

CHOLAMANDALAM SECURITIES LIMITED

ANNUAL REPORT 2025 – 26

Cholamandalam Securities Limited

Registered Office: C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600 032
Corporate Identity Number (CIN): U65993TN1994PLC028674

Board of Directors

Mr. Ravindra Kumar Kundu (DIN 07337155)
Mr. Eledath Prasanth Prabhakaran (DIN 06887880)
Mr. D Arulselvan (DIN 00010065)

Statutory Auditor

M/s. Sundaram & Srinivasan, Chartered Accountants
23, C.P. Ramaswamy Road, Alwarpet, Chennai – 600 018

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Cholamandalam Securities Limited

Regd. Office: C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600032

Phone No.: 044 4004 7370; Fax No.: 044 4004 7373

CIN - U65993TN1994PLC028674

Website: www.cholasecurities.com

Notice to Members

NOTICE is hereby given that the 32nd Annual General Meeting of the members of Cholamandalam Securities Limited will be held at 3.00 p.m. on Friday, the 24 July 2026 at the Registered Office of the Company at C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600032 to transact the following business:

ORDINARY BUSINESS:

1. To consider and if deemed fit, to pass the following as an **ORDINARY RESOLUTION:**

RESOLVED THAT the audited financial statements of the Company comprising the balance sheet, the statement of profit and loss, the cash flow statement for the year ended 31 March, 2026, together with the Board's report and the Auditors' report thereon, be and are hereby approved and adopted.

2. To consider and if deemed fit, to pass the following as an **ORDINARY RESOLUTION:**

RESOLVED THAT Mr. D Arulselvan (holding DIN 00010065), who retires by rotation and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

SPECIAL BUSINESS:

3. To consider and if deemed fit, to pass the following as a **SPECIAL RESOLUTION:**

RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) as amended from time to time, Mr. N Senthikumar be and is hereby re-appointed as the Manager of the Company for a term of 3 (three) years with effect from 27 April, 2026 and be paid remuneration by way of salary, allowances, perquisites and commission, subject to an overall limit of 5% of the net profits of the Company for each financial year computed in the manner prescribed under section 198 of the Act:

a. Salary

Rs. 5,02,985/- per month.

Increments to be decided by the Board from time to time.

b. Allowances / Perquisites/ Commission

House Rent Allowance	Rs. 2,51,495 /- p.m.
Special Allowances	Rs. 2,94,045/- p.m.
Leave Travel allowance	Rs. 7,84,660/- p.a.

As may be approved by the Board from time to time.

Incentive:

Annual incentive not exceeding Rs. 47,71,500/- at 100% levels. The actual amount to be determined by the Board for each financial year in accordance with the Incentive Scheme of the Company.

Retirement benefits:

- i. Contribution to Provident Fund, Superannuation Fund and Gratuity as per rules of the Fund / Scheme in force from time to time.
- ii. Encashment of leave as per rules of the Company in force from time to time.

General:

- i. In the event of absence or inadequacy of profits in any financial year, the remuneration by way of salary, allowances, perquisites, amenities, facilities, incentive and retirement benefits payable to Mr. N Senthilkumar as may be determined by the Board, shall be paid in accordance with section II of Part II of schedule V of the Companies Act, 2013.
- ii. Perquisites shall be valued in terms of the actual expenditure incurred by the Company in providing benefits to the employees. However, in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy (including car provided for official and personal purposes and loans) the perquisites shall be valued in accordance with the income tax rules.
- iii. Incentive shall be determined by the Board based on the Company's Scheme in force from time to time.
- iv. Mr. N Senthilkumar will be subject to all other service conditions as applicable to any other employee of the Company.

4. To consider and if deemed fit, to pass the following as a **SPECIAL RESOLUTION**:

RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment thereof for the time being in force) and in terms of the Memorandum and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to create such mortgage, charge, lien, hypothecation, pledge as may be necessary, in addition to the existing mortgage, charge, lien,

hypothecation, pledge, on such of the assets of the Company, both present and future, and/or on the whole or substantially the whole of the undertaking(s) of the Company, in such manner as the Board may direct, in favour of financial institutions, banks, other bodies corporate or other persons, for securing those facilities already sanctioned or to be sanctioned, including any enhancement thereof, subject to the borrowing limits approved under Section 180(1)(c) of the Companies Act, 2013.

By Order of the Board

Place: Chennai
Date: 24 July, 2026

Janani T A
Company Secretary

NOTES:

1. A member entitled to attend and vote at the annual general meeting (AGM) may appoint one or more proxies to attend and vote on his behalf. The proxy need not be a member of the Company. Proxy form, to be valid shall be deposited at the registered office of the company at least forty-eight hours before the time for holding the meeting. A person shall not act as a proxy for more than fifty members and holding in the aggregate not more than 10% (ten percent) of the total share capital of the company carrying voting rights. A person holding more than 10% (ten percent) of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Members are requested to inform immediately any change in their address to the registered office of the company.
3. The explanatory statement pursuant to section 102 of the Companies Act, 2013 setting out all material facts in respect of the item no.3 and the secretarial standards in respect of the item nos. 2 & 3 are annexed.

ANNEXURE TO THE NOTICE**A. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:****Item No. 3: Re-appointment of Mr. N Senthilkumar as Manager of the Company:**

Mr. N Senthilkumar was appointed as the Manager of the Company for a term of three years with effect from 27 April, 2023 by the shareholders at the Annual General Meeting held on 28 July, 2023. Upon completion of his term, the Board of Directors at their meeting held on 18 March, 2026 have re-appointed Mr. N Senthilkumar as the Manager of the Company for a further period of three years with effect from 27 April, 2026 subject to the approval of the shareholders.

The Board recommends the re-appointment of Mr. N Senthilkumar as Manager on the terms specified in the resolution set out in item no. 3 of the notice. Since the proposed remuneration exceeds the thresholds prescribed under Section 197 of the Companies Act, 2013, the approval of the shareholders for payment of remuneration pursuant to Schedule V of the Companies Act, 2013 is sought by way of a special resolution. The disclosures as required under Part II of Schedule V of the Companies Act, 2013 and those under the Secretarial Standards on General Meetings form part of this Notice.

Except Mr. N Senthilkumar, being the appointee, none of the directors or key managerial personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the resolution set forth in item no. 3 of the notice.

Disclosure as per Part II of Schedule V of the Companies Act, 2013:

Sl. No.	Particulars	
I. General Information:		
1	Nature of industry	Financial Services – Stock Broking
2	Date or expected date of commencement of commercial	The Company is in the business of stock broking since 1994.

	production	
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4	Financial performance based on given indicators (FY 2025-26)	Total Income – Rs. 92.54 crores Profit Before Tax – Rs. 10.80 Crores Profit After Tax – Rs. 8.04 Crores
5	Foreign investments or collaborations, if any	Nil
II. Information about the appointee:		
1	Background details	Mr. N Senthilkumar, President & Chief Business Officer holds a Master's degree in Business Administration – International Trade from Annamalai University and has over 28 years of rich experience across the financial Services spectrum, having worked with large corporates such as Kotak Securities, Kotak AMC, IIFL Premia & Gold Loans, ASK Raymond James and Motilal Oswal. Prior to joining the Company, he headed the Distribution Business of Motilal Oswal as Senior Group Vice President and was based at Mumbai.
2	Past remuneration	Rs.1.79 crores
3	Recognition or awards	Awarded as Outstanding Business Leader of FY 2021-22.
4	Job profile and his suitability	Considering his qualifications, experience and expertise in the stock broking industry, the Board believes that his re-appointment as Manager is in the best interest of the Company.
5	Remuneration proposed	As set out in the resolution
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration is at par with the industry, keeping in view the profile and position of the appointee and the size of operations of the Company.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. N Senthilkumar is not related to any managerial personnel of the Company. He does not have any pecuniary relationship directly or indirectly with the Company, other than drawing his remuneration in the capacity of Manager.

III. Other information:		
8	Reasons of loss or inadequate profits	During the year, the Company operated in a highly volatile market environment influenced by global geopolitical tensions, evolving trade tariff policies, and fluctuations in international financial markets. These developments, along with moderated retail participation and competitive intensity within the broking industry, impacted overall trading volumes and profitability. For the financial year ended 31 March, 2026, the Company demonstrated resilience amidst challenges. The revenue was Rs. 92.54 crores in FY 2025-26 as compared to Rs. 104.44 crores in FY 2024-25. The Company registered a profit of Rs. 8.04 crores in FY 2025-26 as compared to Rs. 8.01 crores in FY 2024-25.
9	Steps taken or proposed to be taken for improvement	The Company remains focussed on maintaining operational efficiency and strengthening its business foundation. The Company will continue to focus on strengthening client engagement, continued digital adoption, advancements in technology and the steady rise in demat accounts indicate sustained trading activity. The Company is also expanding its product offerings to improve profitability and efficiency.
10	Expected increase in productivity and profits in measurable terms.	As per Business Plan, the profitability for FY 2026-27 is expected to be at Rs. 18 crores.

Item No. 4: Creation of charge/security on the Company's assets:

Under Section 180(1)(a) of the Companies Act, 2013, the sanction of the members of the Company by way of a special resolution is required for enabling the Board of Directors to create charge, mortgage, hypothecation, lien, pledge over its assets / properties in favour of its lenders for the purposes of securing the loan / credit facilities extended by them to the Company. At the Extra-Ordinary General Meeting held on 5 November, 2025, sanction was accorded by the members by way of a special resolution to the Board of Directors to borrow money over and above the aggregate of the paid-up share capital, free reserves and securities premium of the Company up to a limit of Rs. 400 crores (Rupees four hundred crores only).

The Company is engaged in the business of stock broking and, in the ordinary course of business, requires funds for its margin funding book and working capital requirements. To meet these funding requirements, the Company avails credit facilities from banks and financial institutions. Such facilities are generally secured by way of a charge, pledge, hypothecation or other security interest over the assets of the Company in favour of the respective lenders.

The approval of the members for the resolution set out in item no. 4 is being sought, by way of a special resolution, pursuant to section 180(1)(a) of the Companies Act, 2013 to authorise the Board of Directors to create charge, mortgage, hypothecation, lien or pledge over the assets / properties of the Company up to a sum not exceeding the borrowing limits approved under Section 180(1)(c) of the Companies Act, 2013.

None of the directors, key managerial personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set forth in item no.4 of the Notice. Accordingly, the Board of Directors recommends the resolution set out in item no.4 of the Notice to the members for their approval by way of a Special Resolution.

By Order of the Board

Place: Chennai
Date: 24 July, 2026

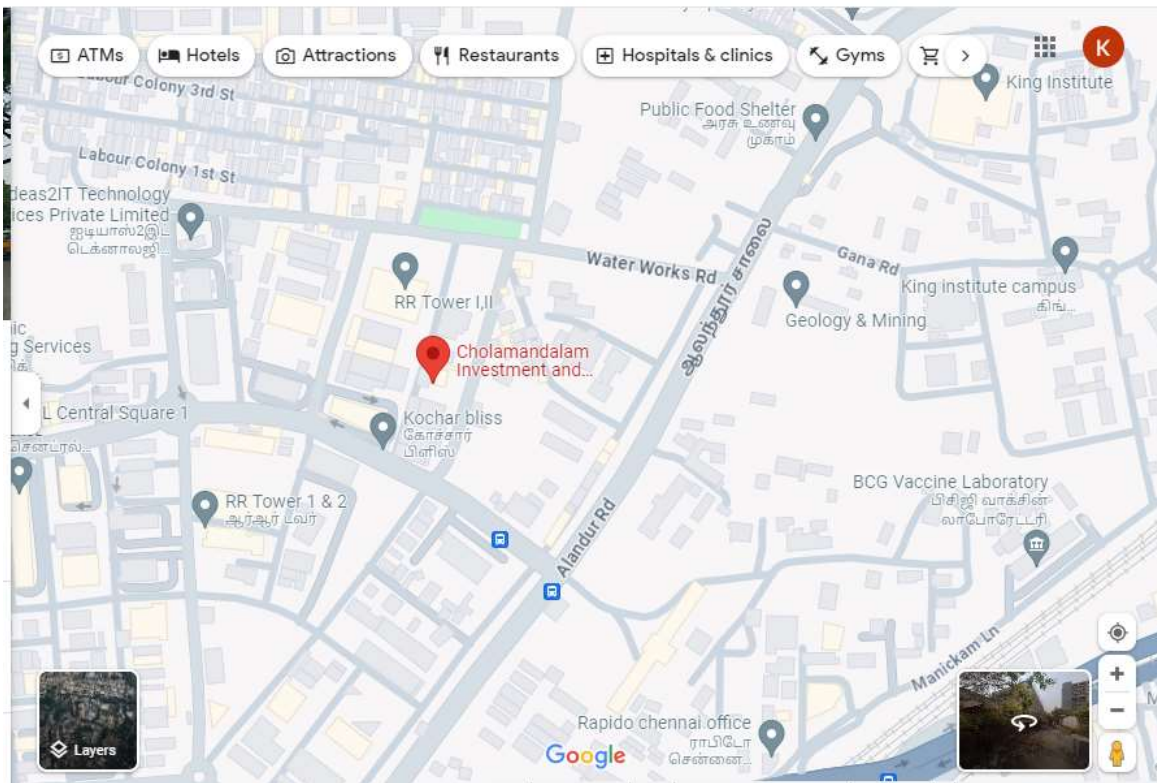
Janani T A
Company Secretary

B. DISCLOSURE UNDER SECRETARIAL STANDARDS ON GENERAL MEETINGS:

Name of the Director	Mr. D Arulselvan	Mr. N Senthilkumar
DIN	00010065	Not Applicable
Date of Birth	June 4, 1963	25 May, 1977
Date of Appointment (Initial appointment)	April 23, 2025	27 April, 2023 as Manager
Qualification	Bachelor's degree in commerce from the University of Madras and a Master's degree in Business Administration from the Open University, U.K. He is a fellow member of the Institute of Chartered Accountants of India.	Refer the disclosure as per Schedule V of the Companies Act, 2013
Expertise in specific functional area	Has over 34 years of professional experience in Finance and management industry which includes capital market experience.	Refer the disclosure as per Schedule V of the Companies Act, 2013
Number of meetings of the Board attended during the year	Attended all 5 meetings during FY 2025-26	Not applicable
Directorships in other companies	1. Payswiff Technologies Private Limited 2. Cholamandalam Leasing Limited	-
Membership in Board Committees of other companies (includes membership details of all committees)	Cholamandalam Leasing Limited: - Member - Corporate Social Responsibility Committee	-
Terms and conditions of appointment	As set out in the resolution	As set out in the resolution
No of shares held in the company	Nil	Nil
Inter-se relationship with any other directors or KMP of the Company	Nil	Nil
Details of remuneration sought to be paid	Nil	As set out in the resolution
Details of remuneration last drawn	Not applicable	Refer the disclosure as per Schedule V of the Companies Act, 2013

Route Map to the venue of the AGM

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



BOARD'S REPORT

Your Directors have pleasure in presenting the 32nd annual report together with the audited accounts of the Company for the year ended 31 March, 2026.

