



STRONGER TOGETHER

Collaborating for Success!

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED

CORPORATE PRESENTATION - MARCH 2021

Table of Contents



1. Group overview



2. Corporate overview



3. Financial performance



4. Business segments' overview



5. Funding profile



6. Subsidiaries performance



7. Environmental
Social Governance



8. Risk management

Murugappa Group Overview



Murugappa Group in a Nutshell



Years of
Existence



Consolidated
Turnover
(FY20)



Group Market
cap (as on 31st
Mar 2021)



Sectors



Businesses



Listed
Companies



Geographical
Presence

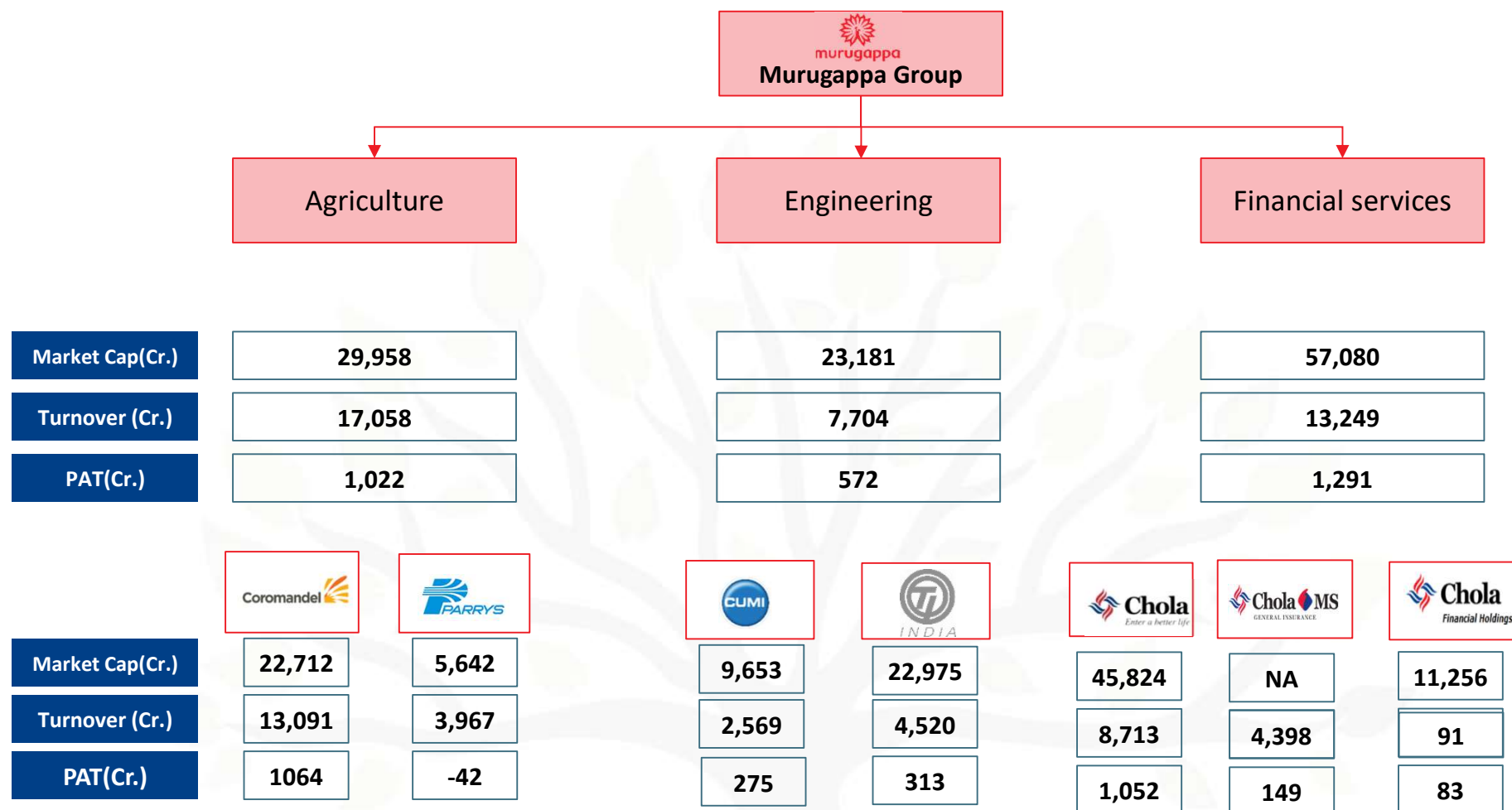


Manufacturing
Locations



Work force

Murugappa Group Overview



Note: Market Capitalization of Financial services incl. Chola Investments and Chola Financial Holdings.
 Financial Performance are of FY 19-20.
 Market data as on 31st March 2021. Source: BSE

Corporate Overview



SPIRIT OF MURUGAPPA



"The fundamental principle of economic activity is that no man you transact with will lose, then you shall not."

Cholamandalam Investment & Finance Company Limited



16 lakh + customers

Helping customers enter better life

2 lakh customers in year 2000 to 16 lakh plus customers till date



26,363 employees

Strong employees force to serve more customers

200 plus employees in year 2000 to 26,300+ employees today



Rs. 69+k Cr. AUM

Healthy ROA of 3.0%

PAT - CAGR of 20% from
FY17 to FY21



Rs. 45+k Cr. market cap

Rapid market cap growth

From Rs. 840 Cr. in year 2008 to Rs. 45K Cr. in
2021



1137 branches

Strong geographical presence

Across 29 states/Union Territories 81% presence
across tier III—VI towns



Diversified product
portfolio

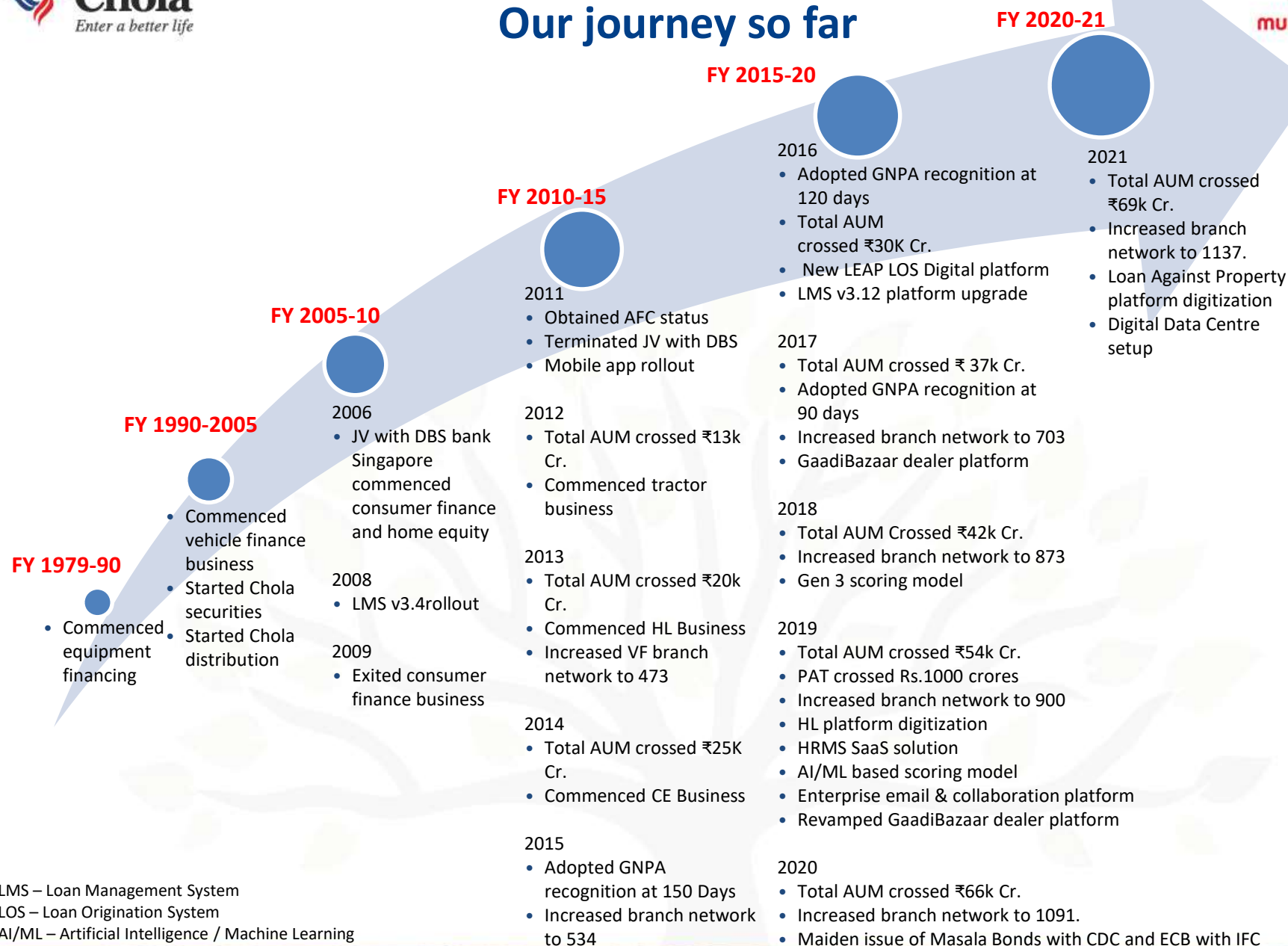
- Presence across Vehicle Finance, Loan Against Property, Home Loans, Stock broking & distribution of financial products



Highly experienced
management

- Highly experienced management team with unrivaled industry experience
- Significant synergies with Murugappa group, deriving operational and financial benefits

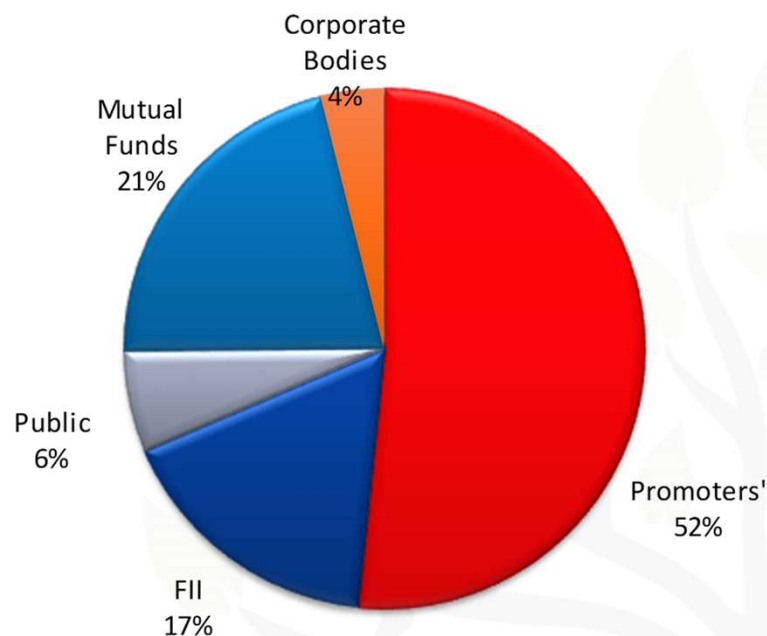
Our journey so far



LMS – Loan Management System
 LOS – Loan Origination System
 AI/ML – Artificial Intelligence / Machine Learning

Shareholding

Shareholding Pattern



- Promoters' share holding of 51.64% includes
 - Cholamandalam Financial Holdings Limited – 45.47%,
 - Ambadi Investments Limited – 4.11%
 - Others - 2.04%

Institutional Holders (More than 1%)

Top Domestic Institutional Holding

- Axis Mutual Fund
- HDFC Mutual Fund
- SBI Mutual Fund
- Birla Sun Life Mutual Fund
- DSP Mutual Fund

Top Foreign Institutional Holding

- Capital World
- Vanguard
- Government of Singapore (GIC)
- WhiteOak Capital
- VanEck

Note: As on 23rd Apr 2021

Business Profile and AUM as on 31st Mar 2021

Business AUM
Rs. 69,996Cr

Vehicle Finance
Rs. 50,415Cr

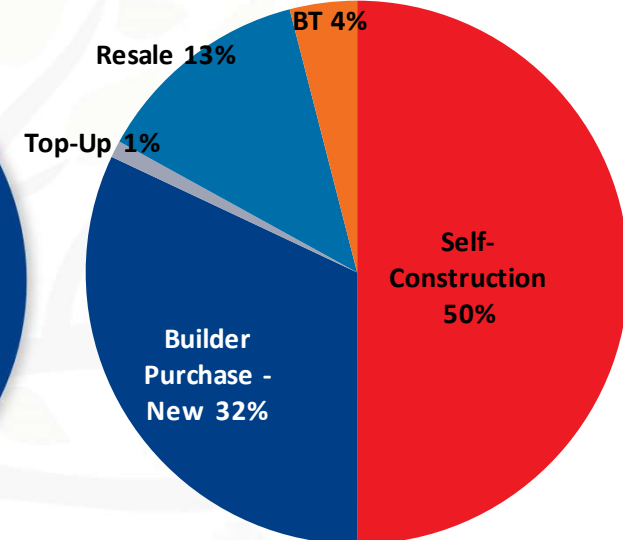
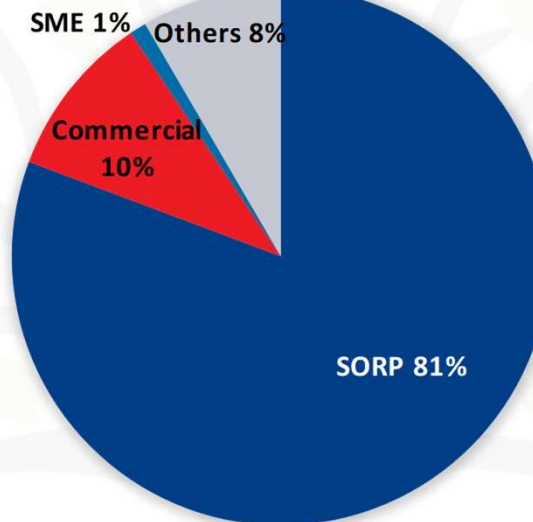
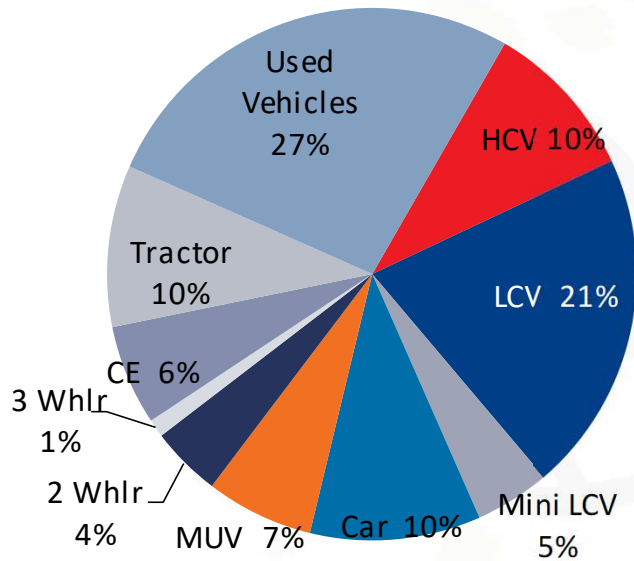
LAP & SME
Rs. 15,236Cr

Home Loan
Rs. 4,345Cr

72%

22%

6%

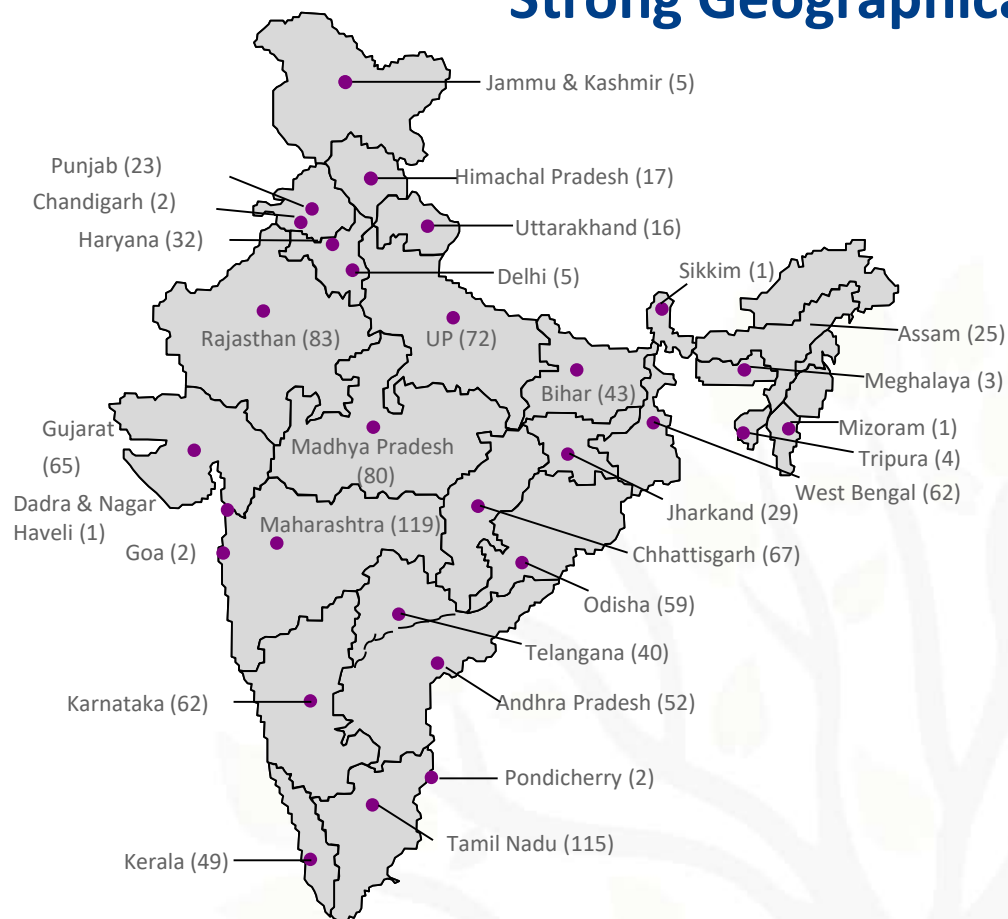


HCV: Heavy Commercial Vehicle
LCV: Light Commercial Vehicle
MUV: Multi Utility Vehicle
3 Whlr: Three Wheeler

2 Whlr: Two Wheeler
CE: Construction Equipment
SME: Small & Medium Enterprise
SORP: Self Occupied Residential Property

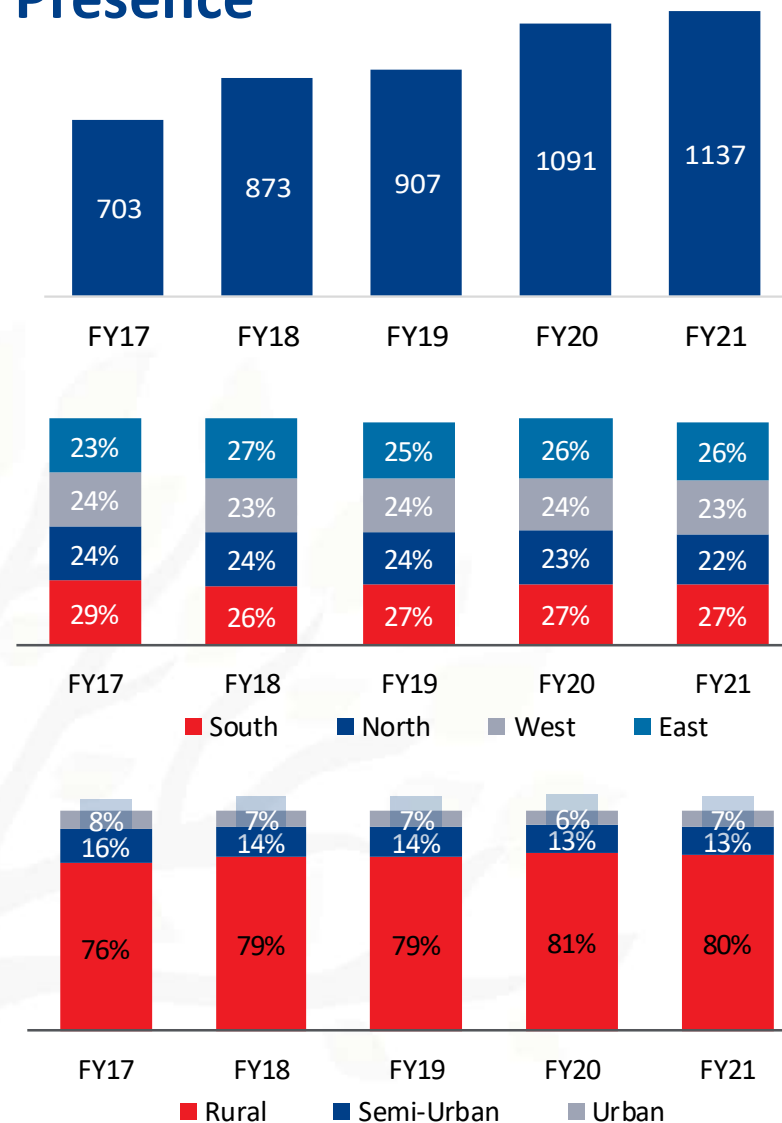
LAP: Loan Against Property
BT – Balance Transfer

Strong Geographical Presence



- **1137 branches** across **29 states/Union territories**: 1093 VF, 243 LAP (236 co-located with VF), 168 HL (136 co-located with VF) & 4 Regional offices in Tamil Nadu
- **80% locations** are in Tier-III, Tier-IV, Tier V and Tier-VI towns

Note: Figures in brackets represents total no. of branches as on 31st Mar 2021.



