782.01
Other Financial Assets	840.48	840.48	349.74	349.74
Total Financial Assets	**2,39,595.73**	**2,42,663.59**	**1,97,853.17**	**2,00,278.64**
Financial Liabilities				
Payables				
i) Trade Payables - Due to MSME	13.19	13.19	14.33	14.33
ii) Trade Payables - Other than MSME	103.65	103.65	134.90	134.90
iii) Other Payables	2,225.41	2,225.41	1,573.28	1,573.28
Debt Securities	40,636.05	41,322.53	30,133.99	30,432.07
Borrowings (Other than Debt Securities)	1,56,528.78	1,27,559.90	1,33,791.98	1,30,191.78
Subordinated Liabilities	13,701.73	13,911.48	11,020.14	11,049.01
Other Financial Liabilities	1,009.49	1,009.49	738.73	738.73
Total Financial Liabilities	**2,14,218.30**	**1,86,145.65**	**1,77,407.35**	**1,74,134.10**

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 been 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 been estimated by discounting expected future cash flows using discounting rate equal to the rate near to reporting 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, 2026

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 of fair value measurement hierarchy of assets as at March 31, 2026 — **₹ 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)
Assets measured at Fair value				
Derivative financial instruments	1,701.06	-	1,701.06	-
Assets for which fair values are disclosed				
Loans	2,17,571.16	-	-	2,20,776.64
Investments in Government securities	4,152.05	4,016.51	-	-
Investment in Treasury Bills	1,099.52	1,091.61	-	-
Investment in STRIPS	829.37	835.20	-	-
Investment Properties	0.13	-	-	2.35

There have been no transfers between different levels during the year.

Quantitative disclosure of fair value measurement hierarchy of Liabilities as at March 31, 2026 — **₹ 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	86.45	-	86.45	-
Liabilities for which fair values are disclosed				
Debt Securities	40,636.05	-	41,322.53	-
Borrowings(Other than Debt Securities)	1,56,528.78	-	1,27,559.90	-
Subordinated Liabilities	13,701.73	-	13,911.48	-

There have been no transfers between different levels during the year.

Quantitative disclosure of fair value measurement hierarchy of assets as at March 31, 2025 — **₹ 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)
Assets measured at Fair value				
Derivative financial instruments	203.32	-	203.32	-
Assets for which fair values are disclosed				
Loans	1,81,929.90	-	-	1,84,433.25
Investments in Government securities	3,375.31	3,289.21	-	-
Investment in Treasury Bills	1,721.41	1,719.53	-	-
Investment in STRIPS	771.91	782.01	-	-
Investment Properties	0.13	-	-	3.21

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, 2026

Note : 44.2 - Fair value hierarchy (Contd.)

Quantitative disclosure of fair value measurement hierarchy of liabilities as at March 31, 2025

₹ 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	284.60	-	284.60	-
Liabilities for which fair values are disclosed				
Debt Securities	30,133.99	-	30,432.07	-
Borrowings (Other than Debt Securities)	1,33,791.98	-	1,30,191.78	-
Subordinated Liabilities	11,020.14	-	11,049.01	-

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 March 31, 2026	As at March 31, 2025
Financial Assets		
Cash and Cash Equivalents	8,312.40	5,278.19
Bank balances other than Cash and Cash Equivalents	6,298.99	4,122.49
Loans	2,17,571.16	1,81,929.90
Investments in Government Securities	4,152.05	3,375.31
Investment in Treasury Bills	1,099.52	1,721.41
Investment in STRIPS	829.37	771.91
Other Financial Assets	840.48	349.74
Financial Liabilities		
Debt Securities	40,636.05	30,133.99
Borrowings (Other than Debt Securities)	1,56,528.78	1,33,791.98
Subordinated Liabilities	13,701.73	11,020.14
Other Financial liabilities	1,009.49	738.73

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, 2026			
Financial Assets			
Cash and Cash Equivalents	8,312.40	8,312.40	-
Bank balances Other than Cash and Cash Equivalents	6,298.99	3,359.31	2,939.68
Derivative financial instruments	1,701.06	397.98	1,303.08
Receivables			-
i) Trade Receivables	289.56	289.56	-
ii) Other Receivables	202.20	202.20	-
Loans	2,17,571.16	53,771.03	1,63,800.13
Investments	6,638.05	2,636.67	4,001.38
Other Financial Assets	840.48	73.14	767.34
Total Financial Assets	**2,41,853.90**	**69,042.29**	**1,72,811.61**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 45 MATURITY ANALYSIS (Contd.)

₹ in crores

	Amount	Maturity	
		Within 12 months	After 12 months
Non- Financial Assets			
Current tax assets (Net)	29.47	-	29.47
Deferred tax assets (Net)	1,158.32	-	1,158.32
Investment Property	0.13	-	0.13
Property, Plant and Equipment	1,834.03	-	1,834.03
Capital Work in Progress	18.29	-	18.29
Intangible assets under development	14.50	-	14.50
Other Intangible assets	28.50	-	28.50
Other Non-Financial Assets	132.71	8.31	124.40
Total Non- Financial Assets	**3,215.95**	**8.31**	**3,207.64**
Financial Liabilities			
Derivative financial instruments	86.45	21.62	64.83
Payables			
i) Trade Payables - Due to MSME	13.19	13.19	-
ii) Trade Payables - Other than MSME	103.65	103.65	-
iii) Other Payables	2,225.41	2,225.41	-
Debt Securities	40,636.05	17,584.66	23,051.39
Borrowings (Other than Debt Securities)	1,56,528.78	59,238.90	97,289.88
Subordinated Liabilities	13,701.73	547.84	13,153.89
Other Financial Liabilities	1,009.49	443.62	565.87
Total Financial Liabilities	**2,14,304.75**	**80,178.89**	**1,34,125.86**
Non-Financial Liabilities			
Provisions	279.21	-	279.21
Other Non-Financial Liabilities	81.87	76.30	5.57
Total Non-Financial Liabilities	**361.08**	**76.30**	**284.78**

₹ in crores

	Amount	Maturity	
		Within 12 months	After 12 months
As on March 31, 2025			
Financial Assets			
Cash and Cash Equivalents	5,278.19	5,278.19	-
Bank balances Other than Cash and Cash Equivalents	4,122.49	1,747.52	2,374.97
Derivative financial instruments	203.32	53.84	149.48
Receivables			
i) Trade Receivables	187.58	187.58	-
ii) Other Receivables	116.64	116.64	-
Loans	1,81,929.90	44,414.25	1,37,515.65
Investments	6,390.39	3,365.97	3,024.42
Other Financial Assets	349.74	29.52	320.22
Total Financial Assets	**1,98,578.25**	**55,193.51**	**1,43,384.74**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 45 MATURITY ANALYSIS (Contd.)

₹ in crores

	Amount	Maturity	
		Within 12 months	After 12 months
Non- Financial Assets			
Current tax assets (Net)	216.45	-	216.45
Deferred tax assets (Net)	946.72	-	946.72
Investment Property	0.13	-	0.13
Property, Plant and Equipment	1,746.85	-	1,746.85
Capital Work in Progress	3.69	-	3.69
Intangible assets under development	7.22	-	7.22
Other Intangible assets	24.96	-	24.96
Other Non-Financial Assets	123.32	13.03	110.29
Total Non- Financial Assets	**3,069.34**	**13.03**	**3,056.31**
Financial Liabilities			
Derivative financial instruments	284.60	34.75	249.85
Payables			
i) Trade Payables - Due to MSME	14.33	14.33	-
ii) Trade Payables - Other than MSME	134.90	134.90	-
iii) Other Payables	1,573.28	1,573.28	-
Debt Securities	30,133.99	9,507.14	20,626.85
Borrowings (Other than Debt Securities)	1,33,791.98	47,163.65	86,628.33
Subordinated Liabilities	11,020.14	436.13	10,584.01
Other Financial Liabilities	738.73	242.43	496.30
Total Financial Liabilities	**1,77,691.95**	**59,106.61**	**1,18,585.34**
Non-Financial Liabilities			
Provisions	233.62	-	233.62
Other Non-Financial Liabilities	94.62	87.78	6.84
Total Non-Financial Liabilities	**328.24**	**87.78**	**240.46**

Note : 46 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ in crores

Particulars	April 01, 2025	Cash flows	Exchange Difference	Others	March 31, 2026
Debt Securities	30,133.99	10,559.06	-	(57.00)	40,636.05
Borrowings other than debt securities	1,33,791.98	21,190.30	(1,450.29)	2,996.79	1,56,528.78
Subordinated liabilities	11,020.14	2,602.00	-	79.59	13,701.73
Total	**1,74,946.11**	**34,351.36**	**(1,450.29)**	**3,019.38**	**2,10,866.56**

₹ in crores

Particulars	April 01, 2024	Cash flows	Exchange Difference	Others	March 31, 2025
Debt Securities	24,812.76	5,032.44	-	288.79	30,133.99
Borrowings other than debt securities	1,04,511.13	29,280.67	(48.88)	49.06	1,33,791.98
Subordinated liabilities	5,149.69	5,647.60	-	222.85	11,020.14
Total	**1,34,473.58**	**39,960.71**	**(48.88)**	**560.70**	**1,74,946.11**

(i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of transaction cost.

(ii) 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, 2026

Note : 47 ANALYSIS OF FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

As at March 31, 2026 ₹ 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	-	4.83	5.05	11.73	44.16	20.68	-	**86.45**
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	13.19	-	-	-	-	-	-	**13.19**
ii) Total outstanding dues of creditors other than micro and small enterprises	103.65	-	-	-	-	-	-	**103.65**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	**-**
ii) Total outstanding dues of creditors other than micro and small enterprises	2,225.41	-	-	-	-	-	-	**2,225.41**
Debt Securities	881.85	5,966.66	1,632.66	10,358.34	20,216.95	5,528.24	1,474.00	**46,058.70**
Borrowings (Other than Debt Securities)	4,948.34	14,905.84	15,598.84	30,334.69	85,984.74	22,151.69	208.39	**1,74,132.53**
Subordinated Liabilities	90.60	124.54	369.93	666.81	3,812.92	3,151.22	12,702.10	**20,918.12**
Other Financial Liabilities	408.02	12.69	49.22	70.48	262.86	218.72	150.81	**1,172.80**
Total Undiscounted financial liabilities	**8,671.06**	**21,014.56**	**17,655.70**	**41,442.05**	**1,10,321.63**	**31,070.55**	**14,535.30**	**2,44,710.85**

As at March 31, 2025 ₹ 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	-	8.07	8.50	18.17	145.45	104.41	-	**284.60**
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	14.33	-	-	-	-	-	-	**14.33**
ii) Total outstanding dues of creditors other than micro and small enterprises	134.90	-	-	-	-	-	-	**134.90**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	**-**
ii) Total outstanding dues of creditors other than micro and small enterprises	1,573.28	-	-	-	-	-	-	**1,573.28**
Debt Securities	1,123.12	4,068.35	1,216.25	4,230.70	13,882.02	9,715.33	1,567.50	**35,803.27**
Borrowings (Other than Debt Securities)	5,418.85	10,140.70	14,851.91	23,151.44	76,123.60	17,386.37	204.85	**1,47,277.72**
Subordinated Liabilities	52.91	81.52	360.68	528.21	2,879.61	2,959.46	10,787.03	**17,649.42**
Other Financial Liabilities	193.32	22.12	32.82	64.96	218.78	194.02	163.83	**889.85**
Total Undiscounted financial liabilities	**8,510.71**	**14,320.76**	**16,470.16**	**27,993.48**	**93,249.46**	**30,359.59**	**12,723.21**	**2,03,627.37**

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 had 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, 2026

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, 2026	As on March 31, 2025
Opening Balance	524.52	354.61
Depreciation charge for the year	(123.87)	(107.06)
Additions during the year	165.87	313.31
Adjustment/Deletion	(5.14)	(36.34)
Closing Balance	**561.38**	**524.52**

(ii) Classification of current and non current liabilities of the lease liabilities

₹ in crores

Particulars	As on March 31, 2026	As on March 31, 2025
Current liabilities	99.81	91.68
Non Current Liabilities	514.29	464.64
Total Lease liabilities	**614.10**	**556.32**

(iii) Movement in the carrying value of the Lease Liability

₹ in crores

Particulars	As on March 31, 2026	As on March 31, 2025
Opening Balance	556.32	371.50
Interest Expense	49.72	40.94
Lease Payments [Total Cash Outflow]	(152.67)	(133.09)
Additions during the year	165.87	313.31
Adjustment/Deletion	(5.14)	(36.34)
Closing Balance	**614.10**	**556.32**

(iv) Contractual Maturities of Lease liability outstanding

₹ in crores

Particulars	As on March 31, 2026	As on March 31, 2025
Less than one year	145.02	130.82
One to five Years	481.58	412.80
More than Five years	150.81	163.83
Total	**777.41**	**707.45**

(v) The following are the amount recognised in the Statement of Profit or Loss

₹ in crores

Particulars	For the year ended As on March 31, 2026	As on March 31, 2025
Depreciation expense of right-of-use assets	123.87	107.06
Interest expense on lease liabilities	49.72	40.94
Expense relating to short-term leases (included in other expenses)	0.82	0.29
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
Total amount recognised in the Statement of Profit or Loss	**174.41**	**148.29**

Lease expenses relating to short term leases aggregated to ₹ 0.82 crores (₹ 0.29 crores - March 31, 2025) during the year ended March 31, 2026.

Weighted average incremental borrowing rate for Lease liabilities recognised during the year ended March 31,2026 is 8.19% (8.60% -March 31, 2025)

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, 2026

Note : 49

Part 1 - Ageing Analysis

A.Capital Work in Progress aging schedule for the year ended March 31, 2026

₹ in crores

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in Progress	14.60	3.69	-	-	18.29
Projects Temporarily Suspended	-	-	-	-	-

B. Capital Work in Progress aging schedule for the year ended March 31, 2025

₹ in crores

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in Progress	3.69	-	-	-	3.69
Projects Temporarily Suspended	-	-	-	-	-

C. Intangible assets under development aging schedule for the year ended March 31, 2026

₹ in crores

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in Progress	13.47	0.77	0.26	-	14.50
Projects Temporarily Suspended	-	-	-	-	-

D. Intangible assets under development aging schedule for the year ended March 31, 2025

₹ in crores

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in Progress	6.45	0.77	-	-	7.22
Projects Temporarily Suspended	-	-	-	-	-

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 year ended March 31, 2026
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 period/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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

RBI Disclosures

Note : 50 (I) DISCLOSURE ON CO-LENDING ARRANGEMENT'S

₹ in crores

Particulars	Year ended March 31,2026	
	As a Originator	As a Partner
Number of CLA's	1	4
Number of Outstanding Loans	3,150	19,254
Amount of Outstanding Loans - Net of write off (₹ in crores)	83.06	77.00
Weighted average Interest rate	9.38%	23.10%
Fee charged/paid (Loan Origination) -₹ in crores	0.00	0.00
Broad Sector In which CLA was made	Vehicle Finance	Personal Loans
Performance of loans under CLA -(₹ in crores)		
Stage -1	72.57	68.16
Stage -2	7.00	3.3
Stage -3	3.49	5.54
Details related to Default Loss Guarantee	NIL	Three Partners have provided default loss guarantee between 1% and 5% of total disbursement.

(II) DISCLOSURE RELATING TO SECURITIZATION.

₹ in crores

Sl. No.	Particulars	As at March 31, 2026	As at March 31, 2025
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)	72	62
2.	Total amount of securitised assets as per books of the SPEs	33,866.87	28,490.72
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	2,857.98	2,019.49
	• Others (Second loss)	849.43	821.58
	• Others (PTC Investment)	2,380.13	1,868.30
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	62,804.19	52,872.98
	Gain/loss on sale on account of securitisation	Nil	Nil
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Nil	Nil

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

(II) DISCLOSURE RELATING TO SECURITIZATION. (Contd.)

₹ in crores

Sl. No.	Particulars	As at March 31, 2026	As at March 31, 2025
	First Loss Credit Facility – Bank Fixed Deposit	2,857.98	2,019.48
	Second Loss Credit Facility – Bank Fixed Deposit	849.43	821.58
	Second Loss Credit Facility – Bank Guarantee provided by external party	121.40	186.49
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)	0.16(0.01%)	4.21(0.21%)
	(b) Repayment received (replenishment)	0.16(0.01%)	4.21(0.21%)
	(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 - 1.50% Loan against Property - 0.2%	Vehicle loans - 1.60% Loan against Property - 0.4%
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	28,943	35,904
	Amount of Loan	511.27	666.76
	Loan Against Property		
	No. of Additional / Top up loan	85	495
	Amount of Loan	30.13	99.15
10.	Investor complaints		
	(a) Directly/Indirectly received and;	Nil	Nil
	(b) Complaints outstanding	Nil	Nil

III) DETAILS OF LOANS NOT IN DEFAULT TRANSFERRED THROUGH ASSIGNMENT.

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Count of loans accounts assigned	11,486	4,514
Amount of loan accounts assigned (₹ in crores)	5,878.90	2,222.00
Weighted average maturity (in months)	137	146
Weighted average holding period (in months)	21	21
Retention of beneficial economic interest (%)	10%	10%
Coverage of tangible security	NA	NA
Rating wise distribution of rated loans	NA	NA

IV) DETAILS OF STRESSED LOANS TRANSFERRED

As at 31-March -2026

₹ in crores

Particulars	To ARCs	To permitted transferees	To other transferees (please specify)
No of accounts	2,044	NIL	NIL
Aggregate principal outstanding of loans transferred (₹ in crores)	147.22	NIL	NIL
Weighted average residual tenor of the loans transferred (in months)	127	NIL	NIL
Net book value of loans transferred (at the time of transfer) (₹ in crores)	112.11	NIL	NIL
Aggregate consideration (₹ in crores)	90.83	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years (₹ in crores)	NIL	NIL	NIL
Transfer of Stressed loans- Non Performing asset to "permitted" and "other" transferees		NIL	
Transfer of Stressed loans- Special Mention Accounts		NIL	
Acquisition of loans not in default and Stressed loans		NIL	

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

IV) DETAILS OF STRESSED LOANS TRANSFERRED

As at 31-March -2025

₹ in crores

Particulars	To ARCs	To permitted transferees	To other transferees (please specify)
No of accounts	NIL	NIL	NIL
Aggregate principal outstanding of loans transferred (₹ in crores)	NIL	NIL	NIL
Weighted average residual tenor of the loans transferred (in months)	NIL	NIL	NIL
Net book value of loans transferred (at the time of transfer) (₹ in crores)	NIL	NIL	NIL
Aggregate consideration (₹ in crores)	NIL	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years (₹ in crores)	NIL	NIL	NIL
Transfer of Stressed loans- Non Performing asset to "permitted" and "other" transferees		NIL	
Transfer of Stressed loans- Special Mention Accounts		NIL	
Acquisition of loans not in default and Stressed loans		NIL	

(V) 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, 2025	Number of borrowers	4,704	1,200	5,133	1
	Amount Outstanding	420.80	105.84	342.41	0.02
	Provision thereon	41.09	16.19	199.58	0.02
Fresh Restructured during the year (based on asset classification at the time of restructuring)	Number of borrowers	8	1	-	-
	Amount Outstanding	1.13	0.38	-	-
	Provision thereon	0.08	0.01	-	-
Upgradations to restructured category during the year	Number of borrowers	1,165	21	5	
	Amount Outstanding	15.89	0.47	0.08	-
	Provision thereon	1.56	0.13	0.02	-
Restructured loans ceases to attract higher provision or additional risk weight at the end of year *	Number of borrowers	159	-	-	-
	Amount Outstanding	12.10	-	-	-
	Provision thereon	0.95	-	-	-
Downgrade of restructured accounts during the year	Number of borrowers	-	434	2,669	-
	Amount Outstanding	-	29.90	198.85	-
	Provision thereon	-	5.66	133.00	-
Write-off of restructured accounts during the year	Number of borrowers	128	217	1022	-
	Amount Outstanding	11.65	14.51	78.86	-
	Provision thereon	1.16	3.47	46.16	-
Restructured loans as on March 31, 2026	Number of borrowers	2,842	490	3,869	1
	Amount Outstanding	288.81	38.35	278.95	0.02
	Provision thereon	28.51	6.84	192.10	0.02

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

(V) 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, 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
Fresh Restructured during the year (based on asset classification at the time of restructuring)	Number of borrowers	12	3	-	-
	Amount Outstanding	1.00	0.24	-	-
	Provision thereon	0.10	0.02	-	-
Upgradations to restructured category during the year	Number of borrowers	1,923	62	6	-
	Amount Outstanding	36.27	2.67	0.22	-
	Provision thereon	3.44	0.50	0.04	-
Restructured loans ceases to attract higher provision or additional risk weight at the end of year *	Number of borrowers	503	-	-	-
	Amount Outstanding	33.73	-	-	-
	Provision thereon	2.66	-	-	-
Downgrade of restructured accounts during the year	Number of borrowers	-	938	2,904	-
	Amount Outstanding	-	57.52	194.83	-
	Provision thereon	-	9.51	81.81	-
Write-off of restructured accounts during the year	Number of borrowers	233	379	1,375	1
	Amount Outstanding	17.09	29.97	103.30	0.25
	Provision thereon	1.72	7.82	47.07	0.26
Restructured loans as on March 31, 2025	Number of borrowers	4,704	1,200	5,133	1
	Amount Outstanding	420.79	105.84	342.41	0.02
	Provision thereon	41.09	16.19	199.58	0.02

*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

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

VI) EXPOSURE TO REAL ESTATE SECTOR

₹ in crores

Category	March 31, 2026	March 31, 2025
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.	76,930.82	47,858.09
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.	212.76	107.97
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures -		
a) Residential	-	-
b) 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	**77,143.58**	**47,966.06**

*As defined in para 108.4 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

VII) EXPOSURE TO CAPITAL MARKETS

₹ in crores

Particulars	March 31, 2026	March 31, 2025
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	-	4.55
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	33.13	182.46
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	-	-
x) All exposures to Alternative Investment Funds:		
Category I	-	-
Category II	-	-
Category III	-	-
Pending Disbursements (Undrawn commitments)	220.00	234.04
Total exposure to capital market	**253.13**	**421.05**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

VIII) SECTORAL EXPOSURE

₹ in crores

Sectors	As on March 31, 2026			As on March 31, 2025		
	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)	2,21,941.56	9,686.63	4.36%	1,85,340.34	7,357.62	3.97%
II. Food Credit	-	-	-	-	-	
III. Non-Food Credit (1 to 5)	2,21,941.56	9,686.63	4.36%	1,85,340.34	7,357.62	3.97%
1. Agriculture and Allied Activities	13,425.46	911.03	6.79%	12,092.23	767.01	6.34%
2. Industry (2.1 to 2.4)	23,640.15	985.26	4.17%	22,784.16	609.83	2.68%
2.1 Micro and Small	17,587.24	741.78	4.22%	17,071.40	394.94	2.31%
2.2 Medium	356.97	13.25	3.71%	467.16	10.69	2.29%
2.3 Large	-	-	-	-	-	-
2.4 Others	5,695.94	230.23	4.04%	5,245.60	204.20	3.89%
3. Services (3.1 to 3.10 equals 3.a to 3.d)	1,16,916.95	5,207.41	4.45%	96,071.33	4,125.44	4.29%
3.1 Transport Operators	55,054.59	3,174.38	5.77%	47,208.26	2,737.48	5.80%
3.2 Computer Software	143.69	3.02	2.10%	95.16	3.11	3.27%
3.3 Tourism, Hotel and Restaurants	1,504.24	38.50	2.56%	1,302.45	16.38	1.26%
3.4 Shipping	-	-	-	-	-	-
3.5 Professional Services	2,405.65	50.37	2.09%	1,998.20	43.78	2.19%
3.6 Trade	19,483.63	972.34	4.99%	18,954.96	715.09	3.77%
3.6.1 Wholesale Trade (other than Food Procurement)	2,745.94	51.01	1.86%	185.75	7.75	4.17%
3.6.2 Retail Trade	16,737.69	921.33	5.50%	18,769.21	707.34	3.77%
3.7 Commercial Real Estate	196.65	3.04	1.55%	107.97	2.32	-
3.8 NBFCs	24.32	0.45	1.85%	152.48	8.25	-
3.9 Aviation	-	-	-	-	-	-
3.10 Other Services	38,104.18	965.31	2.53%	26,251.85	599.03	2.28%
Total 3.a to 3.d	**1,16,916.95**	**5,207.41**	**4.45%**	**96,071.34**	**4,125.44**	**4.29%**
3.a Micro and Small	89,682.69	3,905.52	4.35%	71,876.81	2,800.36	3.90%
3.b Medium	519.06	48.19	9.28%	727.96	41.57	5.71%
3.c Large	-	-	-	-	-	-
3.d Others	26,715.20	1,253.70	4.69%	23,466.57	1,283.51	5.47%
4. Retail Loans (4.1 to 4.10)	67,959.00	2,582.93	3.80%	54,392.62	1,855.34	3.41%
4.1 Housing Loans (incl. priority sector Housing)	13,953.06	441.43	3.16%	11,795.82	313.97	2.66%
4.2 Consumer Durables	1,190.97	16.28	1.37%	682.94	24.37	3.57%

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

VIII) SECTORAL EXPOSURE (Contd.)