FINANCIAL RESULTS*(Rs. in lakhs)*

Particulars	FY 2025-26	FY 2024-25
Gross Income	9,254.00	10,444.00
Profit before tax	1,080.00	1,085.00
Profit after tax	804.00	801.00

SHARE CAPITAL

There was no change in the capital structure of the Company during the year. The authorised share capital of the Company is Rs. 35 crores divided into 3,50,00,000 equity shares of Rs. 10/- each and the total paid up equity share capital of the Company as at 31 March, 2026 stands at Rs. 24.48 crores comprising 2,44,84,141 equity shares of Rs. 10/- each.

DIVIDEND

The Company has not recommended any dividend for the year under review.

OPERATIONS

During FY 2025-26, the Company operated in a volatile market environment influenced by global geopolitical tensions, evolving trade tariff policies, and fluctuations in international financial markets. These developments, coupled with moderated retail participation and competitive intensity within the broking industry, impacted overall trading volumes during the year.

For the financial year ended 31 March 2026, the Company reported revenue of Rs. 92.54 Crores as compared to Rs. 104.44 Crores in FY 2024-25. Despite the decline in revenue, the Company recorded a Profit Before Tax of Rs. 10.80 Crores in FY 2025-26, as against Rs. 10.85 Crores in FY 2024-25, supported by disciplined cost management and focus on operational efficiency. The Company continued to strengthen its core business operations while maintaining a prudent approach towards growth and risk management.

OUTLOOK

The medium-term outlook for the Indian capital markets remains positive, supported by strong domestic economic fundamentals, increasing financialization of savings, and steady growth in investor participation. However, global uncertainties including geopolitical conflicts, evolving trade policies, and market volatility may continue to influence investor sentiment in the near term.

The Company will continue to focus on strengthening client engagement, expanding research capabilities, leveraging digital platforms, and enhancing operational efficiency to drive sustainable growth and long-term value creation.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the existing nature of business and operations of the Company.

TRANSFER TO RESERVES

The Board has decided not to transfer any amount to the General Reserve and to retain the entire amount of profit under Retained Earnings.

DIRECTORS

Mr. D Arulselvan, Director (DIN: 00010065), who retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment, is recommended to the shareholders for approval.

Declaration from Independent Director

Mr. Eledath Prasanth Prabhakaran, Independent Director has submitted a declaration of independence, as required pursuant to Section 149(7) of the Act, stating that he meets the criteria of independence as provided in Section 149(6) of the Act. In the opinion of the Board, Mr. Prasanth fulfils the conditions specified in the Act and the rules made there under for appointment as an Independent Director including integrity, expertise, experience and proficiency and confirms that he is independent of the management. Mr. Prasanth has registered his name with the Independent Directors databank and is exempt from appearing for the online proficiency self-assessment test.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act read with the rules made there under, the following were the whole-time key managerial personnel of the Company during FY 2025-26:

1. Mr. N Senthilkumar – Manager
2. Ms. A Kavitha – Chief Financial Officer
3. Mr. Balaji H – Company Secretary (till 31.03.2026)
4. Ms. Janani T A – Company Secretary (from 01.04.2026)

Mr. N Senthilkumar was appointed as the Manager of the Company for a period of 3 years commencing from 27 April, 2023 to 26 April, 2026. Upon completion of the term, the Board of Directors at their meeting held on 18 March, 2026 have re-appointed him for a further term of 3 (three) years with effect from 27 April 2026, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Mr. H Balaji resigned as Company Secretary and Key Managerial Personnel with effect from the close of business hours on 31 March, 2026 in view of his other professional commitments and Ms. Janani T A was appointed as Company Secretary and Key Managerial Personnel with effect from 1 April, 2026.

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.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary / associate or joint venture.

DEPOSITS

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the financial year ended 31 March, 2026.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

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

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 ("the Act") read with Companies (Audit and Auditors) Rules, 2014, M/s. Sundaram & Srinivasan, (Firm Registration No. 004207S), Chartered Accountants are the statutory auditors of the Company. They were appointed as the statutory auditors of the Company at the 28th Annual General Meeting (AGM) held on 28 July, 2022 for a period of five years commencing from the conclusion of the 28th AGM till the conclusion of the 33rd AGM of the Company. The statutory auditor's report, which attached to the financial statements and forms part of this report does not contain any qualifications, reservations, adverse remarks or disclaimers.

During the year, there were no instances of frauds reported by the Statutory Auditor under Section 143(12) of the Act.

ANNUAL RETURN

In accordance with Sections 134(3)(a) and 92(3) of the Act, the annual return in e-form MGT-7 is placed on the website of the Company and its available on the weblink: <https://www.cholasecurities.com/downloads>.

MAINTENANCE OF 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.

CORPORATE SOCIAL RESPONSIBILITY

The Company has in place a Board approved CSR policy. The policy and the details of the composition of the CSR committee and the projects for FY 2025-26 approved by the Board is available on the website of the Company - <https://www.cholasecurities.com/policies>

As at 31 March, 2026, the Corporate Social Responsibility Committee comprised Mr. Ravindra Kumar Kundu, as Chairman, Mr. Eledath Prasanth Prabhakaran and Mr. D Arulselvan as its members. During the year ended 31 March, 2026, the Committee met twice on 23 April, 2025 and 18 March, 2026.

In accordance with the provisions of Section 135 of the Companies Act, 2013, 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 Rs. 51.15 lakhs (after adjusting the excess amount of Rs. 2.82 lakhs pertaining to FY 2024-25). During FY 2025-26, the Company spent Rs. 51.57 lakhs and the excess spend of Rs. 0.42 lakhs 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.

BOARD MEETINGS

The schedule of Board meetings for the financial year is prepared and circulated to the Directors in advance. During the year, the Board met five times on 23 April, 2025, 29 July, 2025, 31 October, 2025, 28 January, 2026 and 18 March, 2026.

REMUNERATION POLICY, CRITERIA FOR BOARD NOMINATION

The Board of Directors has framed a remuneration policy relating to the remuneration of the directors, key managerial personnel and other employees. The Company has also formulated the criteria for board nomination and senior management appointments including the determination of qualifications, positive attributes and independence of a Director. The policies are available on the website of the Company at <https://www.cholasecurities.com/policies>.

FORMAL ANNUAL EVALUATION

As the paid-up share capital of the Company does not exceed the threshold prescribed under Section 134 (3) (p) of the Act and the rules made there under, the disclosure on annual evaluation of the performance of the board / individual directors is not applicable.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company being a stock broker, does not engage in the business of lending. The Margin

Trading Facility (MTF) is provided to the clients as per SEBI Master Circular for Stock Brokers. Except as stated above, no loans, guarantees or investments have been made under Section 186 of the Act.

RELATED PARTY TRANSACTIONS

The Company has in place a policy on dealing with related party transactions approved by the Board. All transactions with related parties entered into during the financial year were in the ordinary course of business and were on an arm's length basis. There were no materially significant transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or others that may have had 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. All transactions with related parties were placed before the Board for approval at the beginning of the financial year. The transactions entered into, pursuant to the approval so granted, were placed before the Board for review on a quarterly basis.

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

The Company has no activity relating to the consumption of energy or technology absorption. The Company does not have any foreign exchange earnings and has not incurred any foreign currency expenditure during the year under review.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has established an internal control framework including clear delegation of authority and standard operating procedures across all businesses and functions. These controls are reviewed periodically at all levels. These measures have helped in ensuring the adequacy of internal financial controls commensurate with the size, scale of operations of the Company.

RISK MANAGEMENT

The Enterprise Risk Management (ERM) team oversees the risk management framework of the Company. The ERM team has put in place a Risk Policy and Risk Appetite Statement that clearly lay down the risk profile of the business and define acceptable thresholds and review mechanisms for risk metrics. The ERM team periodically evaluates the inherent risks in the system, and discusses solutions to effectively mitigate such risks.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a whistle blower mechanism to provide an avenue to raise concerns. The mechanism provides adequate safeguards against victimisation of directors, employees, customers who avail of the mechanism and also provides for the appointment of an ombudsperson to deal with the complaints received.

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. An Internal Complaint Committee (ICC) has been constituted to redress complaints relating to sexual harassment. All employees are covered under this policy. During the financial year ended 31 March, 2026, no complaints were received by the ICC under this policy.

- a) Number of complaints of sexual harassment received in the year: Nil
- b) Number of complaints disposed-off during the year: Nil
- c) Number of cases pending for more than 90 days: Nil

OTHER DISCLOSURES

The Company has not filed any application under the Insolvency and Bankruptcy Code, 2016 during the year under review and there are no pending proceedings as at the end of the financial year.

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 (since been repealed on 21 November, 2025) and the Code on Social Security, 2020.

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.

ACKNOWLEDGEMENT

The Directors wish to thank the Company's customers, stock exchanges, depositories, clearing corporations, bankers, regulators and other business partners. The Directors also thank the employees for their contribution to the Company's operations during the financial year.

On behalf of the Board

Place: Chennai

Date: April 27, 2026

Ravindra Kumar Kundu
Chairman

DIRECTORS' RESPONSIBILITY STATEMENT

(Annexure to the Board's Report)

The Board of Directors have instituted / put in place a framework of internal financial controls and compliance systems, which is reviewed by the management and Board and independently reviewed by the internal, statutory and secretarial auditors.

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures therefrom;
- ii. they have, in the selection of the accounting policies, consulted the statutory auditors and have applied their recommendations consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2026 and of the profit of the Company for the year ended on that date;
- iii. 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;
- iv. they have prepared the annual accounts on a going concern basis; and
- v. 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
- vi. 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: April 27, 2026

Ravindra Kumar Kundu
Chairman

Annual Report on Corporate Social Responsibility (CSR) Activities:

(Annexure to the Board's Report)

1. Brief outline on CSR Policy of the Company:

The Murugappa Group is known for its tradition of philanthropy and community service. The Group's philosophy is to reach out to the community by establishing service oriented philanthropic institutions in the field of education and healthcare as the core focus areas. The Company seeks to positively impact the lives of the disadvantaged by supporting and engaging in activities that aim to improve their wellbeing.

The Company's CSR activities majorly cover empowerment of disadvantaged sections by providing access to basic necessities. The Company reaffirms its dedication to creating a better and more inclusive society. It believes that the CSR activities not only contribute to the well-being of the communities we serve but also align with our core values of integrity, responsibility, and sustainability.

Life Saving Medical Intervention: Care Beyond Finance Thalassaemia Treatment

Chola's CSR initiative reflects its deep commitment in improving young lives by extending life-saving support to children battling Thalassaemia, a severe inherited blood disorder. Thalassaemia requires regular blood transfusions and lifelong medical care. For children from economically vulnerable families, particularly in rural and semi-urban India, treatment far beyond the reach of most affected families. Many are forced to delay or discontinue treatment, not because of lack of medical options, but because finances become an insurmountable barrier.

Recognizing this critical gap, the Company provided partial financial assistance of ₹22.40 lakhs to 11 children undergoing Bone Marrow Transplant from Maharashtra, Karnataka, Gujarat, Andhra Pradesh, and other regions families surviving on annual incomes as low as ₹40,000–₹1,00,000, engaged in daily wage labour, farming, petty shops, driving, or contract work—occupations with little financial resilience. This timely support enabled families to proceed with treatment without interruption during a fragile phase of life.

Total Beneficiaries	11
No of Male	6
No. of Female	5

Scholarship for Higher Education- Empowering Youth Through Education:

The Company believes that true prosperity lay not merely in wealth, but in building institutions of knowledge, supporting scholars, and uplifting communities from the grassroots. In this spirit, the Scholarship for Higher Education Project is a step towards strengthening access to professional education for deserving youths from rural and underprivileged backgrounds across Tamil Nadu.

This initiative aims to bridge that gap by enabling 16 academically promising students

pursuing professional degrees such as Engineering, MBBS, Commerce, and Allied Health Science—from families dependent on daily wages, single-parent households, and economically vulnerable backgrounds—to continue their higher education. The project echoes the Company’s legacy of investing in sustainable human capital—individuals who will go on to serve society as professionals, leaders, and change-makers.

Total Beneficiaries	16
No of Male	6
No. of Female	10

Merit Base Girl Scholarship- Empowering Girl Child:

Empower Her is an initiative to illuminate paths, unlock potential, and help every girl rise, from foundational learning in primary school to skill and career-oriented higher education. Beyond financial aid, Empower Her nurtures ambition, resilience, and the belief that girls belong equally in classrooms, workplaces, and leadership roles.