Financial Performance



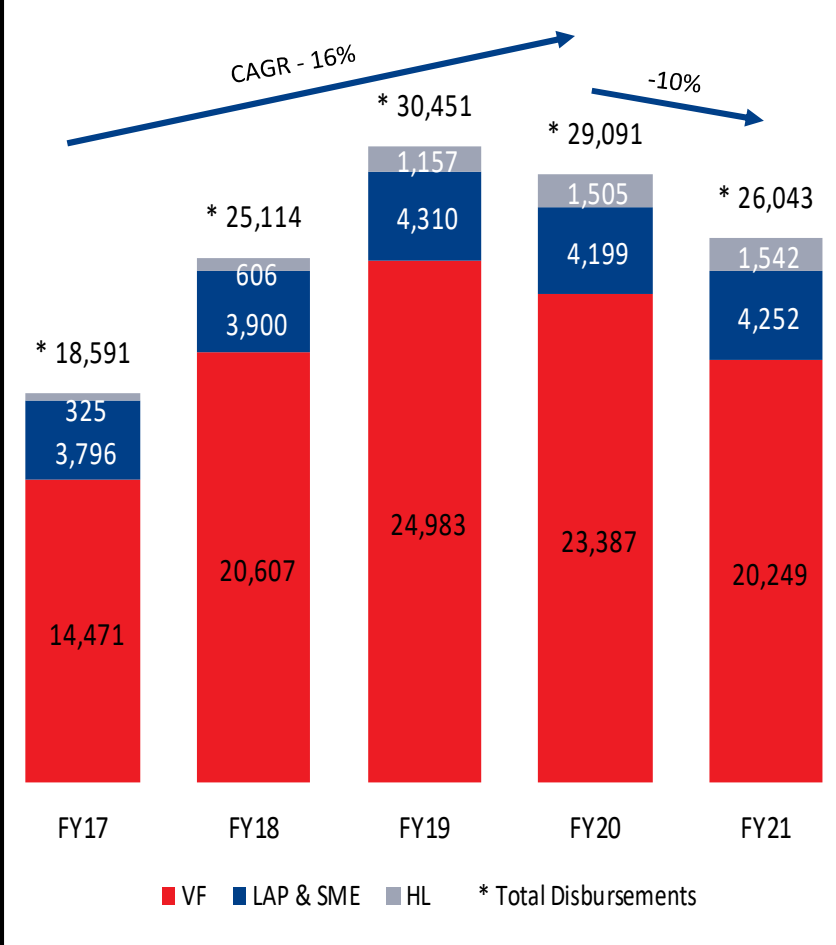
Financial Snapshot —10 Years

Financials Snapshot	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	YoY	CAGR (5 years)	CAGR (10 years)
	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP	INDAS	INDAS	INDAS	INDAS			
Disbursements	8,889	12,118	13,114	12,808	16,380	18,591	25,114	30,451	29,091	26,043	-10%	9%	13%
Assets under management	13,462	18,998	23,253	25,452	29,650	34,167	42,924	54,279	60,549	69,996	16%	20%	20%
Total Income	1,767	2,556	3,263	3,691	4,194	4,660	5,480	6,993	8,653	9,520	10%	20%	21%
Interest expenses	988	1,411	1,771	1,960	2,051	2,231	2,659	3,589	4,592	4,576	0%	20%	19%
Net Income	778	1,145	1,492	1,731	2,143	2,430	2,820	3,404	4,061	4,944	22%	19%	23%
Operating Expenses	437	570	658	749	845	1,013	1,115	1,270	1,578	1,583	0.4%	12%	15%
Operating Profit Before Loan Losses	342	575	834	982	1,298	1,416	1,705	2,134	2,483	3,360	35%	24%	29%
Loan Losses & Provision	18	124	283	325	427	311	304	311	897	1,322	47%	44%	61%
Profit before tax	290	451	550	657	871	1,106	1,401	1,823	1,586	2,038	29%	17%	24%
Profit after tax	173	307	364	435	568	719	918	1,186	1,052	1,515	44%	20%	27%
Ratios													
Net Income to assets (%)	7.2	7.6	7.7	6.9	7.7	7.5	7.5	6.8	6.8	7.2			
Expense to assets (%)	4.1	3.8	3.4	3.0	3.0	3.1	3.0	2.6	2.6	2.3			
Losses and provisions (%)	0.2	0.8	1.5	1.3	1.5	1.0	0.8	0.6	1.5	1.9			
Return on assets (PBT) (%)	2.7	3.0	2.8	2.6	3.1	3.4	3.7	3.7	2.7	3.0			
Networth	*1417	*1965	2295	*3173	3657	4285	5098	6176	*8172	9794			
Tier I	11.0	11.1	10.5	13.0	13.3	13.6	13.2	12.6	15.3	15.1			
CAR (%)	*18.1	*19.0	17.2	*21.2	19.7	18.6	18.4	17.4	*20.68	19.1			
Return on equity (%)	13.9	18.1	17.1	15.8	16.7	18.1	19.6	20.9	15.2	16.9			
Earnings per share (Basic)	2.9	4.6	5.1	6.0	7.5	9.2	11.8	15.2	13.4	18.5			
Dividend	25%	35%	35%	35%	45%	55%	65%	65%	85%	100%			
Market Capitalisation	2453	3883	4125	8423	11140	15072	22667	22624	12535	45824			
GNPA (%)	0.9	1.0	1.9	3.1	3.5	4.7	3.4	2.7	3.8	4.0			
NNPA (%)	0.3	0.2	0.7	2.0	2.1	3.2	2.2	1.7	2.2	2.2			
NPA Recognition	6month	6month	6month	5month	4month	3month	3month	3month	3month	3month			
Branch Network	375	518	574	534	534	703	873	900	1091	1137			

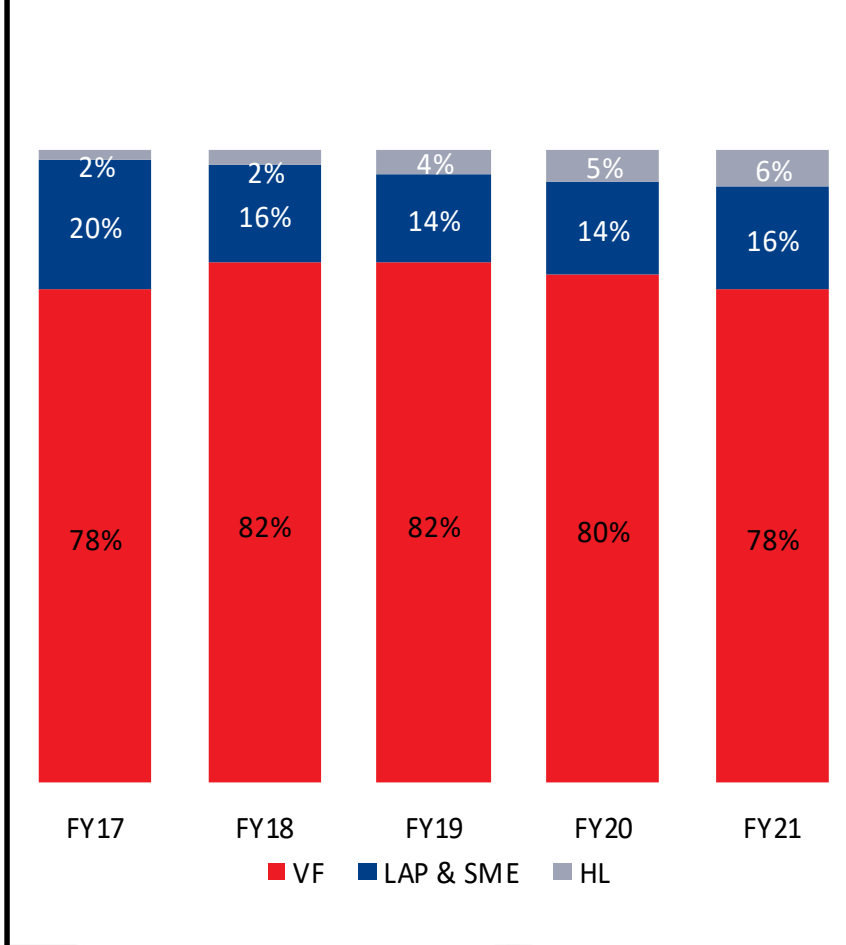
- Capital Infusion
- Loan losses includes an additional provision of Rs.504 Crores and Rs.566 Crores due to COVID & Macro Provision in FY20 and FY21 respectively.

Disbursements

Disbursements (₹Cr)

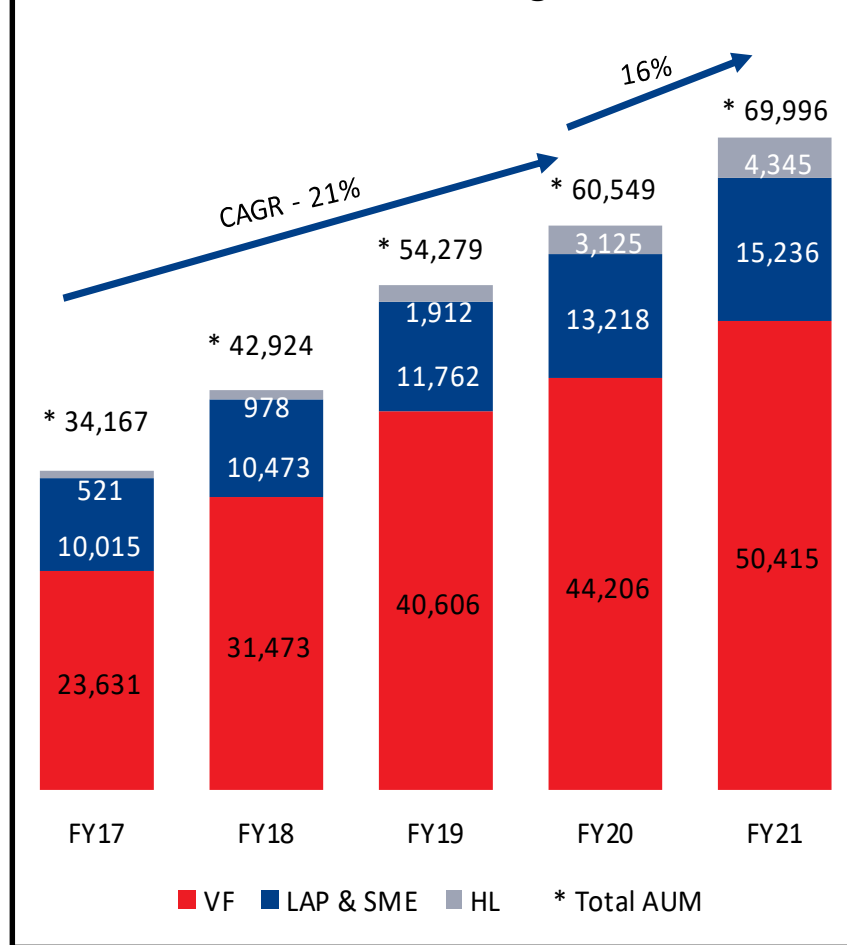


Disbursements (%)

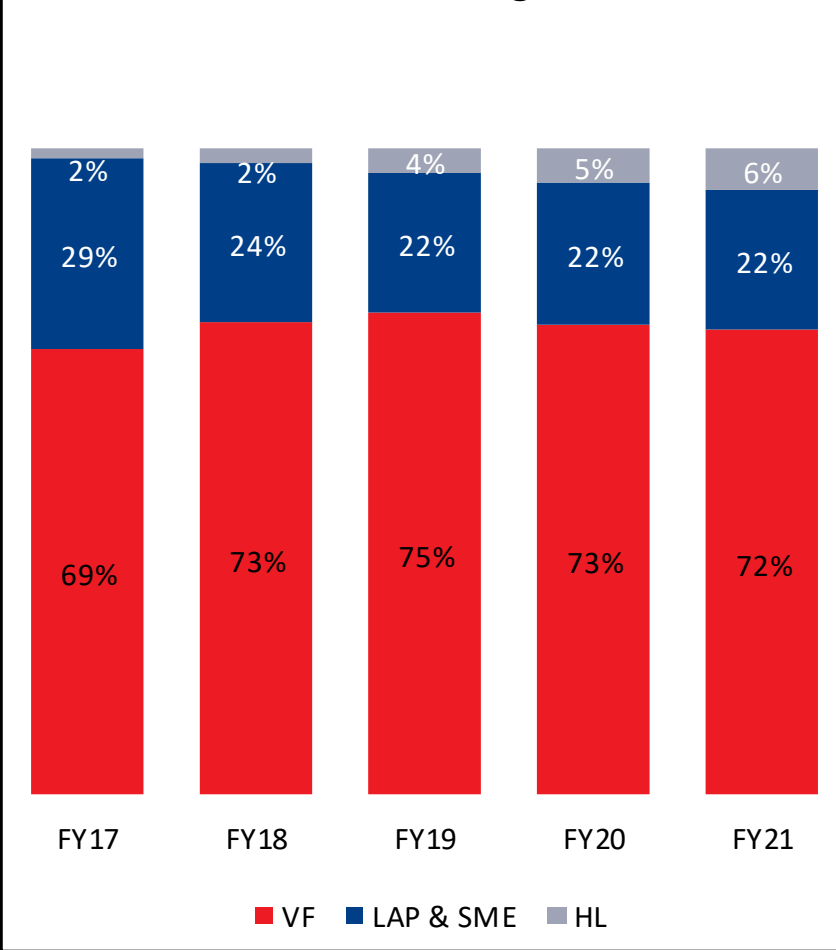


Assets Under Management

Business - Assets under Management (₹Cr)

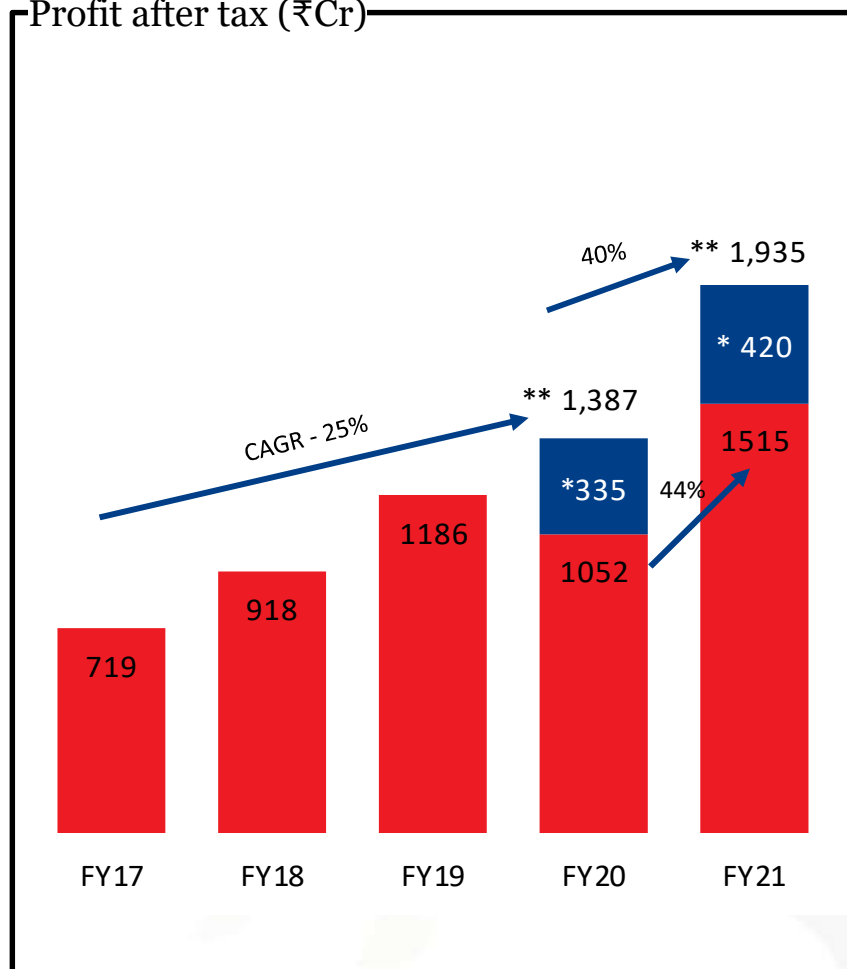


Business - Assets under Management (%)

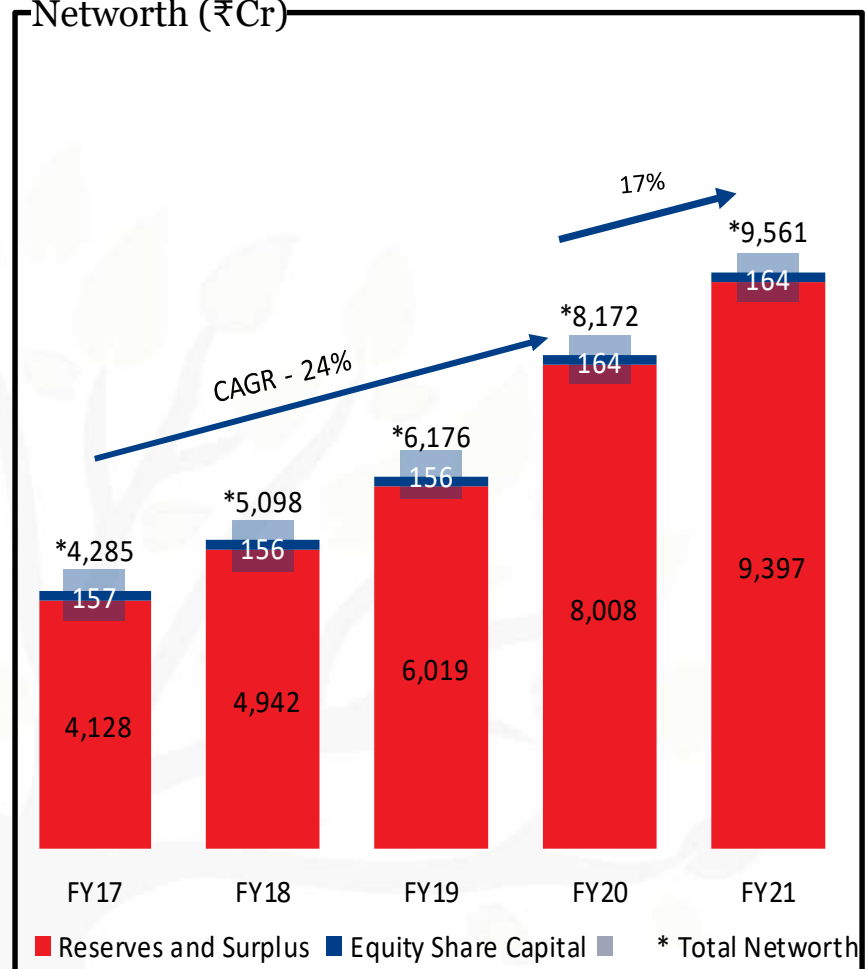


Profitability and Net worth

Profit after tax (₹Cr)

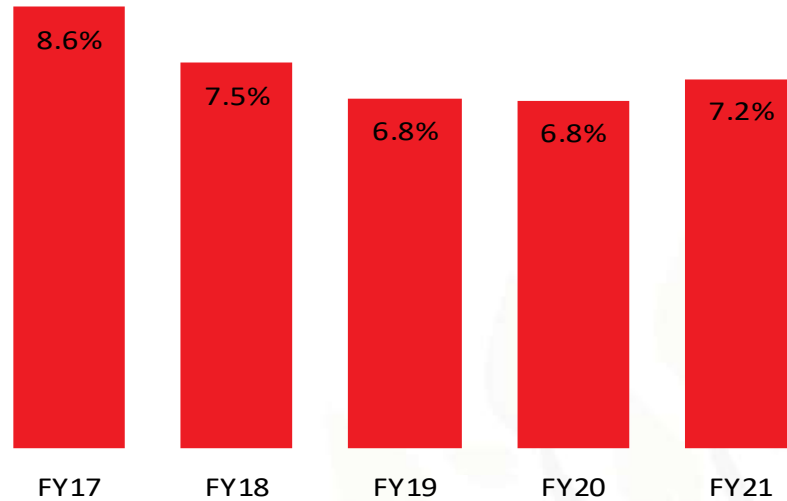


Networth (₹Cr)

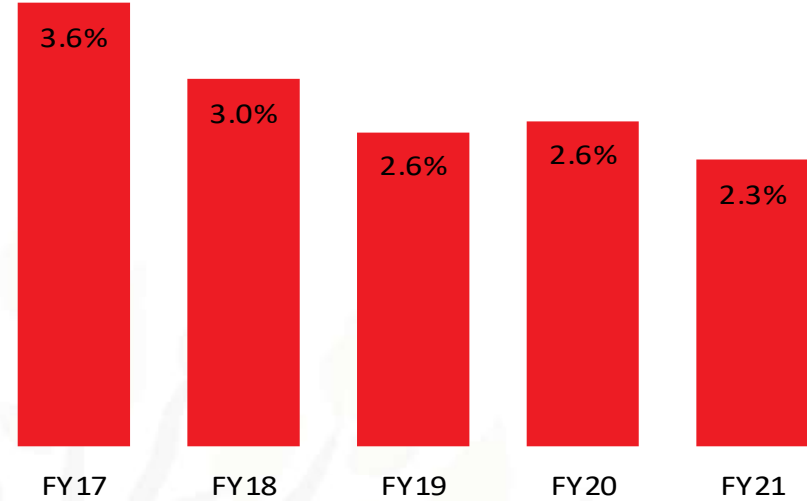


* One time provision for COVID 19 + Macro provision ** PAT adjusted before COVID & Macro provision

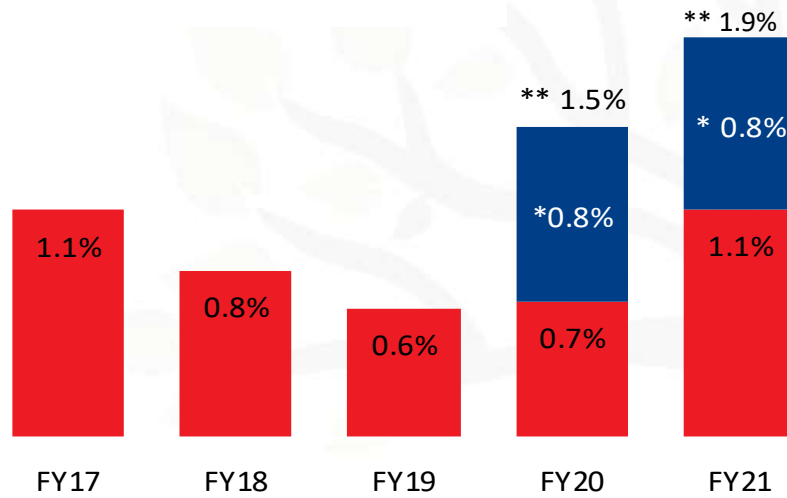
Net Income Margin (%)