₹ in crores

Sectors	As on March 31, 2026			As on March 31, 2025		
	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
4.4 Vehicle/Auto Loans	45,057.56	2,006.36	4.45%	36,140.38	1,381.95	3.82%
4.5 Education Loans	-	-	-	-	-	-
4.6 Advances against Fixed Deposits (incl. FCNR(B), etc.)	-	-	-	-	-	-
4.7 Advances to Individuals against Shares, Bonds	9.31	-	-	139.84	-	-
4.8 Advances to Individuals against Gold	1,813.20	0.41	-	-	-	-
4.9 Micro finance loan/SHG Loan	-	-	-	-	-	-
4.10 Other Retail loans	5,934.90	118.45	2.00%	5,633.64	135.05	2.40%
5. Other Non-food Credit	**-**	**-**	**-**	**-**	**-**	**-**

IX) INTRA-GROUP EXPOSURES

Particulars	March 31, 2026	March 31, 2025
Total amount of intra-group exposures (₹ in crores)	811.91	794.21
Total amount of top 20 intra-group exposures	811.91	794.21
Percentage of intra-group exposures to total exposure of the NBFC on borrowers / customers (Gross loans and gross undrawn commitment)	0.35%	0.42%

Exposure includes gross loans, gross undrawn commitments and investment in equity and other instrument.

x) **a.** Unhedged foreign currency exposure-Nil

b. Breach of covenant of loan availed or debt securities issued – Nil

c. Divergence in Asset Classification and Provisioning -Nil

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

XI) RELATED PARTY DISCLOSURE

₹ in crores

Related Party	Parent		Subsidiaries		Associates /Joint venture		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Particulars	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Borrowings													-	-
-Availed	-	-	-		-	-	-	-	-	-	-	-	-	-
-Repaid	-	-	-		-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placements of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances(Loans)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-Given	-	-	343.00	446.50	9.50	30.00	-	-	-	-	33.36	12.81	385.86	489.31
-Recovered	-	-	343.00	521.00	21.00	12.50	-	-	-	-	18.04	13.20	382.04	546.70
Investments made during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Fixed assets or other assets	-	-	-	-	-	-	-	-	-	-	22.20	0.44	22.20	0.44
Sale of Fixed assets or other assets	-	-		0.01	-	-	0.34	-	-	-	5.27	-	5.61	0.01
Interest Paid-Expense	-	-	-	-	-	-	-	-	-	-	72.89	87.62	72.89	87.62
Interest received-Income	-	-	0.32	1.78	1.50	1.78	-	-	-	-	1.12	0.94	2.94	4.50
Amount received towards Reimbursement of expenses	1.95	1.77	15.78	17.17	1.68	1.66	-	-	-	-	0.30	0.67	19.71	21.27
Dividend Payments	74.58	74.58		-		-	0.12	0.10	-	0.09	9.25	9.50	83.95	84.27
Dividend Received	-	-	-	5.94	-	-	-				-	-	-	5.94
Services Received	-	-	0.13	0.36	1.77	1.32	-	-	-	-	804.66	741.67	806.56	743.35
Services Rendered	-	-		-		0.01	-	-	-	-		-	-	0.01
Insurance Commission	-	-		-		-	-	-	-	-	303.32	370.84	303.32	370.84
Advances Paid	-	-		-		-	-	-	-	-	2.78	8.26	2.78	8.26
Advances Settled	-	-		-		-	-	-	-	-	5.16	10.47	5.16	10.47
Rental Deposits received	-	-		-		-	-	-	-	-	0.07	0.40	0.07	0.40
Refund of Security Deposit	-	-	-	-	-	-	-	-	-	-	0.18	-	0.18	-
Others														
-Expense	-	-	-	1.19	-	-	38.36	19.42	-	-	37.43	31.92	75.79	52.53
-Income	-	-	0.29	0.24	-	-	-	-	-	-	8.69	8.33	8.98	8.57

* Represents amount less than ₹1 lakh

XI) RELATED PARTY DISCLOSURE (Contd.)

₹ in crores

Related Party	Parent		Subsidiaries		Associates /Joint venture		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Particulars	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Borrowings														
- Amount outstanding as at year-end	-	-	-	-		-	-	-	-	-	-	-	-	-
- Maximum amount outstanding during the year	-	-	-	-		-	-	-	-	-	-	-	-	-
Advances (Loans)														
- Amount outstanding as at year-end	-	-	-	-	6.05	17.65	-	-	-	-	17.59	2.33	23.64	19.98
- Maximum amount outstanding during the year	-	-	80.00	220.00	21.00	20.00	-	-	-	-	17.73	12.81	118.73	252.81
Investments														
- Amount outstanding as at year-end	-	-	64.90	64.90	456.82	456.82	-	-	-	-	-	-	521.72	521.72
- Maximum amount outstanding during the year	-	-	64.90	64.90	456.82	456.82	-	-	-	-	-	-	521.72	521.72

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

XII) CUSTOMER COMPLAINTS

Sr. No		Particulars	March 31, 2026	March 31, 2025
	Complaints received by the NBFC from its customers			
1.		Number of complaints pending at beginning of the year	266	50
2.		Number of complaints received during the year	21,036	5,113
3.		Number of complaints disposed during the year	21,120	4897
	3.1	Of which, number of complaints rejected by the NBFC	2532	753
4.		Number of complaints pending at the end of the year	182	266
	Maintainable complaints received by the NBFC from Office of Ombudsman			
5.		Number of maintainable complaints received by the NBFC from Office of Ombudsman	1323	648
	5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	990	648
	5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	16	10
	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, 2026		
Collections related	53	4,271	226%	73	11
Repayment related	8	2,499		16	7
Disbursement related	49	2,594	360%	4	6
Foreclosure Related (letter/Closing/Charges)	35	2,376	360%	23	4
Loan Closure &NOC	17	1,095	318%	7	3
Others	104	8,201	244%	59	53
Total	**266**	**21,036**	**311%**	**182**	**84**
			March 31, 2025		
Payment Follow-Up Dispute	16	1,309	452%	53	1
Credit Reporting Dispute	0	610	601%	26	0
Disbursement related complaints	5	564	810%	49	2
Delay/priority of FC Letter and LOD	14	517	174%	35	0
Loan closure and NOC/NDC related	1	262	103%	17	0
Others	14	1,851	243%	86	5
Total	**50**	**5,113**		**266**	**8**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

XIII) LOANS TO DIRECTORS, SENIOR OFFICERS AND RELATIVES OF DIRECTORS

₹ in crores

Particulars	Current Year	Previous Year
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

XIV) LIQUIDITY RISK

Public disclosure on liquidity risk - March 31, 2026

(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	16	1,40,750.57	NA	65.57%

(ii) Top 20 large deposits (amount in ₹ Crore and % of total deposits)

Not Applicable

(iii) Top 10 borrowings (amount in ₹ Crore and % of total borrowings)

Amount (₹ In crore)	% of Total Borrowings
1,25,696.46	60.04%

(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	1,09,203.28	50.87%
2	NCDs (including PDI & Sub Debt)	41,051.46	19.12%
3	CPs	11,065.00	5.15%
4	ECB Loans	15,501.72	7.22%
5	Securitisation	31,486.73	14.67%
6	Rupee Denominated Bonds	400.00	0.19%
7	Compulsory Convertible Debentures	630.00	0.29%
	TOTAL	**2,09,338.19**	**97.52%**

(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	5.29%
Commercial Papers as a % of total liabilities	5.15%
Commercial Papers as a % of total assets	4.52%

(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	1.38%
Other Short-term liabilities as a % of total liabilities	1.34%
Other Short-term liabilities as a % of total assets	1.18%

(d) Short term Liabilities to Long term assets – 44.60%

(e) Long term assets to total assets – 71.81%

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

XIV) LIQUIDITY RISK (Contd.)

(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:

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 year.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

XV) PROVISION AS PER IRAC NORMS AND ECL FOR THE YEAR ENDED MARCH 31, 2026

₹ 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	2,09,093.50	706.62	2,08,386.88	660.65	45.97
Standard	Stage 2	3,161.45	239.07	2,922.38	11.61	227.46
Subtotal for Performing assets		2,12,254.95	945.69	2,11,309.26	672.26	273.43
Non Performing Assets (NPA)						
Substandard	Stage 1	510.43	16.87	493.56	42.57	(25.70)
Doubtful - upto 1 year	Stage 1	65.21	2.40	62.81	11.44	(9.04)
1 - 3 years	Stage 1	19.63	1.07	18.56	5.77	(4.70)
Substandard	Stage 2	1,969.31	176.21	1,793.10	160.54	15.67
Doubtful - upto 1 year	Stage 2	278.93	22.59	256.35	48.57	(25.98)
1 - 3 years	Stage 2	72.21	5.58	66.63	20.44	(14.86)
More than 3 years	Stage 2	3.96	0.34	3.61	1.92	(1.58)
Substandard	Stage 3	3,161.01	1,052.60	2,108.41	271.78	780.81
Doubtful - upto 1 year	Stage 3	1,596.85	617.09	979.76	264.57	352.52
1 - 3 years	Stage 3	1,214.84	785.42	429.41	303.62	481.80
More than 3 years	Stage 3	776.25	726.90	49.35	308.28	418.61
Loss	Stage 3	17.56	17.60	(0.04)	17.59	0.01
Subtotal for NPA		**9,686.19**	**3,424.67**	**6,261.51**	**1,457.09**	**1,967.56**
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	7,442.32	23.11	7,419.21	-	23.11
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal for other items						
Total	Stage 1	2,17,131.53	750.11	2,16,381.42	720.65	29.46
	Stage 2	5,485.86	443.79	5,042.07	243.08	200.71
	Stage 3	6,766.51	3,199.61	3,566.89	1,165.85	2,033.76
	Total	**2,29,383.90**	**4,393.51**	**2,24,990.38**	**2,129.58**	**2,263.93**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

XV) PROVISION AS PER IRAC NORMS AND ECL FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

₹ 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	1,75,039.88	618.55	1,74,421.33	564.78	53.77
Standard	Stage 2	2,942.84	247.43	2,695.41	13.56	233.87
Subtotal for Performing assets		1,77,982.72	865.98	1,77,116.74	578.34	287.64
Non Performing Assets (NPA)						
Substandard	Stage 1	359.80	13.61	346.19	29.52	(15.92)
Doubtful - upto 1 year	Stage 1	23.29	0.85	22.44	4.07	(3.22)
1 - 3 years	Stage 1	7.40	0.38	7.02	2.17	(1.79)
Substandard	Stage 2	1,586.68	152.28	1,434.40	126.72	25.56
Doubtful - upto 1 year	Stage 2	119.52	12.05	107.47	21.18	(9.13)
1 - 3 years	Stage 2	47.81	5.23	42.58	13.89	(8.66)
More than 3 years	Stage 2	0.10	0.01	0.09	0.05	(0.04)
Substandard	Stage 3	2,673.99	844.74	1,829.25	235.23	609.51
Doubtful - upto 1 year	Stage 3	990.41	362.76	627.65	169.82	192.94
1 - 3 years	Stage 3	1,070.42	711.45	358.97	271.33	440.12
More than 3 years	Stage 3	461.82	424.70	37.12	184.11	240.59
Loss	Stage 3	16.37	16.42	(0.05)	16.41	0.01
Subtotal for NPA		**7,357.61**	**2,544.48**	**4,813.13**	**1,074.50**	**1,469.98**
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	4,383.66	14.42	4,369.25	-	14.42
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal for other items		**4,383.66**	**14.42**	**4,369.25**	**-**	**14.42**
Total	Stage 1	1,79,814.03	647.81	1,79,166.23	600.54	47.27
	Stage 2	4,696.95	417.00	4,279.95	175.40	241.60
	Stage 3	5,213.01	2,360.07	2,852.94	876.90	1,483.17
	Total	**1,89,723.99**	**3,424.88**	**1,86,299.12**	**1,652.84**	**1,772.04**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

XVI) CAPITAL ADEQUACY RATIO

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Tier I Capital	28,988.17	23,439.10
Tier II Capital	8,809.69	8,677.91
Total Capital	**37,797.86**	**32,117.01**
Total Risk Weighted Assets	1,96,827.32	1,62,651.93
Capital Ratios		
Tier I Capital as a Percentage of Total Risk Weighted Assets (%)	14.73%	14.41%
Tier II Capital as a Percentage of Total Risk Weighted Assets (%)	4.48%	5.34%
Total (%)	**19.21%**	**19.75%**
Amount of Subordinated Debt raised as Tier – II capital during the year	**2,502.00**	**4,760.00**
Amount raised by issue of Perpetual Debt instruments during the year	**100.00**	**1,000.00**
Closing balance of Perpetual Debt Instruments	2,576.00	2,476.00
Percentage of the amount of PDI of the amount of its Tier I capital	8.89%	10.56%
There were ₹ crores (previous year ₹ Nil crore) interest outstanding to pay perpetual debt Instrument holders		

xvii) Investments

₹ in crores

		Particulars	As at March 31, 2026	As at March 31, 2025
(1)		**Value of Investments**		
	(i)	Gross Value of Investments		
		(a) In India	6,670.87	6,411.43
		(b) Outside India		
	(ii)	Provisions for Depreciation (including fair value change)		
		(a) In India	(32.82)	(21.04)
		(b) Outside India	-	-
		Particulars	**As at March 31, 2026**	**As at March 31, 2025**
	(iii)	Net Value of Investments		
		(a) In India	6,638.05	6,390.39
		(b) Outside India.		
(2)		**Movement of provisions held towards depreciation on investments (including fair value change)**		
	(i)	Opening balance	21.04	21.04
	(ii)	Add: Provisions made during the year	11.78	0*
	(iii)	Less: Reversal of provision during the year	-	-
	(iv)	Closing balance	32.82	21.04

*Amount less than ₹ 1 lakh.

xviii) Forward Rate Agreement/Interest Rate Swap

₹ in crores

Particulars		As at March 31, 2026	As at March 31, 2025
i)	The notional principal of swap agreements	20,902.29	21,252.12
(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/Liabilities)	1,614.61	(81.28)

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

XIX) DISCLOSURES ON RISK EXPOSURE IN DERIVATIVES

Qualitative Disclosures – Refer note 42.2.2.4, 3.4.3

Quantitative Disclosures – Refer Note 7

As at March 31, 2026 **₹ in crores**

S.no	Particulars	Currency derivatives	Interest rate derivatives
(i)	Derivatives (Notional Principal Amount)	13,254.27	7,648.02
	For Hedging	13,254.27	7,648.02
(ii)	Marked to Market Positions		
	(a) Assets (+)	1,661.04	40.02
	(b) Liability (-)	-	86.45
(iii)	Credit Exposure	-	-
(iv)	Unhedged Exposures	-	-

As at March 31, 2025 **₹ in crores**

S.no	Particulars	Currency derivatives	Interest rate derivatives
(i)	Derivatives (Notional Principal Amount)	12,230.47	9,021.65
	For Hedging	12,230.47	9,021.65
(ii)	Marked to Market Positions		
	(a) Assets (+)	155.62	47.70
	(b) Liability (-)	53.09	231.51
(iii)	Credit Exposure	-	-
(iv)	Unhedged Exposures	-	-

XX) ASSET LIABILITY MANAGEMENT

Maturity pattern of certain items of assets and liabilities

As at March 31, 2026

₹ in crores

Particulars	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	1 to 3 years	3 to 5 years	More than 5 Years	Total
Liabilities											
Borrowing from Banks*	2,024.97	132.37	2,320.47	5,249.54	8,099.46	13,233.79	26,416.45	76,287.59	20,810.57	191.72	**1,54,766.93**
Market Borrowings	1.26	84.62	806.40	5,218.62	909.53	1,703.08	9,409.00	18,621.19	5,954.95	11,629.13	**54,337.78**
Total	**2,026.23**	**216.99**	**3,126.87**	**10,468.16**	**9,008.99**	**14,936.87**	**35,825.45**	**94,908.78**	**26,765.52**	**11,820.85**	**2,09,104.71**
Assets											
Advances (Net of Impairment allowance)	2,825.63	587.65	1,855.42	4,482.99	3,937.99	14,198.01	25,883.32	71,841.74	35,431.27	56,527.14	**2,17,571.16**
Investment (Net of Provision for Diminution in Value of Investments)	18.20	-	151.53	3.03	336.60	1,109.57	1,017.75	426.12	1,014.78	2,560.47	**6,638.05**
Total	**2,843.83**	**587.65**	**2,006.95**	**4,486.02**	**4,274.59**	**15,307.58**	**26,901.07**	**72,267.86**	**36,446.05**	**59,087.61**	**2,24,209.21**

As at March 31, 2025

₹ in crores

Particulars	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	1 to 3 years	3 to 5 years	More than 5 Years	Total
Liabilities											
Borrowing from Banks*	3,291.45	128.64	1,567.10	3,113.98	5,816.75	13,020.48	20,225.25	69,913.11	16,063.23	340.44	**1,33,480.43**
Market Borrowings	122.78	41.83	976.72	3,033.36	1,037.38	1,236.95	3,494.25	12,040.60	9,715.56	9,454.70	**41,154.13**
Total	**3,414.23**	**170.47**	**2,543.82**	**6,147.34**	**6,854.13**	**14,257.43**	**23,719.50**	**81,953.71**	**25,778.79**	**9,795.14**	**1,74,634.56**
Assets											
Advances (Net of Impairment allowance)	2,232.38	547.52	1,771.46	3,856.23	3,359.31	12,223.08	20,504.70	61,466.17	28,806.90	47,162.15	**1,81,929.90**
Investment (Net of Provision for Diminution in Value of Investments)	-	-	-	49.48	108.06	512.29	2,696.14	822.99	152.14	2,049.29	**6,390.39**
Total	**2,232.38**	**547.52**	**1,771.46**	**3,905.71**	**3,467.37**	**12,735.37**	**23,200.84**	**62,289.16**	**28,959.04**	**49,211.44**	**1,88,320.29**

*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, 2026

XXI) OTHER REGULATOR REGISTRATION

S.No	Regulator	Registration no
1	Ministry of Company Affairs	CIN: L65993TN1978PLC007576
2	Insurance Regulatory and Development Authority of India	CA0874

XXII) PENALTIES LEVIED BY THE ABOVE REGULATORS – Nil

XXIII) RATINGS ASSIGNED BY CREDIT RATING AGENCIES

	As at March 31, 2026	As at March 31, 2025
Commercial paper & Non- convertible Debentures – Short Term	ICRA A1+, CARE 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, IND AA, CARE AA	ICRA AA, IND AA

XXIV) PROVISIONS AND CONTINGENCIES

₹ in crores

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Year ended March 31, 2026	Year ended March 31, 2025
Provisions for depreciation on Investment (including fair value change)	-	0*
Provision towards NPA**	880.24	713.43
Provision made towards Income tax***	1,741.07	1,478.34
Other Provision for undrawn commitments	8.69	4.05
Provision for Standard Assets****	79.71	176.30
Provision for contingencies and service tax claims	0.75	-

*Represents amount less than ₹ 1 lakh.
**Provision for stage 3 assets
***Provision made towards income tax comprises of current tax and tax adjustment for earlier years.
****Provision for standard assets represents provision made towards impairment of financial instruments other than stage 3 assets

XXV) DRAW DOWN FROM RESERVES: There has been no draw down from reserve during the year ended March 31, 2026 and year ended March 31, 2025.

XXVI) CONCENTRATION OF ADVANCES (LOANS)

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Total Advances to twenty largest borrowers	493.31	473.68
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.22%	0.26%

XXVII) CONCENTRATION OF EXPOSURES

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Total Exposure to twenty largest borrowers/customers	761.35	718.95
Percentage of Exposures to twenty largest borrowers /Customers to Total Exposure of the NBFC on borrowers/customers.	0.33%	0.38%

XXVIII) CONCENTRATION OF NPAs

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Total Exposure to top four NPA accounts	49.20	47.76

XXIX) SECTOR-WISE NPAs : REFER NOTE 50(VIII)

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

XXX) MOVEMENT OF NPAS

₹ in crores

Particulars			March 31, 2026	March 31, 2025
(i)	Net NPAs to Net Advances(%)		2.87%	2.63%
(ii)	Movement of Gross NPA			
	(a)	Opening balance	7,357.62	5,204.58
	(b)	Additions during the year	9,832.99	5,394.81
	(c)	Reductions during the year	7,503.98	3,241.77
	(d)	Closing balance	9,686.63	7,357.62
(iii)	Movement of Net NPA			
	(a)	Opening balance	4,813.16	3,373.55
	(b)	Additions during the year	6,053.97	3,997.70
	(c)	Reductions during the year	4,605.21	2,558.09
	(d)	Closing balance	6,261.91	4,813.16
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)			
	(a)	Opening balance	2,544.47	1,831.03
	(b)	Provisions made during the year	3,779.01	1,397.11
	(c)	Write-off / write-back of excess provisions	2,898.77	683.67
	(d)	Closing balance	3,424.71	2,544.47

XXXI) 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 composition of borrowings consists of Bank term loans, Market Borrowings and Securitization. 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 in Level 1 assets with no haircut.

The LCR has been consistently maintained well over the regulatory threshold throughout the year. The company has Board approved internal risk thresholds for LCR which is higher than the regulatory requirement.

All foreign currency borrowings are fully hedged both for principal and interest at the time of drawal of each loan and hence do not run the risk of currency mismatch.

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

XXXI) LIQUIDITY COVERAGE RATIO (Contd.)

₹ in crores

	Liquidity Coverage Ratio								
	Particulars	April -June-2025		July -September-2025		October -December-2025		January -March-2026	
		Total Unweighted value (average)	Total Weighted value (average)	Total Unweighted value (average)	Total Weighted value (average)	Total Unweighted value (average)	Total Weighted value (average)	Total Unweighted value (average)	Total Weighted value (average)
	High Quality Liquid Assets								
1	**Total High Quality Liquid Assets (HQLA) ***	**5,872.38**	**5,872.38**	**6,588.39**	**6,588.39**	**7,014.67**	**7,014.67**	**5,943.32**	**5,943.32**
	Cash Outflow								
2	Deposits	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	1,131.32	1,301.02	407.61	468.75	1,850.00	2,127.50	-	-
4	Secured wholesale funding	4,936.34	5,676.79	4,992.24	5,741.08	3,171.19	3,646.87	3,851.27	4,428.96
5	**Additional Requirements, of which**								
	(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	-	-	-	-	-	-	-	-
6	Other Contractual funding obligations	3,737.29	4,297.88	3,733.94	4,294.03	2,635.19	3,030.47	3,861.62	4,440.86
7	Other Contingent funding obligations	176.523484	203.00	208.46	239.73	227.80	261.97	228.96	263.31
8	**Total Cash Outflows**	**9,981.47**	**11,478.69**	**9,342.25**	**10,743.59**	**7,884.18**	**9,066.81**	**7,941.85**	**9,133.13**
	Cash Inflows								
9	Secured Lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	7,571.46	5,678.59	7,822.09	5,866.57	8,741.11	6,555.84	9,267.81	6,950.86
11	Other cash inflows	4,523.89	3,392.92	3,985.80	2,989.35	7,022.15	5,266.61	9,057.19	6,792.89
12	**Total Cash Inflows**	**12,095.35**	**9,071.51**	**11,807.89**	**8,855.92**	**15,763.26**	**11,822.45**	**18,325.00**	**13,743.75**
13	Total HQLA	5,872.38	5,872.38	6,588.39	6,588.39	7,014.67	7,014.67	5,943.32	5,943.32
14	Total Net Cash Flows	-	2,869.67	-	2,685.90	-	2,266.70	-	2,283.28
15	**Liquidity Coverage Ratio (%)**	**-**	**204.64%**	**-**	**245.30%**	**-**	**309.47%**	**-**	**260.30%**
	***Components of HQLA**								
	Government Securities		3,469.80		3,583.47		5,104.40		4,016.51
	Treasury Bills		1,598.91		2,189.78		1,083.94		1,091.61
	STRIPS		803.67		815.14		826.33		835.20
	Total		**5,872.38**		**6,588.39**		**7,014.67**		**5,943.32**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

NOTE : 51. DISCLOSURE OF FRAUDS REPORTED DURING THE YEAR ENDED VIDE DNBS. PD. CC NO. 256/ 03.10.042/ 2011-12 DATED MARCH 02, 2012

There were 20 cases (March 31, 2025 - 18 cases) of frauds amounting to ₹ 13.91 crores (March 31, 2025 - ₹ 5.45 crores) reported during the year. The Company has recovered an amount of ₹ 1.46 crores (March 31, 2025 - ₹ 0.16 crores). The un-recovered amounts are either pending settlement with the insurance companies or have been fully provided/ written off.

NOTE : 52.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

₹ in crores

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at September 30, 2025 (A)	Of (A) aggregate debt that slipped during the half year	Of (A) amount written off during the half year	Of (A) amount paid by the borrowers during the half year**	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at March 31, 2026
Personal Loans	126.15	5.20	0.90	8.54	111.51
Corporate persons #					
Of which MSME					
Others*	272.31	17.42	0.27	63.44	191.19
Total	**398.46**	**22.62**	**1.17**	**71.98**	**302.70**

Note : 53 SCHEDULE TO THE BALANCE SHEET AS PER RBI DIRECTIONS

₹ in crores

Sl. No.	Particulars	Amount Outstanding As at March 31, 2026	Amount Overdue
	Liabilities:		
(1)	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**		
(a)	Debentures		
	- Secured	29,322.12	-
	- Unsecured (other than falling within the meaning of public deposits)	11,657.70	-
	- Perpetual Debt Instrument	2,697.59	-
(b)	Deferred Credits	-	-
(c)	Term Loans	1,51,708.87	-
(d)	Inter-Corporate Loans and Borrowings	-	-
(e)	Commercial Papers	10,660.36	-
(f)	Public Deposits	-	-
(g)	Other Loans	4,819.91	-
	(Other Loans Represents Working Capital Demand Loans and Cash Credit from Banks along with Interest Accrued but Not Due on above)		

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 53 SCHEDULE TO THE BALANCE SHEET AS PER RBI DIRECTIONS (Contd.)