Through our “Empower Her” scholarship 115 girl children were supported during FY 2025-26, of whom 15 successfully completed their education, taking confident steps towards self-reliance and economic independence. The remaining 100 scholars continue their academic journeys this year with renewed hope and determination, backed by our sustained support.

Through this initiative, the Company reaffirms its commitment to inclusive growth and nation-building. By investing in the education of girl children today, we are shaping confident women leaders of tomorrow—empowered to contribute meaningfully to society and the economy.

Total Beneficiaries	100
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Ensuring Safe Sanitation and Hygiene- Construction of Toilets in Government School

This initiative reflects the Company’s commitment to enabling holistic education by addressing critical infrastructure gaps. By investing in school sanitation, the project not only safeguards children’s health and dignity but also contributes to creating a foundation for improved educational outcomes and community well-being.

The intervention has improved the hygiene standards of the school which serves 253 students (including 130 girls) and 15 staff members, predominantly from economically disadvantaged families. Prior to the intervention, the school faced a shortage of safe and hygienic toilets, adversely affecting student health, dignity, and regular attendance—particularly among girl students. Reducing health risks and creating a safe and dignified learning environment and long-term sustainability of school facilities.

Total Beneficiaries	253
No of Male	123
No. of Female	130

2. Constitution of CSR Committee:

Sl. 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. Ravindra Kumar Kundu	Non-Executive Chairman	2	2
2.	Mr. Eledath Prasanth Prabhakaran	Non-Executive/ Independent Director	2	2
3.	Mr. Arulselvan (from 23 April, 2025)	Non-Executive Director	1*	1
4.	Mr. Mahesh Madhukar Waikar (till 23 April, 2025)	Non-Executive Director	1*	1

*Note: Attendance computed based on number of meetings held during tenure of directorship on the Board.

3. Website link disclosing CSR policy: <https://www.cholasecurities.com/policies>

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – Not Applicable

5. (a) Average net profit of the Company as per Section 135(5) – Rs. 2,698.64 lakhs
 (b) Two percent of average net profit of the Company as per Section 135(5) – Rs. 53.97 lakhs
 (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 – Rs. 2.82 lakhs
 (e) Total CSR obligation for the financial year (5b+5c-5d) – Rs. 51.15 lakhs

6. (a) Amount spent on CSR projects (both ongoing project and other than ongoing project) – Rs. 49.65 lakhs
 (b) Amount spent in Administrative Overheads – Rs. 1.92 lakhs
 (c) Amount spent on Impact Assessment, if applicable – Nil
 (d) Total amount spent for the Financial Year (6a+6b+6c) – Rs. 51.57 lakhs
 (e) CSR amount spent or unspent for the Financial year

Total Amount spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR account as per sub-Section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-Section (5) of Section 135		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
Rs. 51.57 lakhs	Nil				

(f) Excess amount for set off, if any

Sl. No.	Particulars	Amount (Rs.)
(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 Rs. 2.82 lakhs)	51.15 lakhs
(ii)	Total amount spent for the Financial Year	51.57 lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.42 lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.42 lakhs

7. Details of Unspent CSR amount for the preceding three financial years - Nil

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year – (Yes / No) - No

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) – Not applicable

On behalf of the Board

Place: Chennai
Date: 27 April, 2026

Ravindra Kumar Kundu
Chairman – CSR Committee

Arulselvan
Director

INDEPENDENT AUDITOR'S REPORT

To the Members of Cholamandalam Securities Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Cholamandalam Securities Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at 31 March 2026, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

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

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

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company in electronic mode, so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity, and the Statement of Cash Flows dealt with by this report are in agreement with the books of accounts.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015.

(e) On the basis of the written representations received from the directors as on 31 March 2026, and 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.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B."

(g) Based on our audit, as required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and the limits laid down under Section 197, read with Schedule V to the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations, except as disclosed in the financial statements.

ii) The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other

person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

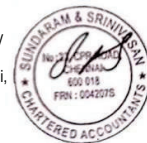
c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to my/our notice that has caused me/us to believe that the representations above contain any material misstatement.

v) The Company has not declared or paid any Dividend during the year.

vi) With respect to Rule 11(g) of Companies (Audit & Auditors) Rules, 2014, on maintenance of audit trail, transaction and edit log, based on our examination which included test checks, the Company has used multiple accounting softwares for maintaining its books of account which has the 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. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention has been retained for the financial year ended March 31, 2026.

For Sundaram & Srinivasan
Chartered Accountants
FRN:004207S

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Date: 27th April 2026
Place: Chennai

S Usha
Partner
Membership Number: 211785
UDIN: 26211785AQGCSH3120

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

With reference to Annexure A referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report to the members of **Cholamandalam Securities Limited** on the Financial statements for the year ended 31st March 2026, we report that : -

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of use assets..
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant, and Equipment have been physically verified by the management at reasonable intervals, and no material discrepancies were noticed during such verification.
- (c) There are no immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) held by the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year ended March 31, 2026.
- (e) Based on our examination of the books of account and other records of the Company, and according to the information and explanations provided by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder. Hence, reporting under this clause is not applicable.
- (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) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has provided loans in the nature of Margin Funding to its customers which includes companies, firms, Limited Liability Partnerships or any other parties as follows:

Particulars	Loans (Rs.)
Balance outstanding at the balance sheet date with respect to loans to	1,73,24,11,820

parties other than subsidiaries, joint ventures and associates	
--	--

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made, and the terms and conditions of the grant of loans and advances are, prima facie, not prejudicial to the interest of the Company. The company has not provided any security or guarantee.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated, and the repayments or receipts have been generally regular during the year ended 31 March 2026.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company on 31 March 2026, there are no amounts overdue over ninety days.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to some parties.
- (f) 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 to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not provided any guarantees or security. With respect to loans given and investments made, provisions of Section 186 of the Companies Act, 2013 have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013, or any other relevant provisions of the Act and the rules framed thereunder.
- (vi) The company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013. Accordingly, the provisions of Clause (vi) of Paragraph 3 of the Order are not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues, including Goods and Services Tax (GST), Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Excise Duty, Cess, and any other statutory dues applicable to it with the appropriate authorities during the year. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, there are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- (viii) Based on our examination of the books of accounts and other records of the Company, and according to the information and explanations provided by the management, the Company has not surrendered or disclosed any transaction as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) Based on our examination of the books of accounts and other records of the Company, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) Based on our examination of the books of accounts and other records of the Company, and according to the information and explanations provided by the management, the Company has not been declared a wilful defaulter by any bank, financial institution, or any other lender.
- (c) Based on our examination of the books of accounts and other records of the Company, and according to the information and explanations provided by the management, term loans obtained were applied for the purposes for which they were obtained.
- (d) Based on our examination of the books of accounts and other records of the Company, and according to the information and explanations provided by the management, no funds raised on a short-term basis have been utilized for long-term purposes.
- (e) Based on our examination of the books of accounts and other records of the company, and based on the information and explanations provided by the management, the company has not taken any funds from any entity or person on account of, or to meet the obligations of, its associates or joint ventures.x
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised moneys by way of an initial public offer or further public offer during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Hence, reporting under this clause is not applicable.
- (xi) a) To the best of our knowledge and belief, and according to the information and explanations given to us during the year, no fraud by the Company and no material fraud on the Company were noticed or reported.
- b) No report under sub-section (12) of Section 143 of the Companies Act, in Form ADT-4, was filed as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- c) According to the information and explanations given to us, including the representation made to us by the management of the Company, there were no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Hence, clause 3(xii) of the Order is not applicable.
- (xiii) The transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013, where applicable, and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) a) The Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the reports of the internal auditors for the financial year ended 31st March 2026.
- (xv) According to the information and explanations given to us by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors during the year.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without 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 as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) The Group has two Registered Core Investment Companies as part of the Group.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no case of resignation of the Statutory Auditor during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) Based on our evaluation of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans, we are of the

opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing as at the balance sheet date, as and when they fall due, within a period of one year from the balance sheet date

- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 30 to the financial statements.
- (b) There are no unspent amounts pursuant to any ongoing projects and hence the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.
- (xxi) As the Company is not required to prepare consolidated financial statements, reporting under this clause is not applicable.

For Sundaram & Srinivasan
Chartered Accountants
FRN:004207S

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Date: 27th April 2026
Place: Chennai

S Usha
Partner
Membership Number: 211785
UDIN: 26211785AQGCSH3120

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) of our Report of even date]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Ind AS financial statements of Cholamandalam Securities Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 these Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Sundaram & Srinivasan
Chartered Accountants
FRN:004207S

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Date: 27th April 2026
Place: Chennai

S Usha
Partner
Membership Number: 211785
UDIN: 26211785AQGCSH3120

Cholamandalam Securities Limited
Balance Sheet as at 31st March 2026

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

Particulars

ASSETS	Notes	As at 31-Mar-2026	As at 31-Mar-2025
Financial Assets			
Cash and cash equivalents	4	1.17	1.18
Bank Balance other than cash and cash equivalents	5	81.23	98.61
Trade Receivables	6	36.21	16.65
Loans	7	172.55	107.75
Investments	8	44.13	14.60
Other Financial Assets	9	52.93	19.98
		388.22	258.77
Non-Financial Assets			
Current Tax Assets (Net)	10	0.06	0.95
Deferred Tax Assets (Net)	11	1.79	1.43
Property, Plant and Equipment	12	3.69	4.90
Intangible Assets	13	0.56	0.76
Intangible under development		-	-
Right-of-use assets	14	1.73	2.21
Other non-financial Assets	15	1.99	2.43
		9.82	12.68
TOTAL ASSETS		398.04	271.45
LIABILITIES AND EQUITY			
Financial Liabilities			
Trade payables			
i) Dues to Micro and Small Enterprises		0.00	-
ii) Other Trade payables	16	95.34	88.00
Borrowings (other than debt securities)	17a	14.01	-
Debt securities	17b	188.04	88.72
Lease Liabilities		2.03	2.39
Other Financial Liabilities	18	8.96	11.11
		308.38	190.22
Non-Financial Liabilities			
Provisions	19	3.21	2.20
Other Non-financial Liabilities	20	1.68	2.34
		4.89	4.54
Total Liabilities		313.27	194.76
Equity			
Equity Share Capital	21	24.48	24.48
Other Equity	22	60.29	52.21
		84.77	76.69
TOTAL LIABILITIES AND EQUITY		398.04	271.45

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Sundaram & Srinivasan

Chartered Accountants

ICAI Firm Registration No.: 004207S

per S Usha

Partner

Membership no.: 211785

Place: Chennai

Date : April 27, 2026

For and on behalf of the Board of Directors

Arul selvan D
 Director
 DIN -00010065

Ravindra Kumar Kundu
 Director
 DIN - 07337155

Kavitha A
 Chief Financial Officer

Janani T A
 Company Secretary



Cholamandalam Securities Limited
Statement of Profit And Loss for 31st March 2026
(All amounts are in crores of Indian rupees unless otherwise stated)

Particulars	Notes	Year Ended 31-Mar-2026	Year Ended 31-Mar-2025
Revenue from Operations			
Interest income	23	30.94	29.58
Fees and Commission Income	24	60.82	72.89
		91.76	102.47
Other Income	25	0.78	1.97
Total Income		92.54	104.44
Expenses			
Finance Costs	26	11.13	12.47
Fees and Commission Expenses		6.78	12.55
Impairment on Financial Instruments	27	0.51	0.05
Employee Benefits Expense	28	41.49	46.44
Depreciation and Amortisation Expense	29	2.56	2.43
Other Expenses	30	19.27	19.65
Total Expense		81.74	93.59
Profit Before Tax		10.80	10.85
Tax Expense			
- Current Year		3.13	3.28
- Deferred Tax (Net)		(0.37)	(0.43)
		2.76	2.84
Profit after tax for the year (I)		8.04	8.01
Other Comprehensive Income [OCI] :			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gain/(loss) of defined benefit plans		0.05	(0.07)
Income tax effect		(0.01)	0.02
		0.04	(0.05)
Net gain / (loss) on FVTOCI equity instruments		-	-
Income tax effect		-	-
Other comprehensive income/(loss) for the period, net of tax (II)		0.04	(0.05)
Total comprehensive income for the period, net of tax (I + II)		8.08	7.96
Earnings per Equity Share of Rs 10 each			
Basic (in Rs)		3.28	3.32
Diluted (in Rs)		3.28	3.32

The accompanying notes are an integral part of these financial statements

As per our report of even date
For Sundaram & Srinivasan
Chartered Accountants
ICAI Firm Registration No.: 004207S

[Signature]

per S Usha
Partner
Membership no.: 211785

For and on behalf of the Board of Directors

[Signature]

Arul selvan D
Director
DIN -00010065

[Signature]

Ravindra Kumar Kundu
Director
DIN - 07337155

Place: Chennai
Date: April 27,2026

[Signature]
Kavitha A
Chief Financial Officer

[Signature]
Janani T A
Company Secretary



Cholamandalam Securities Limited
Statement of Cash Flows for the Year ended 31st March 2026
(All amounts are in crores of Indian rupees unless otherwise stated)