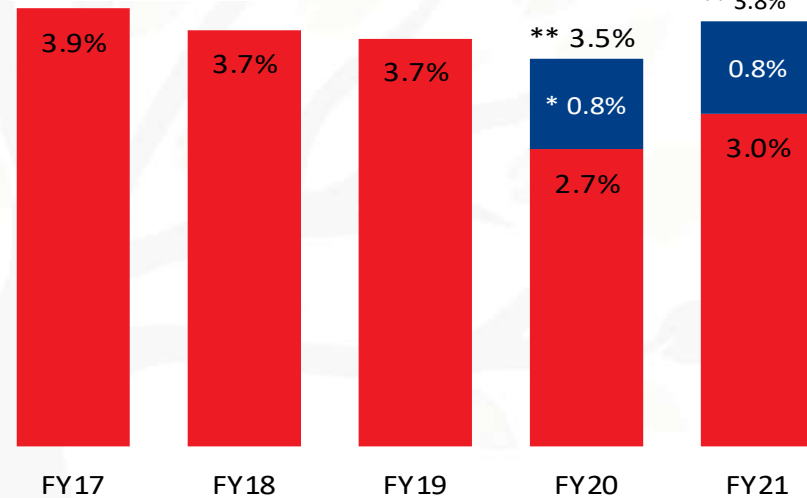
Expenses Ratio (%)



Loan Losses & Provisions (%)

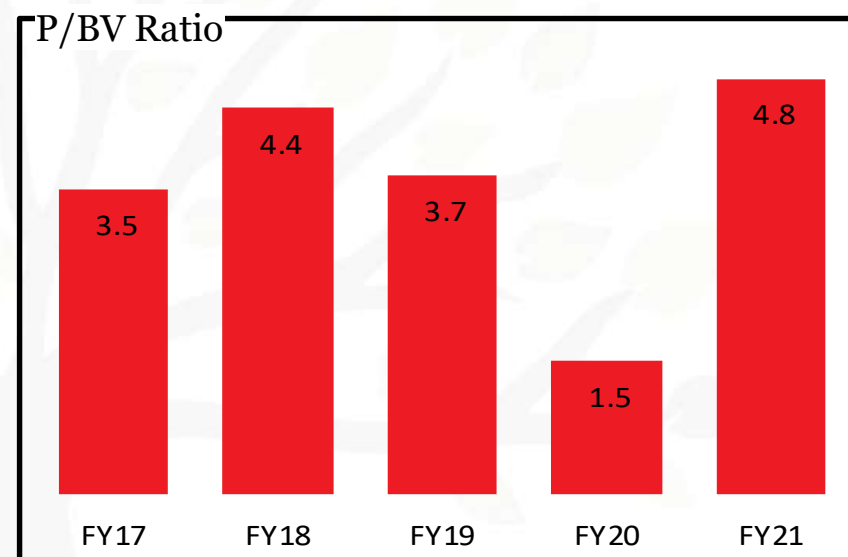
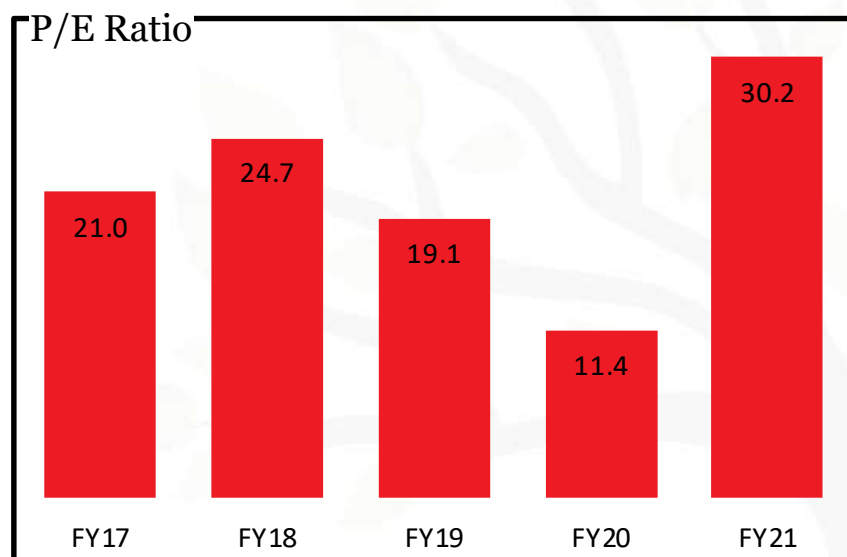
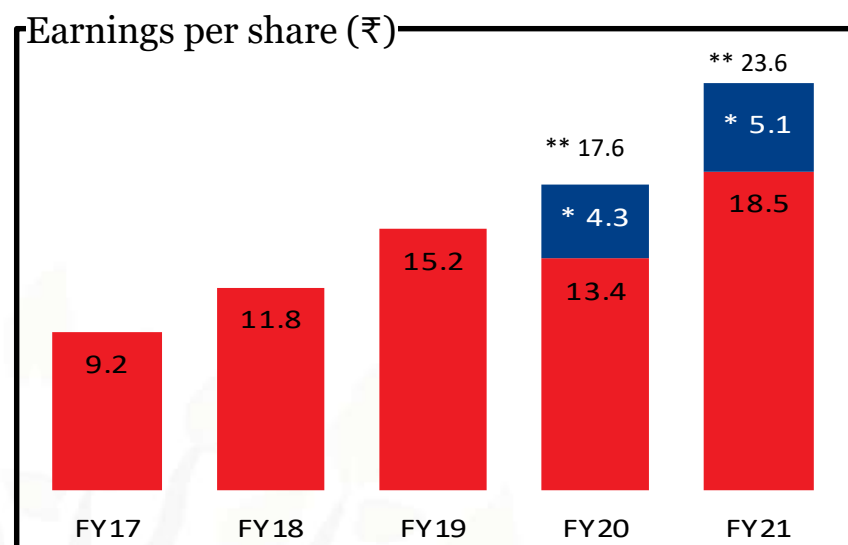
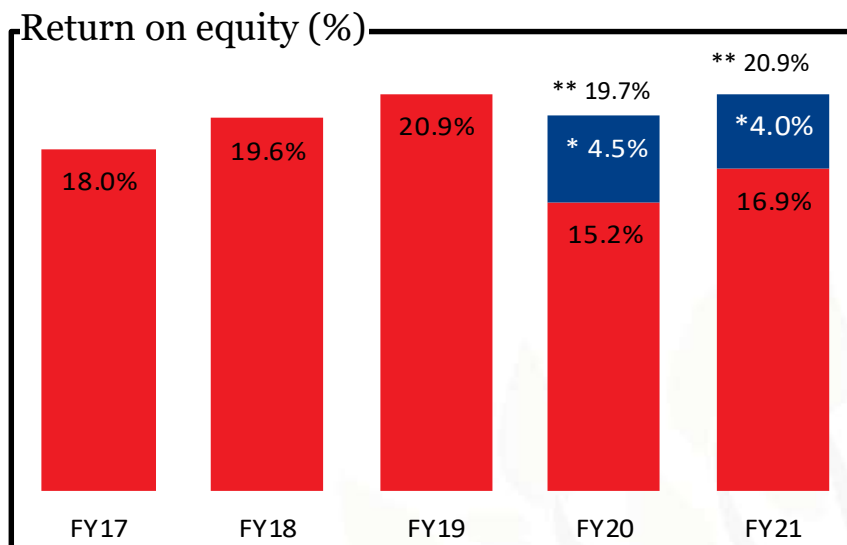


ROA - PBT (%)



* One time provision for COVID 19 + Macro provision ** Overall loan losses and ROTA-PBT before COVID & Macro provision • FY17 – IGAAP

Shareholders' Returns Ratios



* One time provision for COVID 19 + Macro provision ** Overall ROE and EPS before COVID & Macro provision

• FY17 – IGAAP

Profit and Loss Statement (As per IND AS)

₹ Cr

Particulars	Q1FY20	Q1FY21	Q2FY20	Q2FY21	Q3FY20	Q3FY21	Q4FY20	Q4FY21	Growth % Q4-o-Q4	FY20	FY21	Growth % Y-o-Y
Disbursements	8,572	3,589	7,381	6,457	7,475	7,926	5,663	8,071	43%	29,091	26,043	-10%
Closing Assets (Managed)	62,827	70,826	64,409	74,471	65,992	75,813	66,943	76,518	14%	66,943	76,518	14%
Operating Income	2,030	2,114	2,197	2,440	2,275	2,505	2,151	2,461	14%	8,653	9,520	10%
Finance Charges	1,087	1,131	1,177	1,185	1,192	1,140	1,136	1,120	-1%	4,592	4,576	0%
Net Income	943	983	1,020	1,255	1,083	1,364	1,016	1,342	32%	4,061	4,944	22%
Expenses	350	346	402	355	424	369	402	514	28%	1,578	1,583	0%
Net Credit Losses (Normal)	110	40	95	68	136	495	52	153	193%	393	756	92%
One time Provision due to COVID 19	-	16	-	250	-	(50)	504	350	-31%	504	566	12%
PBT	483	581	523	582	522	551	57	324	466%	1,586	2,038	29%
PAT	314	431	307	432	389	409	43	243	470%	1,052	1,515	44%
PBT ^	483	597	523	832	522	501	562	675	20%	2,090	2,604	25%
PAT ^	314	443	307	617	389	372	418	506	21%	1,387	1,935	40%
Asset Ratios												
Income	14.5%	13.2%	14.4%	14.1%	14.6%	14.3%	14.3%	14.0%		14.5%	13.9%	
Cost of Funds	7.7%	7.1%	7.7%	6.9%	7.7%	6.5%	7.5%	6.3%		7.7%	6.7%	
Net Income Margin	6.7%	6.1%	6.7%	7.3%	7.0%	7.8%	6.7%	7.6%		6.8%	7.2%	
Expense	2.5%	2.2%	2.6%	2.1%	2.7%	2.1%	2.7%	2.9%		2.6%	2.3%	
Losses & Provisions (Normal)	0.8%	0.2%	0.6%	0.4%	0.9%	2.8%	0.3%	0.9%		0.7%	1.1%	
Losses & Provisions (COVID)	-	0.1%	-	1.4%	-	-0.3%	3.3%	2.0%		0.8%	0.8%	
ROA-PBT	3.4%	3.6%	3.4%	3.4%	3.4%	3.1%	0.4%	1.8%		2.7%	3.0%	
ROA-PAT	2.2%	2.7%	2.0%	2.5%	2.5%	2.3%	0.3%	1.4%		1.8%	2.2%	
ROA-PBT ^	3.3%	3.7%	3.4%	4.9%	3.4%	2.8%	3.7%	3.8%		3.5%	3.8%	
ROA-PAT ^	2.2%	2.8%	2.0%	3.6%	2.5%	2.1%	2.7%	2.8%		2.3%	2.8%	
Gross - Stage 3	1,671	1,996	1,803	1,756	2,024	1,703	2,163	2,705		2,163	2,705	
ECL Provisions - Stage 3	604	831	621	749	667	765	898	1,197		898	1,197	
Coverage Ratio - Stage 3	36.2%	41.6%	34.4%	42.6%	33.0%	44.9%	41.5%	44.3%		41.5%	44.3%	

Note: ^ Before considering COVID and Macro Provision of Rs.504 Cr and Rs.566 Cr in FY20 and FY21 respectively.

Balance Sheet (As per IND AS)

₹ Cr

Particulars	Mar-19	Mar-20	Mar-21
ASSETS			
Financial Assets	56,637	63,021	73,365
Cash and Bank balance	3,675	6,959	5,232
Derivative financial instruments	89	114	46
Receivables	43	59	66
Loans	52,622	55,403	65,839
Investments	73	73	1,619
Other Financial Assets	135	413	563
Non- Financial Assets	789	981	1,183
Current tax assets (Net)	146	152	146
Deferred tax assets (Net)	453	521	764
Property, Plant and Equipment	143	256	203
Intangible assets	33	28	26
Other Non-Financial Assets	14	25	44
TOTAL	57,426	64,002	74,548
EQUITY AND LIABILITIES			
Financial Liabilities	51,123	55,693	64,791
Derivative financial instruments	8	-	127
Trade Payables - Others	207	202	236
Other Payables - Others	129	99	205
Borrowings	50,567	55,005	63,730
Other Financial Liabilities	212	386	492
Non-Financial Liabilities	127	137	198
Shareholder's fund	6,176	*8172	9,560
TOTAL	57,426	64,002	74,548

* Equity Infusion of Rs.1,200 Cr (QIP + Preferential allotment)

Stagewise Assets & Provision Summary

₹ Cr

Particulars	Mar-19 Normal INR Cr	Mar-20 Normal INR Cr	Mar-20 Covid INR Cr	Mar-20 Total INR Cr	Mar-21 Normal INR Cr	Mar-21 Covid INR Cr	Mar-21 Total INR Cr	Mar-19 Normal % to GA	Mar-20 Normal % to GA	Mar-20 Covid % to GA	Mar-20 Total % to GA	Mar-21 Normal % to GA	Mar-21 Covid % to GA	Mar-21 Total % to GA
Gross Assets	53,553	56,926		56,926	68,284		68,284	100.0%	100.0%		100.0%	100.0%		100.0%
Stage 1	50,038	52,742		52,742	61,348		61,348	93.44%	92.65%		92.65%	89.84%		89.84%
Stage 2	2,077	2,021		2,021	4,231		4,231	3.88%	3.55%		3.55%	6.20%		6.20%
Stage 3	1,439	2,163		2,163	2,705		2,705	2.69%	3.80%		3.80%	3.96%		3.96%
Provision	931	988	534	1,523	1,344	1,100	2,444	1.74%	1.74%	0.94%	2.68%	1.97%	1.61%	3.58%
Stage 1	187	150	241	391	167	371	537	0.37%	0.28%	0.46%	0.74%	0.27%	0.60%	0.88%
Stage 2	197	165	68	233	413	297	710	9.50%	8.19%	3.36%	11.55%	9.76%	7.01%	16.77%
Stage 3	546	673	225	898	765	433	1,197	37.98%	31.12%	10.40%	41.52%	28.27%	16.00%	44.27%
Net Assets	52,622	55,937		55,403	66,940		65,839	98.26%	98.26%		97.32%	98.03%		96.42%
Stage 1	49,851	52,592		52,351	61,181		60,810	93.09%	92.39%		91.96%	89.60%		89.06%
Stage 2	1,879	1,855		1,787	3,818		3,521	3.51%	3.26%		3.14%	5.59%		5.16%
Stage 3	892	1,490		1,265	1,940		1,508	1.67%	2.62%		2.22%	2.84%		2.21%

Note: For ECL purposes under INDAS, we have classified one-time restructuring cases in Stage 2 as a matter of prudence in Mar'21, even if there had been no overdues and it amounts to Rs.1,017 Cr & 1.5% of the book. These assets were classified in Stage 1 in Dec 20.

Business Overview

Vehicle Finance



Vehicle Finance: FY21 Performance

Disbursements

- Disbursements has declined by 13% in FY21 as compared to FY20.

Assets under management

- Assets have grown by 14% as compared to FY20.

Loss and provisions

- Loan losses is at 1.4% towards model provisions and additional 0.9% has been created towards management overlay

Profit before tax

- PBT has grown 36% and 29% before and after considering COVID provision respectively as compared to FY20.

Sector outlook – Vehicle Finance business (1/1)

Sector Outlook

- The Tractor industry witnessed a growth of 27% Y-o-Y due to healthy cash flows in the back of normal monsoon in FY'2021. The sales momentum in the tractor is expected to continue in FY'2022 unless there is a higher impact of the pandemic in rural areas.
- The Light commercial vehicle segment recovered in Q4 FY'2021 with a 49% Q-o-Q growth, however demand is bound to be lower than expected in Q1 FY'2022 on account of the pandemic leading to lower private consumption and reduced freight demand. The likely bounce back is expected in Q2 FY'2022.
- The Small commercial vehicle segment recovered in Q4 FY'2021 with a 28% Q-o-Q growth. The impact on account of the pandemic will be minimal in this segment due to its nature of deployment in last mile connectivity.
- The Heavy commercial vehicle segment recovered in Q4 FY'2021 with a 48% Q-o-Q growth. The segment will benefit from any pickup in economic activity and infra spends by the government in the backdrop of the pandemic which is expected to last upto early parts of Q2 FY'2022.

Chola's Position

- More than 80% of our branches are present in the rural areas, towns and semi urban areas which gives us a clear advantage to capitalize on the rural demand along with a clear watch on portfolio performance given the pandemic.
- Any uptick in demand for Light commercial vehicle will help us garner increased market share due to our presence in rural areas with a balanced collection approach.
- Any improvement in demand for Small commercial vehicles will help us maintain market share coupled with a cautious approach to funding based on vehicle viability and earning capacity due to restricted vehicle movement on account of lockdowns.
- Our exposure in this segment is around 10% at a portfolio level. We are closely monitoring this segment for further improvement in market conditions and fleet owner sentiments.

Sector outlook – Vehicle Finance business (1/2)

Sector Outlook

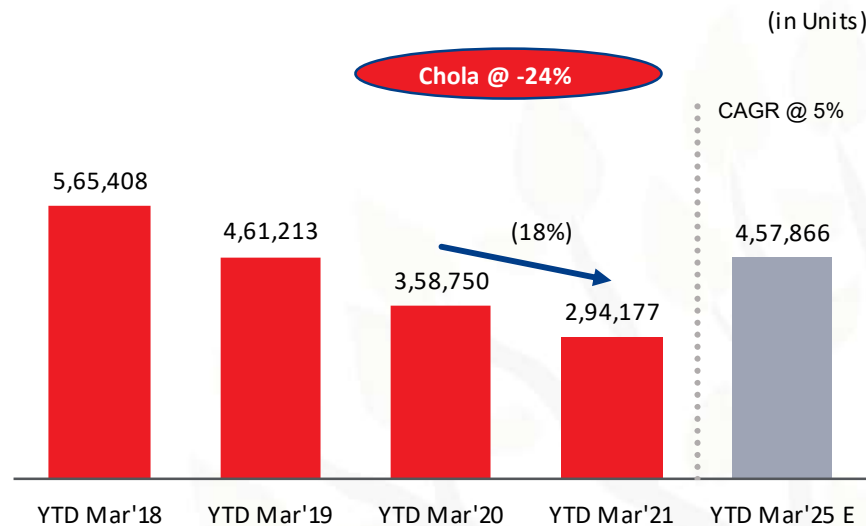
- The Passenger vehicle (Car & MUV) segment was poised for an impressive growth of 22% to 25% in FY'2022, after a 2% de-growth in FY'2021. However, the second wave of the pandemic is casting a spell of subdued demand in the first two quarters of FY'2022 considering reduced discretionary spends by individuals.
- The Two-wheeler industry expected to post double digit growth in FY'2022 on a severely contracted base with 13% de-growth in FY'2021. The demand in Q1 FY'2022 will be highly impacted due to the lockdown restrictions posed by the various state governments.
- Used vehicle business is likely to be least impacted in FY'2022 except for Q1 due to lockdown restrictions. Factors favouring this segment are lower market prices of used vehicles and extended time gap in regularization of the new vehicles supply chain on account of the pandemic.

Chola's Position

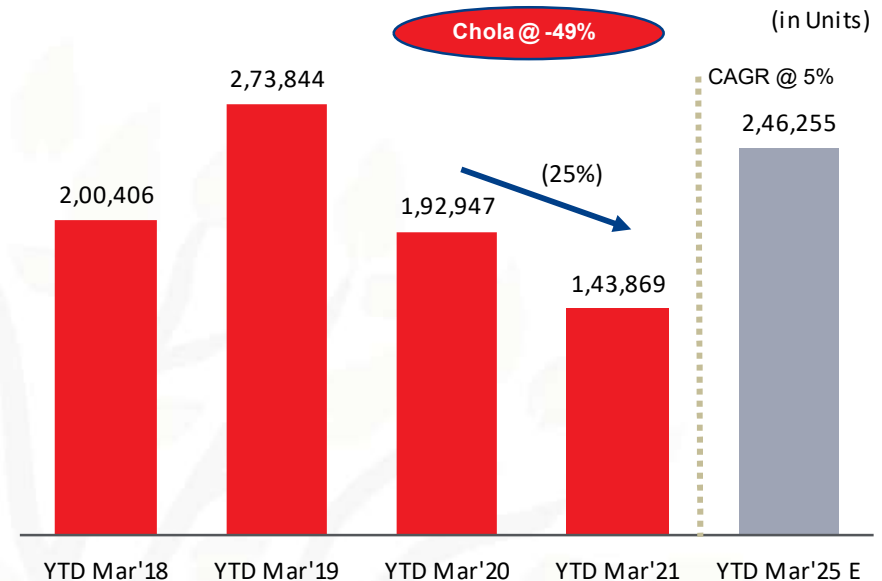
- Our focus is predominantly on retail customers mainly in smaller towns and rural market. Our exposure to tour operators is minimal. We will continue to focus on this segment as and when the market recovers.
- The company intends to maintain its focus on two-wheeler funding with a clear eye for credit underwriting to maintain portfolio performance. We have created a robust collection mechanism to overcome any pressure due to the second wave of COVID 19.
- We are one of the largest players in the used vehicle financing business with a disbursement mix of almost 27% in this space. We will continue to maintain a vigilant approach in this segment with a razor-sharp focus on collections.

Auto Industry Outlook

Trend in Domestic LCV Sales



Trend in Domestic SCV Sales

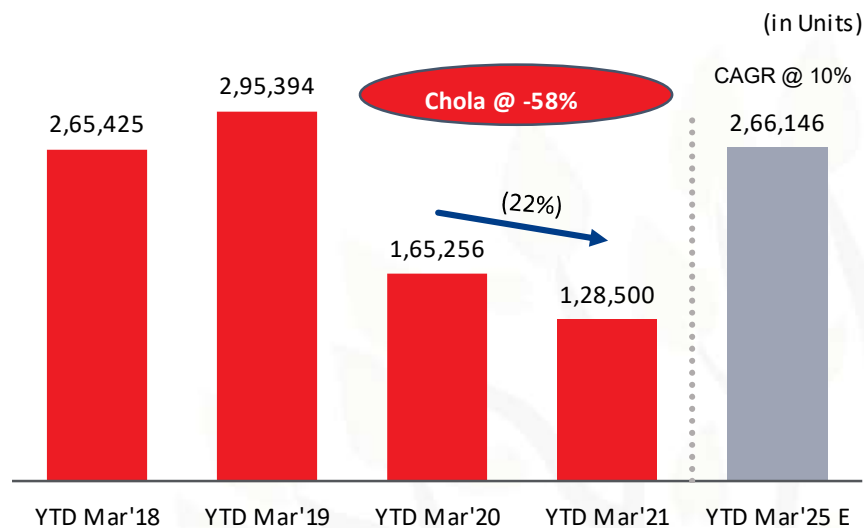


- Stronger demand from Consumption-driven sectors and E-commerce focused logistic companies will aid growth in the long term post COVID recovery.
- Demand for Pickups will increase in long term due to higher flexibility in usage over sub one tonne vehicles.