Sl. No.	Particulars	Amount Outstanding As at March 31, 2025	Amount Overdue
	Liabilities:		
(1)	**Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:**		
(a)	Debentures		
	- Secured	24,088.19	-
	- Unsecured	10,501.00	-
	(other than falling within the meaning of public deposits)		
	- Perpetual Debt Instrument	2,593.20	-
(b)	Deferred Credits	-	-
(c)	Term Loans	1,28,923.46	-
(d)	Inter-Corporate Loans and Borrowings	-	-
(e)	Commercial Papers	3,971.74	-
(f)	Public Deposits	-	-
(g)	Other Loans	4,868.52	-
	(Other Loans Represents Working Capital Demand Loans and Cash Credit from Banks along with Interest Accrued but Not Due on above)		

Sl. No.	Particulars	Amount Outstanding As at March 31, 2026	Amount Outstanding As at March 31, 2025
(2)	**Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below]: (including interest accrued)**		
(a)	Secured	82,207.78	65,604.07
(b)	Unsecured	16,687.32	15,962.16
(3)	**Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities**		
(i)	Lease Assets including Lease Rentals under sundry debtors	-	-
(a)	Financial Lease (at amortized cost)	95.66	22.21
(b)	Operating Lease	-	-
(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	1,18,580.44	1,00,341.46

₹ in crores

Sl. No.	Particulars	Amount Outstanding As at March 31, 2026	Amount Outstanding As at March 31, 2025
(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	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 53 SCHEDULE TO THE BALANCE SHEET AS PER RBI DIRECTIONS (Contd.)

₹ in crores

Sl. No.	Particulars	Amount Outstanding As at March 31, 2026	Amount Outstanding As at March 31, 2025
	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	4,152.05	3,375.31
(v)	Investment in Treasury Bill	1,099.52	1,721.41
(vi)	Investment in STRIPS	829.37	771.91
II	**Unquoted:**		
(i)	Shares:		
	(a) Equity (Net of Provision for Diminution in Value of Investment)	521.74	521.74
	(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	-	-
(vii)	Others		
	- Investment in Pass Through Certificates	-	-
	- Investment property	0.13	0.13
	- Public Trust – Corpus	0.01	0.01
	- Security Receipts of ARC	47.28	-

(5) Borrower Group-wise Classification of Assets Financed as in (2) and (3) above

₹ in crores

	Category	Amount (Net of provision)		
		Secured	Unsecured	Total
	As at March 31, 2026			
1.	Related Parties *			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same Group	-	6.05	6.05
	(c) Other Related Parties	2.21	-	2.21
2.	Other than Related Parties	2,00,881.66	16,666.30	2,17,547.96
	Total	**2,00,883.87**	**16,672.35**	**2,17,556.22**
	As at March 31, 2025			
1.	Related Parties *			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same Group	-	17.58	17.58
	(c) Other Related Parties	2.33	-	2.33
2.	Other than Related Parties	1,65,965.41	15,944.58	1,81,909.99
	Total	**1,65,967.74**	**15,962.16**	**1,81,929.90**

Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 53 SCHEDULE TO THE BALANCE SHEET AS PER RBI DIRECTIONS (Contd.)

(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, 2026		
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	0.01	0.01
2.	Other than Related Parties	5,943.34	6,116.31
	Total	**6,465.07**	**6,638.04**
	As at March 31, 2025		
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	0.01	0.01
2.	Other than Related Parties	5,790.77	5,868.66
	Total	**6,312.50**	**6,390.39**

₹ in crores

(7)	Other Information	Amount Outstanding as at March 31, 2026	March 31, 2025
(i)	Gross Non-Performing Assets		
	a) With Related Parties *	-	-
	b) With Others	9,686.63	7,357.61
(ii)	Net Non-Performing Assets		
	a) With Related Parties *	-	-
	b) With Others	6,261.91	4,813.14
(iii)	Assets Acquired in Satisfaction of Debt		
	a) With Related Parties *	-	-
	b) With Others	-	-

*Refer Note 38 for details of related parties.

NOTE : 54.

The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to the current year presentation

As per our report of even date
For KKC & Associates LLP
Chartered Accountants
ICAI Firm Regn No. **105146W/W100621**

Devang Doshi
Partner
Membership No. : 140056

For B. K. Khare & Co
Chartered Accountants
ICAI Firm Regn No. : **105102W**

Shirish Rahalkar
Partner
Membership No. : 111212

Date : April 30, 2026
Place : Chennai

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Managing Director
DIN:07337155

Vellayan Subbiah
Executive Chairman
DIN:01138759

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

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 audited the accompanying Consolidated Financial Statements of Cholamandalam Investment and Finance Company Limited ('the Holding Company' or 'the Parent' or 'the Company') and its subsidiaries (the parent and its subsidiaries together referred to as 'the Group'), its associate and joint ventures (including jointly controlled entities), which comprise the Consolidated Balance Sheet as at 31 March 2026 and the Consolidated Statement of Profit (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information ('the Consolidated Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, associate and joint ventures as were audited by the other auditors, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group, its associate and joint ventures as at 31 March 2026, and its Consolidated Profit And Other Comprehensive Income, Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs 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 and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated 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 along with the consideration of audit reports of the other auditors referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

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 year. 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 matter	How the matter was addressed in our audit
Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 11 of the Consolidated financial statements) The loan balances towards vehicle finance, home loans, loans against property, and other loans aggregating to ₹ 2,22,114.81 crores and the associated impairment allowances aggregating to ₹ 4,371.09 crores are significant to the consolidated financial statements and involves judgement around the determination of the impairment allowance in line with the requirements of the Ind AS 109 "Financial Instruments". Impairment allowances represent management's estimate of the losses incurred within the loan portfolios at the balance sheet date and are inherently judgmental. Impairment, based on ECL model, is calculated using main variables, viz. 'Staging', 'Exposure at Default', 'Probability of Default' and 'Loss Given Default' as specified under Ind AS 109. Quantitative factors like days past due, behaviour of the portfolio, historical losses incurred on defaults and macro- economic data points identified by the Management's expert and qualitative factors like nature of the underlying loan, deterioration in credit quality, correlation of macro-economic variables to determine expected losses, uncertainty over realisability of security, judgement in relation to management overlays and related Reserve Bank of India (RBI)	The audit procedures performed by us to assess appropriateness of the impairment allowance based on ECL on loans included the following: • We understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over: i. the assumptions used in the calculation of ECL and its various aspects such as determination of Probability of Default, Loss Given Default, Exposure at Default, Staging of Loans, etc. ii. the completeness and accuracy of source data used by the Management in the ECL computation; and iii. ECL computations for their reasonableness • We, along with the assistance of the auditor's IT expert, verified the appropriateness of methodology and models used by the Company and reasonableness of the assumptions used within the computation process to estimate the impairment provision. • We test-checked the completeness and accuracy of source data used. • We recomputed the impairment provision for a sample of loans across the loan portfolio to verify the arithmetical accuracy and compliance with the requirements of Ind AS 109. • We evaluated the reasonableness of the judgement involved in management overlays that form part of the impairment provision, and the related approvals.

Independent Auditor's Report (Contd.)

Key audit matter	How the matter was addressed in our audit
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.	• Reviewed the Company's accounting policies for estimation of Expected Credit Loss on loans and assessing compliance with the policies in terms of Ind AS 109. • We evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the consolidated financial statements
Audit in an Information Technology (IT) enabled environment – including considerations on exceptions identified in IT Environment. The IT environment of the entity involves a few independent and inter-dependent IT systems used in the operations of the entity for processing and recording of the business transactions. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the entity. Appropriate IT general controls and IT application controls are required to ensure that such IT systems can process the data as required, completely, accurately, and consistently for reliable financial reporting. 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	Our audit procedures with respect to this matter included the following: In assessing the controls over the IT systems, we have involved our Technology Assurance specialists to obtain an understanding of the IT environment, IT infrastructure and IT systems. With respect to the "In-scope IT systems" identified as relevant to the audit of the consolidated financial statements and financial reporting process of the entity, we have evaluated and tested relevant IT general controls or relied upon service auditor's report, where applicable. On such "In-scope IT systems", we have covered the key IT general controls with respect to the following domains: Program change management, which includes that program changes are moved to the production environment as per defined procedures and relevant segregation of environment is ensured. User access management, which includes user access provisioning, de-provisioning, access review, password management, sensitive access rights and segregation of duties to ensure that privileged access to applications, operating system and databases in the production environment were granted only to authorized personnel. Other areas that were assessed under the IT control environment included backup management, business continuity and disaster recovery, incident management, batch processing and monitoring, cybersecurity controls, end user computing and physical security and datacentre controls. We have also evaluated the design and tested the operating effectiveness of key IT application controls within key business processes, which included testing automated calculations, automated accounting procedures, system interfaces, system reconciliation controls and key system generated reports, as applicable. Where control deficiencies have been identified, we have tested a combination of compensating controls, remediated controls and/or performed alternative audit procedures, where necessary

Independent Auditor's Report (Contd.)

Other Information

5. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the Consolidated Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
6. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. 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. If, based on the work we have performed and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact
8. 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

9. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the Consolidated State of Affairs, Consolidated Profit and Other Comprehensive Income, Consolidated Changes in Equity and Consolidated Cash Flows of the Group including its associate and joint ventures is in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate 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 of its associate and joint ventures and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.
10. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
11. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associate and joint ventures.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

12. 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.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Independent Auditor's Report (Contd.)

13.1. 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.

13.2. 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 the Consolidated Financial Statements and the operating effectiveness of such controls.

13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

13.4. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.

13.5. 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.

13.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of 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.

14. 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.

15. 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.

16. 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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

17. We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of ₹ 462.83 crores as at 31 March 2026, total revenues of ₹ 95.25 crores and net cash flows amounting to ₹ 1 crore for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit of ₹ 3.73 crores for the year ended 31 March 2026, as considered in the Consolidated Financial Statements, in respect of one joint venture and one jointly controlled entity, whose financial

Independent Auditor's Report (Contd.)

statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entity and joint venture and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entity and joint venture, is based solely on the reports of the other auditors.

18. The Consolidated Financial Statements also include the Group's share of net profit of ₹ * (below rounding off norm adopted by the Holding Company) for the year ended 31 March 2026, as considered in the Consolidated Financial Statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of section 143(3) of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

19. 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 certified by the Management.

Report on Other Legal and Regulatory Requirements

20. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports of the other auditors on separate financial statements of such subsidiaries, associate and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

    20.1. 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.

    20.2. In our opinion, proper books of accounts 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.

    20.3. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

    20.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.

    20.5. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2026, 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 ventures incorporated in India, none of the directors of the Group companies, its associate company and joint ventures incorporated in India are disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

    20.6. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Holding Company, its subsidiary companies, associate company and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.

    20.7. In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate company and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, associate company and joint ventures incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, associate company and joint ventures incorporated in India is not in excess of the limit laid down under Section 197 of the Act.

21. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the

Independent Auditor's Report (Contd.)

explanations given to us and based on the consideration of audit reports of the other auditors on separate financial statements of such subsidiaries, associate and joint ventures, as noted in the 'Other Matters' paragraph:

21.1. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group, its associate and joint ventures – Refer Note 42 to the consolidated financial statements.

21.2. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 9 to the Consolidated Financial Statements in respect of such items as it relates to the Group, its associate and joint ventures.

21.3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and/or its subsidiary companies, associate company and joint ventures incorporated in India during the year ended 31 March 2026.

21.4. The respective managements of the Holding Company, its subsidiaries, associate and joint ventures incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint ventures respectively, to best of their knowledge and belief, that 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 Holding Company or any of such subsidiaries, associate and joint ventures 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 Holding Company or any of such subsidiaries, associate and joint ventures ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

21.5. The respective managements of the Holding Company, its subsidiaries, associate and joint ventures 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, associate and joint ventures respectively, to best of their knowledge and belief, that no funds have been received by the Holding Company or any of such subsidiaries, associate and joint ventures from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate and joint ventures 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.

21.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us and those performed by auditors of the subsidiaries, associate and joint ventures 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 other auditors to believe that the representation under sub clause (i) and (ii) of Rule 11(e), as provided under para 21.4 and 21.5 above, contain any material misstatement.

21.7. In our opinion and according to the information and explanations given to us, the dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act.

21.8. Based on our examination which included test checks and that performed by respective auditors of the subsidiaries, associate and joint ventures which are the companies incorporated in India whose financial statements have been audited under the Act, the company, subsidiaries, associate and joint ventures have used an accounting software for maintaining its books of accounts which has a feature of recording audit trail facility (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries, associate and joint ventures did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company and above referred subsidiaries, associate and joint ventures as per the statutory requirements for record retention.

Independent Auditor's Report (Contd.)

22. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by respective auditors of the companies included in consolidated financial statements, we report that there are no qualifications or adverse remarks in these CARO reports.

For B.K. Khare & Co.
Chartered Accountants
Firm Registration Number- 105102W

Shirish Rahalkar
Partner
ICAI Membership Number: 111212
UDIN: 26111212JJKHGR3113

Place : Chennai
Date : 30 April 2026

For KKC & Associates LLP
Chartered Accountants (formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Devang Doshi
Partner
ICAI Membership Number: 140056
UDIN: 26140056MNSIIB7174

Place : Chennai
Date : 30 April 2026

Annexure A to Independent Auditor's Report

Annexure '[A]' to the Independent Auditors' report on the Consolidated Financial Statements of for the year ended 31 March 2026

(Referred to in paragraph '20.6' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of Cholamandalam Investment and Finance Company Limited as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Cholamandalam Investment and Finance Company Limited ('the Holding Company') and its subsidiary companies and its joint venture companies, 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.
2. In our opinion, the Holding Company, its subsidiary companies, and its joint ventures companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The respective Board of Directors of the Holding Company, its subsidiary companies, and its joint venture companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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

4. Our responsibility is to express an opinion on the Holding Company, its subsidiaries, and joint ventures, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA '), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

7. 7. A company's internal financial controls with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management

Annexure A to Independent Auditor's Report (Contd.)

Annexure '[A]' to the Independent Auditors' report on the Consolidated Financial Statements of for the year ended 31 March 2026

(Referred to in paragraph '20.6' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

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 the consolidated

Financial Statements

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

Other Matters

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to two subsidiary companies, and one joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint ventures incorporated in India.

For B.K. Khare & Co.
Chartered Accountants
Firm Registration Number- 105102W

Shirish Rahalkar
Partner
ICAI Membership Number: 111212
UDIN: 26111212JJKHGR3113

Place : Chennai
Date : 30 April 2026

For KKC & Associates LLP
Chartered Accountants (formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Devang Doshi
Partner
ICAI Membership Number: 140056
UDIN: 26140056MNSIIB7174

Place : Chennai
Date : 30 April 2026

Consolidated Balance Sheet

As at March 31, 2026

₹ in crores

	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Financial Assets			
Cash and cash equivalents	7	8,314.85	5,279.65
Bank balances other than cash and cash equivalents	8	6,380.23	4,221.10
Derivative financial instruments	9	1,701.06	203.32
Receivables	10		
i) Trade receivables		327.05	204.83
ii) Other receivables		202.00	116.33
Loans	11	2,17,743.72	1,82,037.64
Investments			
i) Associate	12	-	-
ii) Joint Venture	12	462.49	458.76
iii) Others	12	6,183.32	5,908.65
Other financial assets	13	892.12	369.08
		2,42,206.84	**1,98,799.36**
Non- Financial Assets			
Current tax assets (Net)		29.73	218.08
Deferred tax assets (Net)	14	1,160.23	948.60
Investment property	15	0.13	0.13
Property, plant and equipment	16	1,839.45	1,754.00
Capital Work in Progress	51	27.51	3.69
Intangible assets under development	51	14.50	7.22
Other intangible assets	17	29.06	25.72
Other non-financial assets	18	140.78	129.96
		3,241.39	**3,087.40**
TOTAL ASSETS		**2,45,448.23**	**2,01,886.76**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	9	86.45	284.60
Payables			
(I) Trade payables	22		
i) Total outstanding dues of micro and small enterprises		13.19	14.33
ii) Total outstanding dues of creditors other than micro and small enterprises		198.86	221.58
(II) Other payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		2,226.49	1,574.80
Debt securities	19	40,824.10	30,222.70
Borrowings (Other than Debt Securities)	20	1,56,542.80	1,33,791.98
Subordinated liabilities	21	13,702.71	11,021.32
Other financial liabilities	23	1,030.27	754.04
		2,14,624.87	**1,77,885.35**
Non-Financial Liabilities			
Provisions	24	281.40	235.55
Other non-financial liabilities	25	83.56	97.17
		364.96	**332.72**
Equity			
Equity share capital	26	170.48	168.25
Other equity	27	30,287.92	23,500.44
		30,458.40	**23,668.69**
TOTAL LIABILITIES AND EQUITY		**2,45,448.23**	**2,01,886.76**

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

For KKC & Associates LLP
Chartered Accountants
ICAI Firm Regn No. 105146W/W100621

Devang Doshi
Partner
Membership No: 140056

For B.K. Khare & Co
Chartered Accountants
ICAI Firm Regn No. 105102W

Shirish Rahalkar
Partner
Membership No: 111212

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Managing Director
DIN: 07337155

Vellayan Subbiah
Executive Chairman
DIN: 01138759

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Date : April 30, 2026
Place : Chennai

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

₹ in crores

	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from Operations			
Interest income	28A	28,403.26	23,747.74
Net gain on derecognition of financial instruments under amortised cost category	36.1B	439.11	159.04
Fee & commission income	28B	2,114.21	1,739.08
Net gain on fair value change on financial instrument	28C	111.38	196.57
Sale of services	28D	5.14	3.55
Total Revenue from operations (I)		**31,073.10**	**25,845.98**
Other income (II)	29	**465.63**	**306.58**
Total Income (III) = (I) + (II)		**31,538.73**	**26,152.56**
Expenses			
Finance costs	30	14,384.13	12,494.53
Impairment of financial instruments	31	3,536.34	2,494.31
Employee benefits expense	32	4,195.08	3,327.75
Depreciation and amortisation expense	15, 16 & 17	283.89	244.83
Other expenses	33	2,166.25	1,849.69
Total Expenses (IV)		**24,565.69**	**20,411.11**
Profit before tax (V) = (III) - (IV)		**6,973.04**	**5,741.45**
Tax expense/(benefit)			
Current tax			
Pertaining to profit for the current year		2,052.56	1,716.38
Adjustment of tax relating to earlier year(s)		(38.75)	10.22
Deferred tax	14	(269.65)	(245.15)
Net tax expense (VI)		**1,744.16**	**1,481.45**
Profit for the year (A) = (V) - (VI)		**5,228.88**	**4,260.00**
Share of Profit/(loss) from Associates (net of tax)		-	-
Share of Profit/(loss) from Joint Venture (net of tax)		3.73	2.70
Profit for the year		**5,232.61**	**4,262.70**
Other Comprehensive income:			
i) Items that will not be reclassified to profit or loss:			
Re-measurement gain / (loss) of Post employment benefit Obligations (net)		(3.75)	(13.63)
Income tax impact		0.94	3.43
ii) Items that will be reclassified to profit or loss:			
Net gain / (loss) on Cashflow Hedge Reserve		234.28	(174.92)
Income tax impact		(58.97)	44.03
Other comprehensive income/(loss) net of tax for the year (B)		**172.50**	**(141.09)**
Total Comprehensive Income net of tax (A) + (B)		**5,405.11**	**4,121.61**
Profit for the year attributable to :			
Equity holders of the Parent Company		5,232.61	4,262.70
Non-Controlling Interest		-	-
Other Comprehensive Income (net of tax) for the year attributable to :			
Equity holders of the Parent Company		172.50	(141.09)
Non-Controlling Interest		-	-
Total Comprehensive Income for the year attributable to :			
Equity holders of the Parent Company		5,405.11	4,121.61
Non-Controlling Interest		-	-
Earnings per equity share of ₹ 2 each	34		
Basic (₹)		61.98	50.72
Diluted (₹)		61.83	50.60

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

For KKC & Associates LLP
Chartered Accountants
ICAI Firm Regn No. 105146W/W100621

Devang Doshi
Partner
Membership No: 140056

For B.K. Khare & Co
Chartered Accountants
ICAI Firm Regn No. 105102W

Shirish Rahalkar
Partner
Membership No: 111212

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Managing Director
DIN: 07337155

Vellayan Subbiah
Executive Chairman
DIN: 01138759

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Date : April 30, 2026
Place : Chennai

Consolidated Statement of Changes in Equity for the year ended March 31, 2026

1. Current reporting period

₹ in crores

A) Equity Share Capital (Refer Note 26)

Balance as on March 31, 2025	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, 2026
168.25	-	168.25	2.23	170.48

B)Other Equity (Refer Note 27)

₹ in crores

Particulars	Share application money pending allotment	Reserve and Surplus							Equity instruments through other comprehensive income	Effective portion of cashflow hedge	Total
		Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share Based Payments reserve			
Balance as on March 31, 2025	**1.98**	**0.04**	**4,963.91**	**33.00**	**5,761.03**	**8,553.46**	**4,110.46**	**213.23**	**(1.48)**	**(135.19)**	**23,500.44**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting year	**1.98**	**0.04**	**4,963.91**	**33.00**	**5,761.03**	**8,553.46**	**4,110.46**	**213.23**	**(1.48)**	**(135.19)**	**23,500.44**
Profit for the year	-	-	-	-	-	5,232.61	-	-	-	-	**5,232.61**
Remeasurement of defined benefit plans	-	-	-	-	-	(2.81)	-	-	-	-	**(2.81)**
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	175.31	**175.31**
Dividends	-	-	-	-	-	(169.60)	-	-	-	-	**(169.60)**
Transfer to retained earnings from FVOCI Reserves	-	-	-	-	-	-	-	-	-		**-**
Share premium received on allotment of equity shares under ESOP	-	-	83.52	-	-	-	-	-	-	-	**83.52**
Share Premium received on allotment of equity shares upon Conversion of CCDs	-	-	1,368.03	-	-	-	-	-	-	-	**1,368.03**
Recognition of share based payments	-	-	-	-	-	-	-	86.13	-	-	**86.13**
Changes during the year	14.29	-	-	-	-	-	-	-	-	-	**14.29**
Transfer to Reserves from retained earnings during the year	-	-	-	-	-	(1,050.00)	1,050.00	-	-	-	**-**
Balance as on March 31, 2026	**16.27**	**0.04**	**6,415.46**	**33.00**	**5,761.03**	**12,563.66**	**5,160.46**	**299.36**	**(1.48)**	**40.12**	**30,287.92**

Consolidated Statement of Changes in Equity for the year ended March 31, 2026 (Contd.)

2. Previous reporting year

A) Equity Share Capital (Refer Note 26)

₹ in crores

Balance as on March 31, 2024	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, 2025
168.06	-	168.06	0.19	168.25

B)Other Equity (Refer Note 27)

₹ in crores

Particulars	Reserve and Surplus								Equity instruments through other comprehensive income	Effective portion of cashflow hedge	Total
	Share application money pending allotment	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share Based Payments reserve			
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**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting year	**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**
Profit for the year	-	-	-	-	-	4,262.70	-	-	-	-	**4,262.70**
Remeasurement of defined benefit plans	-	-	-	-	-	(10.20)	-	-	-	-	**(10.20)**
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	(130.89)	**(130.89)**
Dividends	-	-	-	-	-	(168.13)	-	-	-	-	**(168.13)**
Transfer to retained earnings from FVOCI Reserves	-	-	-	-	-	-	-	-	-		**-**
Share premium received on allotment of equity shares under ESOP	-	-	46.94	-	-	-	-	-	-	-	**46.94**
Recognition of share based payments	-	-	-	-	-	-	-	74.45	-	-	**74.45**
Changes during the year	0.39	-	-	-	-	-	-	-	-	-	**0.39**
Transfer to Reserves from retained earnings during the year	-	-	-	-	-	(860.00)	860.00	-	-	-	**-**
Balance as on March 31, 2025	**1.98**	**0.04**	**4,963.91**	**33.00**	**5,761.03**	**8,553.46**	**4,110.46**	**213.23**	**(1.48)**	**(135.19)**	**23,500.44**

As per our report of even date
For Price Waterhouse LLP
Chartered Accountants
ICAI Firm Regn No. 105146W/WI00621

Devang Doshi
Partner
Membership No: 140056

Date : April 30, 2026
Place : Chennai

For B.K. Khare & Co
Chartered Accountants
ICAI Firm Regn No. 105102W

Shirish Rahalkar
Partner
Membership No: 111212

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Managing Director
DIN: 07337155

Vellayan Subbiah
Executive Chairman
DIN: 01138759

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended March 31, 2026

₹ in crores

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
Cash Flow from Operating Activities				
Profit Before Tax		**6,973.04**		**5,741.45**
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation expense	283.89		244.83	
Impairment of financial instruments	3,536.34		2,494.31	
Net gain on derecognition of financial instruments under amortised cost category	(439.11)		(159.04)	
Finance Costs	14,384.13		12,494.53	
Loss on Sale of Property plant and equipment (Net)	7.21		2.06	
Intangible Assets Under Development -Expensed off	-		1.79	
Net gain on fair value change in Mutual funds-realised	(124.52)		(187.51)	
Net gain on fair value change in Mutual funds-unrealised	(0.05)		(0.06)	
Net gain/(loss) on fair value change in equity shares/ Other financial Instruments-Un-realised	11.78		(3.15)	
Net gain on fair value change in Alternative Investment Fund-realised	-		(0.02)	
Net gain on fair value change in Alternative Investment Fund-unrealised	(1.24)		(0.10)	
Interest Income on bank deposits and other investments	(831.49)		(668.59)	
Dividend income	(0.05)		(0.07)	
Interest on Income Tax Refund	(43.76)		(40.82)	
Share based payment expense	84.09		74.45	
		16,867.22		14,252.61
Operating Profit Before Working Capital Changes		**23,840.26**		**19,994.06**
Adjustments for :-				
(Increase)/Decrease in operating Assets				
Loans	(45,120.59)		(42,070.66)	
Trade Receivables	(207.89)		91.31	
Other Financial Assets	(84.66)		190.82	
Other Non Financial Assets	(10.82)	(45,423.96)	(23.68)	(41,812.21)
Proceeds from de-recognition of financial assets recognised at amortised cost		5,878.90		2,000.21
Increase/(Decrease) in operating liabilities & Provisions				
Payables	627.32		159.19	
Other Financial liabilities	218.81		48.97	
Provisions	45.85		41.58	
Other Non Financial liabilities	(13.61)	878.37	12.57	262.31
Cash Flow used in Operations		(14,826.43)		(19,555.63)
Finance Costs paid	(14,227.95)		(11,976.87)	
Dividend received	0.05		0.07	
Interest Received on Bank Deposits and Other Investments	814.29		660.67	
		(13,413.61)		(11,316.13)
		(28,240.04)		(30,871.76)
Income tax paid (Net of refunds)		(1,780.76)		(1,541.39)
Net Cash Used in Operating Activities (A)		**(30,020.80)**		**(32,413.15)**

Consolidated Cash Flow Statement (Contd.)

for the year ended March 31, 2026

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Cash Flow from Investing Activities		
Purchase of Property, plant and equipment, Intangible assets, Capital work-in-progress and Intangible assets under development	(265.11)	(199.53)
Proceeds from Sale of Property, Plant and Equipment	23.36	12.86
Purchase of Mutual Funds Units	(1,61,227.71)	(1,97,683.41)
Redemption of Mutual Funds Units	1,61,325.10	1,97,829.91
Investment in Treasury Bill (Net)	621.89	(281.24)
Investment in STRIPS (Net)	(57.46)	(172.66)
Investment in Government Securities (Net)	(776.74)	(1,836.24)
Sale of Investments - Asset held for sale	-	48.86
Investment in Security receipts-ARC	(47.14)	-
Purchase/Proceeds from sale of Investments	(1.24)	(0.10)
Investment in Bank Fixed Deposits (Net of withdrawals)	(2,148.96)	(666.57)
Net Cash Used in Investing Activities (B)	**(2,554.01)**	**(2,948.12)**
Cash Flow from Financing Activities		
Proceeds from issue of Share Capital (Including Securities Premium and conversion of CCDs)	1,468.07	47.52
Payment of Lease liabilities	(153.25)	(133.55)
Proceeds from issue of debt securities	30,416.33	23,665.27
Redemption of Debt securities (including conversion of CCDs)	(19,757.94)	(18,544.12)
Proceeds from Borrowing other than debt securities	1,28,806.95	1,31,326.24
Repayment of borrowing - Other than debt securities	(1,07,602.63)	(1,02,045.57)
Proceeds from issue of subordinated liabilities	2,602.00	5,760.00
Repayment of subordinated liabilities	-	(112.40)
	34,464.71	40,049.42
Dividends Paid	(169.52)	(168.11)
Net Cash generated from Financing Activities (C)	**35,610.01**	**39,795.28**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**3,035.20**	**4,434.01**
Cash and Cash Equivalents at the Beginning of the year	**5,279.65**	**845.64**
Cash and Cash Equivalents at the End of the year	**8,314.85**	**5,279.65**
Non-cash financing and investing activities		
Acquistion of right -of-use of assets	165.87	314.59

Refer Note 7 for the components of cash and cash equivalents

The above Cash flow statement has been prepared under the indirect method.