Particulars	Year Ended 31-Mar-2026	Year Ended 31-Mar-2025
A. Cash Flow from Operating Activities:		
Profit Before Tax	10.80	10.85
Adjustments for :		
Depreciation and Amortisation Expense	2.56	2.43
(Profit) / loss on sale of Property, Plant and Equipment	-	-
Impairment of Financial Instruments	0.51	0.05
Interest income on deposits with bank	(4.46)	(7.01)
Finance Costs	11.13	12.47
Profit on Sale of Non Current Investments	-	-
Dividend Income	-	(0.05)
Operating Profit before Working Capital / Other Changes	20.54	18.74
Adjustments for :		
Increase / (Decrease) in Provisions	1.06	0.89
Increase / (Decrease) in Trade payable and Other financial and non financial liabilities	4.54	(91.56)
Decrease / (Increase) in Other Financial assets, including bank balance on client and exchange related accounts	(33.42)	144.82
Decrease / (Increase) in Loans	(64.79)	5.14
Decrease / (Increase) in Trade and other receivables	(20.73)	(2.26)
Cash Generated From Operations	(92.80)	75.77
Income tax paid (Net of refund)	(2.25)	(3.05)
Net Cash Flow from Operating Activities [A]	(95.05)	72.72
B. Cash Flow from Investing Activities:		
Capital Expenditure (Including Capital Work In Progress and Capital Advances)		
Purchase of Property plant and equipment (including intangibles & intangibles under development)	(1.15)	(3.25)
Proceeds from Sale of Property plant and equipment (including intangibles)	0.49	0.38
Proceeds from sale of shares of Non Current Investment	-	-
Investments in Mutual Funds	(29.53)	(14.50)
Investments in Fixed Deposits (net of withdrawals)	17.19	(32.66)
Interest income on deposits with bank	6.21	4.40
Dividend Received	-	0.05
Net Cash flow from/(used in) Investing Activities [B]	(6.79)	(45.58)
C. Cash Flow from Financing Activities:		
Proceeds from issue of Share capital	-	25.00
Proceeds from short Term Borrowings	520.51	515.50
Repayment of short Term Borrowings	(506.50)	(643.00)
Debt securities	99.33	88.72
Dividend Paid	-	-
Finance Costs Paid	(10.93)	(12.27)
Lease payments during the year	(0.58)	(0.47)
Net Cash flows from / (used in) Financing Activities [C]	101.83	(26.52)
Net Increase/ (decrease) in Cash and Cash Equivalents [A+B+C]	(0.01)	0.62
Cash and Cash Equivalents at the Beginning of the period	1.18	0.56
Cash and Cash Equivalents as at End of the period	1.17	1.18

The accompanying notes are an integral part of these financial statements

As per our report of even date
For Sundaram & Srinivasan
Chartered Accountants
ICAI Firm Registration No.: 004207S

S. Usha

per S Usha
Partner
Membership no.: 211785
Place: Chennai
Date: April 27, 2026



For and on behalf of the Board of Directors

Arul selvan D
Director
DIN - 00010065

Ravindra Kumar Kundu
Director
DIN - 07337155

Kavitha A
Chief Financial Officer

Janani T A
Company Secretary

Cholamandalam Securities Limited
Statement of Changes in Equity for the Year ended 31st March 2026
(All amounts are in crores of Indian rupees unless otherwise stated)

A. EQUITY SHARE CAPITAL

As at 31st March 2026

Particulars	Balance at the beginning of the current reporting year	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 at the end of the current reporting year
Equity shares of Rs 10 each issued, subscribed and fully paid	24.48	-	-	-	24.48

As at 31st March 2025

Particulars	Balance at the beginning of the current reporting year	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 at the end of the current reporting year
Equity shares of Rs 10 each issued, subscribed and fully paid	22.50	-	-	1.98	24.48

B. OTHER EQUITY

For the Period ended 31st March 2026

Particulars	Reserves and Surplus			Items of OCI	Total Other Equity
	Retained earnings	General Reserve	Securities Premium Reserve	Equity instruments through other comprehensive income	
Balance as at 01st April 2025	29.02	0.08	23.02	0.09	52.21
Profit for the year	8.04	-	-	-	8.04
Additions for the year	-	-	-	-	-
Fair Value Gain / (Loss) on FVTOCI Investments	-	-	-	-	-
Interim Dividend Paid	-	-	-	-	-
Re-measurement gains and (losses) on defined benefit obligations (net)	0.04	-	-	-	0.04
Total Comprehensive Income	8.08	-	-	-	8.08
Balance as at 31st March 2026	37.10	0.08	23.02	0.09	60.29

For the year ended 31st March 2025

Particulars	Reserves and Surplus		Items of OCI	Items of OCI	Total Other Equity
	Retained earnings	General Reserve	Securities Premium Reserve	Equity instruments through other comprehensive income	
Balance as at 01st April 2024	21.06	0.08	-	0.09	21.23
Profit for the year	8.01	-	-	-	8.01
Additions for the year	-	-	23.02	-	23.02
Fair Value Gain / (Loss) on FVTOCI Investments	-	-	-	-	-
Interim Dividend Paid	-	-	-	-	-
Re-measurement gains and (losses) on defined benefit obligations (net)	-0.05	-	-	-	-0.05
Total Comprehensive Income	7.96	-	23.02	-	30.98
Balance as at 31st March 2025	29.02	0.08	23.02	0.09	52.21

The accompanying notes are an integral part of these financial statements

As per our report of even date
For Sundaram & Srinivasan
Chartered Accountants
ICAI Firm Registration No.: 004207S

S. Usha
per S Usha
Partner

Membership no.: 211785
Place: Chennai
Date: April 27, 2026



For and on behalf of the Board of Directors

Arulselvan D
Arulselvan D
Director
DIN - 00010065

Kavitha A
Kavitha A
Chief Financial Officer

Ravindra Kumar Kundu
Ravindra Kumar Kundu
Director
DIN - 07337153

Janani T A
Janani T A
Company Secretary

1. Corporate Information

Cholamandalam Securities Limited ("the Company") is a subsidiary of Cholamandalam Investment and Finance Company Limited ("CIFCL"). It is a securities brokerage firm offering stock broking, depository and equity research services to retail, corporate and institutional clients and is also a distributor of financial products like mutual funds, fixed deposits and bonds. The Company is a member of the Bombay and National Stock Exchanges. It is also a depository participant with National Securities Depository Limited and Central Depository Services Limited. The Company is also a corporate agent of IRDAI distributing Life and General Insurance products.

The financial statements were approved for issue in accordance with a resolution of the directors on April 27, 2026.

2. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) equity instruments. The financial statements are presented in INR, which is its functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.1 Presentation of financial statements

The Company presents its balance sheet in order of liquidity and analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 40. 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 recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and/or its counterparties

3. Material Accounting Policies

a) Financial instruments – initial recognition

Date of recognition

Financial assets and liabilities, with the exception of borrowings are initially recognized on the trade date, i.e., the date that the company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. The company recognizes borrowings when funds reach the company.

Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL (Fair value through profit and loss), transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the company accounts for the Day 1 profit or loss, as described below.

Day 1 profit or loss - When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognizes the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognized in profit or loss when the inputs become observable, or when the instrument is derecognized.

Measurement categories of Financial assets and liabilities

The company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized cost, as explained in Note 3b
- FVOCI, as explained in Note 3c

b) Financial assets and liabilities

The company measures Bank balances, Loans, Trade receivables and other financial investments at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
 - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- The details of these conditions are outlined below in Note 3d and 3e.

c) Equity instruments at FVOCI

The company subsequently measures all equity investments at fair value through profit or loss, unless the company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. 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 recognized 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. Equity instruments at FVOCI are not subject to an impairment assessment.

d) Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.



Cholamandalam Securities Limited**Notes to financial statements for the year ended March 31, 2026***(All amounts are in crores of Indian rupees unless otherwise stated)***e) SPPI Test**

As a second step of its classification process the Company assesses the contractual terms of financial asset to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimize exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

f) Borrowed funds

The Company recognises debt securities and other borrowings when funds reach the Company.

After initial measurement, borrowed funds are subsequently measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

g) Trade receivables and Impairment of Financial assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

h) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

i) Cash and cash equivalents

Cash and cash equivalents includes cash, balance with scheduled banks, deposits held at call with banks and other short-term highly liquid investments including deposits with original maturities of three months or less which are subject to an insignificant risk of change in value. Cash balances held on behalf of clients and stock exchanges as well deposits under lien have been excluded from cash and cash equivalents. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

j) Property, Plant and Equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. 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.

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.

The estimated useful lives are, as follows:

Block of Asset	Useful life estimated by the management(In years)
Office equipment	5
Furniture and fixtures	5
Vehicles	5
Computers	3
Servers	3

The management has estimated, the useful lives of the above class of assets taking into consideration, the usage and replacement policy of such class of assets. Basis the above evaluation, the useful lives of the assets pertaining to the block Furnitures and fixtures, Vehicles and Servers are lower than those indicated in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Assets costing INR 5,000 or less are fully depreciated in the year of addition, based on the usage pattern at such assets.

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 in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Assets Category

Assets Category	Useful life estimated by the management(In years)
Membership card of stock exchanges	10
Computer software	3

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.



k) Significant Management Judgment:

The Company determines whether there is any indication of impairment of the carrying amount of the Company's assets. The recoverable amount of such assets is estimated and if any indication of impairment exists, impairment loss is recognised wherever the carrying amount of the assets exceeds its recoverable amount.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

l) Recognition of income and expenses

1) Income covered under Ind AS 115

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes the current revenue recognition guidance found within Ind ASs. The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

(i) Brokerage fee income - point in time

Revenue from contract with customer is recognised at a point in time when performance obligation is satisfied (when the trade is executed). These include brokerage fees which is charged per transaction executed.

(ii) Commission on Mutual funds/Bonds/Insurance

Revenue is recognised on accrual basis based on satisfaction of contractual obligations as per the principles of Ind AS 115 duly considering the origination / retention of the customer portfolios and when there is no uncertainty in receiving the same.

Contract Balances:

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2) Other Revenue

(i) Interest Income on client overdues

Interest income is recognised on an effective interest rate basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other operating income" in the Statement of Profit and Loss.

(ii) Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

m) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.



a. Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to impairment.

b. Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Lease Liability is disclosed as a part of Other Financial Liabilities.

c. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office space (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Company does not apply the lease of low-value assets recognition exemption. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

n) Retirement and Other Employee Benefits

i) Defined Benefit Plan & Compensated Absences

Expenditure for defined benefit gratuity plan and long-term accumulated compensated absences is calculated as at the Balance Sheet date in a manner that distributes expenses over the employees' working lives. These commitments are valued at the present value of expected future payments and with consideration for calculated future salary increases.

The Company makes annual contribution to a Gratuity Fund administered by trustees and managed by LIC. The Company accounts its liability for future gratuity benefits based on an actuarial valuation as at the Balance Sheet date determined by an independent actuary using the Projected Unit Credit method.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unavailed entitlements that have accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on an actuarial valuation using the Projected Unit Credit method at balance sheet date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated 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

o) Income Taxes

i) Appendix C to IND AS 12- Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatment involve uncertainty that affects the application of IND AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of IND AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- a) Whether an entity considers uncertain tax treatments separately.
- b) The assumptions an entity makes about the examination of tax treatments by taxation authorities.
- c) How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.
- d) How an entity considers changes in facts and circumstances.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.



ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisation and management structure.

p) Earnings per Share

Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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.

q) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.



Particulars	As at 31-Mar-2026	As at 31-Mar-2025
Note 4. Cash and cash equivalents		
Balances with banks:		
– On current accounts	1.16	1.17
Cash on hand	0.01	0.01
	<u>1.17</u>	<u>1.18</u>
Note 5. Bank Balance other than cash and cash equivalents		
Bank Balances on client and exchange related accounts	4.01	2.44
Fixed deposit with Banks with an original maturity of more than 3 months	47.28	61.17
Fixed deposit with Banks with an original maturity of Less than 3 months	29.94	35.00
	<u>81.23</u>	<u>98.61</u>
Note:1. As at March 31, 2026 and As at March 31, 2025 the overdraft facility has not been utilised.		
2. The Fixed Deposits are marked under Lien with Banks and NSCCL for Margin purpose.		
Note 6. Trade Receivables		
Secured - Considered good	34.17	12.97
Unsecured - Considered good	2.05	3.68
	<u>36.22</u>	<u>16.65</u>
Provision for Impairment on receivables	(0.01)	-
	<u>36.21</u>	<u>16.65</u>
Total Trade receivables		
Considered good	36.22	16.65
Trade Receivables credit impaired	0.88	0.64
Total	<u>37.09</u>	<u>17.29</u>
Provision for doubtful receivables		
Provision for Impairment on receivables	(0.89)	(0.64)
Total trade receivable	<u>36.21</u>	<u>16.65</u>
Reconciliation of Provision/ Impairment for Receivables		
Opening Balance	(0.64)	(0.73)
Created/Reversed during the year	(0.25)	0.10
Closing Balance	<u>(0.89)</u>	<u>(0.64)</u>

Trade Receivables ageing schedule as at 31st March 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	36.22	0.00	-	-	-	36.22
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	0.79	0.08	-	-	-	0.88
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Trade Receivables ageing schedule as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	16.65	0.00	-	-	-	16.65
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	0.55	0.09	-	-	-	0.64
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Trade Receivables are interest bearing from the due date based on the outstanding balances every day after the due date. The maximum credit period that is offered to a select set of customers is upto a maximum of 30 days (T+30 days). However, interest on the all overdue receivables is accrued from second day post the date of the transaction (T+2 days) irrespective of the credit period offered to the customers.

^ Trade Receivables includes pass through amounts representing dues from clients and exchange towards transactions not fully settled as at the reporting date.