Source: FY 18 to FY 21 numbers are from SIAM

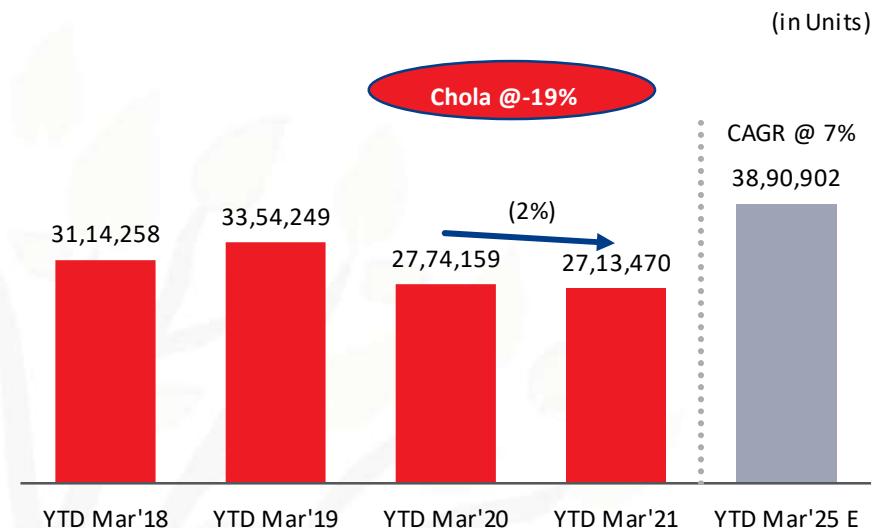
Auto Industry Outlook

Trend in Domestic HCV Sales



- Improved industrial activity, steady agricultural output, and the government's focus on infrastructure will aid growth in the long-term considering a lower base currently.
- Bus sales to be aided by the growth in urban population and demand from schools post the pandemic.
- Pick up in construction and mining activities over the long term would drive demand.
- Improvement in road infrastructure will lead to increased demand for higher tonnage vehicles.

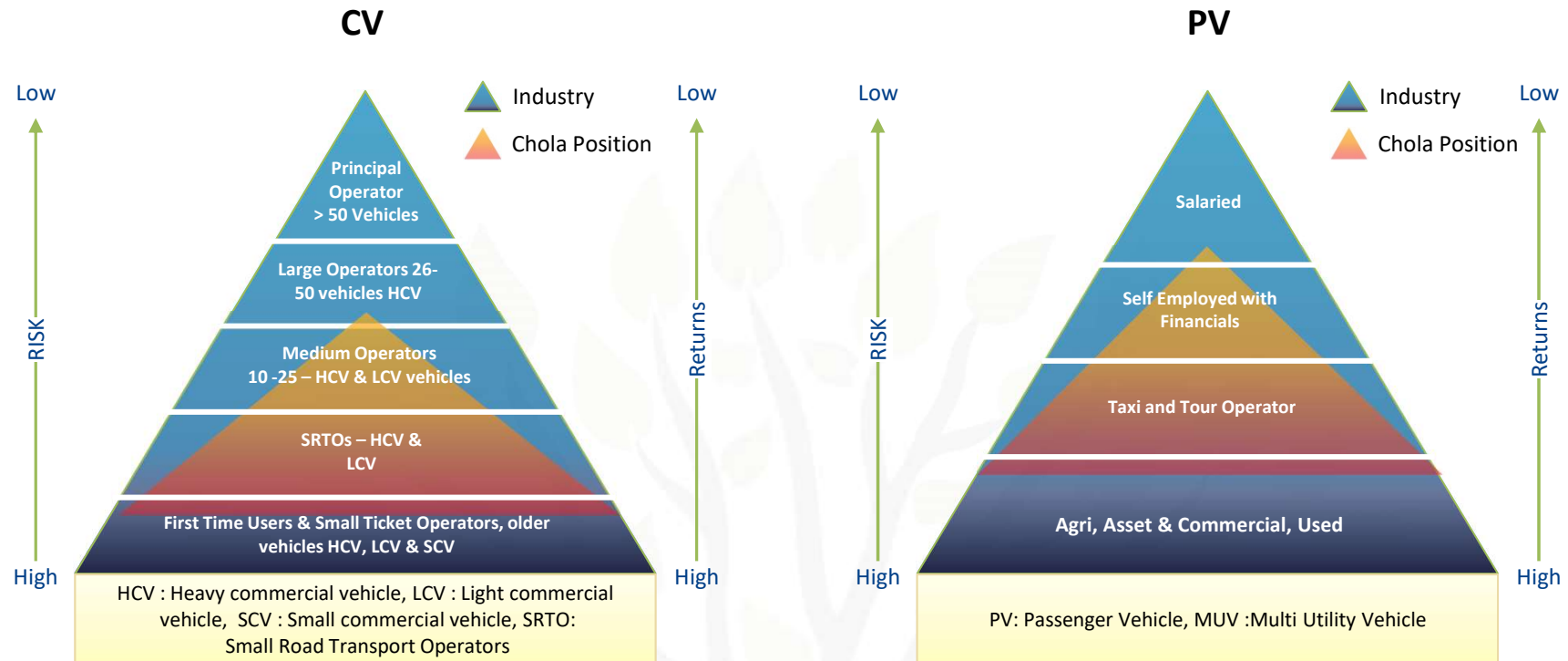
Trend in Domestic Car & MUV Sales



- Higher Income, lower penetration and lower cost of capital to boost long term demand.
- Improved vehicle penetration from 23 vehicles per 1000 to upto 28 vehicles per 1000 population over the next 5 years.
- Government support in higher farm incomes will bolster rural demand for passenger vehicles in the coming years.

Source: FY 18 to FY 21 numbers are from SIAM

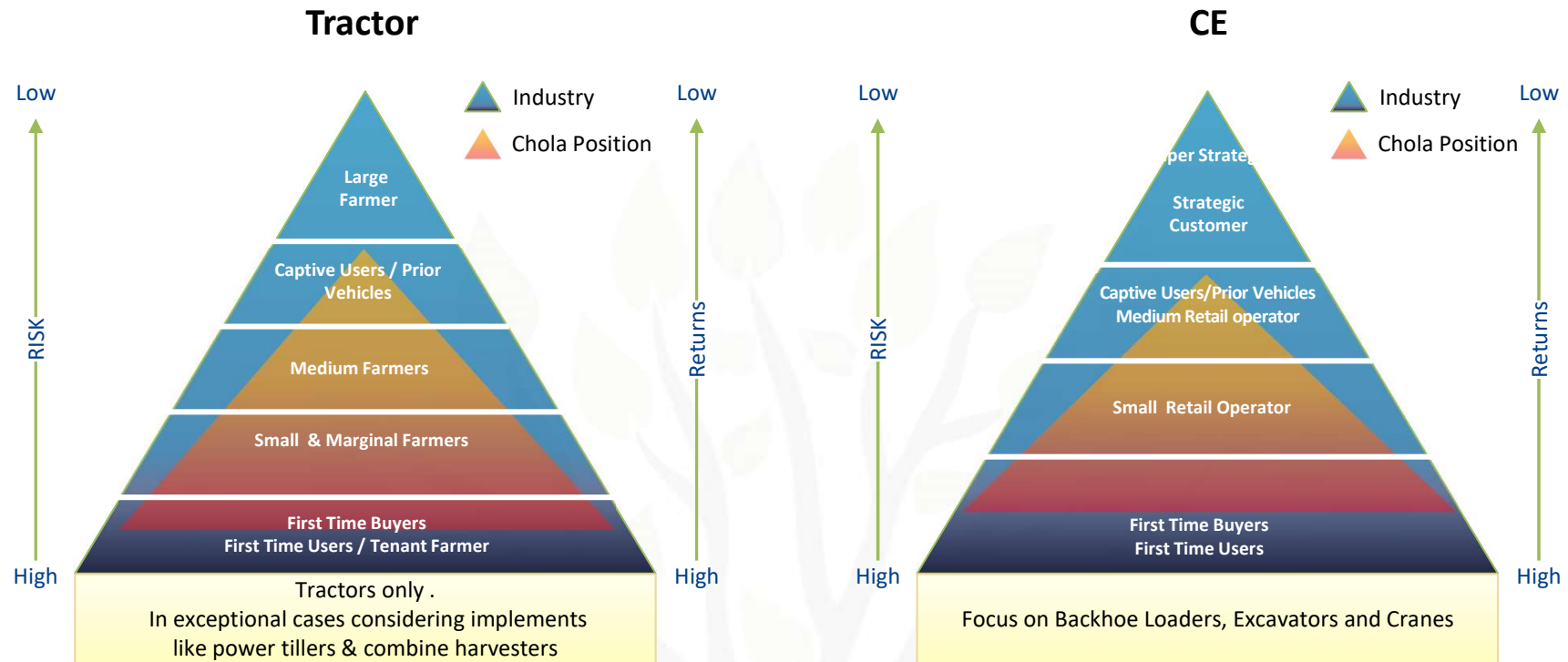
Vehicle Finance—Business Model & Positioning



- ~65% of disbursements are to micro & small enterprises and agri-based customer segment
- Chola positioning-
 - Middle of the pyramid through New CVs, Used CVs
 - Top of the Bottom of the pyramid through SCV & older CVs Shubh

- ~ 66% of disbursements are to Chola Existing, Agri & Commercial usage customers
- ~ 34% disbursements are to Self Employed with financials
- Chola positioning-
 - Middle of the pyramid is into Agri, Asset & Commercial

Vehicle Finance—Business Model & Positioning



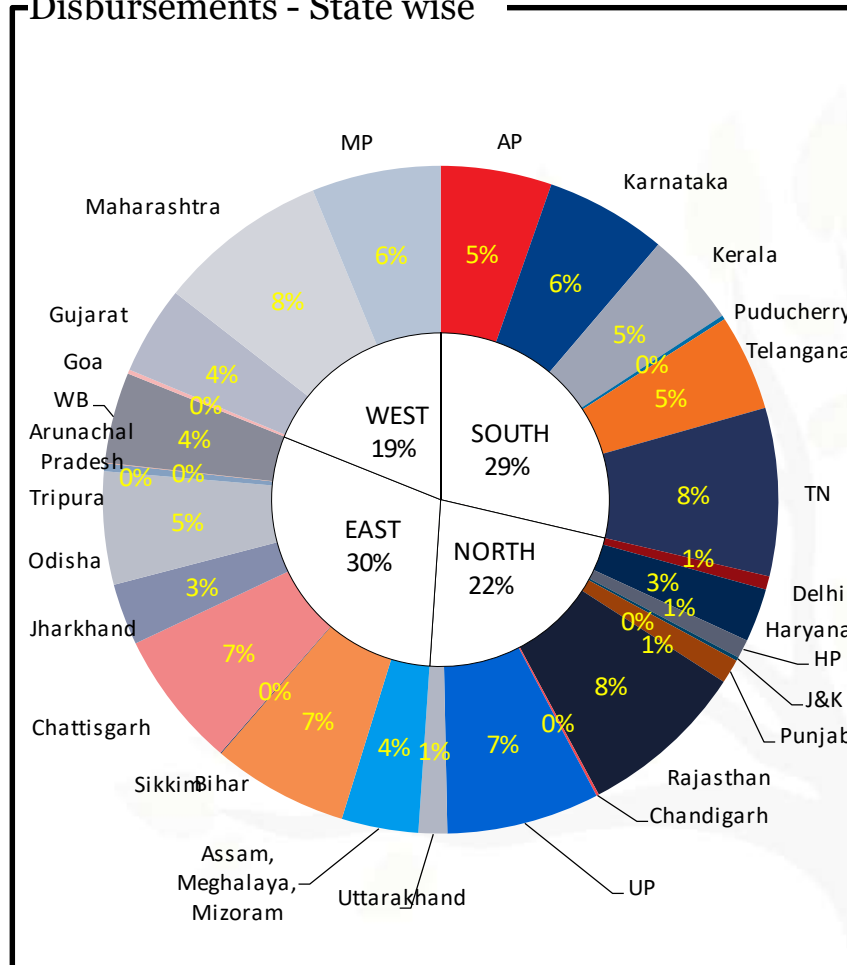
- ~65% of disbursements are to agri -based customer segment
- Application -
 - Agri usage
 - Commercial usage
 - Agri and Commercial usage
- New & Used

- ~ 69% of disbursements are to retail customer segment
- Application –
 - Captive
 - Hiring
- New & Used

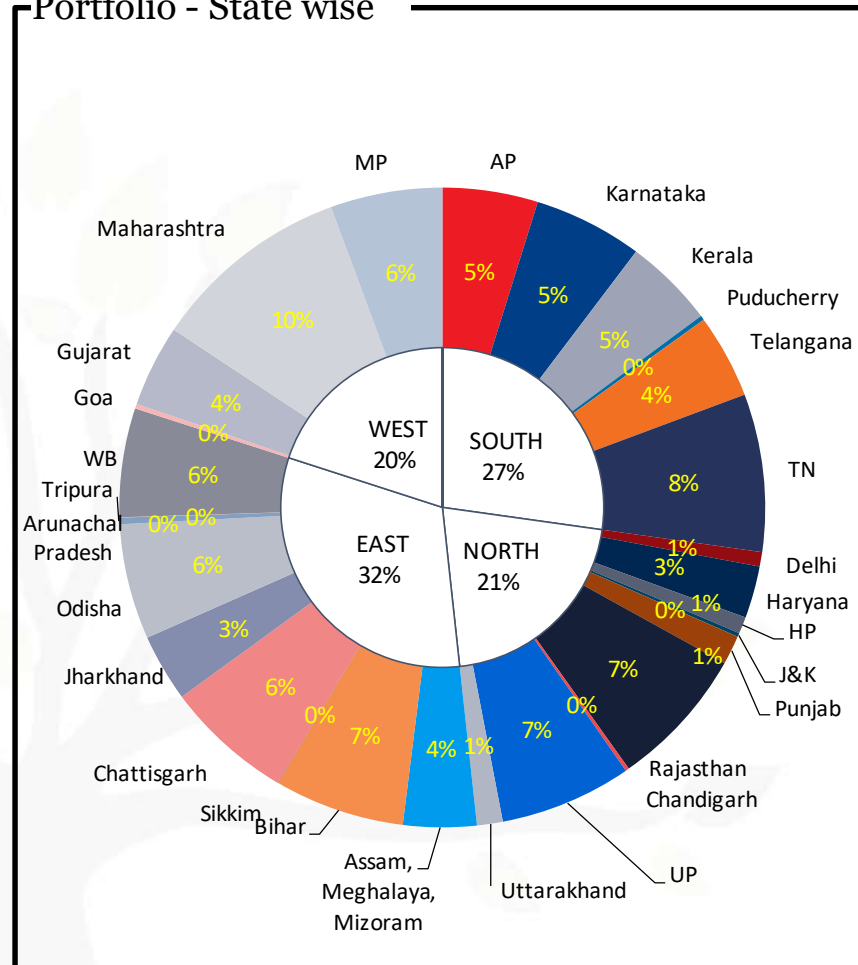
Vehicle Finance - Disbursement/Portfolio Mix – FY21

Well diversified across geography

Disbursements - State wise



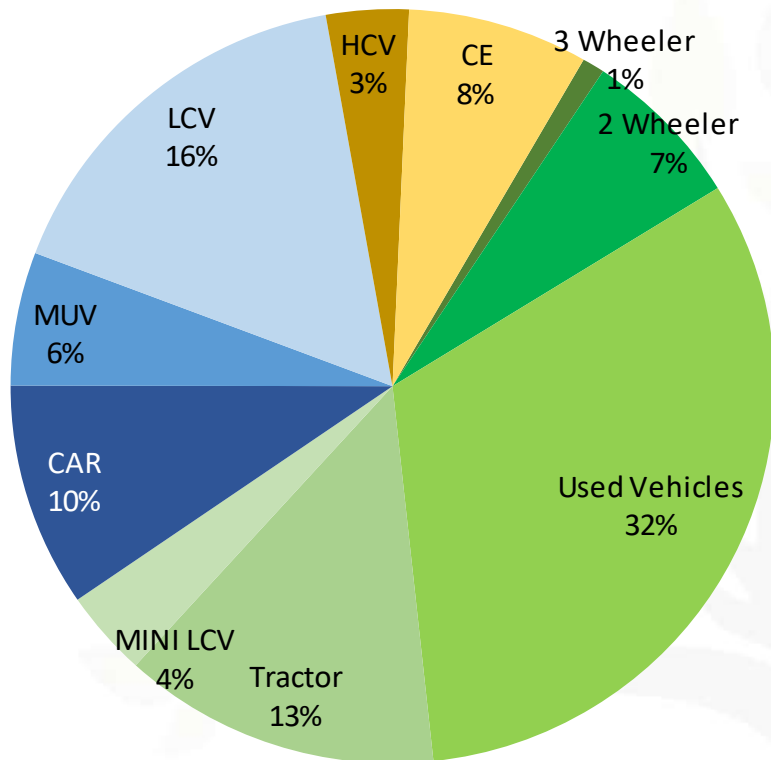
Portfolio - State wise



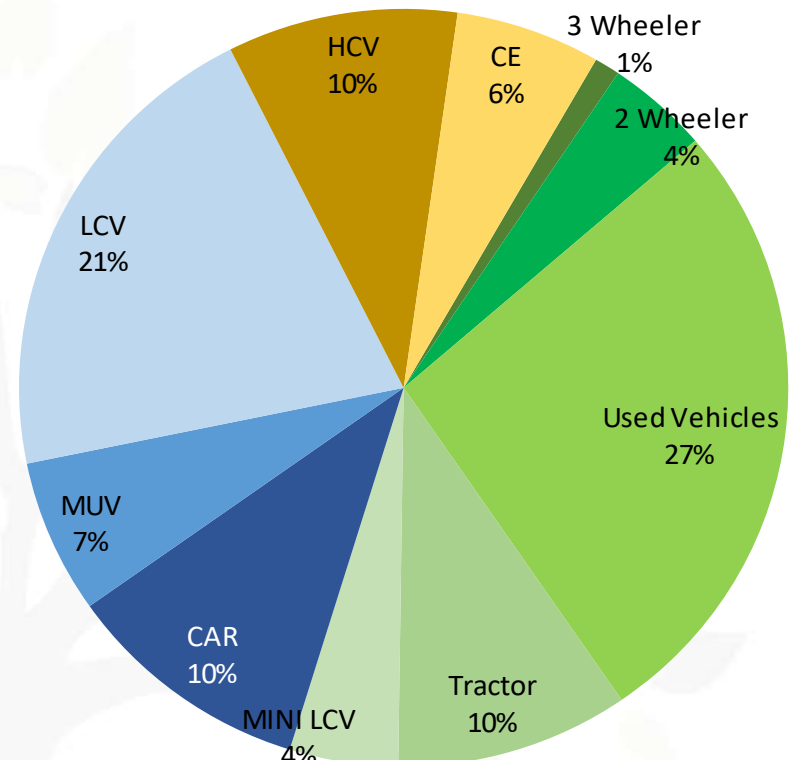
Vehicle Finance - Disbursement/Portfolio Mix – FY21

Well diversified product segments

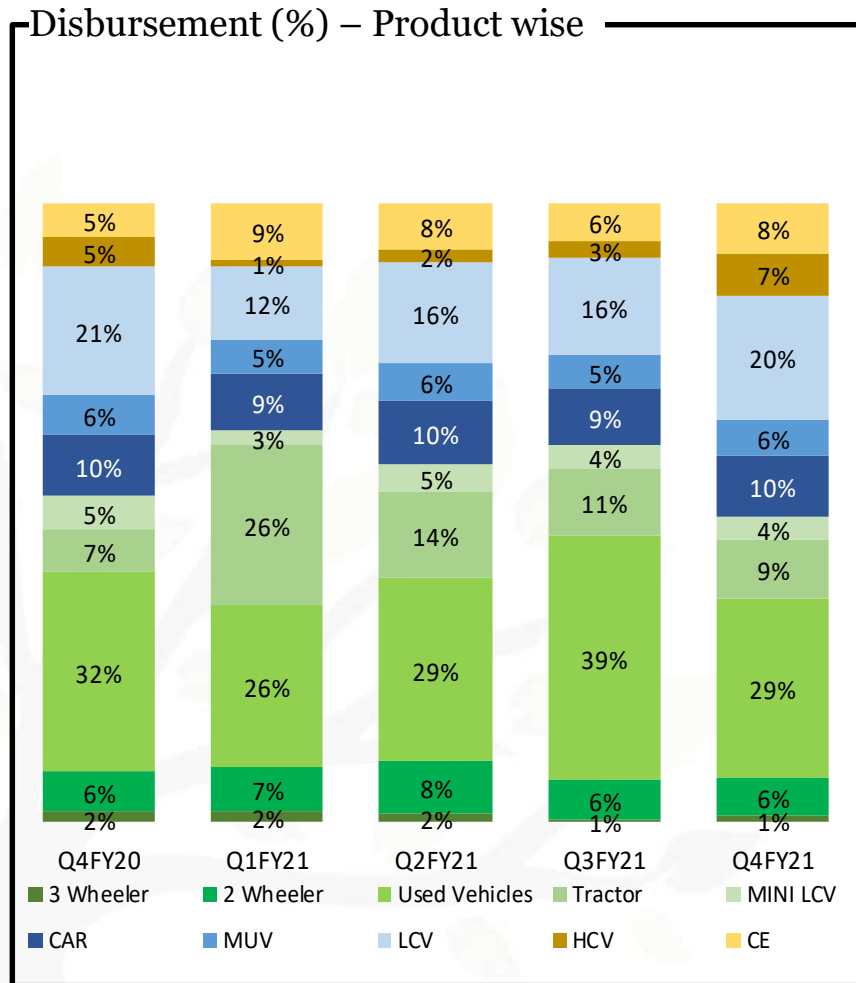
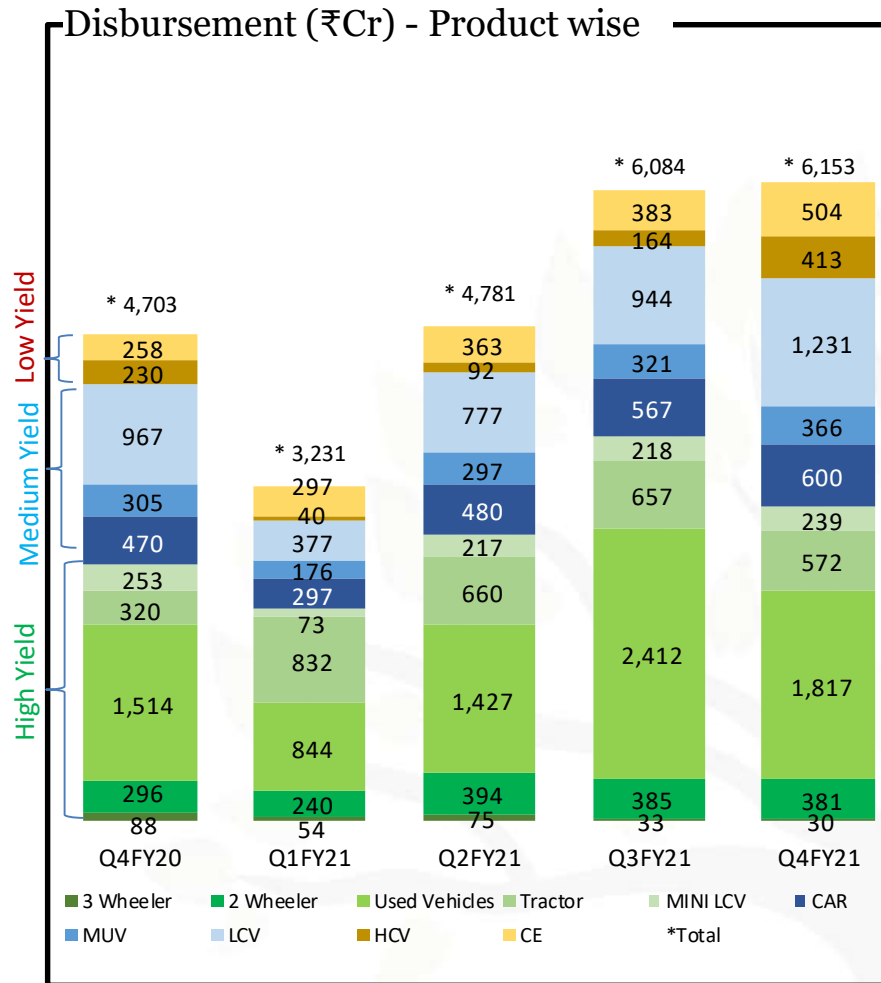
Disbursements (₹Cr) - Product wise