The accompanying notes are integral part of the Consolidated financial statements

As per our report of even date
For KKC & Associates LLP
Chartered Accountants
ICAI Firm Regn No. 105146W/W100621

Devang Doshi
Partner
Membership No: 140056

For B.K. Khare & Co
Chartered Accountants
ICAI Firm Regn No. 105102W

Shirish Rahalkar
Partner
Membership No: 111212

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Managing Director
DIN: 07337155

Vellayan Subbiah
Executive Chairman
DIN: 01138759

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

Date : April 30, 2026
Place : Chennai

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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 Leasing 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, Gold loan, business of broking and distribution of financial products.

2.1 Basis of Consolidation

The Consolidated Ind AS financial statements for the year ended March 31,2026 have been prepared in all material aspects 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

a) certain financial assets, liabilities (including derivative instruments) and share based payments - measured at fair value

b) defined benefit plans – plan assets measured at fair value

The Consolidated financial statements are presented in Indian Rupees (₹) (functional currency) 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, 2026. 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, 2026.

Consolidation procedure for subsidiaries:

(a) 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.

(b) 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.

(c) 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, 2026

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.

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, 2026	March 31, 2025
Cholamandalam Securities Limited (CSEC)	92.00%	92.00%
Cholamandalam Leasing Limited (CLL) (Formerly known as Cholamandalam Home Finance Limited)	100.00%	100.00%
Vishvakarma Payments Private Limited	21.00%	21.00%
Payswiff Technologies Private Limited*	74.63%	74.63%
Chola Foundation**	50.00%	50.00%

* Even though, the Group holds 74.63% of the paid up equity capital of Payswiff Technologies Private Limited(Payswiff), however, in view of founder reserved matters and dispute resolution mechanism envisaged in the 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

** Chola Foundation (Public Trust) is jointly controlled entity, managed by Cholamandalam Investment and Finance Company Limited, Tube Investments of India Limited and CG Power and Industrial Solutions Limited for promoting CSR activities. The trust has four trustees of which two is from Cholamandalam Investment and Finance Company Limited and one each from other two entities.

The earnings of the trust is consolidated with Cholamandalam Investment and Finance Company Limited as jointly controlled entity representing a share of 50%

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 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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:

- normal course of business
- event of default
- 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 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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 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 Group has established a policy to perform an assessment, at the end of each reporting period, of whether a loan's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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.

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.

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.

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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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 remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

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 in 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 amortized cost if they are held for collecting contractual cash flows that are solely payments of principal and interest on principal outstanding. The Group follows 'simplified approach' for recognition of impairment loss allowance on these assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Investments which do not meet the SPPI test are measured at fair value through profit or loss.

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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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
Servers	6 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

The above estimated useful life is based on respective asset usage policy or pattern of the group.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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 and internally generated 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 including internally generated 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 loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an assets net selling price and the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

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.

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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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 of final dividend is authorised when it is approved by the shareholders and interim dividend approved by the Board. A corresponding amount is then recognised directly in equity. In case of interim dividend, it is recognised at the time of payment as they are revocable till actually paid.

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.

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 recognized 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.

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 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 year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Earnings considered for Earnings per share is the net profit for the year after deducting preference dividend, if any, and attributable tax thereto for the year.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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 year attributable to equity shareholders and the weighted average number of shares outstanding during the year 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 and expects that any sale if any necessitated by requirements are likely to be infrequent and immaterial. Accordingly, the related assessment becomes a critical judgement to determine the business model for such financial assets under Ind AS.

ii. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. 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.

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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

- 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

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.

6B. New amendments issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at the date of authorisation of these financial statements, the Company has not applied the following new amendment to Ind AS that has been issued but is not yet effective:

Amendment to Ind AS 1 Presentation of Financial Statements

Where a covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the lender subsequently (i.e. after the reporting date but before approval of the financial statements) agrees not to demand payment.

The Company does not expect that the adoption of this amendment to have any material impact on the financial statements of the Company in future periods. However, in case of breach of covenants in future, the liability for long-term borrowings will be classified as current and will become repayable on demand.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 7 CASH AND CASH EQUIVALENTS		
Cash on hand	12.31	11.92
Balances with banks		
- In Current Accounts	2,763.38	527.25
- In Deposit Accounts - Original maturity 3 months or less	5,531.72	4,732.05
Cheques, drafts on hand	7.44	8.43
Total	**8,314.85**	**5,279.65**

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 8 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
- In Deposit Accounts - Original maturity more than 3 months	2,468.57	1,175.59
- In earmarked accounts	81.24	98.61
- In Unpaid Dividend Accounts	0.80	0.72
- In Unclaimed Debenture Account	1.26	0.59
- Balances with banks to the extent held as Margin Money or Security against the borrowings, guarantess, Other commitments		
- Margin account for derivatives	99.84	88.01
- Deposits with Banks as collateral towards securitisation loan	3,728.44	2,857.50
- Other deposit Account on amalgamation of Cholamandalam Factoring Limited	0.08	0.08
Total	**6,380.23**	**4,221.10**

₹ in crores

Particulars	As at March 31, 2026			As at March 31, 2025		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilites	Notional amounts	Fair Value -Assets	Fair Value -Liabilites
Note : 9 DERIVATIVE FINANCIAL INSTRUMENTS						
Part I						
Currency derivatives						
(i) Cross Currency Interest Rate Swap	13,254.27	1,661.04	-	12,230.47	155.62	53.09
Interest Rate derivatives						
(i) Interest Rate Swaps	7,162.42	13.07	34.33	8,320.22	-	100.78
(ii) Forward Contracts	485.60	26.95	52.12	701.43	47.70	130.73
Total Derivative financial Instruments	**20,902.29**	**1,701.06**	**86.45**	**21,252.12**	**203.32**	**284.60**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
Cash flow hedging:						
Currency derivatives						
(i) Cross currency interest rate swap	13,254.27	1,661.04	-	12,230.47	155.62	53.09
Interest Rate derivatives						
(ii) Interest Rate Swap	7,162.42	13.07	34.33	8,320.22	-	100.78
(iii) Forward Contracts	485.60	26.95	52.12	701.43	47.70	130.73
Total Derivative financial Instruments	**20,902.29**	**1,701.06**	**86.45**	**21,252.12**	**203.32**	**284.60**

The Group has a Board approved policy for entering into derivative transactions. The Group manages foreign currency risk by entering into cross currency swaps and forward contract. Based on market conditions, the company enters into interest rate swap to mitigate interest rate risk. The Asset Liability Management Committee and Business Committee periodically monitors and reviews the risks involved. Also, refer note 45.3

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, 2026

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 10 RECEIVABLES		
(i) Trade Receivables		
Secured - Considered good*	35.45	13.56
Unsecured - Considered good	293.84	192.62
	329.29	206.18
Less: Impairment Allowance	(2.24)	(1.35)
	327.05	204.83
Trade Receivables credit impaired	0.88	0.64
Less: Impairment Allowance	(0.88)	(0.64)
Total Trade receivables		
Considered good	329.29	206.18
Trade Receivables credit impaired	0.88	0.64
Total	**330.17**	**206.82**
Less: Impairment Allowance	(3.12)	(1.99)
Subtotal (i)	**327.05**	**204.83**
(ii) Other Receivables		
Considered Good	202.25	116.98
Less: Impairment Allowance	(0.25)	(0.65)
Subtotal (ii)	**202.00**	**116.33**
Total (i)+(ii)	**529.05**	**321.16**

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, 2026

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months*	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	326.87	1.37	0.96	0.10	-	329.30
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	0.79	0.08	-	-	-	0.87
(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	**327.66**	**1.45**	**0.96**	**0.10**	**-**	**330.17**
Less: Impairment allowance						(3.12)
Total						**327.05**

Trade Receivables ageing schedule as on March 31, 2025

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months*	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	205.42	0.51	0.22	0.02	0.01	206.18
(ii) Undisputed Trade Receivables –which have significant increasein credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	0.55	0.09	-	-	-	0.64
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Gross Total	**205.97**	**0.60**	**0.22**	**0.02**	**0.01**	**206.82**
Less: Impairment allowance						(1.99)
Total						**204.83**

* Includes unbilled revenue of ₹ 121.29 crores for the year ended March 31, 2026 (₹ 96.16 crores for the year ended March 31, 2025)

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars		As at March 31, 2026	As at March 31, 2025
Note : 11 LOANS (At amortised cost)			
(A) (i) Bills Discounted		378.82	464.33
(ii) Leasing - Finance Lease		96.24	22.29
(iii) Term loans		2,21,639.75	1,84,961.90
	Total (A) - Gross	**2,22,114.81**	**1,85,448.52**
Less: Impairment Allowance for (i), (ii) & (iii)		(4,371.09)	(3,410.88)
	Total (A) - Net	**2,17,743.72**	**1,82,037.64**
(B) (i) Secured		2,05,296.29	1,69,148.99
(ii) Unsecured		16,818.52	16,299.53
	Total (B) - Gross	**2,22,114.81**	**1,85,448.52**
Less: Impairment Allowance for (i) & (ii)		(4,371.09)	(3,410.88)
	Total (B) - Net	**2,17,743.72**	**1,82,037.64**
(C) Loans In India			
(i) Public Sector		-	-
(ii) Others		2,22,114.81	1,85,448.52
Less: Impairment Allowance		(4,371.09)	(3,410.88)
	Total (C) (I) - Net	**2,17,743.72**	**1,82,037.64**

Secured indicates loans secured, wholly or partly, by way of hypothecation of vehicles, tractors, construction equipments, other equipments and / or pledge of securities,gold and / or equitable mortgage of property. It also includes loans where security creation is in process.

The Group 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.

Loans outstanding from related parties is given below. These loans have been classified under Stage 1 Category at the various reporting periods and related impairment provision as per the Company's accounting policy has been created. The details of the same are disclosed below:

Particulars	As at March 31, 2026	As at March 31, 2025
Loan - Oustanding Value		
Payswiff Technologies Private Limited - Joint Venture - Unsecured Short term loan	6.05	17.65
E I D Parry (India) Limited - Promoter - Secured-long term -Finance lease	2.21	2.34
Zetwerk Manufacturing business Private Limited-Unsecured short term loan	14.97	-
Mavco Investments Private Limited-Promoter Group-Secured-long term -Finance lease	0.41	-
Impairment Provision		
Payswiff Technologies Private Limited - Joint Venture - Unsecured Short term loan	0.02	0.07
E I D Parry (India) Limited - Promoter - Secured-long term -Finance lease	0.01	0.01
Zetwerk Manufacturing business Private Limited-Unsecured short term loan	0.06	-
Mavco Investments Private Limited-Promoter Group-Secured-long term -Finance lease	0*	-

* represents amount less than ₹1 lakh

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, 2025	450.59	1.96	11.78	464.33	1.86	0.18	10.52	12.56
New assets originated / Increase in existing assets (Net)	362.97	0.60	3.87	367.44	1.48	0.06	3.25	4.79
Exposure de-recognised / matured / repaid	(448.06)	(0.75)	(4.12)	(452.93)	(1.84)	(0.07)	(2.40)	(4.31)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(2.61)	(1.14)	3.75	-	(0.01)	(0.11)	0.12	-
Impact on account of exposures transferred - during the period between stages	-	-	0.02	0.02	-	-	1.95	1.95
Impact of changes on items within the same stage	-	-	-	-	-	-	1.23	1.23
Write off*	-	-	(0.04)	(0.04)	-	-	(0.04)	(0.04)
Closing as on March 31, 2026	**362.89**	**0.67**	**15.26**	**378.82**	**1.49**	**0.06**	**14.63**	**16.18**
Term loans								
Opening as on April 1, 2025	1,75,065.65	4,695.02	5,201.23	1,84,961.90	631.90	416.81	2,349.53	3,398.24
New assets originated / Increase in existing assets (Net)	1,01,003.04	352.91	291.33	1,01,647.28	355.31	34.10	1,888.78	2,278.19
Exposure de-recognised / matured / repaid	(58,111.14)	(1,950.18)	(3,460.39)	(63,521.71)	(309.04)	(86.21)	(222.17)	(617.42)
Transfer to Stage 1	907.19	(791.74)	(115.45)	-	83.60	(55.69)	(27.91)	-
Transfer to Stage 2	(5,221.92)	5,278.57	(56.65)	-	(23.34)	36.84	(13.50)	-
Transfer to Stage 3	(5,088.77)	(2,117.47)	7,206.24	-	(28.27)	(219.40)	247.67	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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
Impact on account of exposures transferred during the period between stages	0.19	15.75	94.29	110.23	0.12	315.57	1,004.86	1,320.55
Impact of changes on items within the same stage	851.11	0.24	157.36	1,008.71	15.56	1.45	524.42	541.43
Write off*	-	-	(2,566.66)	(2,566.66)	-	-	(2,566.66)	(2,566.66)
Closing as on March 31, 2026	**2,09,405.35**	**5,483.10**	**6,751.30**	**2,21,639.75**	**725.84**	**443.47**	**3,185.02**	**4,354.33**
Leasing								
Opening as on April 1, 2025	22.29	-	-	22.29	0.09	-	-	0.09
New assets originated / Increase in existing assets (Net)	76.47	2.04	-	78.51	0.30	0.21	-	0.51
Exposure de-recognised / matured / repaid	(4.56)	-	-	(4.56)	(0.02)	-	-	(0.02)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	-	-
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off*	-	-	-	-	-	-	-	-
Closing as on March 31, 2026	**94.20**	**2.04**	**-**	**96.24**	**0.37**	**0.21**	**-**	**0.58**
Bills Discounted								
Opening as on April 1, 2024	736.85	4.98	11.94	753.77	5.91	0.48	10.14	16.53
New assets originated / Increase in existing assets (Net)	450.67	1.88	2.92	455.47	1.85	0.19	2.62	4.66
Exposure de-recognised / matured / repaid	(731.00)	(1.00)	(3.01)	(735.01)	(5.88)	(0.10)	(0.80)	(6.78)
Transfer to Stage 1	0.09	-	(0.09)	-	0.03	-	(0.03)	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(6.02)	(3.90)	9.92	-	(0.05)	(0.39)	0.44	-
Impact on account of exposures transferred during the period between stages	-	-	0.03	0.03	-	-	8.05	8.05
Impact of changes on items within the same stage	-	-	-	-	-	-	0.03	0.03
Write off*	-	-	(9.93)	(9.93)	-	-	(9.93)	(9.93)
Closing as on March 31, 2025	**450.59**	**1.96**	**11.78**	**464.33**	**1.86**	**0.18**	**10.52**	**12.56**
Term loans								
Opening as on April 1, 2024	1,39,380.37	3,216.81	3,632.87	1,46,230.05	535.93	285.78	1682.93	2,504.64
New assets originated	86,785.07	504.04	448.55	87,737.66	312.32	58.95	1273.35	1,644.62
Exposure de-recognised / matured / repaid	(44,161.49)	(1,683.91)	(2,546.02)	(48,391.42)	(243.42)	(71.12)	(220.51)	(535.05)
Transfer to Stage 1	607.04	(523.29)	(83.75)	-	59.81	(39.35)	(20.46)	-
Transfer to Stage 2	(4,473.17)	4,508.12	(34.95)	-	(24.18)	32.92	(8.74)	-
Transfer to Stage 3	(3,859.15)	(1,341.22)	5,200.37	-	(21.30)	(133.58)	154.89	0.01
Impact on account of exposures transferred during the period between stages	0.11	14.40	63.95	78.46	-	281.58	717.14	998.72
Impact of changes on items within the same stage	786.87	0.07	111.91	898.85	12.74	1.63	362.63	377.00
Write off*	-	-	(1,591.70)	(1,591.70)	-	-	(1,591.70)	(1,591.70)
Closing as on March 31, 2025	**1,75,065.65**	**4,695.02**	**5,201.23**	**1,84,961.90**	**631.90**	**416.81**	**2,349.53**	**3,398.24**
Leasing								
Opening as on April 1, 2024	-	-	-	-	-	-	-	-
New assets originated / Increase in existing assets (Net)	22.29	-	-	22.29	0.09	-	-	0.09
Exposure de-recognised / matured / repaid	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	-	-
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off*	-	-	-					
Closing as on March 31, 2025	**22.29**	**-**	**-**	**22.29**	**0.09**	**-**	**-**	**0.09**

ECL across stages have been computed on collective basis.
The Group uses Days past due of the customer to determine the credit quality of loans
* write off includes Loss on disposal of collateral.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026		
2,05,898	2,600.39	4,079.08
As on March 31, 2025		
1,96,893	2,172.27	3,167.50

*Overdue instalments includes principal and interest overdue

Note : 12 INVESTMENTS

₹ in crores

Investments	As at March 31, 2026							As at March 31, 2025						
	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total
		Through Other Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss					Through Other Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss			
Mutual funds			64.06		64.06	-	64.06	-	-	38.29	-	38.29	-	38.29
Government Securities	4,152.05	-	-	-	-	-	4,152.05	3,375.31	-	-	-	-	-	3,375.31
Treasury Bill	1,099.52	-	-	-	-	-	1,099.52	1,721.41	-	-	-	-	-	1,721.41
STRIPS	829.37	-	-	-	-	-	829.37	771.91	-	-	-	-	-	771.91
Debt Securities- Convertible Note (Fair value on acquistion - ₹10 crores)	-	-	0	-	0	-	0	-	-	0	-	0	-	0
Others	-	-	35.36	-	35.36	-	35.36	-	-	-	-	-	-	-
Equity Instruments														
Associates	-	-	-	-	-	9.75	9.75	-	-	-	-	-	9.75	9.75
Joint Ventures	462.49	-	-	-	-	-	462.49	458.76	-	-	-	-	-	458.76
Other equity investments	-	1.41	2.84	-	4.25	-	4.25	-	1.41	1.61	-	3.02	-	3.02
Total Gross (A)	**6,543.43**	**1.41**	**102.26**	**-**	**103.67**	**9.75**	**6,656.85**	**6,327.39**	**1.41**	**39.90**	**-**	**41.31**	**9.75**	**6,378.45**
Investments outside India	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Investments In India	6,543.43	1.41	102.26	-	103.67	9.75	6,656.85	6,327.39	1.41	39.90	-	41.31	9.75	**6,378.45**
Total (B)	**6,543.43**	**1.41**	**102.26**	**-**	**103.67**	**9.75**	**6,656.85**	**6,327.39**	**1.41**	**39.90**	**-**	**41.31**	**9.75**	**6,378.45**
Allowance for Impairment (C)	**-**	**1.29**	**-**	**-**	**1.29**	**9.75**	**11.04**	**-**	**1.29**	**-**	**-**	**1.29**	**9.75**	**11.04**
Total Net (D) =(A)-(C)	**6,543.43**	**0.12**	**102.26**	**-**	**102.38**	**-**	**6,645.81**	**6,327.39**	**0.12**	**39.90**	**-**	**40.02**	**-**	**6,367.41**

All Instruments except Mutual funds, Government securities,Treasury Bill and STRIPS are Unquoted

Note: The Group has made an Investment of ₹ 456 Crores in the JV engaged in the business of omni-channel payment transaction processing services Based on an independent valuation and in the opinion of the management, considering the future business potential, no impairment provision is required for this investment.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 13 OTHER FINANCIAL ASSET		
Unsecured - considered good		
At amortised cost		
Security deposits	106.24	66.02
Interest only strip receivable	683.03	286.63
Other advances*	102.93	16.51
Gross Total	**892.2**	**369.16**
Less: Impairment Allowance	(0.08)	(0.08)
Net Total	**892.12**	**369.08**

*Amount for which services are yet to be received.

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 14 DEFERRED TAX		
Deferred Tax Assets		
Impairment allowance for financial instruments	1,044.61	809.18
Provision for Contingencies and undrawn commitments	15.96	13.58
Provision for Compensated Absences and Gratuity	83.44	48.22
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	34.10	25.32
Carry forward of tax losses	0.40	0.54
Cash flow hedge	-	45.53
Others	37.71	35.33
(A)	**1,216.22**	**977.70**
Deferred Tax Liability		
Impact of Effective interest rate adjustment on Financial Liabilities	0.92	0.92
Impact of Effective interest rate adjustment on Financial Assets	41.64	28.18
Cash flow hedge	13.43	-
(B)	**55.99**	**29.10**
Net Deferred Tax Assets (A) - (B)	**1,160.23**	**948.60**

₹ in crores

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	Income Statement	OCI	Income Statement	OCI
Deferred Tax Assets				
Impairment allowance for financial instruments	(235.43)	-	(205.72)	-
Provision for Contingencies and undrawn commitments	(2.38)	-	(0.72)	-
Provision for Compensated Absences and Gratuity	(34.28)	(0.94)	(14.15)	(3.57)
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	(8.78)	-	(5.59)	-
Carry forward of tax losses and MAT entitlement credit	0.14	-	(0.54)	-
Others	(2.38)	-	(14.12)	0.14
(A)	**(283.11)**	**(0.94)**	**(240.84)**	**(3.43)**
Deferred Tax Liability				
Impact of Effective interest rate adjustment on Financial Liabilities	-	-	0.01	-
Impact of Effective interest rate adjustment on Financial Assets	(13.46)	-	2.71	
Fair Valuation of Investment	-	-	1.59	-
Cash flow hedge	-	(58.97)	-	44.03
(B)	**(13.46)**	**(58.97)**	**4.31**	**44.03**
Net deferred tax charge / (reversal) (A) - (B)	**(269.65)**	**58.03**	**(245.15)**	**(47.46)**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 15 INVESTMENT PROPERTIES

₹ in crores

Particulars	Total
Gross carrying amount as at April 1, 2024	**0.14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2025	**0.14**
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2026	**0.14**
Accumulated depreciation and impairment	
Balance as at April 1, 2024	**0.01**
Depreciation for the year*	-
Depreciation on disposals	-
Balance as at March 31, 2025	**0.01**
Depreciation for the year*	-
Depreciation on disposals	-
Balance as at March 31, 2026	**0.01**
Net Carrying amount	
As at March 31, 2025	**0.13**
As at March 31, 2026	**0.13**
Useful Life of the asset (In Years)	60
Method of depreciation	Straight line method

*represents amount less than ₹ 1 lakh

The Group's investment property consists of 4 properties and includes one let out property as at March 31, 2026.

i) Income earned and expense incurred in connection with Investment Property

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31,2025
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	0.01	0.01

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.