Note 7. Loans

Loans repayable on demand
Margin trading facility balances *

Provision for Impairment on MTF receivables
Total trade receivable

*Loans to customers are secured by pledge of shares/cash

173.24	108.19
<u>173.24</u>	<u>108.19</u>
(0.69)	(0.43)
<u>172.55</u>	<u>107.75</u>



Note 8. Financial assets - Investments

Note 8. Financial assets - Investments					
Particulars	Nominal Value per unit (in Rs)	Number of shares		Amount	
		As at 31-Mar-2026	As at 31-Mar-2025	As at 31-Mar-2026	As at 31-Mar-2025
Investments					
Investments at Fair Value Through Other Comprehensive Income (FVTOCI):					
Equity Shares (Fully Paid)					
4,10,400 equity shares (Unquoted) of Re.1 each fully paid up in MSE Financial Services Limited	1	410,400	410,400	0.05	0.05
30,286 equity shares of Rs.10 each fully paid up in Madras Enterprises Private Limited	10	30,286	30,286	0.05	0.05
Total FVTOCI investments				0.10	0.10
Current Investments					
Investments at Fair Value Through Profit or Loss (FVTPL):					
		Number of Units			
Mutual Fund Investment		As at 31-Mar-2026	As at 31-Mar-2025	44.03	14.50
Aditya Birla Sun Life Over night fund		233,476.01	-	34.01	-
Aditya Birla Sun Life Liquid Fund		-	145,206.85	-	6.01
Nippon India Overnight Fund		311,119.34	-	4.50	-
Nippon India Liquid Fund		8,185.39	13,581.39	5.52	8.49
Total Investments				44.13	14.60
(i) Investments in India					
				44.13	14.60
Total Value of Investments				44.13	14.60



Cholamandalam Securities Limited

Notes to financial statements for the year ended 31st March 2026

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

Particulars	As at 31-Mar-2026	As at 31-Mar-2025
Note 9. Other Financial assets		
Other financial assets - amortized cost		
Deposit with Exchanges and Depositories	1.98	1.97
Balances with Stock Exchanges	49.65	17.37
Unbilled Revenue	1.30	0.64
	52.93	19.98
Note 10. Current Tax Assets (Net)		
- Advance Income Tax	0.06	0.95
	0.06	0.95
Note 11. Deferred tax assets/ (Liabilities) - Net		
Deferred Tax Assets	1.79	1.43
	1.79	1.43
Nature - (Liability)/Asset		
Deferred Tax Asset		
Difference between depreciation as per books of accounts and the Income Tax Act, 1961	0.51	0.35
Provision for Impairment on receivables	0.40	0.27
Provision for Compensated Absences and Gratuity	0.81	0.51
Others	0.07	0.30
Total (A)	1.79	1.43
Deferred Tax Liability		
Fair valuation of FVTOCI equity instruments	-	-
Total (B)	-	-
Net Deferred Tax Asset / (Liability) (A-B)	1.79	1.43
Reconciliation of Deferred tax Asset/ (Liability) (Net)		
Particulars	As at 31-Mar-2026	As at 31-Mar-2025
Opening balance	1.43	1.28
Tax Income/(Expense) during the year recognised in Profit and Loss	0.37	0.43
MAT Credit / Utilised	-	-
Tax Income/(Expense) during the year recognised in OCI	(0.01)	(0.28)
Closing balance	1.79	1.43



12. Property Plant and Equipment

13. Intangible Assets

14. Right-of-use assets

Particulars	Plant and Machinery - computer hardware	Office equipment	Furniture and fixtures	Air conditioners	Improvements to Lease Hold Prem	Vehicles	Total	Computer software	Total	Right on use of underlying Asset	Total
Cost or Valuation											
As at March 31, 2024	2.75	0.27	0.07	0.04	0.28	2.91	6.32	3.57	3.57	1.48	1.48
Additions during the year	0.74	0.18	0.16	-	0.28	1.60	2.96	0.70	0.70	1.28	1.28
Disposal / Write off	-	-	-	-	-	0.57	0.57	0.43	0.43	-	-
As at March 31, 2025	3.49	0.45	0.23	0.04	0.56	3.94	8.71	3.84	3.84	2.76	2.76
Additions during the year	0.25	0.10	0.02	-	0.05	0.61	1.03	0.23	0.23	-	-
Disposal / Write off	0.20	0.06	-	-	-	0.98	1.25	-	-	-	-
As at March 31, 2026	3.54	0.49	0.25	0.04	0.61	3.57	8.49	4.07	4.07	2.76	2.76
Accumulated Depreciation											
As at March 31, 2024	1.71	0.13	0.02	-	0.01	0.52	2.39	2.99	2.99	0.14	0.14
Charge for the year	0.66	0.08	0.03	-	0.09	0.72	1.58	0.45	0.45	0.40	0.40
Disposal / Write off	-	-	-	-	-	0.17	0.17	0.36	0.36	-	-
As at March 31, 2025	2.37	0.21	0.05	-	0.10	1.07	3.80	3.08	3.08	0.54	0.54
Charge for the year	0.62	0.11	0.05	-	0.11	0.76	1.66	0.42	0.42	0.49	0.49
Disposal / Write off	0.20	0.01	-	-	-	0.46	0.67	-	-	-	-
As at March 31, 2026	2.79	0.32	0.10	-	0.21	1.37	4.79	3.50	3.50	1.03	1.03
Net Block											
As at March 31, 2025	1.12	0.24	0.18	0.04	0.46	2.87	4.90	0.76	0.76	2.22	2.21
As at March 31, 2026	0.75	0.17	0.14	0.04	0.40	2.20	3.69	0.57	0.57	1.73	1.73



Chofamandalam Securities Limited
Notes to financial statements for the year ended 31st March 2026
(All amounts are in crores of Indian rupees unless otherwise stated)

As at 31-Mar-2026 As at 31-Mar-2025

Note 15. Other non financial assets

Capital advances	0.02	0.06
GST Input Credit	0.65	0.99
Prepaid expenses	1.09	1.23
Other Advances	0.24	0.15
	<u>1.99</u>	<u>2.43</u>

Note 16. Trade Payables

(i) total outstanding dues of micro enterprises and small enterprises
(ii) total outstanding dues of creditors other than micro and small enterprises

	95.34	88.00
	<u>95.34</u>	<u>88.00</u>

Trade Payables
Trade Payables to Related Parties

	95.54	89.34
	(0.20)	-1.34
	<u>95.34</u>	<u>88.00</u>

Note: As at March 31, 2026 and March 31, 2025 there is no interest paid or payable to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Act, 2006. This information and that disclosed above in this Note 16 have been determined to the extent such parties have been identified on the basis of information available with the Company.

Trade Payables aging schedule as at 31st March 2026

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues MSME	-	-	-	-	-
(ii) Undisputed dues Others	94.82	0.02	0.11	0.39	95.34
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables aging schedule as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues MSME	-	-	-	-	-
(ii) Undisputed dues Others	87.54	0.05	0.13	0.28	88.00
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note : There are no "Unbilled" and "not due" trade payables, hence the same are not disclosed in the ageing schedule

Note 17a. Borrowings (other than debt securities)

As at 31-Mar-2026 As at 31-Mar-2025

Secured Borrowings

Loan from Financial Institutions

	14.01	-
	<u>14.01</u>	<u>-</u>

Note 17b. Debt securities

Commercial Paper (Unsecured)

	188.05	88.72
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Total Borrowings

	<u>202.05</u>	<u>88.72</u>
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Borrowings in India

	202.05	88.72
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During the current year, the company has borrowed fresh Inter corporate deposit (ICD) amounting to Rs. 343.00 Crs (Previous year Rs. 446.50 Crs) and repaid ICD to the tune of Rs.343.00 Crs (Previous year Rs.521.00 Crs) taken from Cholamandalam Investment and Finance Company Limited and borrowed Rs.135.50 Crs (Previous year Rs. 69.00 Crs) and repaid ICD to the tune of Rs.135.50 Crs (Previous year Rs.122.00) from Cholamandalam Leasing Limited formerly Known as (Cholamandalam Home Finance Ltd). The ICD is intended for general working capital purpose and has been utilised for the same. This unsecured borrowings is repayable on demand. The Company has not defaulted in payment of principal or interest during current year and previous year.

Note 18. Other Financial Liabilities

As at 31-Mar-2026 As at 31-Mar-2025

Salaries, wages and other employee's benefits payable
Advances from Sub brokers/Others
Advances from Clients
Total other financial liabilities at amortised cost

	3.25	3.55
	5.53	7.42
	0.19	0.14
	<u>8.96</u>	<u>11.11</u>

Note 19. Provisions

Provision for Compensated Absences
Provision for Gratuity

	2.16	1.91
	1.05	0.30
	<u>3.21</u>	<u>2.20</u>

Note 20. Other Non Financial liabilities

Statutory dues/Remittances

	1.68	2.34
	<u>1.68</u>	<u>2.34</u>



Cholamandalam Securities Limited
Notes to financial statements for the year ended 31st March 2026
(All amounts are in crores of Indian rupees unless otherwise stated)
Note - 21. Equity Share Capital

	As at 31-Mar-2026	As at 31-Mar-2025
Authorised Capital		
35,000,000 Equity Shares of Rs.10/- each	35.00	35.00
Issued, Subscribed and Paid-up Capital		
2,44,84,141 Equity Shares of Rs.10/- each	24.48	24.48
	24.48	24.48

a) The Reconciliation of No. of shares is given below:

	As at 31-Mar-2026		As at 31-Mar-2025	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	24,484,141	24.48	22,500,014	22.50
Addition			1,984,127	1.98
At the end of the year	24,484,141	24.48	24,484,141	24.48

b) Terms/Rights attached to class of shares

The Company has only one class of shares referred to as Equity Shares having a par value of Rs.10 each. The holders of Equity Shares are entitled to one vote per share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. Repayment of capital will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholder(s) holding more than 5 percent of Equity Shares in the Company

	As at 31-Mar-2026		As at 31-Mar-2025	
	No. of Shares	% against total number of shares	No. of Shares	% against total number of shares
M/s Cholamandalam Investment & Finance Company Limited and its nominees	22,500,014	92%	22,500,014	92%
M/s Cholamandalam Leasing Limited formerly Known as (M/s Cholamandalam Home Finance Limited)	1,984,127	8%	1,984,127	8%

d) Details of shares held by promoters

As at 31-Mar-2026

Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	% total shares	% Change during the year
M/s Cholamandalam Investment & Finance Company Limited	22,500,000	-	22,500,000	92%	-

As at 31-Mar-2025

Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	% total shares	% Change during the year
M/s Cholamandalam Investment & Finance Company Limited	22,500,000	-	22,500,000	92%	-



Cholamandalam Securities Limited
Notes to financial statements for the year ended 31st March 2026
(All amounts are in crores of Indian rupees unless otherwise stated)

Particulars	As at 31-Mar-2026	As at 31-Mar-2025
Note - 22. Other equity		
General reserve	0.08	0.08
Retained earnings	37.10	29.02
FVTOCI reserve	0.09	0.09
Securities Premium Account	23.02	23.02
Total other equity	<u>60.29</u>	<u>52.21</u>

Nature and Purpose of reserve

22.1 General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

Securities premium reserve is used to record the premium on issue of shares. The premium received during the year represents the premium received towards allotment of shares.

Particulars	As at 31-Mar-2026	As at 31-Mar-2025
Balance at the beginning of the year	0.08	0.08
Additions during the year	-	-
Balance at the end of the year	<u>0.08</u>	<u>0.08</u>

22.2 Retained Earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

Particulars	As at 31-Mar-2026	As at 31-Mar-2025
Balance at the beginning of the year	29.05	21.09
Profit for the year	8.04	8.01
Re-measurement gains and (losses) on defined benefit obligations (net)	0.04	(0.05)
Balance at the end of the year	<u>37.13</u>	<u>29.05</u>

22.3 FVOCI Equity Investments

The Company has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

Particulars	As at 31-Mar-2026	As at 31-Mar-2025
Balance at the beginning of the year	0.09	0.09
Fair Valuation of FVTOCI Investments	-	-
Balance at the end of the year	<u>0.09</u>	<u>0.09</u>



Cholamandalam Securities Limited
Notes to financial statements for the year ended 31st March 2026
(All amounts are in crores of Indian rupees unless otherwise stated)

Particulars	Year Ended 31-Mar-2026	Year Ended 31-Mar-2025
Note 23. Interest Income		
Interest on margin funding and delay payments	26.48	22.57
Fixed Deposits with Banks	4.46	7.01
	30.94	29.58
Note 24. Fees and commission income		
Brokerage on stock broking	42.07	53.57
Depository services	3.67	4.42
Commission - Mutual Funds/Bonds/Insurance	14.64	14.57
Other operating service Income	0.44	0.34
	60.82	72.89
Note 25. Other Income		
Dividend income from FVTOCI Investments	-	0.05
Fair Value gain on financial instruments at fair value through profit or loss		
- Realised	0.71	1.33
Fair Value gain on financial instruments at fair value through profit or loss		
- Unrealised	0.02	0.02
Miscellaneous Income	0.05	0.57
	0.78	1.97
Note 26. Finance Costs		
Interest Expense		
Interest Expense - Borrowings (other than debt securities)	1.19	2.65
Interest Expense - Debt securities	9.45	9.19
Other Finance Charges	0.30	0.43
Interest on Lease Liability	0.20	0.19
	11.13	12.47
Note 27. Impairment on Financial Instruments		
At Amortised cost		
Trade Receivable	0.25	0.07
Loans	0.26	-0.02
	0.51	0.05
Note 28. Employee Benefit Expense		
Salaries, Wages and Bonus	34.54	39.59
Gratuity Expenses	0.80	0.34
Contribution to Provident and Other Funds	1.44	1.71
Staff Welfare Expenses	0.88	0.88
Share Based employee Payments	3.83	3.92
	41.49	46.44
Note 29. Depreciation and amortization expense		
Depreciation on Property, Plant and Equipment	1.65	1.58
Depreciation on Intangible Assets	0.43	0.45
Depreciation of right to use asset	0.49	0.40
	2.56	2.43