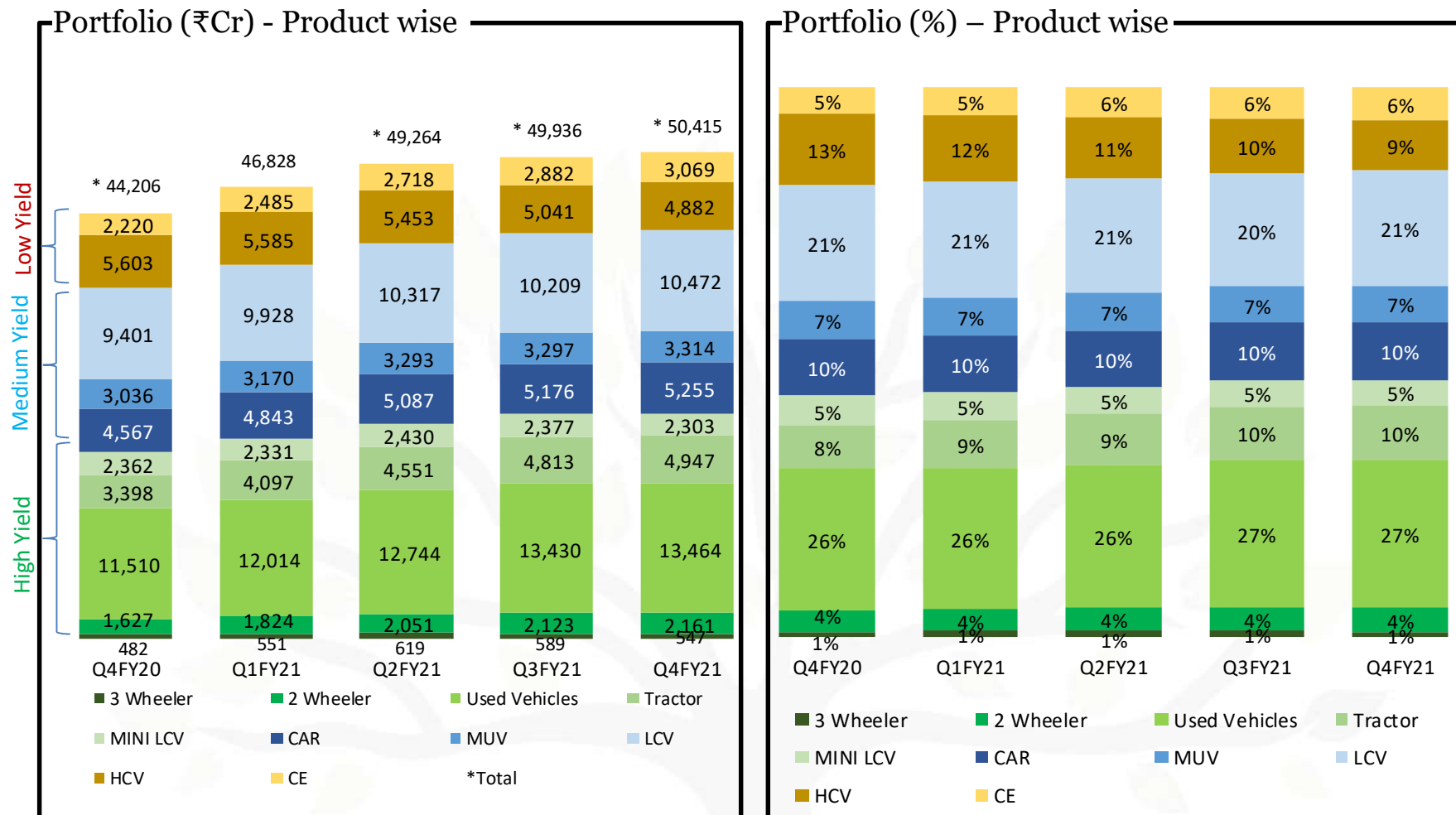
Portfolio (₹Cr) - Product wise



Vehicle Finance - Disbursement Mix – Quarter-wise

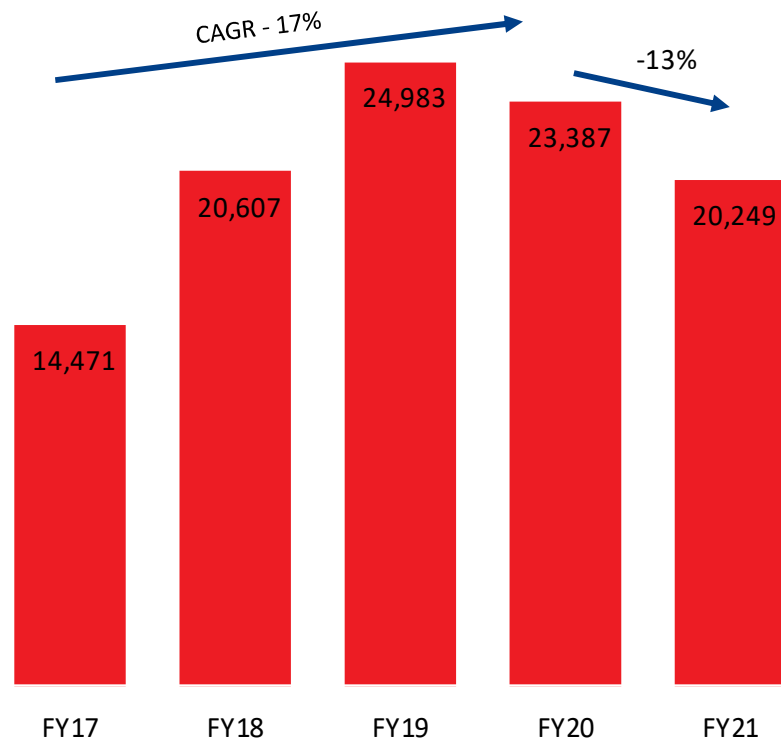


Vehicle Finance - Portfolio Mix – Quarter-wise

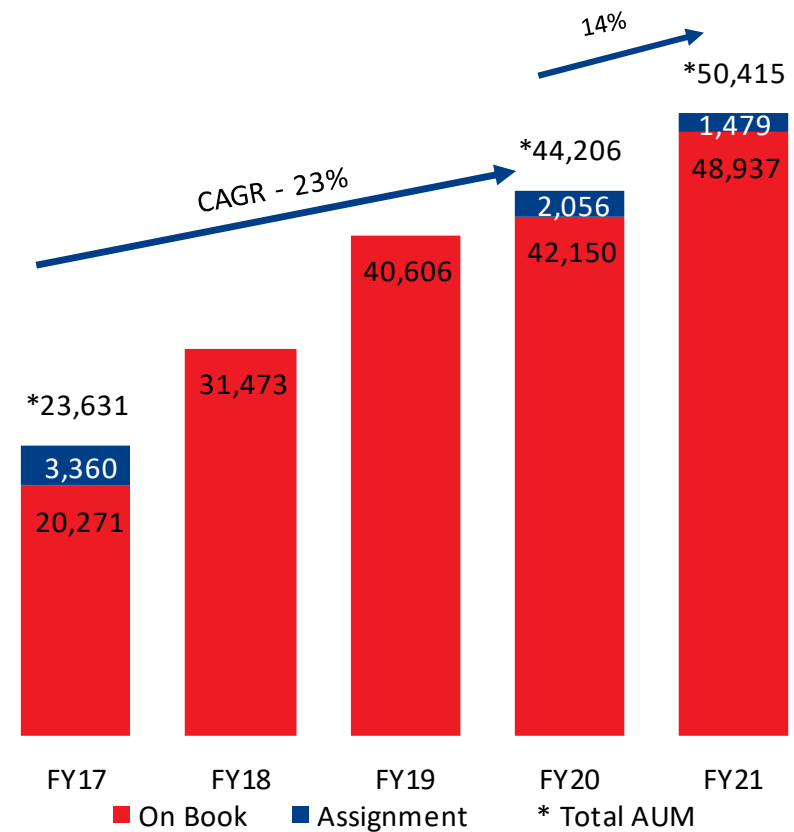


Vehicle Finance - Disbursements and Asset Under Management

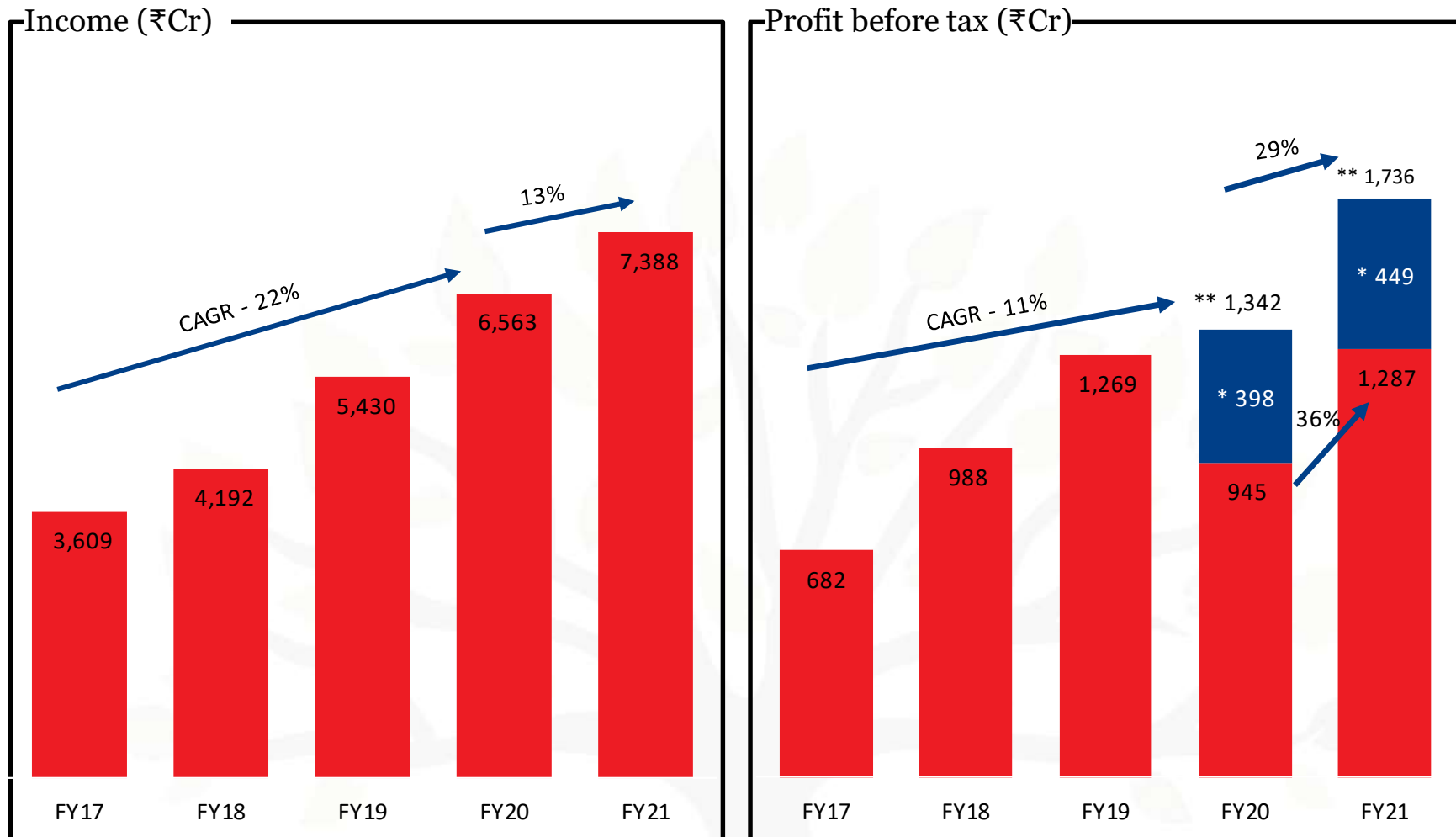
Disbursements (₹Cr)



Assets under management (₹Cr)



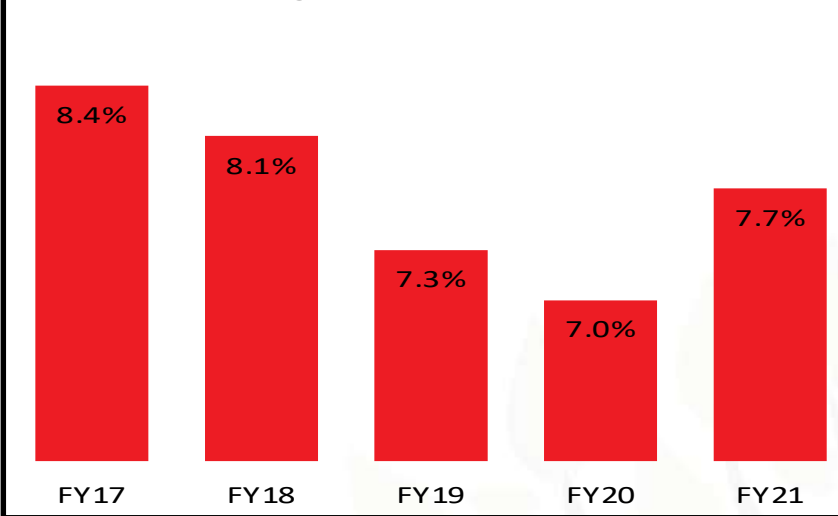
Vehicle Finance - Income and Profit before tax



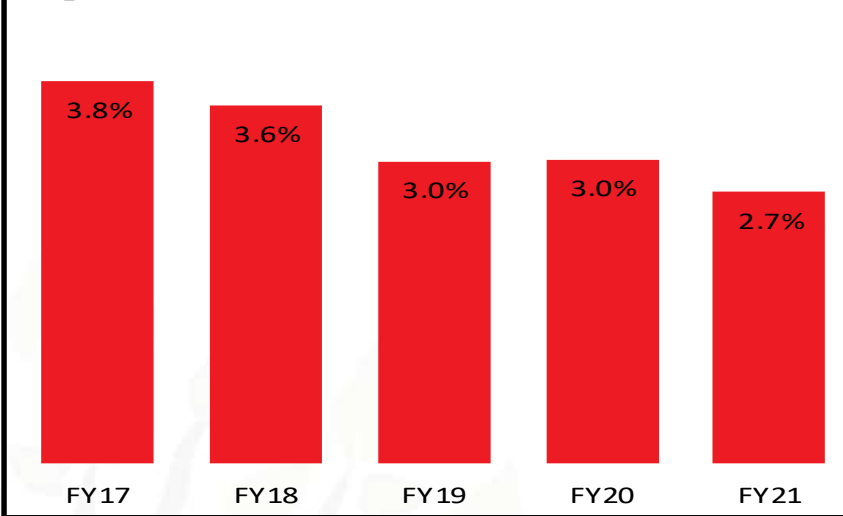
* One time provision for COVID 19 + Macro provision ** PBT adjusted before COVID & Macro provision

Vehicle Finance - Asset Ratios

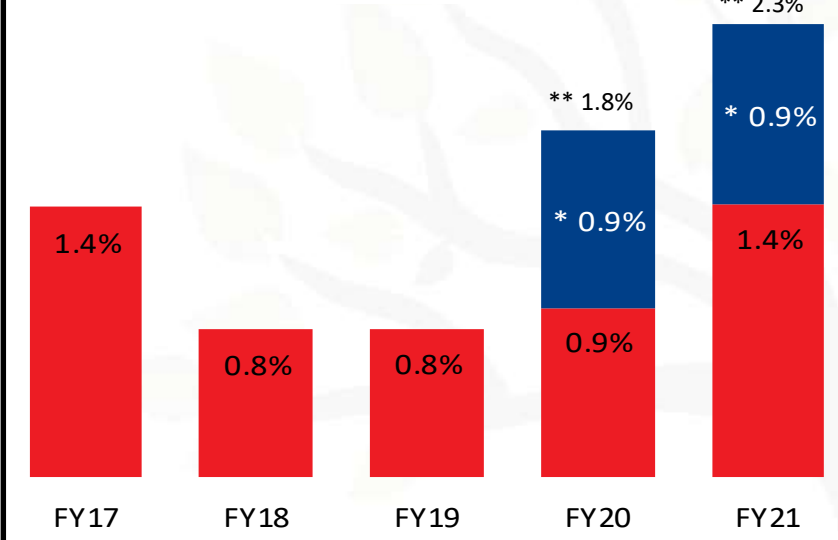
Net Income Margin (%)



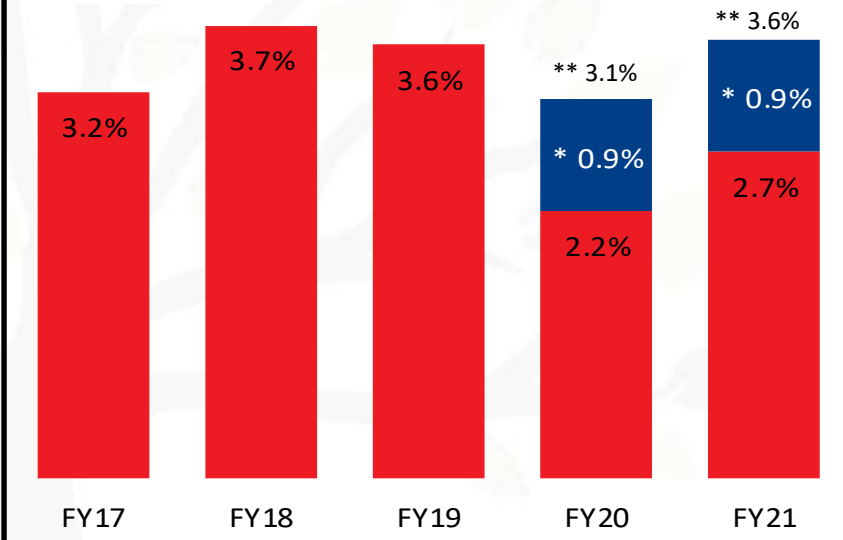
Expense Ratio (%)



Loan Losses & Provisions (%)



ROA - PBT (%)



* One time provision for COVID 19 + Macro provision ** Overall loan losses and ROTA-PBT before COVID & Macro provision • FY17 – IGAAP

Profit and Loss Statement - Vehicle Finance (Managed)

₹ Cr

Particulars	Q1FY20	Q1FY21	Q2FY20	Q2FY21	Q3FY20	Q3FY21	Q4FY20	Q4FY21	Growth % Q4-o-Q4	FY20	FY21	Growth % Y-o-Y
Disbursements	6,940	3,231	5,796	4,781	5,949	6,084	4,703	6,153	31%	23,387	20,249	-13%
Closing Assets (Managed)	42,977	46,828	43,901	49,264	44,589	49,936	44,206	50,415	14%	44,206	50,415	14%
Operating Income	1,561	1,686	1,637	1,885	1,684	1,922	1,681	1,895	13%	6,563	7,388	13%
Finance Charges	842	910	885	957	904	927	893	871	-3%	3,525	3,665	4%
Net Income	719	776	751	928	780	994	788	1,025	30%	3,038	3,723	23%
Expenses	297	282	340	300	349	310	332	416	25%	1,318	1,308	-1%
Net Credit Losses (Normal)	103	51	94	55	136	425	45	148	229%	378	679	80%
One time Provision due to COVID 19	-	4	-	214	-	(50)	398	281	-29%	398	449	13%
PBT	319	440	318	359	295	309	13	179	1296%	945	1,287	36%
PBT ^	319	443	318	573	295	260	411	460	12%	1,342	1,736	29%
Asset Ratios												
Income	15.0%	14.9%	15.0%	15.6%	15.1%	15.4%	15.2%	15.3%		15.2%	15.4%	
Cost of Funds	8.1%	8.0%	8.1%	7.9%	8.1%	7.4%	8.1%	7.0%		8.1%	7.6%	
Net Income Margin	6.9%	6.8%	6.9%	7.7%	7.0%	8.0%	7.1%	8.3%		7.0%	7.7%	
Expense	2.9%	2.5%	3.1%	2.5%	3.1%	2.5%	3.0%	3.4%		3.0%	2.7%	
Losses & Provisions (Normal)	1.0%	0.4%	0.9%	0.5%	1.2%	3.4%	0.4%	1.2%		0.9%	1.4%	
Losses & Provisions (COVID)	-	0.0%	-	1.8%	-	-0.4%	3.6%	2.3%		0.9%	0.9%	
ROA-PBT	3.1%	3.9%	2.9%	3.0%	2.7%	2.5%	0.1%	1.4%		2.2%	2.7%	
ROA-PBT ^	3.1%	3.9%	2.9%	4.7%	2.7%	2.1%	3.7%	3.7%		3.1%	3.6%	

Note: ^ Before considering COVID and Macro Provision of Rs.398 Cr and Rs.449 Cr in FY20 and FY21 respectively.