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
iv) Fair Value Investment Property	2.35	3.21

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, 2026	Professional valuer	Price per Sq. feet	₹7,050 - ₹8,500 per Sq. feet	5%	2.35	0.12
Investment property As at March 31, 2025	Professional valuer	Price per Sq. feet	₹8,500 - ₹15,000 per Sq. feet	5%	3.21	0.16

vi) The Title Deeds of the Immovable Properties mentioned above are in the name of the Group

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

₹ 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, 2024	**842.75**	**3.66**	**208.34**	**57.06**	**58.07**	**114.50**	**132.58**	**52.64**	**619.19**	**2,088.79**
Additions	0.07	-	52.76	18.95	6.50	51.18	47.95	0.11	314.59	492.11
Disposals	-	-	60.34	9.11	7.26	13.68	20.63	-	221.87	332.89
Gross carrying amount as at March 31, 2025	**842.82**	**3.66**	**200.76**	**66.90**	**57.31**	**152.00**	**159.90**	**52.75**	**711.91**	**2,248.01**
Additions	21.28	-	53.60	16.95	9.03	30.69	85.26	2.73	165.87	385.41
Disposals	-	-	21.95	3.19	2.66	6.52	58.63	0.01	31.46	124.42
Gross carrying amount as at March 31, 2026	**864.10**	**3.66**	**232.41**	**80.66**	**63.68**	**176.17**	**186.53**	**55.47**	**846.32**	**2,509.00**
Accumulated depreciation / amortisation and impairment										
Balance as at April 1, 2024	**-**	**0.14**	**134.83**	**30.86**	**30.39**	**57.89**	**28.69**	**3.30**	**263.24**	**549.34**
Depreciation for the year	-	0.24	51.00	9.26	7.43	21.04	29.42	1.08	107.46	226.93
Depreciation on disposals	-	-	60.15	8.75	7.25	12.71	7.87	-	185.53	282.26
Balance as at March 31, 2025	**-**	**0.38**	**125.68**	**31.37**	**30.57**	**66.22**	**50.24**	**4.38**	**185.17**	**494.01**
Depreciation for the year	-	0.24	53.39	12.21	8.94	29.01	34.74	1.19	124.36	264.08
Depreciation on disposals	-	-	21.47	2.83	2.66	6.44	28.81	0.01	26.32	88.54
Balance as at March 31, 2026	**-**	**0.62**	**157.60**	**40.75**	**36.85**	**88.79**	**56.17**	**5.56**	**283.21**	**669.55**
Net Carrying amount										
As at March 31, 2025	**842.82**	**3.28**	**75.08**	**35.53**	**26.74**	**85.78**	**109.66**	**48.37**	**526.74**	**1,754.00**
As at March 31, 2026	**864.10**	**3.04**	**74.81**	**39.91**	**26.83**	**87.38**	**130.36**	**49.91**	**563.11**	**1,839.45**
Useful Life of the asset (In Years)		15	3/6	5	5	upto 5	5	60/30/5	upto 9	
Method of depreciation						Straight line method				

Note

1. The Group has elected to include ROU assets pertaining to lease of buildings as part of the Property, plant and equipment.
2. The Title Deeds of the Immovable Properties mentioned above are in the name of the entities in Group
3. Group has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2026 and year ended March 31, 2025.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars	Computer Software
Note : 17 INTANGIBLE ASSETS	
Gross carrying amount as at April 01, 2024	**120.36**
Additions	20.36
Deletions	6.82
Gross carrying amount as at March 31, 2025	**133.90**
Additions*	23.15
Deletions	-
Gross carrying amount as at March 31, 2026	**157.05**
Accumulated Amortization and impairment	
Balance as at April 1, 2024	**96.59**
Amortization for the year	17.90
Amortization on deletions	6.31
Balance as at March 31, 2025	**108.18**
Amortization for the year*	19.81
Amortization on deletions	-
Balance as at March 31, 2026	**127.99**
Net Carrying amount	
As at March 31, 2025	**25.72**
As at March 31, 2026	**29.06**
Useful Life of the asset (In Years)	3
Method of depreciation	Straight line method

* Includes Internally generated software

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 18 OTHER NON FINANCIAL ASSETS		
Unsecured - considered good		
Prepaid expenses	70.92	61.40
Capital advances	4.88	3.70
Other assets*	50.87	46.67
GST Input Credit	14.11	18.19
Total	**140.78**	**129.96**

*Includes amount paid towards disputed legal/tax matters and Stamps

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 19 DEBT SECURITIES (At amortised cost)		
Redeemable Non-Convertible Debentures		
Medium-Term - Secured	29,322.12	24,088.19
Compulsorily Convertible Debentures-Unsecured	653.57	2,074.06
Commercial Papers - Unsecured	10,848.41	4,060.45
Total	**40,824.10**	**30,222.70**

All debt securities have been contracted in India

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 19 DEBT SECURITIES (At amortised cost) (Contd.)

19.1 Security

(i) Redeemable Non-Convertible Debentures - Medium-term is secured by way of specific charge on assets under hypothecation relating to Vehicle Finance, Loan against Property and other loans.

ii) TERMS OF THE COMPULSORILY CONVERTIBLE DEBENTURES (CCD)

Each CCD has a face value of ₹ 100,000 and shall constitute an unsecured and unsubordinated (as between other unsecured creditors) obligation of the 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 is September 30, 2026.

Conversion

Early Conversion Option

Each CCD holder is 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 Rs.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 Rs.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 the 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 Rs.1,200.51, subject to discount of upto 5%, as may be decided by the Board of Directors or a duly authorized committee of the Board.

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 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 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, 2026

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 ₹ in crores		Due date of redemption	Rate of interest %
		March 31, 2026	March 31, 2025		
32,85,035	1,000	-	328.50	Jun-25	8.25
5,000	10,00,000	-	500.00	Jul-25	7.92
5,000	10,00,000	-	500.00	Nov-25	8.45
17,34,226	1,000	-	173.42	Dec-25	8.40
6,050	10,00,000	-	605.00	Dec-25	8.30
11,35,778	1,000	-	113.58	Jan-26	8.45
8,000	10,00,000	-	800.00	Jan-26	7.9217
60,200	1,00,000	-	602.00	Mar-26	8.50
7,000	10,00,000	700.00	700.00	Apr-26	7.32
70,000	1,00,000	700.00	700.00	May-26	8.25
18,72,062	1,000	187.21	187.21	Jun-26	8.30
20,18,847	1,000	201.88	201.88	Sep-26	8.30
250	10,00,000	25.00	25.00	Nov-26	8.55
22,81,860	1,000	228.19	228.19	Dec-26	8.50
1,00,000	1,00,000	1,000.00	1,000.00	Dec-26	8.19
51,82,140	1,000	518.21	518.21	Jan-27	8.50
5,000	1,00,000	50.00	50.00	Jan-27	8.40
2,700	10,00,000	270.00	270.00	Mar-27	7.30
1,17,500	1,00,000	1,175.00	1,175.00	Mar-27	8.19
2,750	10,00,000	275.00	275.00	Apr-27	7.50
4,550	10,00,000	455.00	455.00	May-27	7.95
50,000	1,00,000	500.00	500.00	May-27	8.58
2,28,000	1,00,000	2,280.00	0.00	May-27	7.38
50,000	1,00,000	500.00	500.00	Jul-27	8.50
1,50,000	1,00,000	1,500.00	1,500.00	Sep-27	8.40
1,04,000	1,00,000	1,040.00	0.00	Sep-27	8.40
65,000	1,00,000	650.00	650.00	Feb-28	8.20
1,00,100	1,00,000	1,001.00	0.00	Feb-28	8.20
44,02,938	1,000	440.29	440.29	May-28	8.40
1,00,000	1,00,000	1,000.00	0.00	Jun-28	7.83
89,63,940	1,000	896.39	896.39	Aug-28	8.40
44,73,708	1,000	447.37	447.37	Dec-28	8.60
50,000	1,00,000	500.00	0.00	Dec-28	7.36
78,57,218	1,000	785.72	785.72	Jan-29	8.60
1,00,000	1,00,000	1,000.00	1,000.00	Feb-29	8.65
94,100	1,00,000	941.00	941.00	Mar-29	8.60
83,100	1,00,000	831.00	0.00	Mar-29	8.60
2,00,000	1,00,000	2,000.00	0.00	Mar-29	7.94
1,00,900	1,00,000	1,009.00	1,009.00	Apr-29	8.54 to 8.59
1,38,650	1,00,000	1,386.50	1,386.50	May-29	8.65
51,520	1,00,000	515.20	515.20	Jun-29	8.64
50,000	1,00,000	500.00	500.00	Jul-29	8.64
50,000	1,00,000	500.00	500.00	Oct-29	8.25
55,000	1,00,000	550.00	-	Oct-30	7.58
40,000	1,00,000	400.00	-	Jan-31	7.73
1,10,000	1,00,000	1,100.00	1,100.00	Nov-34	8.50
		28,058.96	**22,079.46**		

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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 ₹ in crores		Due date of redemption	Redemption price ₹	Premium ₹
		March 31, 2026	March 31, 2025			
74,466	1,000	0.00	7.45	Jun-25	1,156.64	156.64
5,000	10,00,000	0.00	500.00	Jun-25	12,56,740.00	2,56,740.00
850	10,00,000	0.00	85.00	Jul-25	13,53,045.00	3,53,045.00
1,250	10,00,000	0.00	125.00	Jul-25	14,61,481.00	4,61,481.00
1,26,294	1,000	0.00	12.63	Dec-25	1,175.32	175.32
1,00,942	1,000	0.00	10.09	Jan-26	1,176.40	176.40
83,500	1,000	8.35	8.35	Jun-26	1,279.15	279.15
1,12,926	1,000	11.29	11.29	Sep-26	1,279.15	279.15
1,12,696	1,000	11.27	11.27	Dec-26	1,277.58	277.58
48,858	1,000	4.89	4.89	Jan-27	1,277.29	277.29
1,000	10,00,000	100.00	100.00	Mar-27	14,22,599.00	4,22,599.00
1,24,336	1,000	12.43	12.43	May-28	1,497.40	497.40
96,548	1,000	9.65	9.65	Aug-28	1,497.41	497.41
89,123	1,000	8.91	8.91	Dec-28	1,511.28	511.28
25,903	1,000	2.59	2.59	Jan-29	1,511.28	511.28
		169.38	**909.55**			

(iii) Compulsorily Convertible Debentures

No. of Debentures	Face Value ₹	Balance as at ₹ in crores		Due date of redemption	Put option date	Rate of interest %
		March 31, 2026	March 31, 2025			
2,00,000	1,00,000	630.00	2,000.00	NA	NA	7.50%
		630.00	**2,000.00**			

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 20 BORROWINGS (Other than Debt Securities) at amortised cost		
A) Term Loans		
(i) From Banks - Secured		
- Rupee Loans	89,567.48	76,466.27
- External Commercial Borrowings	14,876.29	12,349.08
ii) From Other Parties - Secured		
- Financial Institutions		
- Rupee Loans	15,087.07	12,564.31
- External Commercial Borrowings	639.60	877.28
- Securitisation - Rupee Loans	31,552.44	26,666.52
B) Loan repayable on demand - Secured From Banks - Rupee Loans	4,819.92	4,868.52
Total	**1,56,542.80**	**1,33,791.98**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 20 BORROWINGS (Other than Debt Securities) at amortised cost

Borrowings within India	1,41,026.91	1,20,565.62
Borrowings Outside India	15,515.89	13,226.36

20.1 (i) Secured term loans from banks and financial institution are secured by way of specific /pari passu charge on assets under hypothecation relating to Vehicle Finance and Loans against Immovable property and Home Loans.

(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

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding March 31, 2026	Amount outstanding March 31, 2025
Base Rate / MCLR	< 1year	1	500.00	50.00
		2	2,900.00	1,400.00
		3	75.00	225.00
		4	2,027.22	2,998.89
	1 - 2 years	1	500.00	500.00
		2	2,950.00	1,400.00
		3	123.75	-
		4	1,862.22	2,598.89
	2 - 3 years	1	-	500.00
		2	2,900.00	1,450.00
		3	532.50	241.67
		4	945.00	2,176.67
	3 - 4 years	1	445.00	-
		2	2,100.00	1,400.00
		3	-	232.50
		4	65.00	1,644.44
	4 - 5 years	1	216.25	450.00
		2	1,100.00	600.00
		4	-	300.00
Base Rate/ MCLR spread (0.10% to 0.20%)	< 1year	1	14.00	1,000.00
		4	1,857.14	2,652.14
	1 - 2 years	2	428.57	-
		3	562.50	-
		4	250.00	2,652.14

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026	Amount outstanding March 31, 2025
	2 - 3 years	2	-	428.57
		3	-	686.25
		4	250.00	880.00
		3	-	300.00
		4	-	495.00
	4- 5 years	1	-	45.00
		4	-	65.00
	> 5 Years	1	-	16.25
Rate based on T Bill	> 1year	4	20.00	20.00
	1-2 years	4	20.00	20.00
	2-3 years	4	15.00	20.00
		3	-	15.00
Rate based on T Bill + Spread (0.47% to 2.85%)	< 1 year	1	5,083.81	4,460.00
		2	2,839.29	2,238.21
		3	321.43	45.00
		4	7,780.90	7,470.36
		8	325.00	-
	1 - 2 years	1	1,620.24	1,817.14
		2	2,232.14	2,739.29
		3	1,125.00	321.43
		4	3,900.54	5,468.22
	2 - 3 years	1	1,166.67	1,553.57
		2	821.50	2,394.64
		3	-	750.00
		4	2,996.43	1,400.36
	3 - 4 years	1	309.00	1,100.00
		2	36.40	721.50
		4	2,425.08	358.75
	4 - 5 years	1	-	250.00
		2	270.00	36.40
		3	195.00	-
		4	1,400.06	-
	>5 Years	1	52.00	-
Fixed Rate (6.32% to 8.45%)	< 1year	1	1,350.00	1,684.00
		2	932.22	1,032.22
		4	2,108.12	2,119.80
		7	97.22	-
		12	-	166.67
	1 - 2 years	1	1,007.78	1,350.00
		2	50.00	932.22
		3	420.00	-
		4	1,556.12	2,024.80
		7	-	97.22
	2 - 3 years	1	263.77	1,007.78
		2	801.00	50.00
		3	68.32	420.00

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026	Amount outstanding March 31, 2025
		4	1,226.96	1,472.80
	3 - 4 years	1	41.10	113.77
		2	-	801.00
		3	435.00	68.32
		4	400.00	1,143.60
	4 - 5 years	1	-	41.10
		2	200.00	-
		3	-	435.00
		4	-	400.00
	>5 years	2	-	200.00
Repo rate	< 1year	2	2,030.00	450.00
		3	125.19	37.50
		4	8,385.71	3,114.05
	1 - 2 years	1	150.00	-
		2	2,031.11	460.00
		3	1,516.67	-
		4	5,856.94	3,119.05
	2 - 3 years	1	64.88	50.00
		2	2,313.65	661.11
		3	918.75	450.00
		4	5,555.11	1,876.83
	3 - 4 years	1	281.25	64.88
		2	2,832.50	743.65
		3	168.75	468.75
		4	2,260.67	975.00
	4 - 5 years	1	285.00	75.00
		2	2,300.00	300.00
		3	300.00	-
		4	435.67	600.00
	> 5 Years	1	550.00	-
		2	70.88	-
Overnight MIBOR +Spread (0.89% to 1.55%)	< 1year	1	43.75	-
		2	111.11	111.11
		4	194.08	352.52
	1 - 2 years	1	55.56	43.75
		2	-	111.11
		3	62.44	-
		4	-	194.08
	2 - 3 years	1	55.56	55.56
		3	-	62.44
		4	83.25	-
	3 - 4 years	1	-	55.56
		2	41.63	-
		4	-	83.25
	4 - 5 years	2	-	41.63
USD 3M SOFR + Spread	< 1year	4	269.91	243.52

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026	Amount outstanding March 31, 2025
	1-2 years	1	4,030.38	-
		4	269.91	243.52
	2-3 years	1	67.48	3,636.30
		4	-	243.52
	3 - 4 years	1	-	60.88
USD 6M SOFR + Spread	< 1year	1	3,319.14	855.60
	1-2 years	1	3,195.86	2,994.60
	2 - 3 years	1	1,896.65	2,883.37
EURO 3M EURIBOR +Spread	1-2 years	1	2,452.41	-
	2-3 years	1	-	2,082.15
Total			**1,23,099.10**	**1,03,948.87**

Details of Securitised loan

₹ in crores

Rate of Interest	Maturity	Amount outstanding March 31, 2026	Amount outstanding March 31, 2025
Fixed (4% to 8.65%)	Less than 1 year	11,902.44	11,113.27
	1-2 year	8,925.54	8,121.35
	2-3 year	5,067.50	4,833.49
	3-4 year	2,097.72	1,870.72
	4-5 year	419.07	458.84
	more than 5 years	69.13	115.99
Total		**28,481.40**	**26,513.66**
Floating	Less than 1 year	1,272.44	19.89
Base Rate/ MCLR - spread (0.75% to 1.30%)	1-2 year	979.53	17.14
	2-3 year	639.45	14.56
	3-4 year	100.64	11.12
	4-5 year	2.86	9.07
	more than 5 years	10.42	36.99
Total		**3,005.34**	**108.77**

20.3 No borrowings are guaranteed by directors and /or others.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 21 SUBORDINATED LIABILITIES (at amortised cost)		
Perpetual Debt - Unsecured	2,698.57	2,594.38
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	408.52	408.32
b) Other Subordinated Debts	10,595.62	8,018.62
Total	**13,702.71**	**11,021.32**

(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 ₹ in crores		Due date of redemption	Rate of interest %
		March 31, 2026	March 31, 2025		
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	300.00	May-30	8.75
11,000	1,00,000	110.00	110.00	Apr-31	9.00
2,00,000	1,00,000	2,000.00	2000.00	Jun-31	9.10
200	1,00,00,000	200.00	200.00	Oct-31	7.90
150	1,00,00,000	150.00	150.00	Feb-32	8.10
1,00,000	1,00,000	1,000.00	1000.00	Mar-32	9.05
50,000	1,00,000	500.00	0.00	Apr-32	8.75
50,200	1,00,000	502.00	0.00	Jun-32	8.57
50,000	1,00,000	500.00	0.00	Nov-32	8.40
290	1,00,00,000	290.00	290.00	Dec-32	8.65
1,00,000	1,00,000	1,000.00	0.00	Feb-33	8.66
20,500	1,00,000	205.00	205.00	Oct-33	8.85
20,000	1,00,000	200.00	200.00	Nov-33	8.85
20,010	1,00,000	200.10	200.10	Mar-34	8.85
15,000	1,00,000	150.00	150.00	Jun-34	9.00
1,00,000	1,00,000	1,000.00	1000.00	Dec-34	8.92
50,000	1,00,000	500.00	500.00	Jan-35	9.00
		10,647.10	**8,145.10**		

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

(ii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at ₹ in crores		Call Option Date #	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31, 2026	March 31, 2025		
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	30.00	Jun-33	9.40
200	1,00,00,000	200.00	200.00	Jun-33	9.25
400	5,00,000	20.00	20.00	Sep-33	9.25
1,000	1,00,00,000	1,000.00	1,000.00	Aug-34	9.50
100	1,00,00,000	100.00	-	Aug-35	9.25
		2,576.00	**2,476.00**		

#Company can redeem using Call option date with prior approval of RBI.

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 22 TRADE PAYABLES		
i) Micro, Small and Enterprises	13.19	14.33
ii) Other than Micro, Small and Enterprises	198.86	221.58
Total	**212.05**	**235.91**

Trade Payables ageing schedule for the year ended March 31, 2026

₹ 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	14.49	-	-	-	14.49
(ii) Others	191.24	3.29	1.33	1.70	197.56
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**205.73**	**3.29**	**1.33**	**1.70**	**212.05**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Trade Payables ageing schedule for the year ended March 31, 2025

₹ 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	14.33	-	-	-	14.33
(ii) Others	212.40	7.48	1.39	0.31	221.58
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**226.73**	**7.48**	**1.39**	**0.31**	**235.91**

There are no balances not due or unbilled for the year ended March 31, 2026 and March 31, 2025

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 23 OTHER FINANCIAL LIABILITIES		
Unpaid dividend	0.80	0.72
Advance from customers	72.39	48.96
Security deposits received	18.30	7.71
Collections towards derecognised assets pending remittance	256.71	90.10
Lease liability (Refer Note 49)	616.14	558.72
Other liabilities*	65.93	47.83
Total	**1,030.27**	**754.04**

*includes amount payable to insurance partners

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 24 PROVISIONS		
Provision for Employee Benefits		
Compensated absences (Refer Note 38)	218.00	181.59
	218.00	**181.59**
Other Provisions		
Provision for contingencies and disputed claims	40.29	39.54
Provision for expected credit loss towards undrawn commitments	23.11	14.42
	63.40	**53.96**
Total	**281.40**	**235.55**

Changes in Provisions

Particulars	As at March 31, 2025	Additional Provision	Utilization/ Reversal	As at March 31, 2026
Provision for Contingencies and disputed claims	39.54	0.75	-	40.29
Provision for Undrawn commitments	14.42	8.69	-	23.11
Particulars	**As at March 31, 2024**	**Additional Provision**	**Utilization/ Reversal**	**As at March 31, 2025**
Provision for Contingencies and disputed claims	39.54	-	-	39.54
Provision for Undrawn commitments	10.37	9.23	(5.18)	14.42

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 25 OTHER NON FINANCIAL LIABILITIES		
Income received in advance	4.76	5.41
Statutory liabilities	77.99	90.33
Others	0.81	1.43
Total	**83.56**	**97.17**

₹ in crores

Particulars	As at March 31, 2026 Nos.	As at March 31, 2026 Amount	As at March 31, 2025 Nos.	As at March 31, 2025 Amount
Note : 26 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	85,27,20,939	170.54	84,16,24,675	168.32
		170.54		**168.32**
SUBSCRIBED AND FULLY PAID UP				
Equity Shares of ₹ 2 each with voting rights	85,20,37,169	170.41	84,09,40,905	168.18
Add : Forfeited Shares	6,54,500	0.07	6,54,500	0.07
		170.48		**168.25**

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, 2026 Nos.	As at March 31, 2026 Amount	As at March 31, 2025 Nos.	As at March 31, 2025 Amount
Equity Shares				
At the beginning of the year (₹ 2 each)	84,09,40,905	168.18	83,99,68,962	167.99
Issued during the year				
a) Conversion of CCDs	98,74,127	1.97	-	-
b) Employees Stock Option (ESOP) Scheme	12,22,137	0.24	9,71,943	0.19
Outstanding at the end of the year (₹ 2 each)	**85,20,37,169**	**170.39**	**84,09,40,905**	**168.18**
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.

Terms/rights attached to Compulsory convertible Debentures

The Company had on October 05, 2023 allotted 2,00,000, 7.5% Compulsorily Convertible Debentures (CCDs) of face value ₹ 1,00,000/- each to eligible qualified institutional buyers at an Issue Price of ₹ 1,00,000/- per CCD. Further, pursuant to the placement document, the CCDs have an early conversion option on or after September 30, 2025. Up to March 31, 2026, 1,37,000 CCDs were converted into 98,74,127 equity shares.

b) Equity Shares held by Holding Company

Particulars	As at March 31, 2026	As at March 31, 2025
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, 2026 Nos.	As at March 31, 2026 % holding in the class	As at March 31, 2025 Nos.	As at March 31, 2025 % holding in the class
Equity Shares				
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	43.76	37,28,85,889	44.34

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026

Promoters Name	Category	No. of shares as on March 31, 2026	% to shares	No. of shares as on March 31, 2025	% to shares	% Change during the year
Valli Annamalai	Promoter Group	2,96,890	0.03	12,500	-	(0.03)
M A M Arunachalam	Promoter	1,65,752	0.02	1,65,752	0.02	-
Arun Alagappan	Promoter	8,65,000	0.10	8,65,000	0.10	-
M.A.Alagappan	Promoter	24,88,760	0.29	24,88,760	0.30	0.01
Lakshmi Chockalingam	Promoter Group	1,03,125	0.01	1,32,625	0.02	0.01
A Vellayan	Promoter	-	-	1,35,785	0.02	0.02
Lalitha Vellayan	Promoter Group	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	Promoter Group	50,255	0.01	50,255	0.01	-
M M Murugappan	Promoter	21,035	-	21,035	-	-
A M Meyyammai	Promoter Group	25,188	-	25,188	-	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	Promoter	10,000	-	10,000	-	-
Meenakshi Murugappan	Promoter Group	245	-	245	-	-
Valli Alagappan	Promoter Group	5,200	-	5,200	-	-
A Venkatachalam	Promoter	4,93,990	0.06	2,09,605	0.02	(0.04)
V Narayanan	Promoter	4,64,082	0.05	2,54,000	0.03	(0.02)
V Arunachalam	Promoter	4,52,598	0.05	2,42,515	0.03	(0.02)
Arun Venkatachalam	Promoter	4,10,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	Promoter Group	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	Promoter Group	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	Promoter Group	15,960	-	15,960	-	-
M V AR Meenakshi	Promoter Group	-	-	8,53,155	0.10	0.10
A. Keertika Unnamalai	Promoter Group	1,08,881	0.01	1,08,881	0.01	-
Sigapi Arunachalam	Promoter Group	74,255	0.01	74,255	0.01	-
Uma Ramanathan	Promoter Group	23,500	-	23,500	-	-
V Vasantha	Promoter Group	1,250	-	1,250	-	-
Dhruv M Arunachalam	Promoter Group	50,000	0.01	50,000	0.01	-
Kanika Subbiah	Promoter Group	67,000	0.01	67,000	0.01	-
Pranav Alagappan	Promoter Group	3,11,440	0.04	3,11,440	0.04	-
A Venkatachalam HUF (A Venkatachalam hols shares in the capacity of Karta)	Promoter	-	-	7,000	-	-
A A Alagammai	Promoter Group	2,894	-	2,894	-	-
Umayal R	Promoter Group	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	Promoter Group	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	Promoter	2,91,380	0.03	2,91,380	0.03	-
A M M Vellayan Sons P Ltd	Promoter Group	26,985	-	26,785	-	-
Carborundum Universal Limited	Promoter	500	-	500	-	-
E.I.D. Parry (India) Ltd.	Promoter	1,965	-	1,965	-	-
M.M.Muthiah Research Foundation	Promoter Group	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	Promoter	3,37,21,870	3.96	3,37,21,870	4.01	0.05
Parry Enterprises India Ltd	Promoter Group	1,965	-	1,965	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Details of Shareholding of promoters and promoter Group as on March 31, 2026 (Contd.)