Cholamandalam Securities Limited
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Note 30. Other Expenses	Year Ended 31-Mar-2026	Year Ended 31-Mar-2025
Electricity	0.41	0.52
Rent	3.83	4.03
Repairs and maintenance	0.75	0.52
Insurance	1.14	1.25
Rates and Taxes	1.14	0.98
Travelling and Conveyance	0.98	1.89
Postage, Printing & Stationery	0.17	0.21
Communication	0.30	0.34
Auditor's Remuneration	0.11	0.09
Directors' Sitting Fees	0.02	0.05
Information Technology Expenses	8.23	7.19
Subscription	0.18	0.09
Outsourcing expenses	0.46	0.47
Professional charges	0.72	1.19
Loss on sale of Property Plant and Equipment (Net)	0.03	0.10
Corporate Social Responsibility Expenses (CSR)	0.54	0.52
Miscellaneous Expenses	0.26	0.21
	19.27	19.65

Note (a) Auditor's Remuneration

As Auditor:

Audit fee	0.05	0.05
Interim Audit fees	0.02	-
Tax audit fee	0.01	0.01
Limited review	0.01	0.03

In other capacity:

Certification	0.01	0.00
Reimbursement of expenses	0.01	-
	0.11	0.09

Note (b) CSR Expenses

(i) Amount required to be spent by the company during the year	0.54	0.52
(ii) amount of expenditure incurred	0.54	0.54
(iii) shortfall/(excess) at the end of the period	0.00	-0.03

Note: The above expense has been approved by the board and has been fully spent during the year. In respect of other than ongoing projects, there are no unspent amount that are required to be transferred to a fund specified in schedule VII with the Companies act (the act) in compliance with second proviso to sub section 5 of section 135 of the act. There are also no ongoing projects as at March 31, 2026

Nature of CSR activities :

Expenses on Life Saving Medical Intervention: Care Beyond Finance Thalassemia Treatment ,Scholarship for Higher Education- Empowering Youth Through Education ,Merit Base Girl Scholarship- Empowering Girl Child and Ensuring Safe Sanitation and Hygiene- Construction of Toilets in Government School



Cholamandalam Securities Limited
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Particulars	Year Ended 31-Mar-2026	Year Ended 31-Mar-2025
Note 31. Income Tax Expense		
The major components of income tax expense are:		
Profit or loss section		
Current Tax:		
Current income tax charge	3.13	3.28
Deferred Tax (Net)	(0.37)	(0.43)
Income Tax expense reported in the statement of profit and loss	2.76	2.84
Other Comprehensive Income(OCI) section		
Remeasurement of Defined Benefit obligations	(0.01)	(0.02)
Net gain / (loss) on FVTOCI equity instruments	-	-
Income Tax charged to Other Comprehensive Income	(0.01)	(0.02)
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:		
The tax on the Company's profit before tax differs from the theoretical amount that would arise using the standard rate of corporation tax in India (25.168%) as follows:		
Accounting Profit before income tax	10.80	10.85
Profit before income tax multiplied by standard rate of corporate tax in India of 25.168%	2.72	2.73
Dividend Income	-	-
Impact of difference in tax base for CSR expense	0.14	0.13
Impact of Deduction u/s 80JJAA	(0.01)	-
Others	(0.07)	0.00
MAT Credit Entitlement	0.00	0.00
Income Taxable at a different rates	0.00	-
Remeasurement of Defined Benefit obligations/ FVTOCI	(0.01)	(0.02)
Income tax expense reported in the statement of profit and loss	2.76	2.84
Applicable tax rate	25.17%	25.17%
Type of Tax	Normal Rate	Normal Rate
Effective Tax Rate		
Tax Rate	25.168%	25.168%
PBT	10.80	10.85
Profit before income tax multiplied by standard rate of corporate tax in India of 25.168%	2.72	2.73
Current Tax	3.13	3.28
Deferred Tax	(0.37)	(0.43)
Total	2.76	2.84
Difference	0.04	0.11
CSR expenditure (Previous year deduction allowed at 50%)	0.14	0.13
Remeasurement of deferred Tax Liability	-0.01	0.02
Dividend Income and others	(0.09)	(0.04)
Income Taxable at a different rates	-	-
Total	0.04	0.11



Cholamandalam Securities Limited**Notes to financial statements for the year ended 31st March 2026***(All amounts are in crores of Indian rupees unless otherwise stated)***Note 32. Components of Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	FVTOCI reserve	Other items of Other comprehensive income	Total
During the Period ended 31st March 2026			
Gain on FVTOCI equity instruments	-	-	-
Re-measurement Loss on defined benefit plans	-	0.04	0.04
	-	0.04	0.04
During the year ended 31 March 2025			
Loss on FVTOCI equity instruments	-	-	-
Re-measurement Loss on defined benefit plans	-	(0.05)	(0.05)
	-	(0.05)	(0.05)

Note 33. 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 amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made certain judgements, which have the most significant effect on the amounts recognised in the Financial Statements.

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.



Cholamandalam Securities Limited

Notes to financial statements for the year ended 31st March 2026

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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.

For further details on provisions and other contingencies refer Summary of significant accounting policies.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The company's employees are being issued the shares of the parent company and the related costs in this regard are charged to the Company by the Parent/Holding Company.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for the plans, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in Note 35.

Deferred Tax

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Note 34. Defined Contribution Plans

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 Rs. 1.43 Crs (Previous Year - Rs.1.63 Crs) to Provident Fund under Defined Contribution Plan, Rs. 0.00 Crs (Previous Year - Rs.0.08 Crs) for Contributions to Superannuation Fund and Rs. 0.00 Crs (Previous Year - Rs.0.00 Crs) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss



Cholamandalam Securities Limited
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Note 35 - Employee Benefit Expenses

Defined Benefit Plan

a. Gratuity

Under the Gratuity plan operated by the Company, every employee who has completed at least five years of service gets a Gratuity on departure at 15 days on last drawn salary for each completed year of service as per Payment of Gratuity Act, 1972. The scheme is funded with an Insurance Company in the form of qualifying insurance policy. The following table summarizes the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the Balance Sheet.

Particulars		31-Mar-26	31-Mar-25
A.	Change in defined benefit obligation		
1	Defined benefit obligation at beginning of the year	2.01	1.51
2	Service cost		
	a. Current service cost	0.37	0.35
	Past Service Cost	0.40	
3	Interest expenses	0.14	0.11
4	Cash flows		
	a. Benefits paid	(0.05)	(0.02)
5	Remeasurements		
	a. Effect of changes in financial assumptions	(0.05)	0.06
	b. Effect of experience adjustments	0.00	0.00
	Defined benefit obligation at end of the year	2.82	2.01
Particulars		31-Mar-26	31-Mar-25
B.	Change in fair value of plan assets		
1	Fair value of plan assets at beginning of the year	1.72	1.62
2	Interest income	0.11	0.12
3	Cash flows		
	a. Total employer contributions	-	-
	b. Benefit payments from plan assets	(0.05)	(0.02)
4	Remeasurements		
	a. Return on plan assets, excluding amount recognised in net interest expense	-	-
5	Liability transferred	-	-
	Fair value of plan assets at end of year	1.78	1.72
Particulars		31-Mar-26	31-Mar-25
C.	Amounts recognized in the Balance Sheet		
1	Fair value of plan assets at the end of the year	(1.78)	(1.72)
2	Present value obligation	2.82	2.01
	Net (Asset)/Liability at the end of the year	1.04	0.29



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Particulars		31-Mar-26	31-Mar-25
D.	Components of defined benefit cost		
1	Service cost		
	a. Current service cost	0.37	0.35
	Past Service Cost	0.40	
2	Net interest cost		
	a. Interest expense on DBO	0.14	0.11
	b. Less - Interest (income) on plan assets	(0.11)	(0.12)
	c. Total net interest cost	0.03	(0.01)
	Total expenses recognized in P&L	0.80	0.34
3	Remeasurements (recognized in OCI)		
	a. Actuarial (gains)/losses from changes in demographic assumptions	-	-
	b. Effect of changes in financial assumptions	(0.05)	0.06
	c. Effect of experience adjustments	0.00	0.00
	d. Return on plan assets, excluding amount recognised in net interest expense	-	-
	e. Total remeasurements included in OCI	(0.05)	0.07
	Total defined benefit cost recognized in P&L and OCI	0.35	0.41
Particulars		31-Mar-26	31-Mar-25
E.	Significant actuarial assumptions		
1	Discount rate Current Year	6.50%	6.50%
2	Salary increase rate	Uniform 7.50%	Uniform 7.50%
3	Attrition Rate	17.00%	17.00%
4	Retirement Age	58	58
Particulars		31-Mar-26	31-Mar-25
F.	Expected cash flows for following year		
1	Expected employer contributions / Addl. Provision Next Year	0.90	0.73
2	Expected total benefit payments		
	Year 1	0.47	0.30
	Year 2 to Year 5	1.84	1.30
	More than 5 years	1.71	1.27
Particulars		31-Mar-26	31-Mar-25
G.	Defined benefit obligation at end of the year		
	Current Obligation	0.41	0.30
	Non-Current Obligation	1.67	1.71
	Total	2.08	2.01



Cholamandalam Securities Limited

Notes to financial statements for the Year ended March 31, 2026

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

SUMMARY		31-Mar-26	31-Mar-25
	Assets / Liabilities		
1	Defined benefit obligation at end of the year	2.82	2.01
2	Fair value of plan assets at end of the year	1.78	1.72
3	Net defined benefit liability / (asset)	1.04	0.29
4	Defined benefit cost included in P&L	0.40	0.34
5	Total remeasurements included in OCI	(0.05)	0.07
6	Total defined benefit cost recognized in P&L and OCI	0.35	0.41

Provision for Compensated Absences

The assumption used for computing the provision for accumulated compensated absences on actuarial basis are as follows:

Assumptions		31-Mar-26	31-Mar-25
1	Discount Rate	6.50%	6.50%
2	Future Salary Increase (%)	7.50%	7.50%
3	Attrition Rate	17.00%	17.00%

Sensitivity Analysis - DBO at the end of the year		31-Mar-26	31-Mar-25
a)	Discount rates + 1%	2.70	1.92
b)	Discount rates -1%	2.95	2.11
c)	Future Salary Increases + 1%	2.93	2.09
d)	Future Salary Increases - %	2.72	1.93
e)	Attrition Rates + 50%	2.70	1.91
f)	Attrition Rates - 50%	2.96	2.15

The average duration of the defined benefit plan obligation at the end of the reporting period is 4 years.



Cholamandalam Securities Limited
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Note 36. Fair Values

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities.

Particulars	Carrying Value		Fair Value	
	As at 31-March-2026	As at 31-Mar-2025	As at 31-March-2026	As at 31-Mar-2025
Financial assets				
Investments	44.13	14.60	44.13	14.60
Trade Receivables	36.21	16.65	36.21	16.65
Loans	172.55	107.75	172.55	107.75
Cash & Bank balances	1.17	1.18	1.17	1.18
Bank Balance other than cash and cash equivalents	81.23	98.61	81.23	98.61
Other Financial Assets	52.93	19.98	52.93	19.98
Total	388.22	258.77	388.22	258.77
Financial liabilities				
Borrowings (other than debt securities)	14.01	-	14.01	-
Lease Liabilities	2.03	2.39	2.03	2.39
Trade Payables	95.34	88.00	95.34	88.00
Debt securities	188.04	88.72	188.04	88.72
Other Financial Liabilities	8.96	11.11	8.96	11.11
Total	308.38	190.22	308.38	190.22

The management assessed that cash and cash equivalents, trade receivables, investments, other current financial assets, short term borrowings, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of quoted equity investments are derived from quoted market prices in active markets.
- The fair value of borrowings is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return, adjusted for the Credit spread considered by the lenders for instruments of the similar maturity.

Note 36.1 - Fair Values Hierarchy

a) Financial Assets carried at Fair Values

This note provides information about how the Company determines fair value of various financial assets. Fair value of the Company's financial assets that are measured at fair value on a recurring basis.

Some of the Company's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used)

Particulars	Fair Value as at		Fair Value Hierarchy	Valuation Techniques & key inputs used
	As at 31-March-2026	As at 31-Mar-2025		
Asset measured at fair value:				
Investments held as FVTPL	44.03	14.50	Level 1	Quoted bid price in an active market (refer note a)
Investments in unquoted equity instruments at FVTOCI	0.10	0.10	Level 3	Fair valuation through methods prescribed under IndAS 109 (refer note b)

There are no movements/transfers between level 1 & level 2 during the year

Note:

- These investments in equity instruments are not for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the Management believe that this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss.
- These investments in equity are not significant in value and hence additional disclosures are not presented



Cholamandalam Securities Limited**Notes to financial statements for the Year ended March 31, 2026**

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Note 37. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a management committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly comprises equity price risk.

Equity Price Risk

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Further, management ensures that the investments in securities are placed in highly rated / stable securities. The Company's Board of Directors reviews and approves all equity investment decisions.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Trade Receivable

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any exposure to major customers are generally covered by advance from customers.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous Company's and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 6. The receivable are generally secured with the securities purchased by the customers through the Company.

Cash and Bank Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on a periodic basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity Risk

The Company monitors its risk of a shortage of funds on a daily basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, and Inter Corporate funding. The Company has access to a sufficient variety of sources of funding and is generally mitigated through funding from intercorporate loans from parent Company.

Collaterals offered by the Customers

Collateral can be an important mitigation of credit risk, it is the Company's practice to hold securities of the customers in lien till the settlement of the transaction based on the credit period offered to the customer / lend on the basis of these holdings / customer's ability to meet the obligations out the settlement of the collaterals through settlement in the market.

The Company obtains first and exclusive lien on all the securities which have been executed by the Company on behalf of the customer. These holdings are liquidated by the Company in case of default by the customer in settlement of dues to the Company. Any surplus on the disposal of securities will be settled to the customer.