Profit and Loss Statement - Vehicle Finance (On Book) ₹ Cr

Particulars	Q1FY20	Q1FY21	Q2FY20	Q2FY21	Q3FY20	Q3FY21	Q4FY20	Q4FY21	Growth % Q4-o-Q4	FY20	FY21	Growth % Y-o-Y
Disbursements	6,940	3,231	5,796	4,781	5,949	6,084	4,703	6,153	31%	23,387	20,249	-13%
Closing Assets (On B/S)	42,977	44,775	43,071	47,354	43,109	48,244	42,150	48,937	16%	42,150	48,937	16%
Operating Income	1,561	1,623	1,666	1,835	1,702	1,877	1,665	1,853	11%	6,594	7,188	9%
Finance Charges	842	868	887	914	887	888	861	839	-3%	3,475	3,510	1%
Net Income	719	755	779	921	816	989	804	1,014	26%	3,120	3,678	18%
Expenses	297	282	339	300	349	310	332	416	25%	1,318	1,308	-1%
Net Credit Losses (Normal)	103	51	94	55	136	425	45	148	229%	776	679	-12%
One time Provision due to COVID19	-	4	-	214	-	(50)	398	281	-29%	398	449	13%
PBT	319	418	347	352	331	304	29	169	484%	1,026	1,242	21%
PBT ^	319	422	347	566	331	254	427	450	5%	1,424	1,691	19%
Asset Ratios												
Income	15.0%	15.0%	15.4%	15.8%	15.7%	15.6%	15.7%	15.5%		15.6%	15.5%	
Cost of Funds	8.1%	8.0%	8.2%	7.9%	8.2%	7.4%	8.1%	7.0%		8.2%	7.6%	
Net Income Margin	6.9%	7.0%	7.2%	7.9%	7.5%	8.2%	7.6%	8.5%		7.4%	7.9%	
Expense	2.9%	2.6%	3.1%	2.6%	3.2%	2.6%	3.1%	3.5%		3.1%	2.8%	
Losses & Provisions (Normal)	1.0%	0.5%	0.9%	0.5%	1.3%	3.5%	0.4%	1.2%		1.8%	1.5%	
Losses & Provisions (COVID)	-	0.0%	-	1.8%	-	-0.4%	3.8%	2.3%		0.9%	1.0%	
ROA-PBT	3.1%	3.9%	3.2%	3.0%	3.1%	2.5%	0.3%	1.4%		2.4%	2.7%	
ROA-PBT ^	3.1%	3.9%	3.2%	4.9%	3.1%	2.1%	4.0%	3.7%		3.4%	3.6%	

Note: ^ Before considering COVID and Macro Provision of Rs.398 Cr and Rs.449 Cr in FY20 and FY21 respectively.

Loan Against Property



Loan Against Property – FY21 Performance

Disbursements

- Disbursements has declined by 1% in FY21 as compared to FY20.

Asset under management

- The business has grown the assets by 14% in FY21.

Loss and provisions

- Loan losses is at 0.4% towards model provisions and additional 0.6% has been created towards management overlay

Profit before tax

- PBT has grown 25% and 18% before and after considering COVID provision respectively as compared to FY20.

Loan Against Property - Industry outlook

Sector Outlook

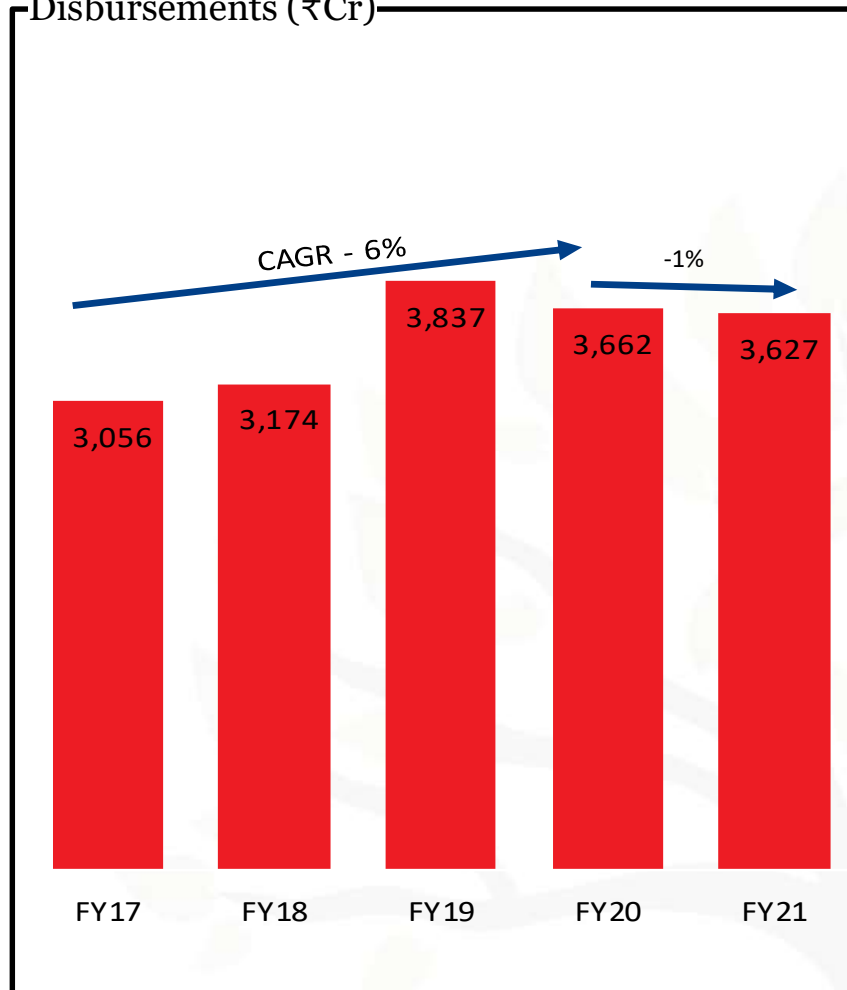
- As per CRISIL “With the pick-up in economic activity, MSMEs have started with their businesses, leading to increasing collection efficiencies. Also, MSMEs are supported by government’s stimulus package – particularly the Rs 3 lakh crore ECLGS - whose validity has been extended till March 31, 2021”
- CRISIL Research expects LAP to grow at 0-1% in FY21. Though the growth is expected to pick up in fiscal 2022, it will still be ~4-5% as players are likely to be risk averse in this segment
- NIMs are expected to increase in FY21 on account of declining interest rates which will not be completely passed to the borrowers in the wake of increasing asset quality concerns (CRISIL)

Chola’s Position

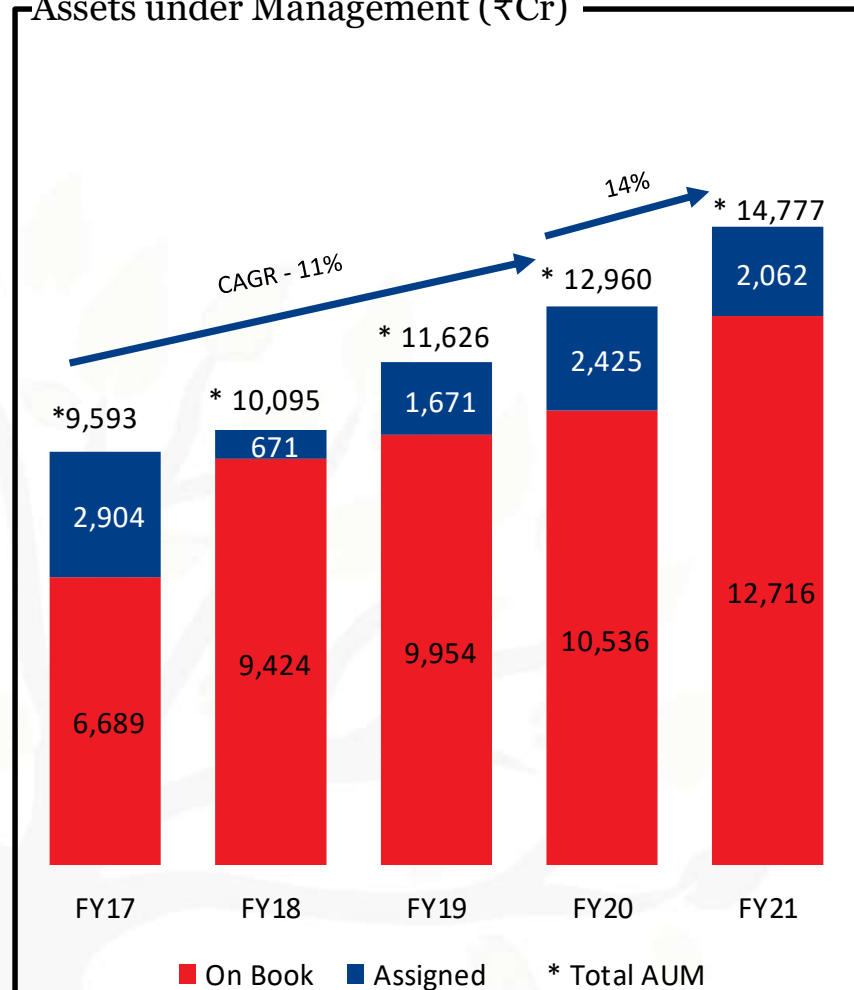
- Collections remain a priority for the business with activities like strengthening collections team and digitizing collections channels. In addition, Chola has provided adequate provisions
- Retail will remain a primary focus in terms of ticket size. A separate product has been created to cater small retail enterprises in rural and small cities
- Portfolio LTV at origination stands low at 52% which provides adequate security cover
- Credit policy changes have been made keeping in mind the cash flow and asset quality risks
- Business will focus on tier 2/3/4 cities in order to diversify the portfolio

Loan Against Property - Disbursements and Asset Under Management

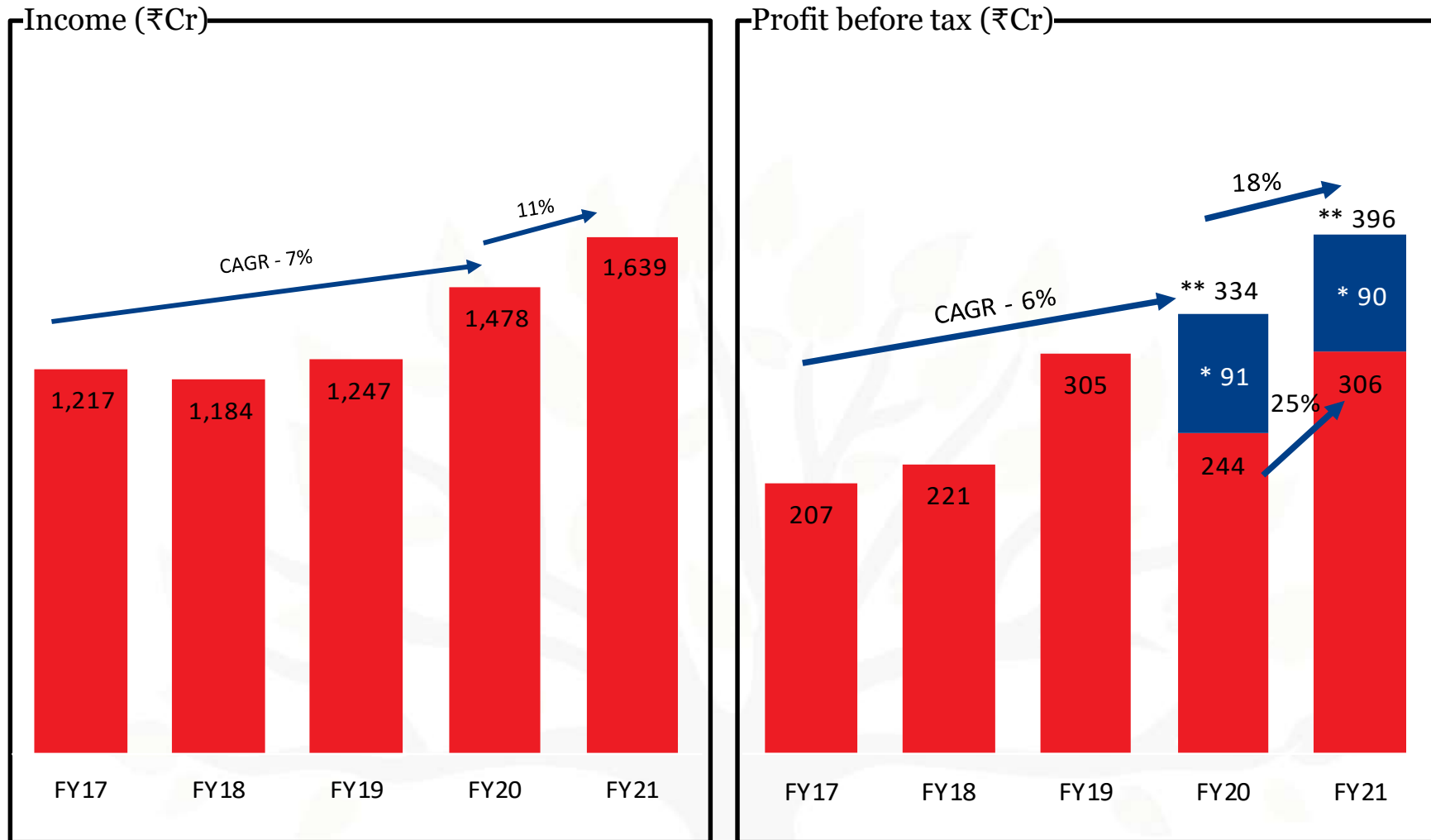
Disbursements (₹Cr)



Assets under Management (₹Cr)



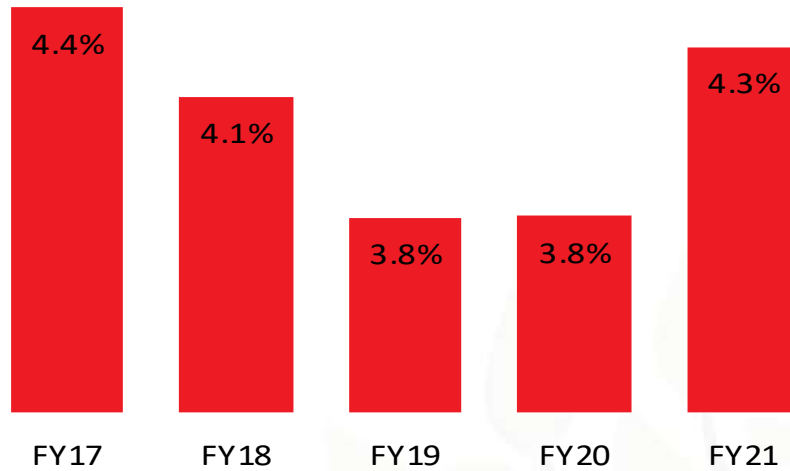
Loan Against Property – Income and Profit before tax



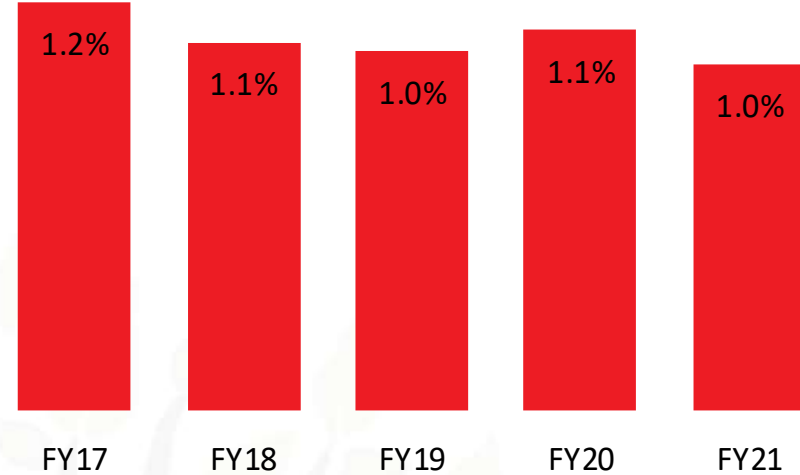
* One time provision for COVID 19 + Macro provision ** PBT adjusted before COVID & Macro provision

Loan Against Property – Asset Ratios

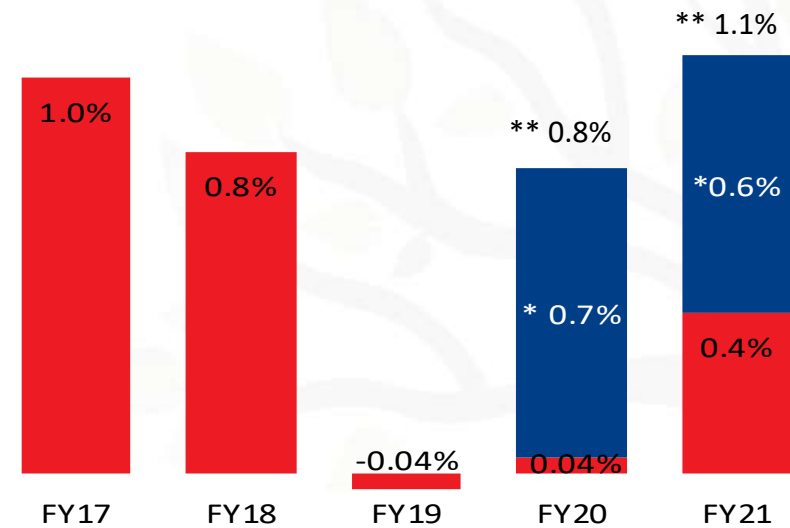
Net Income Margin (%)



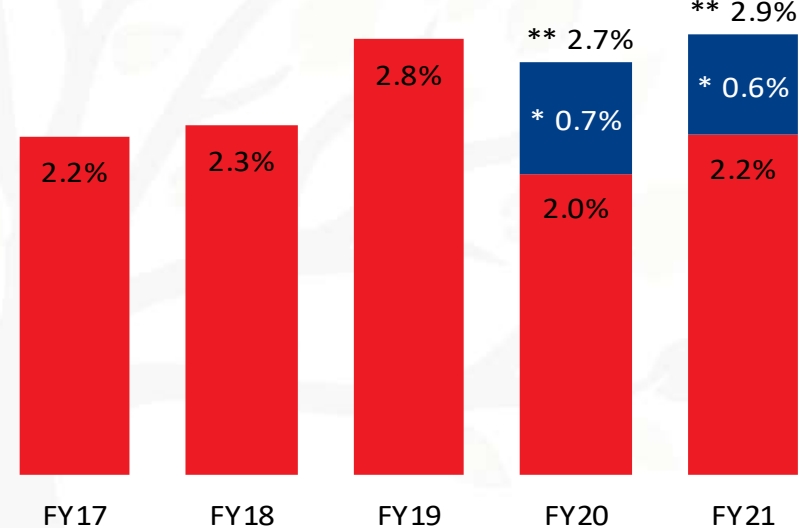
Expenses Ratio (%)



Loan Losses & Provisions (%)



ROA - PBT (%)



* One time provision for COVID 19 + Macro provision ** Overall loan losses and ROTA-PBT before COVID & Macro provision • FY17 – IGAAP

Profit and Loss Statement - Loan Against Property (Managed)

₹ Cr

Particulars	Q1FY20	Q1FY21	Q2FY20	Q2FY21	Q3FY20	Q3FY21	Q4FY20	Q4FY21	Growth % Q4-o-Q4	FY20	FY21	Growth % Y-o-Y
Disbursements	1,101	119	1,064	1,052	908	1,265	589	1,191	102%	3,662	3,627	-1%
Closing Assets (Managed)	12,119	13,109	12,612	13,866	13,000	14,457	12,960	14,777	14%	12,960	14,777	14%
Operating Income	354	386	368	399	380	423	377	431	15%	1,478	1,639	11%
Finance Charges	238	260	249	265	256	265	261	262	1%	1,003	1,051	5%
Net Income	116	126	119	134	124	159	116	169	46%	475	588	24%
Expenses	29	30	37	30	38	30	31	47	50%	135	137	1%
Net Credit Losses (Normal)	3	0	-6	7	-1	42	9	6	-38%	5	56	946%
One time Provision due to COVID 19	-	10	-	31	-	0	91	49	-46%	91	90	-1%
PBT	84	86	88	65	88	87	-15	68	-538%	244	306	25%
PBT ^	84	96	88	96	88	87	75	117	55%	334	396	18%
Asset Ratios												
Income	12.0%	11.9%	11.9%	11.7%	11.8%	11.9%	11.7%	12.0%		11.9%	11.8%	
Cost of Funds	8.1%	8.0%	8.0%	7.8%	7.9%	7.4%	8.1%	7.3%		8.0%	7.6%	
Net Income Margin	3.9%	3.9%	3.8%	3.9%	3.9%	4.4%	3.6%	4.7%		3.8%	4.3%	
Expense	1.0%	0.9%	1.2%	0.9%	1.2%	0.8%	1.0%	1.3%		1.1%	1.0%	
Losses & Provisions (Normal)	0.1%	0.0%	-0.2%	0.2%	0.0%	1.2%	0.3%	0.2%		0.0%	0.4%	
Losses & Provisions (COVID)	-	0.3%	-	0.9%	-	0.0%	2.8%	1.4%		0.7%	0.6%	
ROA-PBT	2.8%	2.6%	2.8%	1.9%	2.7%	2.4%	-0.5%	1.9%		2.0%	2.2%	
ROA-PBT ^	2.8%	2.9%	2.8%	2.8%	2.7%	2.4%	2.3%	3.2%		2.7%	2.9%	

Note: ^ Before considering COVID and Macro Provision of Rs.91 Cr and Rs.90 Cr in FY20 and FY21 respectively.