Promoters Name	Category	No. of shares as on March 31, 2026	% to shares	No. of shares as on March 31, 2025	% to shares	% Change during the year
Cholamandalam Financial Holdings Limited (Formerly TIFinancial Holdings Ltd)	Promoter	37,28,85,889	43.76	37,28,85,889	44.34	0.58
AR Lakshmi Achi Trust	Promoter Group	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	Promoter Group	1,12,700	0.01	1,12,700	0.01	-
Murugappa Educational and Medical Foundation	Promoter Group	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	Promoter Group	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust(A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	Promoter Group	5,50,630	0.06	5,50,630	0.07	0.01
Murugappan Arunachalam Children Trust(Sigappi Arunachalam,MAM Arunachalam, AM Meyammai are Trustees	Promoter Group	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (Subbiah Vellayan & M.V.Subbiah, Trustees holds shares for Trust)	Promoter Group	1,99,278	0.02	1,99,278	0.02	-
V S Bhairavi Trust (M V Subbiah & Subbiah Vellayan, Trustees holds shares for Trust)	Promoter Group	1,92,246	0.02	1,92,246	0.02	-
Arun Murugappan Children Trust(MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust	Promoter Group	1,41,160	0.02	1,41,160	0.02	-
MA.Alagappan Grand Children Trust (Arun Alagappan & AA Alagammai, Trustees holds shares for Trust)	Promoter Group	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	1,58,765	0.02	1,58,765	0.02	-
M V Seetha Subbiah Benefit Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	2,64,000	0.03	2,64,000	0.03	-
M.A.Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	Promoter	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)	Promoter Group	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	2,94,130	0.03	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	2,94,130	0.03	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust	Promoter Group	1,33,000	0.02	1,33,000	0.02	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Details of Shareholding of promoters and promoter Group as on March 31, 2026 (Contd.)

Promoters Name	Category	No. of shares as on March 31, 2026	% to shares	No. of shares as on March 31, 2025	% to shares	% Change during the year
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	Promoter Group	25,000	-	25,000	-	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	Promoter Group	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah & S Vellayan,Trustees holds shares for Trust)	Promoter Group	13,50,284	0.16	14,74,534	0.18	0.02
M A M Arunachalam HUF (M A M Arunachalam is the Karta of HUF)	Promoter	38	-	38	-	-
		41,96,40,045	**49.23**	**41,97,93,595**	**49.92**	**0.69**

Details of Shareholding of promoters and promoter Group as on March 31, 2025

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
Valli Annamalai	Promoter Group	12,500	-	12,500	-	-
M Vellachi	Promoter Group	-	-	11,60,427	0.14	0.14
M A M Arunachalam	Promoter	1,65,752	0.02	1,65,752	0.02	-
Arun Alagappan	Promoter	8,65,000	0.10	9,50,000	0.11	0.01
M.A.Alagappan	Promoter	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	Promoter Group	1,32,625	0.02	1,32,625	0.02	-
A Vellayan	Promoter	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	Promoter Group	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	Promoter Group	50,255	0.01	50,255	0.01	-
M M Murugappan	Promoter	21,035	-	21,035	-	-
A M Meyyammai	Promoter Group	25,188	-	25,188	-	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	Promoter	10,000	-	10,000	-	-
Meenakshi Murugappan	Promoter Group	245	-	245	-	-
Valli Alagappan	Promoter Group	5,200	-	5,200	-	-
A Venkatachalam	Promoter	2,09,605	0.02	2,09,605	0.02	-
V Narayanan	Promoter	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	Promoter	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	Promoter	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	Promoter Group	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	Promoter Group	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	Promoter Group	15,960	-	15,960	-	-
M V AR Meenakshi	Promoter Group	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	Promoter Group	1,08,881	0.01	1,08,881	0.01	-
Sigapi Arunachalam	Promoter Group	74,255	0.01	74,255	0.01	-
Uma Ramanathan	Promoter Group	23,500	-	23,500	-	-
V Vasantha	Promoter Group	1,250	-	1,250	-	-
Dhruv M Arunachalam	Promoter Group	50,000	0.01	50,000	0.01	-
Kanika Subbiah	Promoter Group	67,000	0.01	67,000	0.01	-
Pranav Alagappan	Promoter Group	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	Promoter	-	-	11,90,583	0.14	0.14
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	Promoter	7,000	-	7,000	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Details of Shareholding of promoters and promoter Group as on March 31, 2025 (Contd.)

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
A A Alagammai	Promoter Group	2,894	-	2,894	-	-
Umayal R	Promoter Group	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	Promoter Group	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	Promoter	2,91,380	0.03	2,91,380	0.03	-
A M M Vellayan Sons P Ltd	Promoter Group	26,785	-	26,725	-	-
Carborundum Universal Limited	Promoter	500	-	500	-	-
E.I.D. Parry (India) Ltd.	Promoter	1,965	-	1,965	-	-
M.M.Muthiah Research Foundation	Promoter Group	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited (formerly Ambadi Investments Private Limited)	Promoter	3,37,21,870	4.01	3,37,21,870	4.01	-
Parry Enterprises India Ltd	Promoter Group	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited (Formerly TI Financial Holdings Ltd)	Promoter	37,28,85,889	44.34	37,28,85,889	44.39	0.05
AR Lakshmi Achi Trust	Promoter Group	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	Promoter Group	1,12,700	0.01	1,12,700	0.01	-
Murugappa Educational and Medical Foundation	Promoter Group	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	Promoter Group	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	Promoter Group	5,50,630	0.07	5,50,630	0.07	-
Murugappan Arunachalam Children Trust(Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees	Promoter Group	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (Subbiah Vellayan & M.V.Subbiah, Trustees holds shares for Trust)	Promoter Group	1,99,278	0.02	1,99,278	0.02	-
V S Bhairavi Trust (M V Subbiah & Subbiah Vellayan, Trustees holds shares for Trust)	Promoter Group	1,92,246	0.02	1,92,246	0.02	-
Arun Murugappan Children Trust (MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust	Promoter Group	1,41,160	0.02	1,41,160	0.02	-
MA.Alagappan Grand Children Trust (Arun Alagappan & AA Alagammai, Trustees holds shares for Trust)	Promoter Group	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	1,58,765	0.02	1,58,765	0.02	-
M V Seetha Subbiah Benefit Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	2,64,000	0.03	2,64,000	0.03	-
M.A.Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	Promoter	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)	Promoter Group	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	46,055	0.01	46,055	0.01	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Details of Shareholding of promoters and promoter Group as on March 31, 2025 (Contd.)

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	4,74,130	0.06	0.03
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	4,74,130	0.06	0.03
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust	Promoter Group	1,33,000	0.02	3,33,000	0.04	0.02
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	Promoter Group	25,000	-	25,000	-	-
M M Venkatachalam Family Trust (M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	Promoter Group	-	-	1,22,550	0.01	0.01
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	Promoter Group	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah & S Vellayan,Trustees holds shares for Trust)	Promoter Group	14,74,534	0.18	15,24,534	0.18	-
M A M Arunachalam HUF (M A M Arunachalam is the Karta of HUF)	Promoter	38	-	38	-	-
		41,97,93,595	**49.92**	**42,29,62,095**	**50.35**	**0.43**

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 27 OTHER EQUITY		
Statutory Reserve (Refer Note a)		
Balance at the beginning of the year	4,110.46	3,250.46
Add: Amount transferred from retained earnings	1,050.00	860.00
Closing balance at the end of the year	**5,160.46**	**4,110.46**
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	4,963.91	4,916.97
Add:Premium on conversion of CCDs into equity shares (Refer note 25(a))	1,368.03	-
Add: Premium on ESOPs exercised	83.52	46.94
Closing balance at the end of the year	**6,415.46**	**4,963.91**
General Reserve (Refer Note e)		
Balance at the beginning of the year	5,761.03	5,761.03
Add: Amount transferred from retained earnings	-	-
Closing balance at the end of the year	**5,761.03**	**5,761.03**
Share Based Payments Reserve (Refer Note f)		
Balance at the beginning of the year	213.23	138.78
Add: Changes during the year	86.13	74.45
Closing balance at the end of the year	**299.36**	**213.23**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 27 OTHER EQUITY (Contd.)

Particulars	As at March 31, 2026	As at March 31, 2025
Retained Earnings (Refer Note g)		
Balance at the beginning of the year	8,553.46	5,329.09
Profit for the year	5,232.61	4,262.70
Less:		
Dividend		
Equity - Final (₹ 0.70 per share)	(58.88)	(58.82)
Equity - Interim (₹ 1.30 per share)	(110.72)	(109.31)
Transfer to Statutory Reserve	(1,050.00)	(860.00)
Re-measurement Gain / (Loss) on Defined Benefit Obligation (Net) transferred to Retained Earnings	(2.81)	(10.20)
Transfer to retained earnings from FVOCI Reserves	-	-
Closing balance at the end of the year	**12,563.66**	**8,553.46**
Cashflow hedge reserve (Refer Note h)		
Balance at the beginning of the year	(135.19)	(4.30)
Add: Changes during the year	175.31	(130.89)
Closing balance at the end of the year	**40.12**	**(135.19)**
FVOCI Reserve (Refer Note i)		
Balance at the beginning of the year	(1.48)	(1.48)
Add: Changes during the year	-	-
Transfer to retained earnings	-	-
Closing balance at the end of the year	**(1.48)**	**(1.48)**
Share Application Money pending Allotment (Refer Note j)		
Balance at the beginning of the year	1.98	1.59
Add: Changes during the year	14.29	0.39
Closing balance at the end of the year	**16.27**	**1.98**
Total Other Equity	**30,287.92**	**23,500.44**

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 year represents the premium received towards allotment of equity 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

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 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 execersied by the employess and unvested options are recoginised in Statement of Profit and Loss.

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 and relevant RBI Regulations. 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, 2026 and year ended March 31, 2025

j) Share application money pending allotment 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, 2026

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, 2026 (₹ 0.70 per share - March 31, 2025) which is subject to approval of shareholders. Consequently the proposed dividend has not been recorded in the books in accordance with IND AS 10.

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
REVENUE FROM OPERATIONS		
Note : 28A - Interest income		
(i) On financial assets measured at amortised cost		
(a) Loans		
- Bills Discounting	46.30	86.28
- Term Loans	27,519.34	22,991.61
- Leasing -Finance Lease	6.12	1.26
(b) Bank Deposits		
- under lien	201.61	175.58
- free of lien	219.91	164.17
(c) Others -Gsec/T-bill/STRIPS	409.98	328.84
Total (A)	**28,403.26**	**23,747.74**
Note: 28B		
i) Fee & Commission income *		
- Loans	967.22	771.08
- Insurance agency and Other Commission	1,136.28	967.53
- Others	10.71	0.47
Total (B)	**2,114.21**	**1,739.08**
*Services are rendered at a point in time		
Note: 28C		
Net gain on fair value changes on FVTPL - Realised		
- Mutual fund units	123.16	184.79
- Sale of equity shares	-	8.63
Net gain/(loss) on fair value changes on FVTPL - Un-realised		
Equity Shares	-	3.15
Security receipts of ARC	(11.78)	-
Total (C)	**111.38**	**196.57**
Note: 28D		
(i) Sale of Services		
(a) Servicing and Collection fee on Assignment*	5.14	3.55
Total (D)	**5.14**	**3.55**

*Services rendered at a point in time

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Note : 29 OTHER INCOME		
Recovery of Bad debts	415.30	253.70
Interest on Tax Refund	43.76	40.82
Dividend Income	0.05	0.07
Fair Value gain on financial instruments at fair value through profit or loss - Realised		
- Mutual fund units	1.36	2.72
- Alternative Investment Fund	-	0.02
Fair Value gain on financial instruments at fair value through profit or loss - Unrealised		
- Mutual fund units	0.05	0.06
- Alternative Investment Fund	1.24	0.10
Rent	0.90	0.80
Miscellaneous Income	2.97	8.29
Total	**465.63**	**306.58**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Note : 30 FINANCE COSTS		
Interest on financial liabilities measured at amortised cost		
- Debt Securities	2,783.01	2,339.56
- Borrowings Other than Debt securities	10,450.94	9,401.90
- Subordinated Liabilities	1,080.43	692.14
Others		
- Bank charges	19.83	19.29
- Interest on lease liability (Refer Note 49)	49.92	41.13
- Interest on income tax/Others	-	0.51
Total	**14,384.13**	**12,494.53**

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Note : 31 IMPAIRMENT ON FINANCIAL INSTRUMENTS (Net)		
Impairment of Finacial Instruments-measured at amortised cost		
- Loans*	3,535.61	2,495.39
- Receivable and Other Financial assets	0.73	(1.08)
- Investment in Associate	-	0.00
Total	**3,536.34**	**2,494.31**

*Impairment allowance for the year ended March 31, 2026, includes ₹ 200 crores as Management overlay towards potential adverse Impact of Geo-Political risks on the loan Portfolio of the company.

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Note : 32 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Commission	3,772.60	3,033.17
Contribution to		
- Employees' Provident Fund	168.56	136.02
- Superannuation Fund	5.51	7.84
- Employee State Insurance	9.78	6.42
- National Pension Scheme	5.48	3.96
- Labour welfare fund	0.15	0.11
Share based employee payments	84.09	74.45
Gratuity Expense (Refer note 38)	104.12	33.99
Staff Welfare Expenses	44.79	31.79
Total	**4,195.08**	**3,327.75**

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Note : 33 OTHER EXPENSES		
Rent and facility charges	55.35	31.52
Rates and Taxes	64.70	51.58
Energy cost	31.69	27.47
Repairs and Maintenance	9.68	10.31
Communication Costs	56.55	45.55
Brokerage	6.78	12.55
Printing and Stationery	32.77	30.33
Advertisement and publicity Expenses	55.72	23.23
Directors Fees, allowances and expenses	2.39	5.26
Auditors' Remuneration	1.76	1.52
Legal and Professional Charges	265.91	206.70

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 33 OTHER EXPENSES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Insurance	83.27	70.89
Travelling and Conveyance	199.43	187.58
Information Technology Expenses	116.29	100.75
Loss on Sale of Property, Plant and Equipment (Net)	7.21	2.06
Recovery Charges	516.99	440.88
Corporate Social Responsibility Expenditure	93.21	74.28
Outsource cost	509.55	513.79
Miscellaneous Expenses (Refer note 33.1)	57.35	13.44
	2,166.60	**1,849.69**
Less : Expenses Recovered	(0.35)	-
Total	**2,166.25**	**1,849.69**

Note : 33.1 CONTRIBUTION TO ELECTORAL TRUST 10.00 -

Note : 34 EARNINGS PER SHARE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit After Tax Attributable to Equity Shareholders (₹ in crore)	5,232.61	4,262.70
Weighted Average Number of Equity Shares (Basic)*	84,42,36,356	84,04,70,631
Add: Dilutive effect relating to ESOP(No's)	19,87,122	19,03,879
Weighted Average Number of Equity Shares (Diluted)**	84,62,23,479	84,23,74,510
Earnings per Share - Basic (₹)	61.98	50.72
Earnings per Share - Diluted (₹)	61.83	50.60
Face Value Per Share (₹)	2.00	2.00

* Represents weighted average equity shares considered for calculation of earnings per share

** Represents weighted average equity shares considered for calculation of diluted earnings per share

Note : 35 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, 2026 and March 31, 2025, is as follows:

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before tax from continuing operations	6,973.04	5,741.45
Income tax amount above	1,754.89	1,446.47
Effects of:		
Impact of difference in tax base for Donations & CSR expense	25.99	18.70
Impact of Deduction u/s 80JJAA and 80M	(0.40)	(1.92)
Impact of Sale transactions taxable at differential rates (net)	(0.11)	(0.72)
Other adjustments	(38.84)	18.10
Adjustments in respect of prior years	2.63	0.82
Income tax expense reported in Consolidated statement of Profit and Loss	1,744.16	1,481.45

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

36. TRANSFER OF FINANCIAL ASSETS

36.1 Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

A) Securitisation

The Group has Securitised certain loans (measured at amortised cost), without transferring substantially all risks and rewards. Hence these assets have not been de-recognised.

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of transferred assets measured at amortised cost	33,225.68	27,870.58
Carrying amount of associated liabilities (Borrowings other than Debt securities - measured at amortised cost	33,866.87	28,490.72
Fair value of assets	32,652.06	27,480.89
Fair value of associated liabilities	31,415.41	26,577.68
Net position at Fair Value	1,236.65	903.20

B) Direct bilateral assignment

The Group has, transferred certain loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Group's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition.

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of de-recognised financial asset	6,727.72	2,816.48
Carrying amount of Retained Assets at amortised cost	750.53	317.24

₹ in crores

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Gain on de-recognition of financial asset	439.11	159.04

36.2 The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

Note : 37 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:

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Principal amount due to suppliers under MSMED Act, as at the year end	14.49	14.33
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, 2026

Note : 38 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 year, the Group recognised ₹ 168.56 crore (Previous year - ₹ 136.02 crore) to Provident Fund under Defined Contribution Plan, ₹ 5.51 crore (Previous year - ₹ 7.84 crore) for Contributions to Superannuation Fund and ₹ 9.78 crore (Previous year - ₹ 6.42 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, 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:

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Defined Benefit Obligation at the beginning of the year	**203.40**	**155.89**
Current Service Cost	47.09	33.11
Past Service Cost	49.85	-
Interest Cost	14.74	11.14
Remeasurement Losses/(Gains)		
a. Effect of changes in demographic assumptions	(2.17)	(0.99)
b. Effect of changes in financial assumptions	(7.20)	7.39
c. Effect of experience adjustments	13.12	6.33
Benefits Paid	(12.74)	(9.47)
Defined Benefit Obligation at the end of the year	**306.10**	**203.40**
Change in Fair value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the Year	120.93	120.96
Investment Income	7.57	10.28
Employer's Contribution	-	0.54
Benefits Paid	(12.74)	(9.47)
Return on plan assets (excluding amount recognized in net interest expense)	-	(1.46)
Transfer In/(Out)	-	0.09
Fair Value of Plan Assets at the end of the year	**115.76**	**120.93**
Amount Recognised in the Balance Sheet		
Fair Value of Plan Assets as at the End of the Year	115.76	120.93
Defined benefit obligation at the End of the Year	(306.10)	(203.40)
Amount Recognised in the Balance Sheet under Other Payables	**(190.34)**	**(82.47)**
Cost of the Defined Benefit Plan for the Year		
Current Service Cost (Net of transfer)	47.09	33.12
Past Service Cost (Net of transfer)	49.85	-
Net interest Expense	14.74	11.14
Expected Return on Plan Assets	(7.57)	(10.27)
Net Cost recognized in the statement of Profit and Loss*	**104.12**	**33.99**
Remeasurement Losses/(Gains)		
a) Effect of changes in financial assumptions	(7.20)	7.40
b) Effect of experience adjustments	13.12	6.33
c) Changes in demographic assumptions	(2.17)	(0.99)
d) Return on plan assets (excluding amount recognized in net interest expense)	-	1.46
e) Share of OCI pertaining to Joint Venture	-	(0.57)
Net cost recognized in Other Comprehensive Income	**3.75**	**13.63**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 38 RETIREMENT BENEFIT (Contd.)

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Assumptions		
Discount Rate	6.85% p.a.	6.50% p.a.
Future salary increase		
- CFF Grade	7.50% p.a	7.50% p.a
- Other Grades	7.25%-7.50% p.a	7.25%-7.50% p.a.
Attrition Rate		
- CFF Grade	25% p.a.	25% p.a.
- Other Grades	13–17% p.a.	13–17% p.a.
Expected rate of return on Plan Assets	7.05% -7.63% p.a	7.00% -7.68% 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	5-6 years
Expected Cash flows over the next (valued on undiscounted basis)		
Within the next 12 months (next annual reporting period)	44.61	30.60
Between 2 and 5 years	163.18	104.12
Between 6 and 10 years	140.69	91.56
Beyond 10 Years	133.78	87.36
Total Expected Cash flows	**482.25**	**313.64**

*Recognised under Employee Benefit Expenses (Refer Note 32)

Particulars	March 31, 2026		March 31, 2025	
	Increase	Decrease	Increase	Decrease
Sensitivity Analysis-Defined Benefit Obligation:				
Discount Rate (+/- 1%)	289.65	324.28	192.34	215.64
Salary Growth Rate (+/- 1%)	322.20	291.07	214.17	193.31
Attrition Rate (+/- 50% of attrition rates)	294.78	320.23	195.22	214.75
Mortality Rate (+/- 10% of mortality rates)	306.12	306.09	203.41	203.40

Notes:

1. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
2. The Group's best estimate of contribution during the next year is ₹ 246.57 crores.
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.
4. The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).
5. 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.
6. 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, 2026

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 a particular investment.

C) Compensated Absences

Assumptions	March 31, 2026	March 31, 2025
Discount Rate	6.85%	6.50%
Future salary increase		
- CFF Grade	7.50%	7.50%
- Other Grades	7.25%-7.50%	7.25%-7.50%
Attrition Rate		
- CFF Grade	25.00%	25.00%
- Other Grades	13.00%-17.00%	13.00%-17.00%
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, 2026.
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 : 39 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 the year ended March 31, 2026, 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 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 loans against the residential/commercial property.
- Other Loans - Other loans consist of consumer and small enterprise loans, secured business and personal loan, SME loans and Gold loans.

The Managing Director 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, 2026

Note : 39 SEGMENT REPORTING (Contd.)

₹ in crores

Particulars	Year ended March 31, 2026					
	Vehicle Finance	Loan against Property	Home Loans	Others	Unallocable	Total
Revenue from Operations (I)						
Interest Income	15,180.05	5,143.92	2,967.32	4,311.09	800.88	**28,403.26**
Net gain on derecognition of financial instruments under amortised cost category	-	439.11	-	-	-	**439.11**
Fee & commission income	1,155.35	397.90	215.59	345.37	-	**2,114.21**
Net gain on Fair value change on financial instrument	-	-	(8.91)	(2.87)	123.16	**111.38**
Sale of Services	0.01	4.95	0.18	-	-	**5.14**
Segment revenue from Operations (I)	**16,335.41**	**5,985.88**	**3,174.18**	**4,653.59**	**924.04**	**31,073.10**
Other income (II)	175.62	3.00	66.72	174.78	45.51	**465.63**
Total Segment Income (I) + (II)	**16,511.03**	**5,988.88**	**3,240.90**	**4,828.37**	**969.55**	**31,538.73**
Expenses						
Finance costs	7,613.76	2,867.62	1,455.73	1,867.84	579.18	**14,384.13**
Impairment of Financial Instruments	2,121.28	141.73	197.71	1,093.43	(17.81)	**3,536.34**
Employee benefits expense	2,433.49	545.46	445.40	746.47	24.26	**4,195.08**
Depreciation and amortisation expense	151.89	41.87	29.96	59.97	0.20	**283.89**
Other expenses	1,045.94	233.23	254.75	529.71	102.62	**2,166.25**
Segment Expenses	**13,366.36**	**3,829.91**	**2,383.55**	**4,297.42**	**688.45**	**24,565.69**
Segment Profit before taxation	**3,144.67**	**2,158.97**	**857.35**	**530.95**	**281.10**	**6,973.04**
Tax expense						**1,744.16**
Share of profit / (Loss) from associate and Joint Venture				3.73		**3.73**
Profit for the year						**5,232.61**

₹ in crores

Particulars	Year ended March 31, 2025					
	Vehicle Finance	Loan against Property	Home Loans	Others	Unallocable	Total
Revenue from Operations (I)						
Interest Income	12,879.22	4,136.19	2,317.01	3,774.52	640.80	**23,747.74**
Net gain on derecognition of financial instruments under amortised cost category	-	159.04	-	-	-	**159.04**
Fee & commission income	1,057.59	268.81	184.05	228.63	-	**1,739.08**
Net gain on Fair value change on financial instrument	-	-	-	-	196.57	**196.57**
Sale of Services	1.84	1.42	0.25	0.04	-	**3.55**
Segment revenue from Operations (I)	**13,938.65**	**4,565.46**	**2,501.31**	**4,003.19**	**837.37**	**25,845.98**
Other income (II)	167.88	7.87	0.29	79.66	50.88	**306.58**
Total Segment Income (I) + (II)	**14,106.53**	**4,573.33**	**2,501.60**	**4,082.85**	**888.25**	**26,152.56**
Expenses						
Finance costs	6,723.05	2,470.33	1,152.26	1,623.98	524.91	**12,494.53**
Impairment of Financial Instruments	1,523.66	53.38	63.15	864.05	(9.93)	**2,494.31**
Employee benefits expense	1,971.44	429.30	336.21	524.40	66.40	**3,327.75**
Depreciation and amortisation expense	146.52	33.57	25.31	39.28	0.15	**244.83**
Other expenses	917.65	190.32	231.55	448.79	61.38	**1,849.69**
Segment Expenses	**11,282.32**	**3,176.90**	**1,808.48**	**3,500.50**	**642.91**	**20,411.11**
Segment Profit before taxation	**2,824.21**	**1,396.43**	**693.12**	**582.35**	**245.34**	**5,741.45**
Tax expense						**1,481.45**
Share of profit / (loss) from associate and Joint Venture				2.70		**2.70**
Profit for the year						**4,262.70**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 39 SEGMENT REPORTING (Contd.)