Cholamandalam Securities Limited

Notes to financial statements for the Year ended March 31, 2026

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Note 38. Analysis of Financial Assets and Financial Liabilities by remaining contractual maturities

As at March 31, 2026

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 Assets								
(a) Cash and Bank Balances	1.17	-	-	-	-	-	-	1.17
(b) Bank Balance other than cash and cash equivalents	6.22	53.89	8.50	4.40	8.23	-	-	81.23
(c) Trade Receivables	36.21	-	-	-	-	-	-	36.21
(d) Loans	172.55	-	-	-	-	-	-	172.55
(e) Investments	44.03	-	-	-	-	-	0.10	44.13
(f) Other Financial Assets	50.95	-	-	-	-	-	1.98	52.93
Total Financial Assets	311.13	53.89	8.50	4.40	8.23	-	2.08	388.22
Financial Liabilities								
(a) Trade payables	-	-	-	-	-	-	-	-
i) Dues to Micro and Small Enterprises	-	-	-	-	-	-	-	-
ii) Other Trade payables	95.34	-	-	-	-	-	-	95.34
(b) Borrowings (other than Debt securities)	14.01	-	-	-	-	-	-	14.01
(c) Debt Securities	188.04	-	-	-	-	-	-	188.04
(c) Lease Liabilities	2.03	-	-	-	-	-	-	2.03
(d) Other Financial Liabilities	3.43	-	-	-	5.53	-	-	8.96
Total Financial Liabilities	302.85	-	-	-	5.53	-	-	308.38

As at March 31, 2025

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 Years	Total
Financial Assets								
(a) Cash and Bank Balances	1.18	-	-	-	-	-	-	1.18
(b) Bank Balance other than cash and cash equivalents	6.41	70.18	8.48	11.30	2.25	-	-	98.62
(c) Trade Receivables	16.65	-	-	-	-	-	-	16.65
(d) Loans	107.75	-	-	-	-	-	-	107.75
(e) Investments	-	-	-	-	-	-	14.60	14.60
(f) Other Financial Assets	17.99	-	-	-	-	-	1.98	19.97
Total Financial Assets	149.98	70.18	8.48	11.30	2.25	-	16.57	258.77
Financial Liabilities								
(a) Trade payables	-	-	-	-	-	-	-	-
i) Dues to Micro and Small Enterprises	-	-	-	-	-	-	-	-
ii) Other Trade payables	88.00	-	-	-	-	-	-	88.00
(b) Borrowings (other than Debt securities)	88.72	-	-	-	-	-	-	88.72
(c) Lease Liabilities	2.39	-	-	-	-	-	-	2.39
(d) Other Financial Liabilities	3.69	-	-	-	7.42	-	-	11.11
Total Financial Liabilities	182.80	-	-	-	7.42	-	-	190.22

39. Standards issued but not yet effective

There are no amendments issued but not effective as at March 31, 2026



Cholamandalam Securities Limited

Notes to financial statements for the Year ended March 31, 2026

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

Note 40. Maturity Analysis of Assets and Liabilities as at March 31, 2026

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at 31-March-2026		
ASSETS	Within 12 months	After 12 months	Total
Financial Assets			
(a) Cash and Bank Balances	1.17	-	1.17
(b) Bank Balance other than cash and cash equivalents	73.01	8.23	81.23
(c) Trade Receivables	36.21	-	36.21
(d) Loans	172.55	-	172.55
(e) Investments	-	44.13	44.13
(f) Other Financial Assets	50.96	1.98	52.93
	333.88	54.33	388.22
Non-Financial Assets			
(a) Current Tax Assets (Net)	-	0.05	0.05
(b) Deferred Tax Assets (Net)	-	1.79	1.79
(c) Property, Plant and Equipment	-	3.69	3.69
(d) Intangible Assets	-	0.56	0.56
(e) Intangible under development	-	-	-
(f) Right-of-use assets	-	1.73	1.73
(g) Other non-financial Assets	1.99	-	1.99
	1.99	7.83	9.81
TOTAL ASSETS	335.87	62.16	398.04
LIABILITIES AND EQUITY			
Financial Liabilities			
(a) Trade payables	-	-	-
i) Dues to Micro and Small Enterprises	-	-	-
ii) Other Trade payables	95.34	-	95.34
(b) Borrowings (other than Debt securities)	14.01	-	14.01
Lease Liabilities	0.49	1.54	2.03
Debt securities	188.04	-	188.04
(c) Other Financial Liabilities	3.43	5.53	8.96
	301.31	7.07	308.38
Non-Financial Liabilities			
(a) Provisions	-	3.21	3.21
(b) Deferred Tax Liabilities (Net)	-	-	-
(c) Other Non-financial Liabilities	1.68	-	1.68
	1.68	3.21	4.89
Total Liabilities			
Equity			
(a) Equity Share Capital	-	24.48	24.48
(b) Other Equity	-	60.29	60.29
	-	84.77	84.77
TOTAL LIABILITIES AND EQUITY	302.99	95.05	398.04



Cholamandalam Securities Limited
Notes to financial statements for the Year ended March 31, 2026
(All amounts are in crores of Indian rupees unless otherwise stated)

Particulars			
As at 31-Mar-2025			
ASSETS	Within 12 months	After 12 months	Total
Financial Assets			
(a) Cash and Bank Balances	1.18	-	1.18
(b) Bank Balance other than cash and cash equivalents	96.36	2.25	98.61
(c) Trade Receivables	16.65	-	16.65
(d) Loans	107.75	-	107.75
(e) Investments	-	14.60	14.60
(f) Other Financial Assets	18.01	1.98	19.98
	239.95	18.82	258.77
Non-Financial Assets			
(a) Current Tax Assets (Net)	-	0.95	0.95
(b) Deferred Tax Assets (Net)	-	1.43	1.43
(c) Property, Plant and Equipment	-	4.90	4.90
(d) Intangible Assets	-	0.76	0.76
(e) Intangible under development	-	-	-
(f) Right-of-use assets	-	2.21	2.21
(g) Other non-financial Assets	2.43	-	2.43
	2.43	10.26	12.68
TOTAL ASSETS	242.38	29.08	271.45
LIABILITIES AND EQUITY			
Financial Liabilities			
(a) Trade payables			
i) Dues to Micro and Small Enterprises	-	-	-
ii) Other Trade payables	88.00	-	88.00
(b) Borrowings (other than Debt securities)	-	-	-
Lease Liabilities	0.40	1.99	2.39
Debt securities	88.72	-	88.72
(c) Other Financial Liabilities	3.69	7.42	11.11
	180.81	9.41	190.21
Non-Financial Liabilities			
(a) Provisions	-	2.20	2.20
(b) Deferred Tax Liabilities (Net)	-	-	-
(c) Other Non-financial Liabilities	2.34	-	2.34
	2.34	2.20	4.54
Total Liabilities			
Equity			
(a) Equity Share Capital	-	24.48	24.48
(b) Other Equity	-	52.21	52.21
	-	76.69	76.69
TOTAL LIABILITIES AND EQUITY	183.15	88.31	271.45



Cholamandalam Securities Limited**Notes to financial statements for the Year ended March 31, 2026***(All amounts are in crores of Indian rupees unless otherwise stated)***Note 41. Earnings Per Share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31-Mar-26	31-Mar-25
Profit after tax	8.04	8.01
Weighted average number of shares		
- Basic	24,484,141	24,153,453
- Diluted	24,484,141	24,153,453
Earning per share of Rs.10 each		
- Basic (in Rs)	3.28	3.32
- Diluted (in Rs)	3.28	3.32



Cholamandalam Securities Limited
Notes to financial statements for the Year ended March 31, 2026
(All amounts are in crores of Indian rupees unless otherwise stated)

Particulars	Year Ended 31-March-2026	Year Ended 31-Mar-2025
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Note 42. Contingent Liabilities

Claims against the Company not acknowledged as debts

- -

Other Financial Information

Outstanding bank guarantees given to stock exchanges/stock holding corporation of India limited to meet margin requirements

60.00 60.00

Note 43. Disclosure in respect of Related Parties pursuant to Ind AS 24

A. Names of related parties and nature of relationship

List of Related Parties

Ultimate Holding Company	Cholamandalam Financial Holding Limited
Holding Company	Cholamandalam Investment and Finance Company Limited
Fellow Subsidiary	Cholamandalam Leasing Limited (formerly known as Cholamandalam Home Finance Limited)
Holding Company's Fellow Subsidiary	(i) Cholamandalam MS General Insurance Company Limited
Joint Venture of Ultimate Holding Company	(i) Cholamandalam MS Risk Services Limited
Associate of Holding Company	(i) Vishvakarma Payments Private Limited
Joint Venture of Holding Company	Payswift Technologies Private Limited
Key Managerial Personnel	(i) Senthil Kumar Naidu, Manager (ii) Kavitha A, CFO (iii) Balaji H, Company Secretary till 31/03/2026 (iv) Janani T A, Company Secretary W.e.f 01/04/2026 (v) Mr. D. ArulSelvan Director W.e.f 23/04/2025 (vi) Mahesh Madhukar Waikar - Non - Executive Director till 23/04/2025 (vii) Ravindra Kumar Kundu - Non - Executive Director (viii) Sasikala Varadachari - Independent Director till 29/03/2025 (ix) Eledath Prasanth Prabhakaran - Independent Director

Particulars	Year Ended 31-Mar-2026	Year Ended 31-Mar-2025
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A. TRANSACTIONS DURING THE PERIOD:

Issue of Equity Share including Share Premium

Cholamandalam Leasing Limited

(formerly known as Cholamandalam Home Finance Limited)

- 25.00

Proceeds from Short-Term Borrowings

Cholamandalam Investment and Finance Company Limited

343.00 446.50

Cholamandalam Leasing Limited

(formerly known as Cholamandalam Home Finance Limited)

135.50 69.00

Repayment of Short-Term Borrowings

Cholamandalam Investment and Finance Company Limited

343.00 521.00

Cholamandalam Leasing Limited

(formerly known as Cholamandalam Home Finance Limited)

135.50 122.00

Finance Costs

Cholamandalam Investment and Finance Company Limited

0.32 1.81

Cholamandalam Leasing Limited

(formerly known as Cholamandalam Home Finance Limited)

0.69 0.84

Rent Expense

Cholamandalam Investment and Finance Company Limited

3.36 3.93

Income from Services Rendered

Cholamandalam Investment and Finance Company Limited

0.13 0.56

Cholamandalam Leasing Limited

(formerly known as Cholamandalam Home Finance Limited)

0.00 0.00

Cholamandalam MS General Insurance Company Limited

- 0.04

Expenses / Reimbursement of Administrative Expenses-Payments

Cholamandalam Investment and Finance Company Limited

5.47 6.27

Cholamandalam Leasing Limited

(formerly known as Cholamandalam Home Finance Limited)

- -

Cholamandalam MS General Insurance Company Limited

- 0.09

ESOP Expenses

Cholamandalam Investment and Finance Company Limited

3.83 3.92

ESOP Expenses Paid

Cholamandalam Investment and Finance Company Limited

3.80 2.89

Particulars	As at 31-Mar-2026	As at 31-Mar-2025
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B. BALANCES OUTSTANDING AT THE END OF THE YEAR

Trade (Payable)/Receivable

Cholamandalam Investment and Finance Company Limited

(0.18) (0.31)

Cholamandalam Leasing Limited

(formerly known as Cholamandalam Home Finance Limited)

- (0.00)



Cholamandalam Securities Limited
Notes to financial statements for the Year ended March 31, 2026
(All amounts are in crores of Indian rupees unless otherwise stated)

Particulars	Year Ended 31-March-2026	Year Ended 31-Mar-2025
ESOP Payable		
Cholamandalam Investment and Finance Company Limited	(0.02)	(1.03)
Short-term borrowings		
Cholamandalam Investment and Finance Company Limited	-	-
Cholamandalam Leasing Limited	-	-
(formerly known as Cholamandalam Home Finance Limited)	-	-

Particulars	As At 31-Mar-2026	As At 30-Mar-25
C.KEY MANAGERIAL PERSONNEL		
Sitting Fees Paid to Directors	0.03	0.06
Ms.Sasikala Varadachari - Independent Director	-	0.03
Mr Eledath Prasanth Prabhakaran - Independent Director	0.03	0.03
Income from Services Rendered	0.02	0.00
Remuneration and other transaction with Key managerial Personnel (KMP)	2.73	2.50

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2026, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2025: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 44. Revenue from Contracts with customers

(a) Services		
Brokerage on stock broking	42.07	53.57
Depository services	3.67	4.42
Commission - Mutual Funds/Bonds/Insurance	14.64	14.57
Total Revenue from contracts with customers	60.38	72.56

Timing of Revenue Recognition:		
Services transferred at a point in time	54.06	65.71
Services transferred over time	6.32	6.85
Total Revenue from contracts with customers	60.38	72.56

Note:

- (i) All the above revenue has been earned by the Company within India.
(ii) There is no difference between the contracted price and the prices basis which the revenue has been recognised in books and reported in the statement of profit and loss.

(b) Contract Balances		
Trade Receivables	36.21	16.65
Unbilled Revenue	1.30	0.64
Total	37.51	17.29

Contract asset relates to our conditional right to consideration for our completed performance under the contract. Trade receivables are recognised when the right to consideration becomes unconditional.

(c) Contract Liabilities

All revenue for transactions entered into before 31st march 2026 has been appropriately recognised hence there is no contract liability for which the entity is yet to render its performance obligations. Advance received from customer represents amount deposited by customers for their future transactions.

(d) Information about the Company's performance obligation

Brokerage on stock broking - The performance obligation in with regard to brokerage contracts is satisfied when a trade is executed. The Company does not have fixed broking fee arrangement with any of its customers.

Depository Services - The performance obligation relating to depository services are satisfied when the customer enters into the depository transactions with the Company.

Commission - Mutual Funds / Bond / Insurance - The performance obligation in regards of commission from Mutual funds are based on the successful registration of a new customer / product and execution of transactions with the vendors for upfront income and based on the retention of customers as per applicable mutual fund rules for trail income.