Profit and Loss Statement - Loan Against Property (On Book)

₹ Cr

Particulars	Q1FY20	Q1FY21	Q2FY20	Q2FY21	Q3FY20	Q3FY21	Q4FY20	Q4FY21	Growth % Q4-o-Q4	FY20	FY21	Growth % Y-o-Y
Disbursements	1,101	119	1,064	1,052	908	1,265	589	1,191	102%	3,662	3,627	-1%
Closing Assets (On B/S)	10,129	10,683	10,331	11,516	10,439	12,239	10,536	12,716	21%	10,536	12,716	21%
Operating Income	318	314	322	372	375	403	327	382	17%	1,342	1,470	10%
Finance Charges	193	204	195	213	203	213	203	218	7%	795	849	7%
Net Income	125	110	126	159	172	190	124	163	32%	547	622	14%
Expenses	29	30	37	30	38	30	31	47	50%	135	137	1%
Net Credit Losses (Normal)	3	0	(6)	7	(1)	42	9	6	-38%	5	56	946%
One time Provision due to COVID19	-	10	-	31	-	0	91	49	-46%	91	90	-1%
PBT	93	70	95	91	136	117	-7	61	-935%	316	339	7%
PBT ^	93	80	95	121	136	117	83	111	33%	407	429	5%
Asset Ratios												
Income	11.8%	11.9%	12.5%	13.3%	14.4%	13.4%	12.6%	12.4%		12.6%	12.7%	
Cost of Funds	7.2%	7.7%	7.6%	7.6%	7.8%	7.1%	7.8%	7.1%		7.5%	7.4%	
Net Income Margin	4.6%	4.2%	4.9%	5.7%	6.6%	6.3%	4.8%	5.3%		5.2%	5.4%	
Expense	1.1%	1.1%	1.4%	1.1%	1.5%	1.0%	1.2%	1.5%		1.3%	1.2%	
Losses & Provisions (Normal)	0.1%	0.0%	-0.2%	0.3%	-0.1%	1.4%	0.4%	0.2%		0.1%	0.5%	
Losses & Provisions (COVID)	-	0.4%	-	1.1%	-	0.0%	3.5%	1.6%		0.9%	0.8%	
ROA-PBT	3.4%	2.6%	3.7%	3.2%	5.2%	3.9%	-0.3%	2.0%		3.0%	2.9%	
ROA-PBT ^	3.4%	3.0%	3.7%	4.3%	5.2%	3.9%	3.2%	3.6%		3.8%	3.7%	

Note: ^ Before considering COVID and Macro Provision of Rs.91 Cr and Rs.90 Cr in FY20 and FY21 respectively.

Home Loans



Home Loans - FY21 Performance

Disbursements

- Disbursements has grown 2% in FY21 as compared to FY20.

Asset under management

- The business has grown the assets by 39% in FY21.

Loss and provisions

- Loan losses is at 0.8% towards model provisions and additional 0.7% has been created towards management overlay

Profit before tax

- PBT has grown 76% and 78% before and after considering COVID provision respectively as compared to FY20.

Sector Outlook

Immediate term:

- While there was recovery in demand in Q4 FY21, the 2nd wave of Covid may result in subdued demand with customers postponing investment decisions
- Repeated lockdowns in select markets could result in volatile cash flows for small businesses thereby impacting repayments

Medium term

- Retail segment demand is likely to continue to be for ready property and self-construction
- Stage 3 is expected to remain 50 – 100 bps higher than pre-covid levels in the coming quarter

Chola's Position

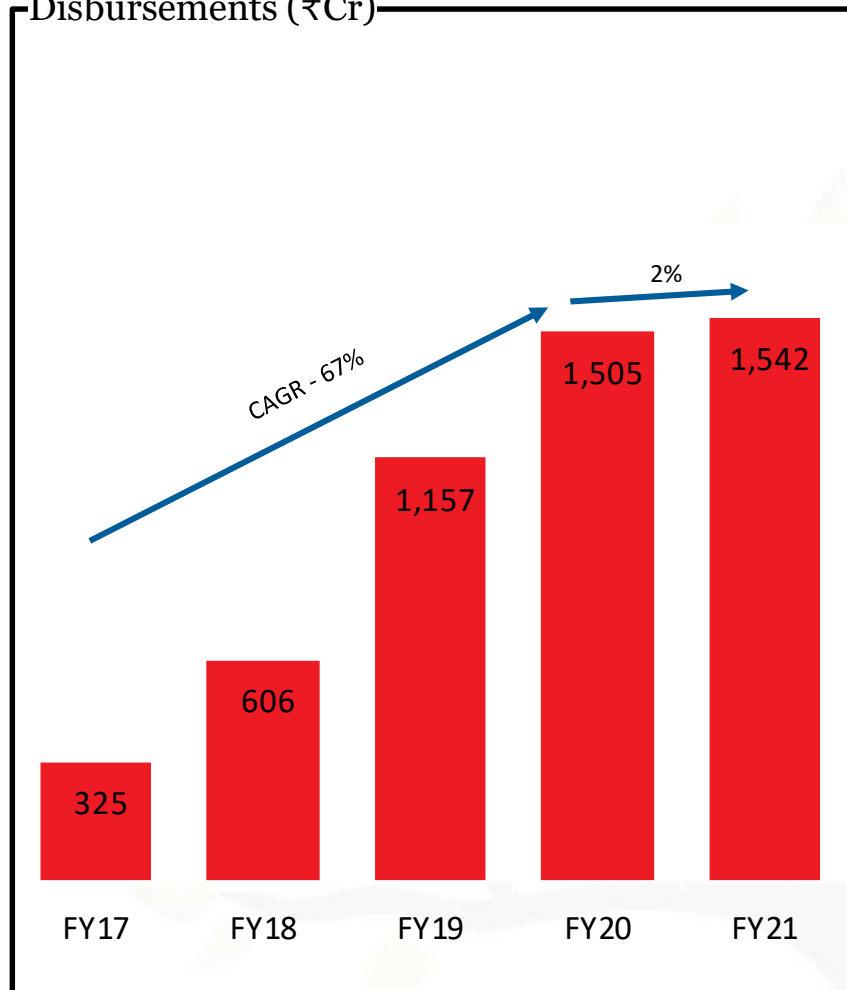
- Chola does not have Construction Finance exposure
- Chola does not have material under construction exposure to developer supplied houses
- Chola's LTV at a portfolio level is ~60% at origination – indicates adequate security cover
- ~88% of assets are in tier 2,3,4 cities and suburbs of tier 1 cities
- Average ticket size of ~14 lacs – predominantly in tier 2,3,4 cities indicate quality and marketability of portfolio assets
- End use driven funding
- Chola has fortified its collections teams and is equipped to handle the current situation

Chola's immediate future outlook:

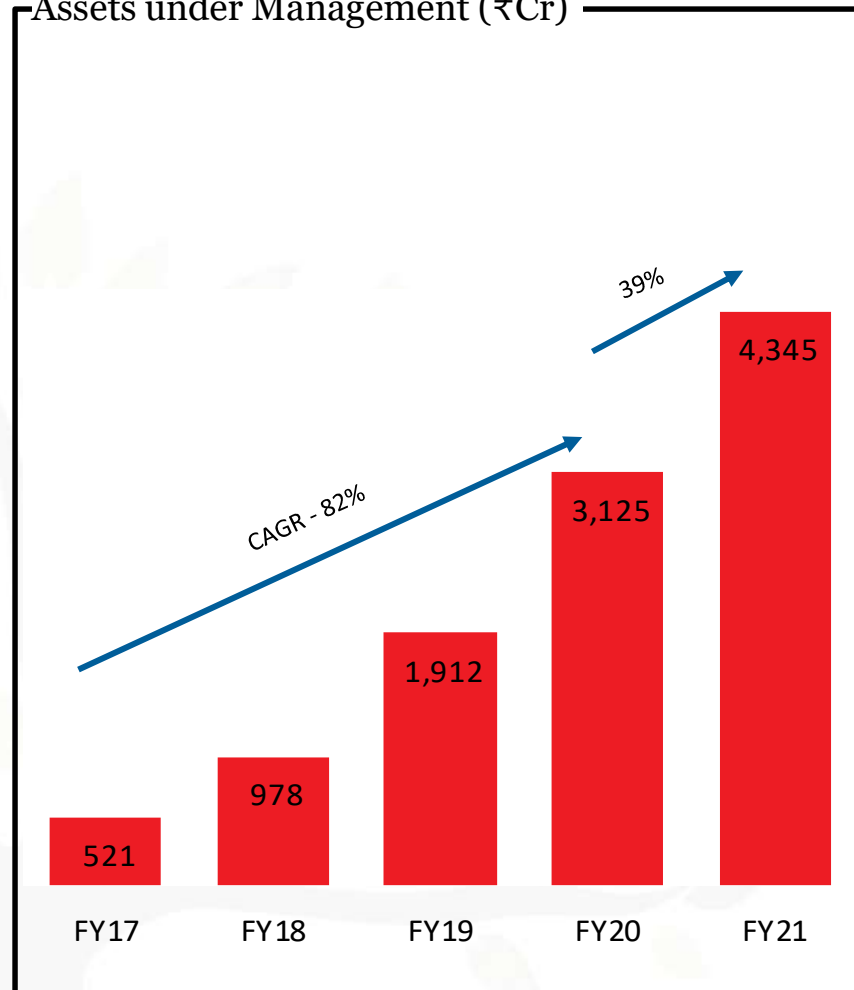
- While green shoots were apparent in Q4 FY21, the 2nd wave of Covid may result in recovery pushed to Q2 FY22
- The impact of the 2nd Covid wave related lockdowns could result in impacted repayments in Q1 FY22. However, Chola does not have significant exposure to highly impacted Tier 1 markets
- Likely stress on AUM due to BT-out due to low interest rate options

Home Loans - Disbursements and Asset Under Management

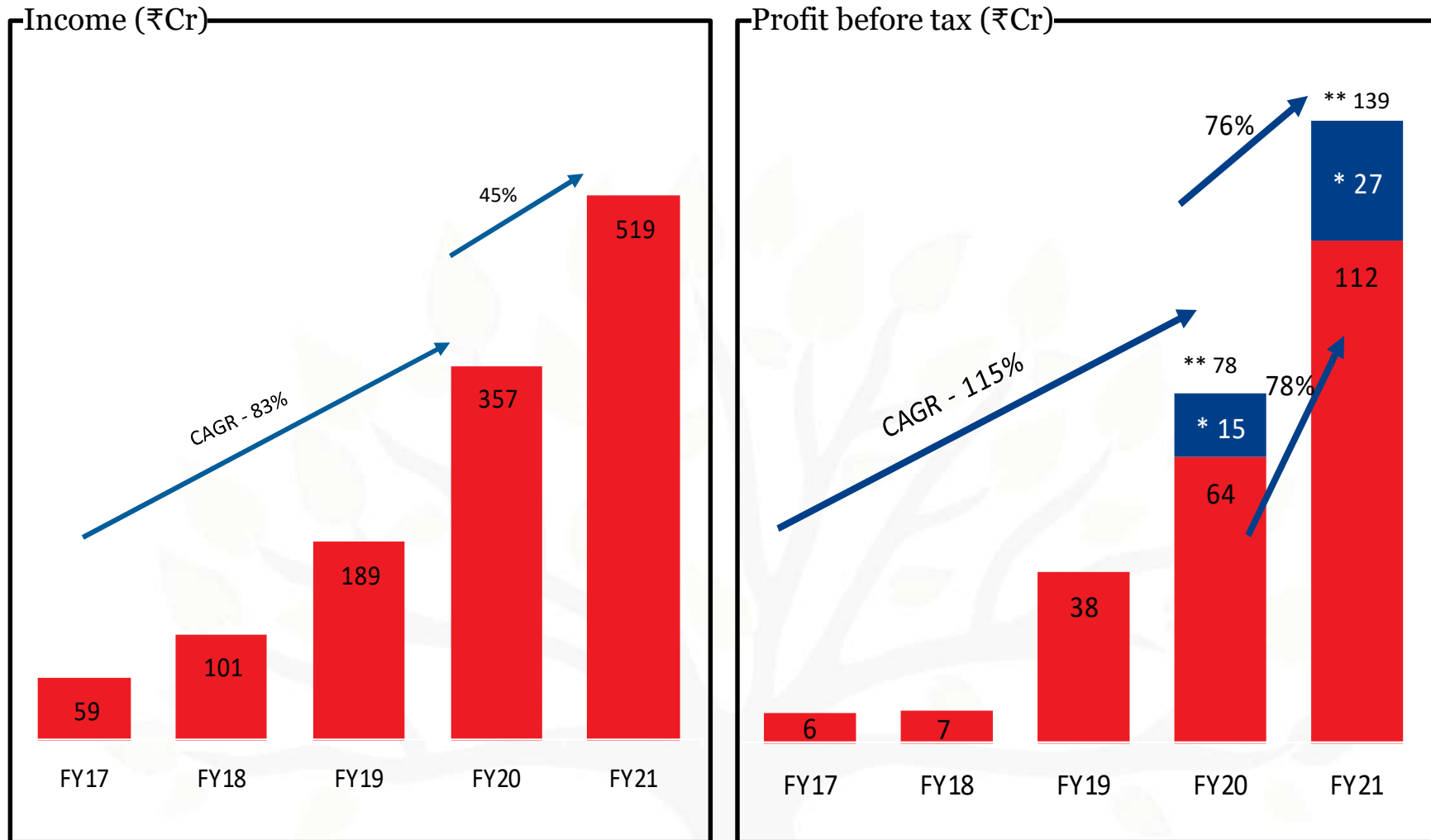
Disbursements (₹Cr)



Assets under Management (₹Cr)



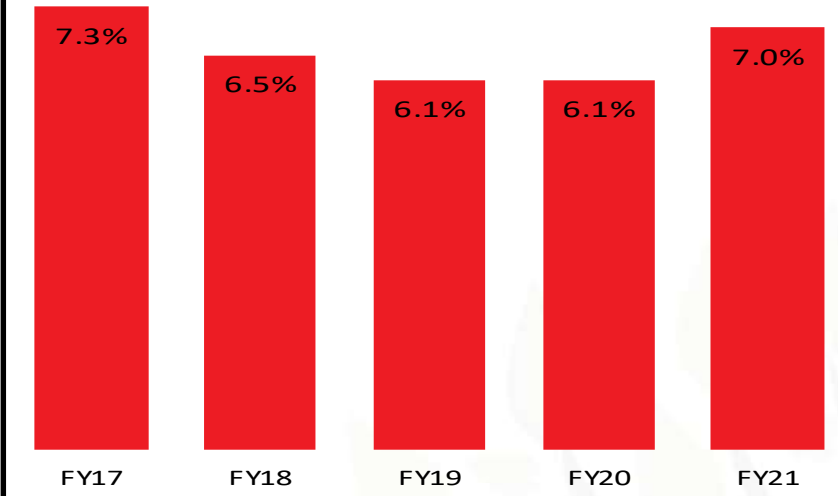
Home Loans - Income and Profit before tax



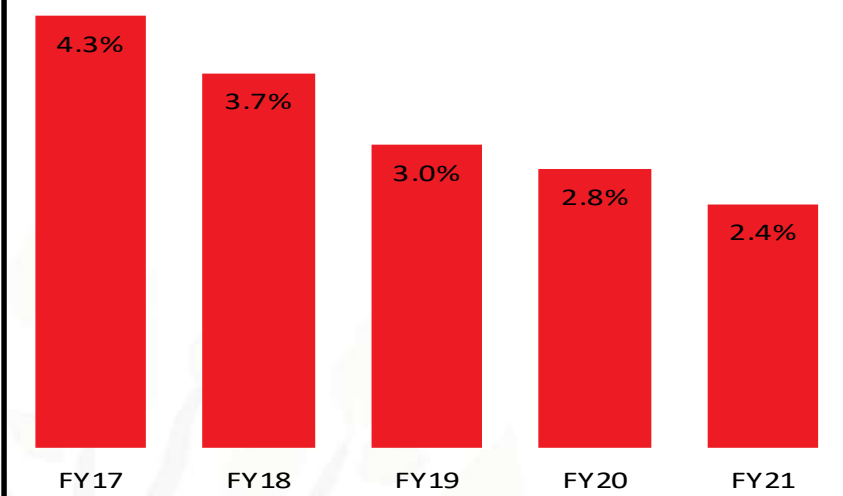
* One time provision for COVID 19 + Macro provision ** PBT adjusted before COVID & Macro provision

Home Loans – Asset Ratios

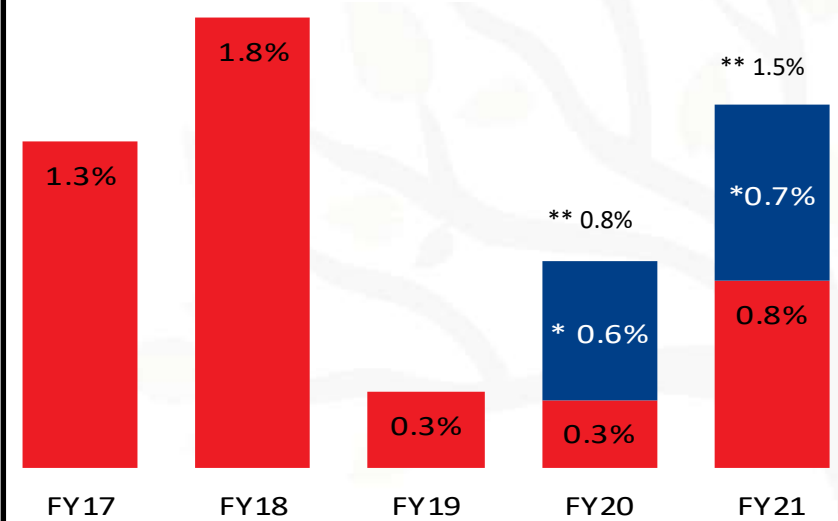
Net Income Margin (%)



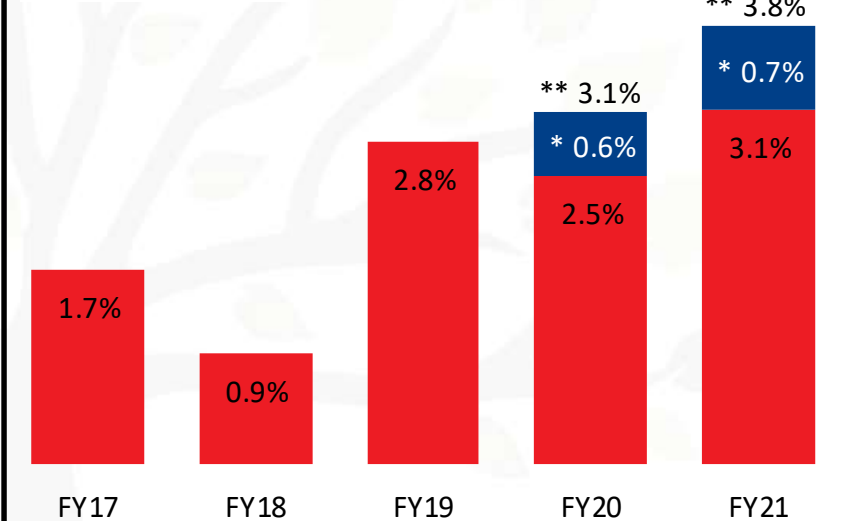
Expenses Ratio (%)



Loan Losses & Provisions (%)



ROA - PBT (%)



* One time provision for COVID 19 + Macro provision ** Overall loan losses and ROTA-PBT before COVID & Macro provision • FY17 – IGAAP

Profit and Loss Statement - Home Loans (Managed)

₹ Cr

Particulars	Q1FY20	Q1FY21	Q2FY20	Q2FY21	Q3FY20	Q3FY21	Q4FY20	Q4FY21	Growth % Q4-o-Q4	FY20	FY21	Growth % Y-o-Y
Disbursements	420	190	414	381	400	434	271	538	99%	1,505	1,542	2%
Closing Assets (Managed)	2,240	3,302	2,591	3,630	2,911	3,932	3,125	4,345	39%	3,125	4,345	39%
Operating Income	72	111	85	124	95	132	105	152	45%	357	519	45%
Finance Charges	40	62	47	65	53	65	60	70	17%	201	262	31%
Net Income	32	49	38	59	42	67	45	82	82%	157	257	64%
Expenses	15	19	16	21	19	19	22	30	39%	71	89	25%
Net Credit Losses (Normal)	4	(0.3)	2	4	2	26	-2	-2	2%	7	28	300%
One time Provision due to COVID 19	-	3	-	5	-	1	15	19	30%	15	27	83%
PBT	13	28	20	29	22	22	10	34	240%	64	112	76%
PBT ^	13	30	20	34	22	22	25	53	115%	78	139	78%
Asset Ratios												
Income	14.0%	13.9%	14.0%	14.2%	13.8%	13.9%	13.9%	14.9%		14.0%	14.2%	
Cost of Funds	7.8%	7.7%	7.8%	7.5%	7.7%	6.9%	8.0%	6.9%		7.9%	7.2%	
Net Income Margin	6.2%	6.2%	6.2%	6.7%	6.1%	7.0%	5.9%	8.0%		6.1%	7.0%	
Expense	2.9%	2.4%	2.6%	2.4%	2.7%	1.9%	2.9%	2.9%		2.8%	2.4%	
Losses & Provisions (Normal)	0.9%	0.0%	0.4%	0.4%	0.3%	2.8%	-0.2%	-0.2%		0.3%	0.8%	
Losses & Provisions (COVID)	-	0.3%	-	0.5%	-	0.1%	1.9%	1.9%		0.6%	0.7%	
ROA-PBT	2.4%	3.5%	3.2%	3.3%	3.1%	2.3%	1.3%	3.4%		2.5%	3.1%	
ROA-PBT ^	2.4%	3.8%	3.2%	3.8%	3.1%	2.3%	3.3%	5.2%		3.1%	3.8%	

Note: ^ Before considering COVID and Macro Provision of Rs.15 Cr and Rs.27 Cr in FY20 and FY21 respectively.