₹ in crores

Particulars	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
As on March 31, 2026						
Segment Assets	1,19,557.39	45,808.08	22,448.37	30,171.06		2,17,984.90
Unallocable Assets					27,463.33	27,463.33
Total Assets						**2,45,448.23**
Segment Liabilities	1,04,724.78	40,125.01	19,663.37	26,420.52		1,90,933.68
Unallocable Liabilities					24,056.15	24,056.15
Total Liabilities						**2,14,989.83**
As on March 31, 2025						
Segment Assets	1,01,247.83	38,927.46	18,131.26	23,862.52		1,82,169.07
Unallocable Assets					19,717.69	19,717.69
Total Assets						**2,01,886.76**
Segment Liabilities	89,384.45	34,366.26	16,006.79	21,053.24		1,60,810.74
Unallocable Liabilities					17,407.33	17,407.33
Total Liabilities						**1,78,218.07**

In computing the segment information, certain estimates and assumptions have been made by the management which is consistent with the accounting policies that are used in preparation of the financial statements.

As the assets are allocated to segment based on certain assumptions, 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 : 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 27, 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 an expense for the employees services received amounting to ₹ 84.09 crores during the year ended March 31, 2026 (₹ 74.45 crores during the year ended March 31, 2025), shown under Employee Benefit Expenses (Refer Note 32).

The movement in Stock Options during the current year are given below:

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2025	During the Year 2025-26 Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2026	Options vested but not exercised As at 31.03.2026	Options unvested As at 31.03.2026	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 JAN 2017	25-Jan-17	83,870	-	-	83,870	-	-	-	202.00	-
GT30 JAN 2018	30-Jan-18	15,330	-	-	15,330	-	-	-	261.94	-
GT30 JAN 2018 A	30-Jan-18	-	-	-	-	-	-	-	261.94	-
GT23 APR 2018	23-Apr-18	-	-	-	-	-	-	-	312.47	
GT26 JUL 2018	26-Jul-18	30,660	-	-	17,760	12,900	12,900	-	299.46	-
GT30 OCT 2018	30-Oct-18	37,760	-	-	10,820	26,940	26,940	-	253.70	-
GT19 MAR 2019	19-Mar-19	85,930	-	-	32,750	53,180		53,180	278.01	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding	During the Year 2025-26			Options outstanding	Options vested but not exercised	Options unvested	Exercise Price ₹	Weighted Average Remaining Contractual Life
		As at 31.03.2025	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2026	As at 31.03.2026	As at 31.03.2026		
GT05 NOV 2019	05-Nov-19	83,940	-	-	14,950	68,990	39,900	29,090	316.00	-
GT03 JUNE 2020	03-Jun-20	6,920	-	-	6,920	-	-	-	157.90	-
GT07 MAY 2021	07-May-21	6,91,620	-	-	3,37,870	3,53,750	3,04,630	49,120	580.30	-
GT30 JULY 2021	30-Jul-21	16,200	-	-	-	16,200	16,200	-	487.15	-
GT29 OCT 2021	29-Oct-21	5,19,275	-	-	1,57,040	3,62,235	3,37,225	25,010	609.00	-
GT29 OCT 2021 A	29-Oct-21	-	-	-	-	-	-	-	609.00	-
GT01 FEB 2022	01-Feb-22	79,630	-	-	35,400	44,230	44,230	-	629.50	-
GT05 MAY 2022	05-May-22	37,000	-	-	6,150	30,850	17,290	13,560	712.15	0.10
GT29 JUL 2022	29-Jul-22	41,910	-	-	10,150	31,760	31,760	-	690.10	0.33
GT29 JUL 2022 A	29-Jul-22	41,300	-	-	2,940	38,360	13,230	25,130	690.10	-
GT24 SEP 2022	24-Sep-22	15,660	-	-	8,250	7,410	-	7,410	738.50	-
GT24 SEP 2022 A	24-Sep-22	1,95,700	-	-	5,820	1,89,880	1,49,880	40,000	738.50	0.48
GT24 SEP 2022 B	24-Sep-22	3,780	-	-	1,260	2,520	2,520	-	738.50	-
GT01 NOV 2022	01-Nov-22	24,700	-	-	-	24,700	-	24,700	709.35	0.59
GT31 JAN 2023	31-Jan-23	12,25,033	-	52,000	2,54,505	9,18,528	4,47,737	4,70,791	710.75	0.84
GT01 AUG 2023	01-Aug-23	6,31,880	-	34,400	77,390	5,20,090	1,80,230	3,39,860	1,132.00	0.84
GT02 NOV 2023	02-Nov-23	3,360	-	-	-	3,360	2,100	1,260	1,149.00	0.59
GT02 NOV 2023 A	02-Nov-23	20,500	-	-	-	20,500	8,200	12,300	1,149.00	1.09
GT25 JAN 2024	25-Jan-24	3,34,800	-	28,400	28,660	2,77,740	91,030	1,86,710	1,245.08	1.32
GT29 APR 2024	29-Apr-24	2,62,380	-	6,400	23,210	2,32,770	37,470	1,95,300	1,171.70	0.47
GT26 JUL 2024	26-Jul-24	5,16,800	-	52,080	33,580	4,31,140	68,920	3,62,220	1,363.65	1.45
GT26 JUL 2024 A	26-Jul-24	1,50,720	-	9,100	4,900	1,36,720	32,380	1,04,340	1,363.65	0.82
GT26 JUL 2024 B	26-Jul-24	2,15,460	-	-	45,360	1,70,100	55,830	1,14,270	1,363.65	0.32
GT31 JAN 2025	31-Jan-25	5,16,500	-	22,800	7,252	4,86,448	83,147	4,03,301	1,279.40	1.96
GT03 MAR 2025	03-Mar-25	44,100	-	9,670	-	34,430	-	34,430	1,400.75	2.05
GT031 JUL2025	31-Jul-25	-	12,60,085	-	-	12,60,085	-	12,60,085	1,478.10	1.17
GT030 JAN 2026	31-Jan-26	-	1,34,358	2,424	-	1,31,934	-	1,31,934	1,648.90	4.71
Total		**59,32,718**	**13,94,443**	**2,17,274**	**12,22,137**	**58,87,750**	**20,03,749**	**38,84,001**		

Note: Outstanding Options includes options (vested and unvested) issued to employees of subsidiary and employees transferred to group companies (post grant of options) as at March 31, 2026 - 4,12,927 options.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding	During the Year 2024-25			Options outstanding	Options vested but not exercised	Options unvested		
		As at 31.03.2024	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2025	As at 31.03.2025	As at 31.03.2025	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 JAN 2017	25-Jan-17	2,12,525	-	-	1,28,655	83,870	69,170	14,700	202.00	-
GT30 JAN 2018	30-Jan-18	28,230	-	-	12,900	15,330	15,330	-	261.94	-
GT30 JAN 2018 A	30-Jan-18	7,800	-	-	7,800	-	-		261.94	-
GT26 JUL 2018	26-Jul-18	40,880	-	-	10,220	30,660	30,660	-	299.46	-
GT26 JUL 2018 A	26-Jul-18	-	-	-	-	-	-	-	299.46	-
GT30 OCT 2018	30-Oct-18	1,14,680	-	-	76,920	37,760	37,760	-	253.70	-
GT19 MAR 2019	19-Mar-19	2,30,574	-	-	1,44,644	85,930	85,930	-	278.01	-
GT30 JUL 2019	30-Jul-19	-	-	-	-	-	-	-	248.20	-
GT05 NOV 2019	05-Nov-19	1,10,140	-	-	26,200	83,940	82,940	1,000	316.00	-
GT23 JAN 2020	23-Jan-20	-	-	-	-	-	-	-	317.50	-
GT03 JUNE 2020	03-Jun-20	20,820	-	-	13,900	6,920	6,920	-	157.90	-
GT03 JUNE 2020 A	03-Jun-20	-	-	-	-	-	-	-	157.90	-
GT07 MAY 2021	07-May-21	8,81,120	-	-	1,89,500	6,91,620	3,76,580	3,15,040	580.30	0.10
GT30 JULY 2021	30-Jul-21	24,700	-	-	8,500	16,200	8,790	7,410	487.15	0.33
GT29 OCT 2021	29-Oct-21	6,22,909	-	8,200	95,434	5,19,275	3,01,295	2,17,980	609.00	0.58
GT29 OCT 2021 A	29-Oct-21	2,520	-	-	2,520	-	-	-	609.00	0.58
GT01 FEB 2022	01-Feb-22	98,260	-	-	18,630	79,630	39,450	40,180	629.50	0.84
GT05 MAY 2022	05-May-22	45,200	-	-	8,200	37,000	9,880	27,120	712.15	0.60
GT29 JUL 2022	29-Jul-22	50,700	-	-	8,790	41,910	20,700	21,210	690.10	0.83
GT29 JUL 2022 A	29-Jul-22	48,300	-	-	7,000	41,300	12,320	28,980	690.10	0.33
GT24 SEP 2022	24-Sep-22	20,600	-	-	4,940	15,660	840	14,820	738.50	0.98
GT24 SEP 2022 A	24-Sep-22	2,17,000	-	-	21,300	1,95,700	1,12,870	82,830	738.50	0.48
GT24 SEP 2022 B	24-Sep-22	6,300	-	-	2,520	3,780	3,780	-	738.50	-
GT01 NOV 2022	01-Nov-22	24,700	-	-	-	24,700	9,880	14,820	709.35	1.09
GT31 JAN 2023	31-Jan-23	14,52,243	-	74,400	1,52,810	12,25,033	3,64,743	8,60,290	710.75	1.34
GT01 AUG 2023	01-Aug-23	6,94,940	-	32,500	30,560	6,31,880	1,29,250	5,02,630	1,132.00	0.88
GT02 NOV 2023	02-Nov-23	3,360	-	-	-	3,360	840	2,520	1,149.00	1.72

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 40 ESOP DISCLOSURE (Contd.)

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding As at 31.03.2024	During the Year 2024-25 Options Granted	Options Forfeited / Expired	Options Exercised and allotted	Options outstanding As at 31.03.2025	Options vested but not exercised As at 31.03.2025	Options unvested As at 31.03.2025	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT02 NOV 2023 A	02-Nov-23	20,500	-	-	-	20,500	4,100	16,400	1,149.00	1.09
GT25 JAN 2024	25-Jan-24	3,44,900	-	10,100	-	3,34,800	63,680	2,71,120	1,245.08	1.95
GT29 APR 2024	29-Apr-24	-	2,68,380	6,000	-	2,62,380		2,62,380	1,171.70	0.62
GT26 JUL 2024	26-Jul-24	-	5,28,800	12,000	-	5,16,800	6,000	5,10,800	1,363.65	2.02
GT26 JUL 2024 A	26-Jul-24	-	1,50,720	-	-	1,50,720	-	1,50,720	1,363.65	1.45
GT26 JUL 2024 B	26-Jul-24	-	2,15,460	-	-	2,15,460	-	2,15,460	1,363.65	0.82
GT31 JAN 2025	31-Jan-25	-	5,16,500	-	-	5,16,500	-	5,16,500	1,279.40	2.54
GT03 MAR 2025	03-Mar-25	-	44,100	-	-	44,100	-	44,100	1,400.75	2.62
Total		**53,23,901**	**17,23,960**	**1,43,200**	**9,71,943**	**59,32,718**	**17,93,708**	**41,39,010**		

Note: Outstanding Options includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2025 - 280,630 options.

The following tables list the inputs to the Black Scholes model used for the plans for the year ended March 31, 2026:

ESOP 2016

	Variables					
Date of Grant	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of the underlying Share in the Market at the time of the Option Grant (₹)	Fair Value of the Option (₹)
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

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 40 ESOP DISCLOSURE (Contd.)

ESOP 2016

	Variables					
Date of Grant	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of the underlying Share in the Market at the time of the Option Grant (₹)	Fair Value of the Option (₹)
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
29-Apr-24	7.09% - 7.12%	3.5 -6.51 years	36.34% -44.58%	0.11%	1,171.70	576.27
26-Jul-24	6.75% - 6.81%	3.5 -6.51 years	35.49% -44.99%	0.15%	1,363.65	662.20
26-Jul-24	6.75% - 6.79%	3.5 -5.51 years	35.49% -46.25%	0.15%	1,363.65	628.27
26-Jul-24	6.75% - 6.77%	3.5 -4.50 years	35.49% -48.46%	0.15%	1,363.65	564.97
31-Jan-25	6.50% - 6.59%	3.5 -6.50 years	33.68% -45.07%	0.16%	1,279.40	595.17
03-Mar-25	6.52% - 6.63%	3.5 -6.50 years	33.64% -45.24%	0.14%	1,400.75	652.14
31-Jul-25	5.85% - 6.20%	3.5 -6.50 years	33.07% -44.47%	0.14%	1478.10	670.30
30-Jan-26	6.12% - 6.56%	3.5 -6.50 years	30.40% -44.47%	0.12%	1648.90	714.60
30-Jan-26	6.12% - 6.28%	3.5 -4.50 years	30.40% -33.25%	0.12%	1648.90	567.50
30-Jan-26	6.12%	3.50 years	30.40%	0.12%	1648.90	510.08

*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 Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 41 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:** Vishvakarma Payments Private Limited, 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, 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, TI Clean Mobility Private Limited, CG Power and Industrial Solutions Limited, Chola Foundation, Mavco Investments Private Limited, Axiro Semiconductor Private Limited, IPLTech Electric Private Limited.
- **Key Managerial Personnel:**

a. Mr. Vellayan Subbiah, Executive Chairman
b. Mr. Ravindra Kumar Kundu, Managing Director
c. Mr. D. Arulselvan, Chief Financial Officer
d. Ms. P. Sujatha, Company Secretary

- **Non-Executive Directors**

a) Mr. N Ramesh Rajan
b) Ms. Bhama Krishnamurthy
c) Mr. M A M Arunachalam
d) Mr. Anand Kumar
e) Mr. M R Kumar (w.e.f. 1st May, 2024)
f) Mr. Ramkumar Ramamoorthy (w.e.f. 26th July 2024)

- **Private companies in which a director or manager or his relative is a member or director##:** Zetwerk Manufacturing Business Private Limited, Finance Industry Development Council, Medall Healthcare Private Limited (upto 23rd September 2024), Mavnu Investments Private Limited.
- **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.
Represents entities/parties included as per Companies Act, 2013.

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Note : 41 a) TRANSACTIONS DURING THE YEAR		
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	0.09	0.1
e) M A Murugappan Holdings LLP	0.02	0.02
f) Kadamane Estates Co	0.07	0.07
g) Relatives of KMP & Directors	0.10	0.09
h) Promoter and Promoter Group	2.33	2.57
Amount received towards Reimbursement of expenses		
a) Cholamandalam Financial Holdings Limited	1.95	1.77
b) Cholamandalam MS General Insurance Company Limited	0.06	0.05
c) Murugappa Morgan Thermal Ceramics Limited	0.01	0.03
d) Payswiff Technologies Private Limited	1.68	1.66
e) Tube Investments of India Limited	0.15	0.31
f) Chola Business Services Limited	-	*
g) Mavco Investments Private Limited	0.08	0.09
h) Mavnu Investments Private Limited	-	0.19

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 41 RELATED PARTY DISCLOSURES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Expenses – Reimbursed		
a) Cholamandalam MS General Insurance Company Limited	-	0.20
b) Parry Enterprises India Limited	0.03	0.02
c) Tube Investments of India Limited	0.34	-
d) Mavco Investments Private Limited	1.01	-
Expense Recovery-Employee Benefit Expense		
a) CG Power and Industrial Solutions Limited	-	0.14
b) Chola Business Services Limited	-	7.00
c) Mavco Investments Private Limited	2.04	-
Services Received		
a) Parry Enterprises India Limited	19.99	28.16
b) Cholamandalam MS General Insurance Company Limited	80.57	55.64
c) Cholamandalam MS Risk Services Limited	-	0.01
d) Chola Business Services Limited	671.62	642.40
e) Murugappa Management services Private Limited	0.23	0.34
f) Net access India Limited	17.44	15.12
g) Payswiff Technologies Private limited	1.77	1.32
h) TI Clean Mobility Private Limited	1.02	-
i) Mavco Investments Private Limited	13.79	-
Rental Income		
a) Coromandel International Limited	*	-
b) Tube Investments of India Limited	0.76	0.72
c) Axiro Semiconductor Private Limited	*	-
Loans given		
a) Payswiff Technologies Private limited	9.50	30.00
b) Zetwerk Manufacturing Business Private Limited	32.88	9.95
c) EID Parry (India) Limited	-	2.86
d) Mavco Investments Private Limited	0.48	-
Loans recovered		
a) Payswiff Technologies Private limited	21.00	12.5
b) Zetwerk Manufacturing Business Private Limited	17.91	9.95
c) Medall Healthcare Private Limited	-	3.20
d) EID Parry (India) Limited	0.13	0.05
Insurance Claims received		
a) Cholamandalam MS General Insurance Company Limited	1.32	0.09
Insurance Commission Income		
a) Cholamandalam MS General Insurance Company Limited	303.32	370.88
Interest Income Received		
a) Payswiff Technologies Private Limited	1.50	1.78
b) Zetwerk Manufacturing Business Private Limited	0.82	0.29
c) EID Parry (India) Limited	0.30	0.16
d) Medall Healthcare Private Limited	-	0.49
e) Mavco Investments Private Limited	*	-
Interest Expense - Debentures		
a) Cholamandalam MS General Insurance Company Limited	65.10	60.20
b) Promoters/Promoter group	7.78	27.42
Subscriptions/Advertisement Expenses		
a) Finance Industry Development Council	0.07	0.02
Services Rendered		
a) Payswiff Technologies Private Limited	-	0.01
b) Key Managerial Personnel	0.02	*
Contribution to CSR activity		
a) AMM Foundation	32.02	26.19
b) Chola Foundation	0.49	-
Contribution to initial Corpus		
a) Chola Foundation	-	0.01

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 41 RELATED PARTY DISCLOSURES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Purchase of Goods		
a) Parry Agro Industries Limited	-	0.48
Advances Paid		
a) Parry enterprises India Limited	2.78	8.26
Advances Settled		
a) Parry enterprises India Limited	5.16	10.47
Rental Deposits received		
a) EID Parry (India) Limited	0.07	0.40
Refund of Security Deposit		
a) Coromandel International Limited	0.18	-
Loss sharing Arrangement - Recovery		
a) TI Clean Mobility Private Limited	4.57	0.38
Rent & Maintenance		
a) EID Parry (India) Limited	0.18	0.23
b) AMM Foundation	0.05	-
Purchase of Property, plant and equipment		
a) CG Power and Industrial Solutions Limited	-	0.44
b) Murugappa Management services Private Limited	0.12	-
c) Tube Investments of India Limited	0.08	-
d) EID Parry (India) Limited	22.00	-
e) IPLTech Electric Private Limited	9.78	-
Sale of Property, plant and equipment		
a) Mavco Investments Private Limited	5.12	-
Commission and Sitting fees to non-executive Directors	2.09	4.96

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Note : 41 b) BALANCES OUTSTANDING AT THE YEAR END		
Loans - Receivable		
a) Payswiff Technologies Private limited	6.05	17.65
b) EID Parry (India) Limited	2.21	2.34
c) Zetwerk Manufacturing Business Private Limited	14.97	-
d) Mavco Investments Private Limited	0.41	-
Debt Securities – Payable		
a) Cholamandalam MS General Insurance Company Limited	(772.34)	(772.34)
b) Debentures held by promoter and promoter group	(52.06)	(323.92)
Other Receivable / (Payable)		
a) Cholamandalam MS General Insurance Company Limited	50.55	54.52
b) Tube Investments of India Limited	0.01	0.09
c) Parry Enterprises India Limited	(3.72)	(1.04)
d) Murugappa Morgan Thermal Ceramics Limited	-	*
e) Chola Business Services Limited	(63.83)	(54.49)
f) Payswiff Technologies Private Limited	(0.20)	0.04
g) Murugappa Management services Private Limited	*	-
h) EID Parry (India) Limited	-	(0.01)
i) Net access India Limited	(2.39)	(2.93)
j) TI Clean Mobility Private Limited	1.70	0.38
k) Parry Agro Industries Limited	-	(0.27)
l) Coromandel International Limited	(0.18)	-
m) Mavco Investments Private Limited	(0.71)	-
n) Axiro Semiconductor Private Limited	*	-
o) IPLTech Electric Private Limited	(9.78)	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 41 RELATED PARTY DISCLOSURES (Contd.)

₹ in crores

Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
Note : 41 c) REMUNERATION AND OTHER TRANSACTIONS WITH KEY MANAGERIAL PERSONNEL (KMP)		
Gross Salary Including Perquisites	26.50	12.10
Other – Contribution to funds	2.74	1.38
Dividend Payments	0.12	0.10
Share based payments	9.12	5.94
Sale of Car	0.34	-

₹ in crores

Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
Note : 41 d) REMUNERATION PAID TO PROMOTER AND PROMOTER GROUP		
Gross Salary Including Perquisites	1.12	1.81
Other – Contribution to funds	0.05	0.10
Sale of car	0.15	-

*Represents amounts less than ₹ 1 lakh

Note: Transactions where Company act as intermediary and passed through Company's books of accounts are not in nature of related party transaction and hence they are not disclosed

Note : 42 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contested Claims not provided for:

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax and Interest on Tax issues where the Group has gone on appeal	22.30	26.85
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	17.41	27.41
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.	70.91	76.76
Disputed claims against the Group lodged by various parties under litigation (to the extent quantifiable)	219.66	164.48

Note: Refer note no 46 (i) for Group's share in the Contingent liability of the Joint Venture.

i) The Group is of the opinion that the above demands based on management estimate no significant liabilities are expected to arise.

ii) 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.

iii) The Group does not expect any reimbursement in respect of the above contingent liabilities.

iv) 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, 2026	As at March 31, 2025
Capital commitments	602.62	58.95
Disbursements – Undrawn lines	7,442.32	4,383.66

(c) Bank Guarantee:

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Outstanding bank guarantees given to stock exchanges/stock holding corporation of India Limited to meet margin requirements	60.00	60.00

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 43 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ in crores

Particulars	April 01, 2025	Cash flows	Exchange Difference	Other	March 31, 2026
Debt Securities	30,222.70	10,658.39	-	(56.99)	40,824.10
Borrowings other than debt securities	1,33,791.98	21,204.32	(1,450.29)	2,996.79	1,56,542.80
Subordinated liabilities	11,021.32	2,602.00	-	79.39	13,702.71
Total	**1,75,036.00**	**34,464.71**	**(1,450.29)**	**3,019.19**	**2,11,069.61**

₹ in crores

Particulars	April 1, 2024	Cash flows	Exchange Difference	Other	March 31, 2025
Debt Securities	24,812.76	5,121.15	-	288.79	30,222.70
Borrowings other than debt securities	1,04,511.13	29,280.67	(48.88)	49.06	1,33,791.98
Subordinated liabilities	5,150.99	5,647.60	-	222.73	11,021.32
Total	**1,34,474.88**	**40,049.42**	**(48.88)**	**560.58**	**1,75,036.00**

(i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of transaction cost etc

(ii) Change in liabilities arising from lease liabilities has been disclosed in Note 49

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.

₹ in crores

Particulars	Amount	Maturity	
		Within 12 months	After 12 months
As on March 31, 2026			
Financial Assets			
Cash and Cash Equivalents	8,314.85	8,314.85	-
Bank balances Other than Cash and Cash Equivalents	6,380.23	3,432.32	2,947.91
Derivative financial instruments	1,701.06	397.98	1,303.08
Receivables			
i) Trade Receivables	327.05	327.05	-
ii) Other Receivables	202.00	202.00	-
Loans	2,17,743.72	53,943.59	1,63,800.13
Investments			
i) Associate	-	-	-
ii) Others	6,183.32	2,636.67	3,546.65
iii) Joint Venture	462.49	-	462.49
Other Financial Assets	892.12	122.79	769.33
Total Financial Assets	**2,42,206.84**	**69,377.25**	**1,72,829.59**
Non- Financial Assets			
Current tax assets (Net)	29.73	-	29.73
Deferred tax assets (Net)	1,160.23	-	1,160.23
Investment Property	0.13	-	0.13
Property, Plant and Equipment	1,839.45	-	1,839.45
Capital Work in Progress	27.51	9.22	18.29
Intangible assets under development	14.50	-	14.50
Other Intangible assets	29.06	-	29.06
Other Non-Financial Assets	140.78	11.22	129.56
Total Non- Financial Assets	**3,241.39**	**20.44**	**3,220.95**
Financial Liabilities			
Derivative financial instruments	86.45	21.62	64.83
Payables			
i) Trade Payables-Due to MSME	13.19	13.19	-
ii) Trade Payables-Other than MSME	198.86	198.86	-
iii) Other Payables	2,226.49	2,226.49	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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
Debt Securities	40,824.10	17,772.71	23,051.39
Borrowings (Other than Debt Securities)	1,56,542.80	59,252.92	97,289.88
Subordinated Liabilities	13,702.71	548.82	13,153.89
Other Financial Liabilities	1,030.27	457.33	572.94
Total Financial Liabilities	**2,14,624.87**	**80,491.94**	**1,34,132.93**
Non-Financial Liabilities			
Provisions	281.40	-	281.40
Other Non-Financial Liabilities	83.56	77.99	5.57
Total Non-Financial Liabilities	**364.96**	**77.99**	**286.97**
As on March 31, 2025			
Financial Assets			
Cash and Cash Equivalents	5,279.65	5,279.65	-
Bank balances Other than Cash and Cash Equivalents	4,221.10	1,843.88	2,377.22
Derivative financial instruments	203.32	53.84	149.48
Receivables			
i) Trade Receivables	204.83	204.83	-
ii) Other Receivables	116.33	116.33	-
Loans	1,82,037.64	44,522.00	1,37,515.64
Investments			
i) Associate	-	-	-
ii) Others	5,908.65	3,365.97	2,542.68
iii) Joint Venture	458.76	-	458.76
Other Financial Assets	369.08	46.89	322.19
Total Financial Assets	**1,98,799.36**	**55,433.39**	**1,43,365.97**
Non-Financial Assets			
Current tax assets (Net)	218.08	-	218.08
Deferred tax assets (Net)	948.60	-	948.60
Investment Property	0.13	-	0.13
Property, Plant and Equipment	1,754.00	-	1,754.00
Capital Work in Progress	3.69	-	3.69
Intangible assets under development	7.22	-	7.22
Other Intangible assets	25.72	-	25.72
Other Non-Financial Assets	129.96	15.46	114.50
Total Non-Financial Assets	**3,087.40**	**15.46**	**3,071.94**
Financial Liabilities			
Derivative financial instruments	284.60	34.75	249.85
Payables			
i) Trade Payables-Due to MSME	14.33	14.33	-
ii) Trade Payables-Other than MSME	221.58	221.58	-
iii) Other Payables	1,574.80	1,574.80	-
Debt Securities	30,222.70	9,595.85	20,626.85
Borrowings (Other than Debt Securities)	1,33,791.98	47,163.65	86,628.33
Subordinated Liabilities	11,021.32	437.31	10,584.01
Other Financial Liabilities	754.04	248.33	505.71
Total Financial Liabilities	**1,77,885.35**	**59,290.60**	**1,18,594.75**
Non-Financial Liabilities			
Provisions	235.55	-	235.55
Other Non-Financial Liabilities	97.17	90.33	6.84
Total Non-Financial Liabilities	**332.72**	**90.33**	**242.39**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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 year. The Capital adequacy ratio as of March 31, 2026 is 19.21% (March 31, 2025 - 19.75%) 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 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 and underwriting model to assess the credit worthiness of the borrower for underwriting decisions for its Vehicle Finance, Loan Against Property, Home loan, Secured business and Personal loan, Consumer durables, Small and medium enterprise loans, Consumer small enterprise loan and Gold 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.