The performance obligation relating to Insurance commission are complete only upon issuance of policy and the collection of premium by Insurance Company from policyholders based on type and frequency of premium, after which the Company receives commission as a percentage of the premium collected.

The company has used practical expedient and have not disclosed the amount of remaining performance obligations, since the contracts with customers have duration of less than one year.



Cholamandalam Securities Limited
Notes to financial statements for the Year ended March 31, 2026
(All amounts are in crores of Indian rupees unless otherwise stated)

Particulars	Year Ended 31-March-2026	Year Ended 31-Mar-2025
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Note 45. Segment Reporting

The Company's main business is to distribute financial products and services. All other activities of the Company revolve around the main business. Further, the Company does not have any separate geographic segments other than India. As such there are no separate reportable segments. Customer contributing to 10% or more of revenue has been disclosed below.

Note 46: Summary of Financial assets and liabilities which are recognised at amortised cost

Financial Assets	March 31,2026	March 31,2025
Cash and cash equivalents	1.17	1.18
Bank Balance other than cash and cash equivalents	81.23	98.61
Trade Receivables	36.21	16.65
Loans	172.55	107.75
Other Financial Assets	52.93	19.98
Financial Liabilities		
Trade payables	95.34	88.00
Borrowings (other than debt securities)	14.01	-
Other Financial Liabilities	8.96	11.11

Note 47. Capital Management

The primary objectives of the Company's capital management policy are to ensure that it complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

Particulars	March 31,2026	March 31,2025
Borrowings		
-Short term	14.01	-
-Debt Securities	188.04	88.72
Total Debt	202.05	88.72
 Equity share capital	 24.48	 24.48
Other Equity	60.29	52.21
Equity	84.77	76.69



Cholamandalam Securities Limited

Notes to financial statements for the Year ended March 31, 2026

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

Note 47 a - Ratio analysis

Sl No	Ratio	Numerator	Denominator	31st March 2026	31st March 2025	% Change	Reason for variance
1	Debt-Equity Ratio	Borrowings	Total Equity	2.38	1.16	106%	Due to increase in borrowings with respect to increase in MTF Books
2	Return on Equity Ratio	Net Profit after tax	Average Shareholders Equity (Average total equity)	0.10	0.13	-25%	Due to decrease in Operating income
3	Trade Receivables turnover ratio	Total Operating income	Average Trade receivables	2.22	4.50	-51%	Due to decrease in Operating income
4	Net capital turnover ratio	Total Operating income	Working capital (Current Assets - Current Liabilities)	1.48	1.23	20%	
5	Net profit ratio	Net Profit after tax	Total Operating income	0.09	0.08	12%	
6	Return on Capital employed	Earning before interest and taxes	Capital Employed	0.26	0.30	-15%	
7	Current Ratio	Current Assets	Current Liabilities	1.11	1.32	-16%	
8	Debt service coverage ratio	Earnings available for debt service (Profit after tax + Depreciation and Amortisation expenses + Interest expenses)	Debt service (Interest expenses + Repayment of borrowings)	11.49%	25.45%	-55%	Due to decrease in Operating income and increase in borrowings
9	Return on Investment	Income (Dividend income from FVTOCI instruments)	Investment	NA	NA	-	



Note 48.-ESOP Disclosure

ESOP 2016

The Board of directors of Cholamandalam Investment and Finance Company Limited ("the Holding Company") at its meeting held on October 7, 2016, approved to create, and grant from time to time, in one or more tranches, not exceeding 1,56,25,510 Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the company including some of subsidiaries, managing director and whole time director, (other than promoter/promoter group of the company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the company), as may be decided by the board, exercisable into not more than 1,56,25,510 equity shares of face value of Rs 2/- each fully paid-up (originally issued 31,25,102 equity shares of face value of Rs 10/- each fully paid-up), on such terms and in such manner as the board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

In this regard, the Company has recognised expense amounting to 3.83 Crs for employees services received during the year, shown under Employee Benefi Expenses (Refer Note 28). This amount will be paid by the Company to its holding Company in connection with the ESOP plan (Refer Note 28)

The movement in Stock Options during the current year are given below:

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding	Addition in number of options on account of share split *	During the Year 2025-26			Options outstanding	Options vested but not exercised	Options unvested	Exercise Price (in Rs)	Weighted Average Remaining Contractual Life
		As at 31-Mar-2025		Options Granted	Options Forfeited/ Expired	Options Exercised and allotted	As at 31-Mar-2026	As at 31-Mar-2026	As at 31-Mar-2026		
GT25JAN2017	25-Jan-17	10,000	-	-	-	-	10,000	-	-	202.00	-
GT30JAN2018	30-Jan-18	2,430	-	-	-	-	2,430	-	-	261.94	-
GT07MAY2021	07-May-21	24,700	-	-	-	-	24,700	24,700	-	580.30	-
GT31JAN2023	31-Jan-23	71,900	-	-	-	-	45,340	22,570	22,770	710.75	0.84
GT01AUG2023	01-Aug-23	78,400	-	-	3,600	29,680	45,120	-	45,120	1,132.00	0.84
GT025JAN2024	25-Jan-24	8,000	-	-	-	1,500	6,500	-	6,500	1,245.08	1.32
GT029APR2024	29-Apr-24	22,000	-	-	4,800	2,400	14,800	2,500	12,300	1,171.70	1.21
GT026JUL2024	26-Jul-24	32,500	-	-	-	3,300	29,200	3,600	25,600	1,363.65	1.45
GT31JAN2025	31-Jan-25	30,700	-	-	4,800	1,200	24,700	4,940	19,760	1,279.40	1.96
GT31JULY2025	31-Jul-25	-	-	31,412	-	-	31,412	-	31,412	1,478.01	2.04
GT30JAN2026	30-Jan-26	-	-	2,906	-	-	2,906	-	2,906	1,648.90	4.71
Total		280,630	-	34,318	13,200	77,070	224,678	58,310	166,368		

The movement in Stock Options during the previous year are given below:

Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding	Addition in number of options on account of share split *	During the Year 2024-25			Options outstanding	Options vested but not exercised	Options unvested	Exercise Price (in Rs)	Weighted Average Remaining Contractual Life
		As at 31-Mar-2025		Options Granted	Options Forfeited/ Expired	Options Exercised and allotted	As at 31-Mar-2025	As at 31-Mar-2025	As at 31-Mar-2025		
GT25JAN2017	25-Jan-17	10,000	-	-	-	-	10,000	10,000	-	-	-
GT30JAN2018	30-Jan-18	2,430	-	-	-	-	2,430	-	-	-	-
GT07MAY2021	07-May-21	24,700	-	-	-	-	24,700	17,290	7,410	-	-
GT31JAN2023	31-Jan-23	82,300	-	-	6,400	4,000	71,900	26,360	45,540	-	-
GT01AUG2023	01-Aug-23	81,200	-	-	-	2,800	78,400	13,440	64,960	-	-
GT025JAN2024	25-Jan-24	8,000	-	-	-	-	8,000	1,600	6,400	-	-
GT029APR2024	29-Apr-24	-	-	22,000	-	-	22,000	-	22,000	1,171.70	-
GT026JUL2024	26-Jul-24	-	-	32,500	-	-	32,500	-	32,500	1,363.65	-
GT031JAN2025	31-Jan-25	-	-	30,700	-	-	30,700	-	30,700	1,279.40	-
Total		208,630	-	85,200	6,400	6,800	280,630	71,120	209,510		

The following tables list the inputs to the Black Scholes model used for the plans for the Year ended 31st March 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 (₹)
25/01/2017	6.36% - 6.67%	3.5 - 6.51 years	33.39% - 34.47%	0.54%	1,010.00	401.29
30/01/2018	7.11% - 7.45%	3.5 - 5.50 years	30.16% - 31.46%	0.42%	1,309.70	496.82
30/01/2018	7.11% - 7.45%	3.5 - 5.50 years	30.16% - 31.46%	0.42%	1,309.70	531.84
07/05/2021	5.12% - 6.02%	3.5 - 6.51 years	52.05% - 43.62%	0.34%	580.30	276.84

* Equity shares of Face value of Rs 10/- have been split into face value of Rs 2 per share in pursuant to resolution passed in EGM of the Cholamandalam Investment and Finance Company Limited (Holding Company) on June 17, 2019



Cholamandalam Securities Limited

Notes to financial statements for the Year ended March 31, 2026

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

Note 49. Leases

The Company had lease contracts for Buildings used for its operations as branches of the Company. Leases of such assets generally had a tenure of 77 months. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Leases were terminated during the year.

The carrying amounts of right-of-use assets recognised is explained in Note No.12-13 and the movements during the year in carrying value of Right of Use Assets and Lease Liability and disclosures are as given below

(i) Movement in the carrying value of the Right to Use Asset for the Period ended March 31, 2026

Particulars	Period Ended March 31,2026	Year Ended March 31, 2025
Opening Balance	2.22	1.34
Additions during the year	-	1.28
Depreciation charge for the year	(0.49)	(0.40)
Closing Balance	1.73	2.22

(ii) Classification of current and non current liabilities of the lease liabilities as at period Ended March 31, 2026

Particulars	Period Ended March 31,2026	Year Ended March 31, 2025
Current liabilities	0.49	0.40
Non Current Liabilities	1.54	1.99
Total Lease liabilities	2.03	2.39

(iii) Movement in the carrying value of the Lease Liability for the period ended March 31, 2026

Particulars	Period Ended March 31,2026	Year Ended March 31, 2025
Opening Balance	2.39	1.40
Additions during the year	-	1.28
Interest Expense	0.20	0.19
Lease Payments (Total Cash Outflow)	(0.58)	(0.48)
Closing Balance	2.01	2.39

(iv) Contractual Maturities of Lease liability outstanding as at March 31, 2026

Particulars	Period Ended March 31,2026	Year Ended March 31, 2025
Less than one year	0.49	0.40
One to five Years	1.53	2.00
More than Five years	-	-
Total	2.01	2.39

(v) The Following amounts are recognised in the Statement of Profit & Loss

Depreciation charge for the year	0.49	0.40
Interest expense on Lease Liabilities	0.20	0.19
Total	0.69	0.59

The Company had several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Note 50: Changes in Liabilities arising from Financing activities

Particulars	31-Mar-26	Availed	Repaid	31-Mar-26
Borrowings other than Debt securities	-	492.51	(478.50)	14.01
Debt securities	88.72	188.04	(88.72)	188.04
Total Liabilities from Financing activities	88.72	680.55	(567.22)	202.05

Particulars	31-Mar-25	Cash flows	Cash flows	31-Mar-25
Borrowings other than Debt securities	127.50	515.50	(643.00)	-
Debt securities	-	450.00	(361.28)	88.72
Total Liabilities from Financing activities	127.50	965.50	-1,004.28	88.72



Note 51 Relationship with Struck off Companies

Based on the information compiled by the company, the company did not enter into any transaction with struck off companies during the year.

Note 52

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or creation with ROC during the year.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding 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 company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Company has not received any fund from any person or entity, 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) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note 53. Events After Reporting Date

There have been no events after the reporting date that require disclosure in these financial statements.

As per our report of even date

For Sundaram & Srinivasan

Chartered Accountants

ICAI Firm Registration No.: 004207S

S. C. Saha
per S Usha
Partner

Membership no.: 211785



Place: Chennai
Date: April 27, 2026

For and on behalf of the Board of Directors

Arul selvan D

Arul selvan D
Director
DIN -00010065

Kavitha A

Kavitha A
Chief Financial Officer

Ravindra Kumar Kundu

Ravindra Kumar Kundu
Director
DIN - 07337155

Janani T A

Janani T A
Company Secretary

CHOLAMANDALAM SECURITIES LIMITED

CIN: U65993TN1994PLC028674

Registered Office: Chola Crest, C54 – 55 & Super B-4,
Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600 032Phone No.: 044 4004 7370; Website: www.cholasecurities.com**ATTENDANCE SLIP**

Folio No.:

Name & Address of Member:

I certify that I am a registered Shareholder of the Company and hold Shares.

I/we hereby record my / our presence at the 32nd AGM held at C54 – 55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600 032 on 24 July, 2026......
Member's Folio No......
Members / Proxy's name in Block letters.....
Member's / Proxy's signature*Notes: 1. Shareholders / Proxy holders must bring the Attendance Slip to the meeting and hand over the same at the entrance duly signed.**2. Shareholders are requested to advise their change in address, if any, to the Company's Registered Office quoting folio numbers.***CHOLAMANDALAM SECURITIES LIMITED**

CIN: U65993TN1994PLC028674

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

Phone No.: 044 4004 7370; Website: www.cholasecurities.com**PROXY FORM**

Name and Address of the member:

E-mail ID:

Folio No.:

No. of Shares:

I/We being the Member(s) of shares of the above-named company, hereby appoint

1.Name.....Address.....E-mail id.....Signature.....

or failing him/ her

2.Name.....Address.....E-mail id.....Signature.....

or failing him/ her

3.Name.....Address.....E-mail id.....Signature.....

as

my/our proxy to attend and vote for me/us and on my/our behalf at the thirty first annual general meeting of the Company, to be held at 3 p.m. on Friday, 24 July, 2026 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Vote (Optional)#		
		For	Against	Abstain
Ordinary Business				
1.	Adoption of financial statements and Board's report for the year ended 31 March 2026			
2.	Re-appointment of Mr. D Arulselvan, Director retiring by rotation			
Special Business				
3.	Re-appointment of Mr. N Senthilkumar as Manager of the Company			
4.	Creation of charge/security on the Company's assets			

Signed thisday of....., 2026.

Signature of shareholder(s)..... Signature of Proxy holder(s).....

Affix
Revenue
Stamp**Note:**

The Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. The Proxy need not be a Member of the Company.

#2. It is optional to put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.