445.2.1.2 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 45 CAPITAL MANAGEMENT (Contd.)

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.

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 12months 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 12monthsECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:

Loans which are past due for more than 30 days are categorised as Stage 2. When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3:

Loans which are past due for more than 90 days are categorised as Stage 3. For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%

Restructured loans are categorised as Stage 3 on the date of restructuring and remain so for a period of one year. Post this, regular staging criteria applies.

Loans which have been renegotiated or modified in accordance with RBI Notifications for COVID-19 related stress has been classified as Stage 2 due to significant increase in credit risk.

The Post Implementation Staging of Loans restructured under Covid Resolution framework shall follow the Days Past Due of respective loan agreements.

In respect of new lending products, where historical information is not available, the group follows simplified matrix approach for determining impairment allowance based on industry practise. These loans constitute around 14% 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 2019 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, 2026

Note : 45 CAPITAL MANAGEMENT (Contd.)

45.2.1.7 Macro economic variables

Segment	Macro-Economic Variables correlated for each segment	
Two Wheeler	Gross domestic product per capita, current prices	Volume of imports of goods and services
Three Wheeler	Total investment	Gross domestic product, current prices
Construction Equipment -New	Gross domestic product per capita, current prices	Total investment
Construction Equipment -Used	Gross domestic product, current prices	Inflation, end of period consumer prices
Commercial Vehicle Shubh	Gross domestic product per capita, current prices	Volume of imports of goods and services
Commercial Vehicle - Used	General government gross debt Gov Debt	Gross domestic product per capita, current prices
Heavy Commercial Vehicle - New	Gross domestic product, current prices	Inflation, average consumer prices
Home Loan	Total investment	Gross domestic product, current prices
Loan Against Property	Total investment	Gross domestic product, current prices
Light Commercial Vehicle - New	Gross domestic product per capita, current prices	Volume of exports of goods and services
Mini Light Commercial Vehicle - New	Inflation, end of period consumer prices	Gross domestic product per capita, current prices
Passenger Vehicle - New (Car/MUV)	Gross domestic product per capita, current prices	Volume of imports of goods and services
Passenger Vehicle Shubh (Car/ MUV)	Total investment	Gross domestic product, current prices
Passenger Vehicle - Used (Car/ MUV)	Gross domestic product, current prices	Inflation, average consumer prices
Tractor - New	Gross domestic product per capita, current prices	Volume of exports of goods and services
Tractor - Used	Gross domestic product, current prices	Volume of exports of goods and services

Since the group has used Gross Domestic Product (GDP) as a predominant macro economic variable the sensitivity around the same is given below

₹ in crores

Year ended	Increase/(Decrease) of GDP	Impact on Expected Credit Losses (ECL) Increase/(Decrease)
March 31, 2026	Decrease by 5%	(11.66)
March 31, 2026	Increase by 5%	54.77

Year ended	Increase/(Decrease) of GDP	Impact on Expected Credit Losses (ECL) Increase/(Decrease)
March 31, 2025	Decrease by 5%	(9.72)
March 31, 2025	Increase by 5%	39.01

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 loan to Automobile dealers) is lending against security (other than for loan to Automobile dealers) of Vehicle/ Tractor / Equipment and contributes to 53% of the loan book of the Company as of March 31, 2026 (55% as of March 31, 2025). 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 of 5% and 6% respectively.

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 23% of the lending book of the Company as of March 31, 2026 (21% as of March 31, 2025). Portfolio is concentrated in South 42%, followed by North 32% and West 20% and with small presence in East 6% of the overall exposure of this segment.

Home Loan is loan provided to buy or construct new/existing homes and contributes 10% of the lending book of the Company as of March 31, 2026 (9% as of March 31, 2025). Portfolio is concentrated in South 63% followed by North and West at 12% each, East at 13% of the overall exposure of this segment.

The Concentration of risk is managed by Group for each product by its region and its sub-segments. Company did not overly depend on few regions or sub-segments as of March 31, 2026.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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.

Loan Type	Nature of security
Vehicle finance	Hypothecation of vehicle/tractor/construction equipment
Loan against property/Home Loans/Secured business purpose loans	Mortgage of immovable properties through deposit of title deeds
SME loans	Hypothecation of Machinery/equipment, book debts, receivables, pledge of securities, mortgage of immovable properties
Gold loans	Pledge of Gold ornaments/coins

92% of the Group's term loan are secured by way of tangible Collateral.

In respect of some unsecured lending, the Group obtains Default Loss 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, 2026

₹ in crores

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other collaterals (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
6,766.56	4,315.76	3,758.30	122.97	(1,430.47)	3,199.65

Fair value of collateral held against credit impaired assets - March 31, 2025

₹ in crores

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other collaterals (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
5,213.01	3,358.23	2,301.36	14.94	(461.52)	2,360.05

Note: Column (b), (c), (d) of the above table, represents fair value of collateral

Valuation of Collateral:

a) Vehicles including construction equipment and tractors are valued at original cost less 20%depreciation per year on WDV

b) Immovable property is valued based on the amount as per the valuation report at the time of sanctioning of loan

c) Collateral for gold loan is valued based on Market price of gold per gram as on reporting date

d) Other loans are valued based on 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.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 45 CAPITAL MANAGEMENT (Contd.)

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 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 beforex Tax
March 31, 2026	Increase by 100 bps	133.43
March 31, 2026	Decrease by 100 bps	(133.43)

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31, 2025	Increase by 100 bps	64.49
March 31, 2025	Decrease by 100 bps	(64.49)

45.2.2.3 Foreign Currency Risk

Foreign currency risk for the Group arises 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 hedged 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, 2026								
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	10	0	1,661.03	-	January 11, 2027 to February 05, 2029	(1,661.03)	1,640.16	Borrowings (Other than Debt Securities)
Interest rate Swaps	4	11	13.07	34.33	May 26, 2026 to December 31, 2029	21.26	-	Borrowings (Other than Debt Securities)
Forward contracts	1	1	26.95	52.13	June 20, 2028	25.17	121.69	Borrowings (Other than Debt Securities)
Fair Value Hedge								
Interest rate swaps	-	-	-	-	-	-	-	NA

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 45 CAPITAL MANAGEMENT (Contd.)

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	234.28	-	-	NA

As at March 31, 2025

As at March 31, 2025								
Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crore)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crore)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crore)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cash Flow Hedge								
Cross Currency Interest rate swap	6	3	155.62	53.09	July 19, 2022 to March 27, 2028	(102.53)	221.55	Borrowings (Other than Debt Securities)
Interest rate Swaps	0	13	-	100.78	March 10, 2023 to September 10, 2029	100.78	-	Borrowings (Other than Debt Securities)
Forward contracts	1	1	47.70	130.72	July 01, 2020 to June 20, 2028	83.02	90.02	Borrowings (Other than Debt Securities)
Fair Value Hedge								
Interest rate swaps	-	-	-	-	-	-	-	NA

Cash flow Hedge	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crore)	Hedge Effectiveness recognised in profit and loss (₹ in crore)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in crore)	Line item affected in Statement of Profit and Loss because of the Reclassification (₹ in crore)
Foreign exchange risk and Interest rate risk	(174.92)	-	-	NA

Note 46 : (i) INVESTMENT IN JOINT VENTURE AND JOINTLY CONTROLLED ENTITY

The Group has acquired equity shares of Payswiff Technologies Private Limited (Payswiff), from its founders and other existing shareholders towards strategic investment. This resulted in the Group holding to 74.63% of the equity capital of Payswiff 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

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Value of Investment in Joint Venture	456.83	456.83
Less: Cumulative Share of Profit/(Loss) from Joint venture	5.66	1.93
Closing value of Investment	**462.49**	**458.76**

Even though, the Group holds 74.63% of the paid up equity capital of payswiff, however, in view of founder reserved matters and dispute resolution mechanism envisaged in the shareholder agreement executed between the Group and founders of payswiff, the Group is considered to have joint control over the entity as per Ind AS 28 read with IND AS 110. Hence it is classified as investment in Joint venture

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note 46 : (i) INVESTMENT IN JOINT VENTURE AND JOINTLY CONTROLLED ENTITY (Contd.)

₹ in crores

Particulars	March 31, 2026	March 31, 2025
Current assets	32.33	30.61
Non-current assets	68.62	76.94
Current liabilities	(43.88)	(55.03)
Non-current liabilities	(21.12)	(21.55)
Equity	**35.95**	**30.97**
Proportion of the Group's ownership	74.63%	74.63%
Group's share in the Equity of the Joint Venture	26.83	23.11
Group's share in the Contingent liability of the Joint Venture	48.11	46.37

Chola Foundation (Public Trust) is jointly controlled entity, managed by Cholamandalam Investment and Finance Company Limited, Tube Investments of India Limited and CG Power and Industrial Solutions Limited. The objective of the trust is towards promoting CSR activities which shall be funded by any of the three entities. The trust has four trustees of which two is from Cholamandalam Investment and Finance Company Limited and one each from other two entities.

The earnings of the trust is consolidated with Cholamandalam Investment and Finance Company Limited as jointly controlled entity (having two trustees) representing a share of 50%

₹ in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Value of investment in Trust	0.01	0.01
Less: Cumulative Share of Loss from Jointly controlled entity	(0.01)	(0.01)
Closing value of Investment	-	-

Note : 46 (ii) INVESTMENT IN ASSOCIATES

a) 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 Rs 1 lakh. It can commence operations only on receipt of license from RBI. The Group holds 21% stake in VPPL.

Note : 47

Note : 47.1 FAIR VALUE OF FINANCIAL INSTRUMENTS

₹ in crores

Particulars	March 31, 2026		March 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash and Cash Equivalents	8,314.85	8,314.85	5,279.65	5,279.65
Bank balances Other than Cash and Cash Equivalents	6,380.23	6,380.23	4,221.10	4,221.10
Receivables				
i) Trade Receivables	327.05	327.05	204.83	204.83
ii) Other Receivables	202.00	202.00	116.33	116.33
Loans	2,17,743.72	2,20,949.19	1,82,037.64	1,84,541.00
Investments in Government Securities	4,152.05	4,016.51	3,375.31	3,289.21
Investment in Treasury Bills	1,099.52	1,091.61	1,721.41	1,719.53
Investment in STRIPS	829.37	835.20	771.91	782.01
Investment other than associates & Joint Venture	67.01	67.01	40.00	40.00
Other Financial Assets	892.12	892.12	369.08	369.08
Total Financial Assets	**2,40,007.92**	**2,43,075.77**	**1,98,137.26**	**2,00,562.74**
Financial Liabilities				
Payables				
i) Trade Payables - Due to MSME	13.19	13.19	14.33	14.33
i) Trade Payables - Other than MSME	198.86	198.86	221.58	221.58
iii) Other Payables	2,226.49	2,226.49	1,574.80	1,574.80
Debt Securities	40,824.10	41,510.57	30,222.70	30,520.79
Borrowings(Other than Debt Securities)	1,56,542.80	1,27,573.91	1,33,791.98	1,30,191.78
Subordinated Liabilities	13,702.71	13,912.46	11,021.32	11,050.19
Other Financial Liabilities	1,030.27	1,030.27	754.04	754.04
Total Financial Liabilities	**2,14,538.42**	**1,86,465.75**	**1,77,600.75**	**1,74,327.51**

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, 2026

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.

i) Derivatives are fair valued using observable inputs / rates.

ii) The fair value of loans have been estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.

iii) The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have been estimated by discounting expected future cash flows discounting rate near to reporting date based on comparable rate / market observable data.

iv) The fair values of quoted equity investments are derived from quoted market prices in active markets.

v) 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.

vi) 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 of fair value measurement hierarchy of assets as at March 31, 2026.

₹ 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	102.26	-	-	102.26
Derivative financial instruments	1,701.06	-	1,701.06	-
Assets for which fair values are disclosed				
Loans	2,17,743.72	-		2,20,949.19
Investments in Government Securities	4,152.05	4,016.51	-	-
Investments in Treasury Bills	1,099.52	1,091.61	-	-
Investment in STRIPS	829.37	835.20	-	-
Investment Properties	0.13	-	-	2.35

There have been no transfers between different levels during the year.

Quantitative disclosure of fair value measurement hierarchy of liabilities as at March 31, 2026

₹ 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	86.45	-	86.45	-
Liabilities for which fair values are disclosed				
Debt Securities	40,824.10	-	41,510.57	-
Borrowings(Other than Debt Securities)	1,56,542.80	-	1,27,573.91	-
Subordinated Liabilities	13,702.71	-	13,912.46	-

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, 2026

Note : 47.2 FAIR VALUE HIERARCHY (Contd.)

Quantitative disclosure of fair value measurement hierarchy of assets as at March 31, 2025

₹ in crores

Particulars	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				
FVTOCI Equity Instruments	0.12	0.12	-	-
FVTPL Equity Instruments	39.90	-	-	39.90
Derivative financial instruments	203.32	-	203.32	-
Assets for which fair values are disclosed				
Loans	1,82,037.64	-		1,84,541.00
Investments in Government Securities	3,375.31	3,289.21	-	-
Investments in Treasury Bills	1,721.41	1,719.53	-	-
Investment in STRIPS	771.91	782.01	-	-
Investment Properties	0.13	-	-	3.21

There have been no transfers between different levels during the year.

Quantitative disclosure of fair value measurement hierarchy of liabilities as at March 31, 2025

₹ in crores

Particulars	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	284.60	-	284.60	-
Liabilities for which fair values are disclosed				
Debt Securities	30,222.70	-	30,520.79	-
Borrowings(Other than Debt Securities)	1,33,791.98	-	1,30,191.78	-
Subordinated Liabilities	11,021.32	-	11,050.19	-

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, 2026	As at March 31, 2025
Financial Assets		
Cash and Cash Equivalents	8,314.85	5,279.65
Bank balances other than Cash and Cash Equivalents	6,380.23	4,221.10
Loans	2,17,743.72	1,82,037.64
Investments in Government Securities	4,152.05	3,375.31
Investment in Treasury Bill	1,099.52	1,721.41
Investment in STRIPS	829.37	771.91
Other Financial Assets	892.12	369.08
Financial Liabilities		
Debt Securities	40,824.10	30,222.70
Borrowings(Other than Debt Securities)	1,56,542.80	1,33,791.98
Subordinated Liabilities	13,702.71	11,021.32
Other Financial liabilities	1,030.27	754.04

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 48 ANALYSIS OF FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

As at March 31, 2026

₹ 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	-	4.83	5.05	11.73	44.16	20.68	-	**86.45**
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	13.19	-	-	-	-	-	-	**13.19**
ii) Total outstanding dues of creditors other than micro and small enterprises	198.86	-	-	-	-	-	-	**198.86**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	2,226.49	-	-	-	-	-	-	**2,226.49**
Debt Securities	1,069.89	5,966.66	1,632.66	10,358.34	20,216.95	5,528.24	1,474.00	**46,246.74**
Borrowings (Other than Debt Securities)	4,962.35	14,905.84	15,598.84	30,334.69	85,984.74	22,151.69	208.39	**1,74,146.54**
Subordinated Liabilities	91.58	124.54	369.93	666.81	3,812.92	3,151.22	12,702.10	**20,919.10**
Other Financial Liabilities	423.26	12.69	49.22	70.48	268.39	218.72	150.81	**1,193.57**
Total Undiscounted financial liabilities	**8,985.62**	**21,014.56**	**17,655.70**	**41,442.05**	**1,10,327.16**	**31,070.55**	**14,535.30**	**2,45,030.94**

As at March 31, 2025

₹ 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	-	8.07	8.50	18.17	145.45	104.41	-	**284.60**
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	14.33	-	-	-	-	-	-	**14.33**
ii) Total outstanding dues of creditors other than micro and small enterprises	221.58	-	-	-	-	-	-	**221.58**
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	**-**
ii) Total outstanding dues of creditors other than micro and small enterprises	1,574.79	-	-	-	-	-	-	**1,574.79**
Debt Securities	1,211.84	4,068.35	1,216.25	4,230.70	13,882.02	9,715.33	1,567.50	**35,891.99**
Borrowings (Other than Debt Securities)	5,418.85	10,140.70	14,851.91	23,151.44	76,123.60	17,386.37	204.85	**1,47,277.72**
Subordinated Liabilities	54.09	81.52	360.68	528.21	2,879.61	2,959.46	10,787.03	**17,650.60**
Other Financial Liabilities	201.20	22.12	32.82	64.96	226.20	194.02	163.83	**905.15**
Total Undiscounted financial liabilities	**8,696.68**	**14,320.76**	**16,470.16**	**27,993.48**	**93,256.88**	**30,359.59**	**12,723.21**	**2,03,820.76**

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 had certain leases with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026	As on March 31, 2025
Opening Balance	526.74	355.95
Depreciation charge for the year	(124.36)	(107.46)
Additions during the year	165.87	314.59
Adjustment/Deletion	(5.14)	(36.34)
Closing Balance	**563.11**	**526.74**

(ii) Classification of current and non current liabilities of the lease liabilities

Particulars	As on March 31, 2026	As on March 31, 2025
Current liabilities	100.30	92.08
Non Current Liabilities	515.84	466.64
Total Lease liabilities	**616.14**	**558.72**

(iii) Movement in the carrying value of the Lease Liability

Particulars	As on March 31, 2026	As on March 31, 2025
Opening Balance	558.73	372.90
Interest Expense	49.92	41.13
Lease Payments [Total Cash Outflow]	(153.24)	(133.55)
Additions during the year	165.87	314.59
Adjustment/Deletion	(5.14)	(36.34)
Closing Balance	**616.14**	**558.73**

(iv) Contractual Maturities of Lease liability outstanding

Particulars	As on March 31, 2026	As on March 31, 2025
Less than one year	145.51	131.22
One to five Years	483.11	414.80
More than Five years	150.81	163.83
Total	**779.43**	**709.85**

(v) The following are the amount recognised in the Profit or Loss statement

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Depreciation expense of right-of-use assets	124.36	107.46
Interest expense on lease liabilities	49.92	41.13
Expense relating to short-term leases (included in other expenses)	0.82	0.29
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
Total amount recognised in the Statement of Profit or Loss	**175.10**	**148.88**

Lease expenses relating to short term leases aggregated to ₹ 0.82 crores (₹ 0.29 crores - March 31, 2025) during the year ended March 31, 2026. Weighted average incremental borrowing rate for Lease liabilities recognised during the year ended March 31, 2026 is 8.19% (8.60% - March 31, 2025).

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, 2026

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, 2026 AND MARCH 31, 2025

As at March 31, 2026

₹ 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	98%	29,856.29	100%	5,219.92	100%	172.46	100%	5,392.38
II. Subsidiaries								
Cholamandalam Securities Limited	0%	84.77	0%	8.04	0%	0.04	0%	8.08
Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	0%	54.85	0%	0.92	0%	-	0%	0.92
Minority Interests in all subsidiaries	0%	-	0%	-	0%	-	0%	-
III. Joint Venture (Investment as per equity method)								
Payswiff Technologies Private Limited	2%	462.49	0%	3.73	0%	-	0%	3.73
Chola Foundation	0%	-	0%	-	0%	-	0%	-
IV. Associates (Investment as per equity method)						-		
Vishvakarma Payments Private Limited	0%	-	0%	-	0%	-	0%	-
	100%	**30,458.40**	**100%**	**5,232.61**	**100%**	**172.50**	**100%**	**5,405.11**

As at March 31, 2025

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	98%	23,079.31	100%	4,252.70	100%	(141.46)	100%	4,111.24
II. Subsidiaries								
Cholamandalam Securities Limited	0%	76.69	0%	8.01	0%	(0.05)	0%	7.96
Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	0%	53.93	0%	(0.72)	0%	-	0%	(0.72)
Minority Interests in all subsidiaries	-	-	-	-	-	-	-	-
III. Joint Venture (Investment as per equity method)								
Payswiff Technologies Private Limited	2%	458.76	0%	2.71	0%	0.42	0%	3.13
Chola Foundation	-	-	0%	-	0%	-	0%	-
IV. Associates (Investment as per equity method)						-		
Vishvakarma Payments Private Limited	-	-	0%	-	0%	-	0%	-
	100%	**23,668.69**	**100%**	**4,262.70**	**100%**	**(141.09)**	**100%**	**4,121.61**

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

Note : 51

Part 1 - Ageing Analysis

A. Capital work in progress ageing schedule as on March 31, 2026

₹ in crores

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	23.82	3.69	-	-	27.51
Projects Temporarily Suspended	-	-	-	-	-

B. Capital work in progress ageing schedule as on March 31,2025

₹ in crores

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	3.69	-	-	-	3.69
Projects Temporarily Suspended	-	-	-	-	-

C. Intangible assets under development aging schedule as on March 31, 2026

₹ 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	13.47	0.77	0.26	-	14.50
Projects Temporarily Suspended	-	-	-	-	-

D. Intangible assets under development aging schedule as on March 31, 2025

₹ 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	6.45	0.77	-	-	7.22
Projects Temporarily Suspended	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2026

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, 2026
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 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.

Note : 53

The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to the current year presentation

As per our report of even date
For KKC & Associates LLP
Chartered Accountants
ICAI Firm Regn No. : **105146W/W100621**

Devang Doshi
Partner
Membership No. : 140056

For B.K. Khare & Co
Chartered Accountants
ICAI Firm Regn No. : **105102W**

Shirish Rahalkar
Partner
Membership No. : **111212**

Date : April 30, 2026
Place : Chennai

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Managing Director
DIN: 07337155

Vellayan Subbiah
Executive Chairman
DIN: 01138759

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

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 Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	Cholamandalam Securities Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2026	March 31, 2026
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	24.48
Reserves & surplus	12.45	60.29
Total assets	64.79	398.04
Total Liabilities	9.93	313.27
Investments	47.87	44.13
Turnover	2.71	92.54
Profit/(Loss) before taxation	1.25	10.80
Provision for taxation	0.33	2.76
Profit/(Loss) after taxation	0.92	8.04
Proposed Dividend	-	-
% of shareholding	100.00%	100.00%

1. Names of subsidiaries which are yet to commence operations - NIL
2. Names of subsidiaries which have been liquidated or sold during the year – NIL

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	Payswiff technologies private limited	Vishvakarma payments Private Limited	Chola Foundation
Latest Balance Sheet Date	March 31, 2026	March 31, 2026 (Provisional)	March 31, 2026
Shares of Associate/Joint Ventures held by the company on the year end			
No.	28,15,227	2,100	Not applicable
Amount of Investment in Associates/Joint Venture (₹ in crores)	456.82	0*	0*
Extend of Holding %	74.63%	21.00%	50%
Description of how there is significant influence	By way of shareholding and rights in share holding agreement	By way of shareholding	By way of managing control
Reason why the associate/joint venture is not consolidated	Not applicable	Not applicable	Not applicable
Networth attributable to Shareholding as per latest Balance Sheet	26.82	0*	6.27
Profit / (Loss) for the year - ₹ in crores	5.00	0*	2.85
Considered in Consolidation - ₹ in crores	3.73	0*	-
Not Considered in Consolidation – ₹ in crores	1.27	0*	2.85

*Represents amount less than ₹ 1 lakh

1. Names of associates or joint ventures which are yet to commence operations - Vishwakarma Payments Private Limited
2. Names of associates or joint ventures which have been liquidated or sold during the year – NIL

For and on behalf of the Board of Directors

Ravindra Kumar Kundu
Managing Director
DIN: 07337155

Vellayan Subbiah
Executive Chairman
DIN: 01138759

Date : April 30, 2026
Place : Chennai

P. Sujatha
Company Secretary

D. Arul Selvan
Chief Financial Officer

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 - 600 032.
www.cholamandalam.com | Toll Free 1800 102 4565 / 1800 123 4565 | SMS 95000 00312