Profit and Loss Statement - Home Loans (On Book)

₹ Cr

Particulars	Q1FY20	Q1FY21	Q2FY20	Q2FY21	Q3FY20	Q3FY21	Q4FY20	Q4FY21	Growth % Q4-o-Q4	FY20	FY21	Growth % Y-o-Y
Disbursements	420	190	414	381	400	434	271	538	99%	1,505	1,542	2%
Closing Assets (On B/S)	2,004	2,613	2,102	2,962	2,198	3,288	2,449	3,726	52%	2,449	3,726	52%
Operating Income	100	88	114	111	101	138	78	136	75%	393	473	20%
Finance Charges	40	47	41	51	42	51	44	58	30%	168	207	23%
Net Income	60	41	73	60	59	87	33	78	134%	225	266	18%
Expenses	15	19	16	21	19	19	22	30	39%	71	89	25%
Net Credit Losses (Normal)	4	(0)	2	4	2	27	-2	-2	41%	7	28	300%
One time Provision due to COVID19	-	3	-	5	-	(0)	15	20	34%	15	27	83%
PBT	41	19	55	30	38	41	-1	31	-2378%	132	122	-8%
PBT ^	41	22	55	35	38	41	13	50	280%	147	149	1%
Asset Ratios												
Income	20.6%	13.9%	22.0%	15.7%	18.6%	17.6%	13.5%	15.7%		18.4%	15.7%	
Cost of Funds	8.2%	7.4%	8.0%	7.2%	7.8%	6.5%	7.7%	6.7%		7.9%	6.9%	
Net Income Margin	12.3%	6.5%	14.1%	8.6%	10.9%	11.0%	5.8%	9.0%		10.5%	8.8%	
Expense	3.1%	3.1%	3.0%	3.0%	3.5%	2.4%	3.8%	3.5%		3.3%	3.0%	
Losses & Provisions (Normal)	0.9%	0.0%	0.4%	0.5%	0.4%	3.4%	-0.3%	-0.3%		0.3%	0.9%	
Losses & Provisions (COVID)	-	0.4%	-	0.7%	-	0.0%	2.5%	2.3%		0.7%	0.9%	
ROA-PBT	8.3%	3.1%	10.6%	4.3%	7.0%	5.3%	-0.2%	3.6%		6.2%	4.0%	
ROA-PBT ^	8.3%	3.5%	10.6%	5.0%	7.0%	5.2%	2.3%	5.8%		6.9%	4.9%	

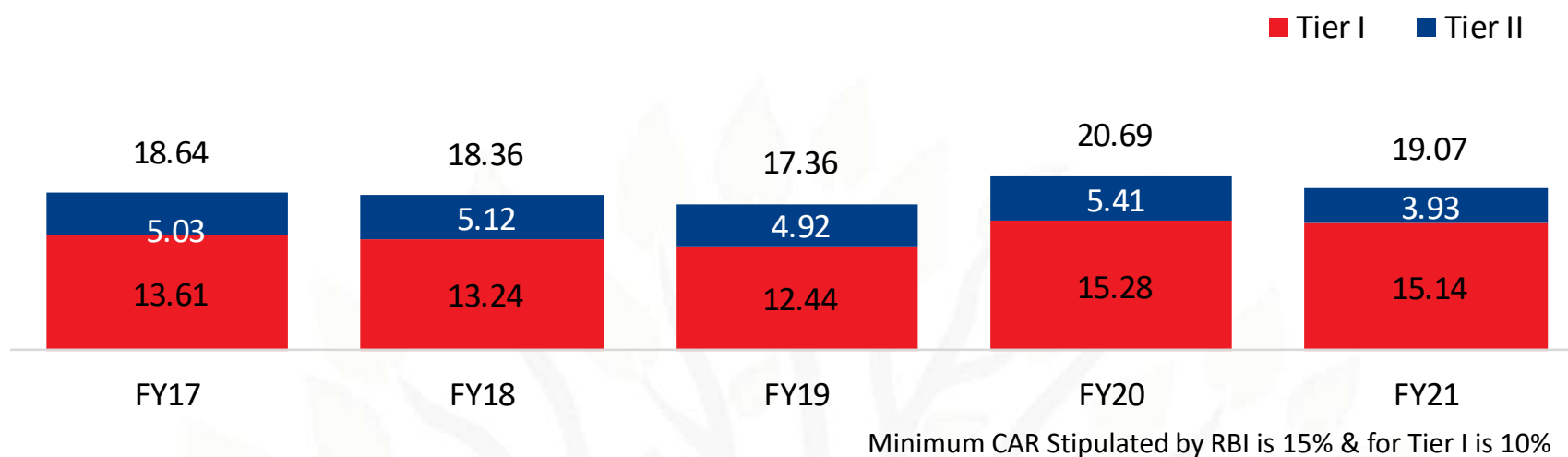
Note: ^ Before considering COVID and Macro Provision of Rs.15 Cr and Rs.27 Cr in FY20 and FY21 respectively.

Funding Profile



CAR and Credit Rating

Capital Adequacy Ratio (CAR) – As per RBI guideline



Credit Rating

Loan type	India ratings	Care	ICRA	Crisil
ST CP/WCDL	-	CARE A1+^	[ICRA] A1+	[CRISIL] A1+
LT NCD/CC	IND AA + (ind) stable*	-	[ICRA] AA+	-
Tier II SD	IND AA + (ind) stable	CARE AA+	[ICRA] AA+/Stable	[CRISIL] AA+/Stable
Tier I PDI	IND AA (ind)	CARE AA	[ICRA] AA/Stable	-

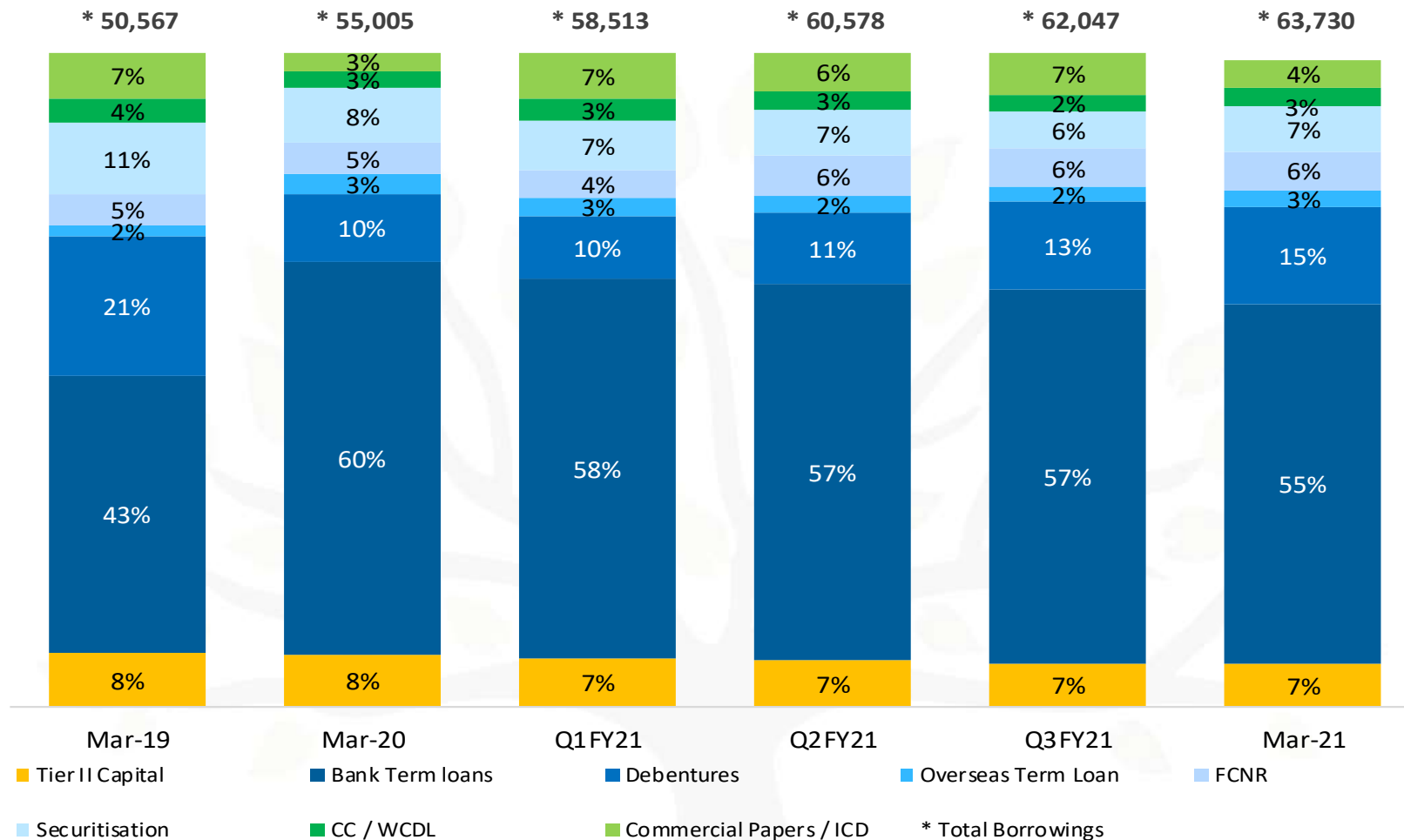
^ CP Rating

* NCD Rating

Diversified Borrowings Profile (I/II)

Borrowing mix by instrument type

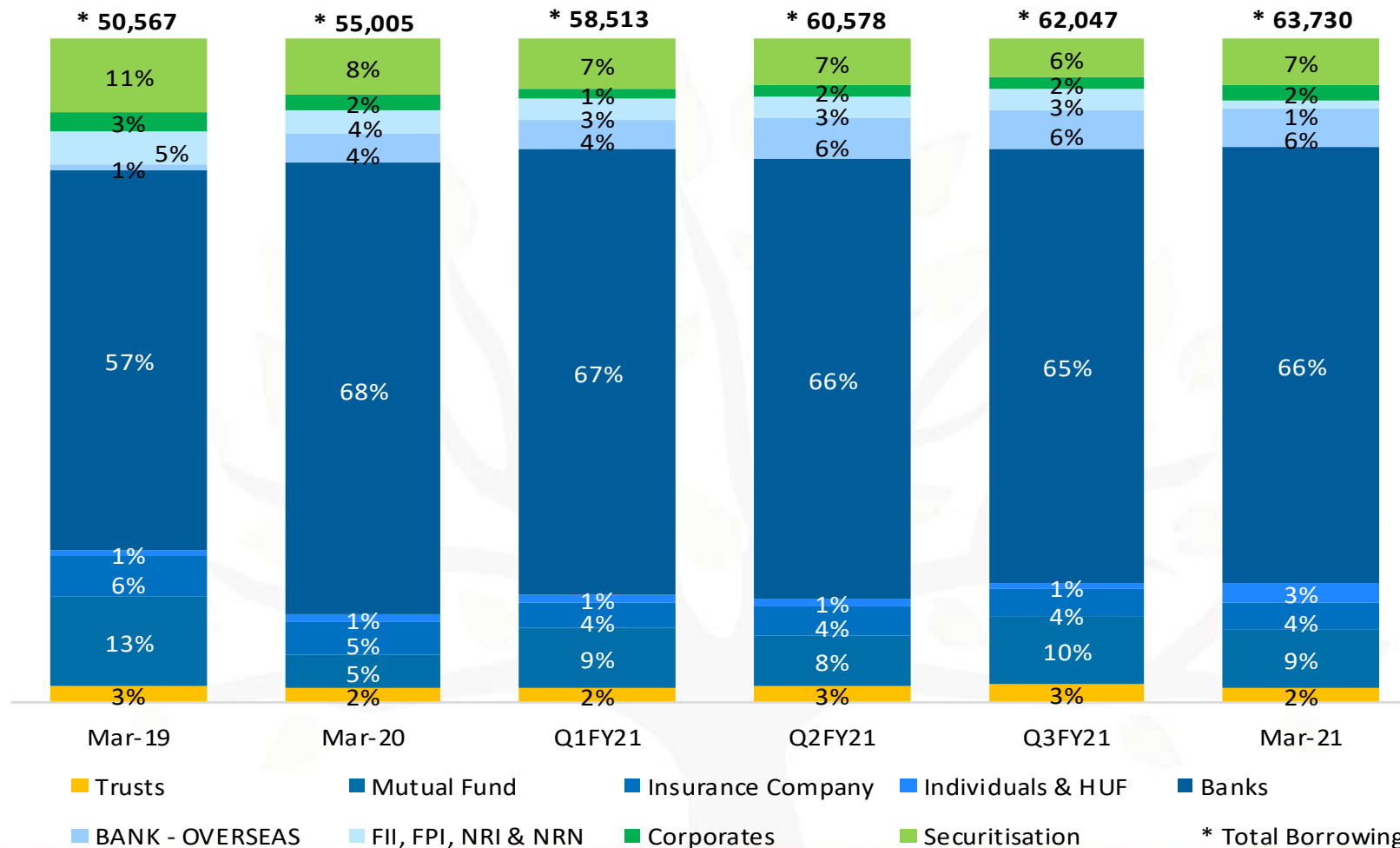
(₹Cr)



Diversified Borrowings Profile (I/II)

Borrowing mix by investor type

(₹Cr)



ALM Statement as of 31st Mar 2021 (As per IND AS)

(₹Cr)

ALM snapshot as on 31st Mar 2021									
Particulars	1 m	>1 to 2m	>2 to 3m	>3 to 6m	>6m to 1 yr	>1 to 3 yr	>3 to 5 yr	>5 yr	Total
Cash & Bank Balances	2,526.13	676.01	1,966.35	1,131.79	23.60	0.07	104.28	0.00	6,428.24
Advances	1,976.90	1,445.31	1,545.82	6,970.55	11,228.30	29,312.05	8,087.75	6,197.91	66,764.60
Trade Receivable & Others	28.24	180.12	8.61	53.76	82.88	227.61	298.04	1,401.57	2,280.84
Total Inflows (A)	4,531.26	2,301.45	3,520.78	8,156.11	11,334.78	29,539.73	8,490.08	7,599.48	75,473.67
Cumulative Total Inflows (B)	4,531.26	6,832.72	10,353.50	18,509.60	29,844.38	59,384.11	67,874.19	75,473.67	
Borrowin Repayment-Bank & Others	1,411.21	907.53	1,844.18	6,787.08	6,003.20	22,819.51	6,503.53	906.03	47,182.26
Borrowin Repayment- Market	1,130.39	1,370.29	1,654.77	1,090.63	1,821.36	5,850.66	1,493.88	2,135.75	16,547.73
Capital Reserves and Surplus	-	-	-	-	-	-	-	9,560.31	9,560.31
Other Outflows	1,506.65	21.35	19.05	235.47	44.87	127.40	5.95	222.63	2,183.37
Total Outflows (C)	4,048.25	2,299.17	3,517.99	8,113.18	7,869.43	28,797.57	8,003.36	12,824.71	75,473.67
Cumulative Total Outflows (D)	4,048.25	6,347.43	9,865.42	17,978.60	25,848.03	54,645.60	62,648.96	75,473.67	
E. GAP (A - C)	483.01	2.28	2.79	42.93	3,465.35	742.16	486.72	(5,225.23)	
F.Cumulative GAP (B - D)	483.01	485.29	488.07	531.00	3,996.35	4,738.51	5,225.23	0.00	
Cumulative GAP as % (F/D)	11.93%	7.65%	4.95%	2.95%	15.46%	8.67%	8.34%	0.00%	

Note: Behavioural ALM.

Advances and maturities include the securitization inflows and outflows respectively

Subsidiaries



Subsidiaries – FY21

- CHFL recorded a gross income of Rs. 37.15 crores in FY21 as compared to Rs. 38.61 crores in FY20 and PBT of Rs.2.62 crores as compared to Rs. -0.77 crores in FY20. The Company has made an application to National Housing Bank (NHB) for registration as a Housing Finance Company in June 2018 and currently engaging with the RBI to obtain license to operate as a Housing Finance Company.

**Cholamandalam
Home Finance
Limited (CHFL)**



- During the quarter CSEC focused on creating three distinct business lines for enhancing revenues and productivity - broking, wealth and insurance distribution. The Broking business grew 30% and wealth business grew by 12% as on Mar 2021. CSEC achieved a gross income of Rs. 30.14 crores as on 31st Mar, 2021 as compared to Rs.23.59 crores as on 31st Mar, 2020 and made a PBT of Rs. 6.84 crores as against a PBT of Rs. 4.10 crores in FY20. The Wealth AUM crossed ₹ 1,240 crores.

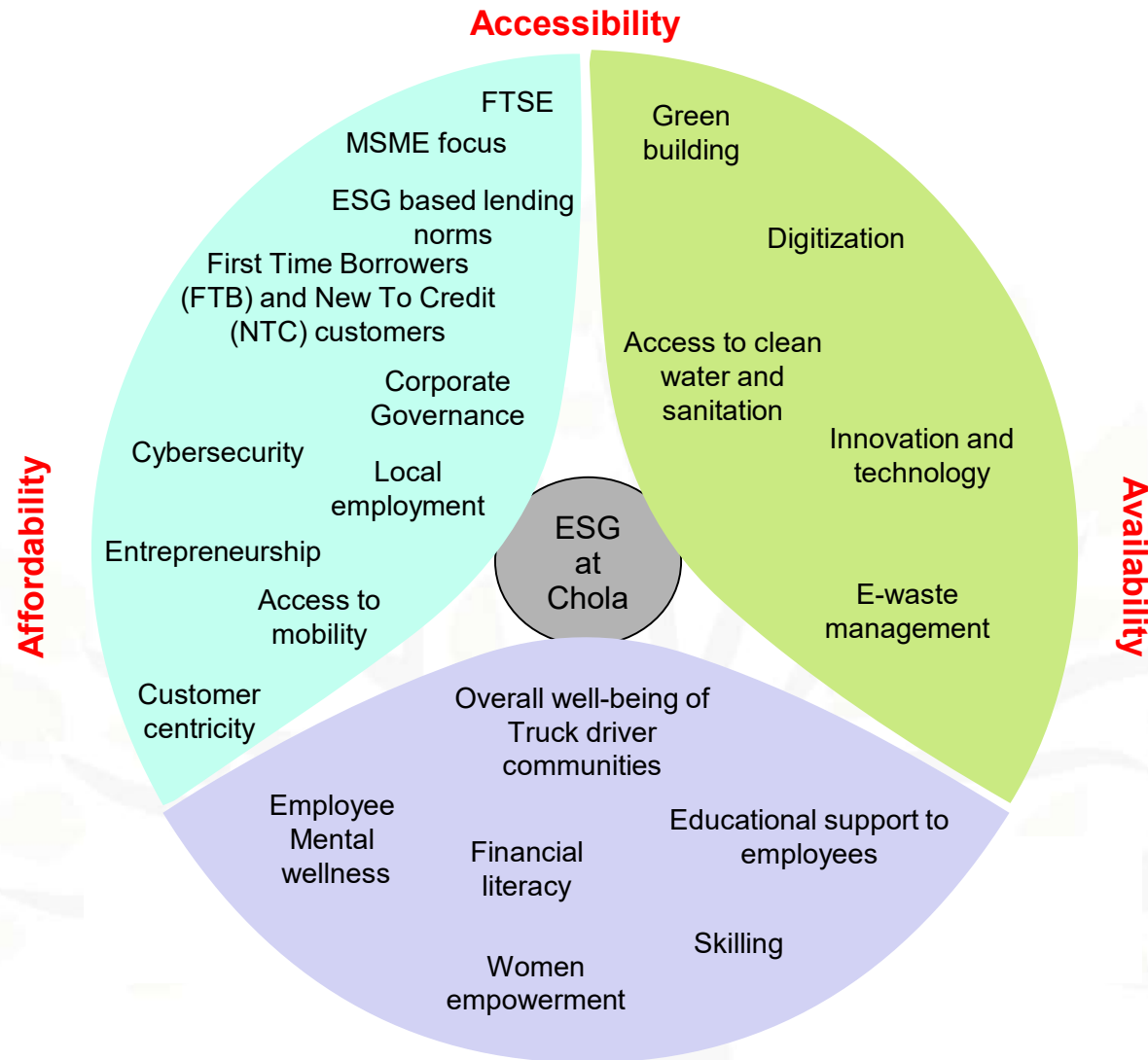
**Cholamandalam
Securities
Limited (CSEC)**



A person in a blue lab coat is holding a magnifying glass over a globe. The globe has the letters 'ESG' in white. The background is dark blue with faint icons and text. A red diagonal line separates the text on the left from the image on the right.

Environmental Social Governance

ESG





Our Vehicle Finance business focuses on transport entrepreneurs, first time buyers and first time users ensuring financial inclusion of various marginalised sections of society; predominantly in geographies with limited presence of organized financiers and we finance **both new and old Vehicles**



Loan against property is focussed on lending to small businesses against the collateral of self occupied residential property **at affordable ROI than other modes** and our focus is on Middle Socio Economic class and Self Employed Non Professionals



Our affordable housing business focuses on underserved customers in semi-urban and rural markets to enable them to achieve their dream of entering a better home; with minimal documentation



Our SME loans enable people such as vegetable owners, salon owners, flour mill owners and micro business owners who don't have proper documentation, registrations due to lack of support, to grow their business



Our cyber security framework is strong and all policies are periodically reviewed by the Board. Employees are regularly trained on data security and privacy procedures. By having a TAT system and user concept based escalation matrices, cyber resilience is monitored continuously to operate at peak efficiency levels.



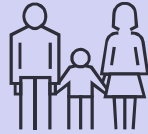
Environmentally unsafe or polluting businesses will be monitored separately and suitably highlighted to the management. We have identified negative industries that pose a threat to the environment & are not supported by us; in line with the IFC guidelines



We aim at incorporating green methods in the construction of our upcoming office buildings. The latest office construction at Guindy is under the supervision of a green consultant and aims to imbibe Green Building principles. All our offices ensure access to clean drinking water and sanitation facilities to employees



Our businesses and functions are aligned towards going digital and as on today we have minimal manual documentation. We are the first finance company to get all processes on a digital platform aiming at paper conservation.



Employee wellbeing

- Emotional & mental wellbeing
- Dedicated grievance hotline
- Special COVID insurance for all
- Fitness focus
- Local employment
- Stress management programs
- Financial wellness of employees & families
- Hobbies club



Diversity & Equal Opportunity:

Chola respects and values diversity among employees. Business activities such as hiring, promotion, and compensation of employees, are conducted without regard to race, colour, religion, gender, national origin, genetics or caste.



Education & Upskilling

Regular discussions are carried out to recognize improvement areas of employees & trainings are conducted for upskilling them. Vernacular training is also being provided. We support formal employee education by providing 80% of the financial support for those in need.



Financial Inclusion

CIFCL aims at sustainable livelihood and strives towards financial inclusion of various marginalised sections of society to help people "Enter a better Life". We largely support First Time Borrowers (FTB) and New To Credit (NTC) customers



Community Development, CSR

The business model is aligned to the needs of the community. Chola constantly innovates its product offering to suit the growing needs of its customer segment. We have piloted numerous projects in the area of Health, Water & Sanitation, Education, Arts & Culture, Sports, Rural Development, Environmental Sustainability, R&D and Road safety.



Truck drivers welfare

One of the key focus areas of Chola's community upliftment is the Truck drivers community. They recognize the adverse situations these drivers face on a daily basis and have made efforts at improving every aspect of their lives and their family's. Each year we add one new aspect for the trucking community including health, safety, child education among others

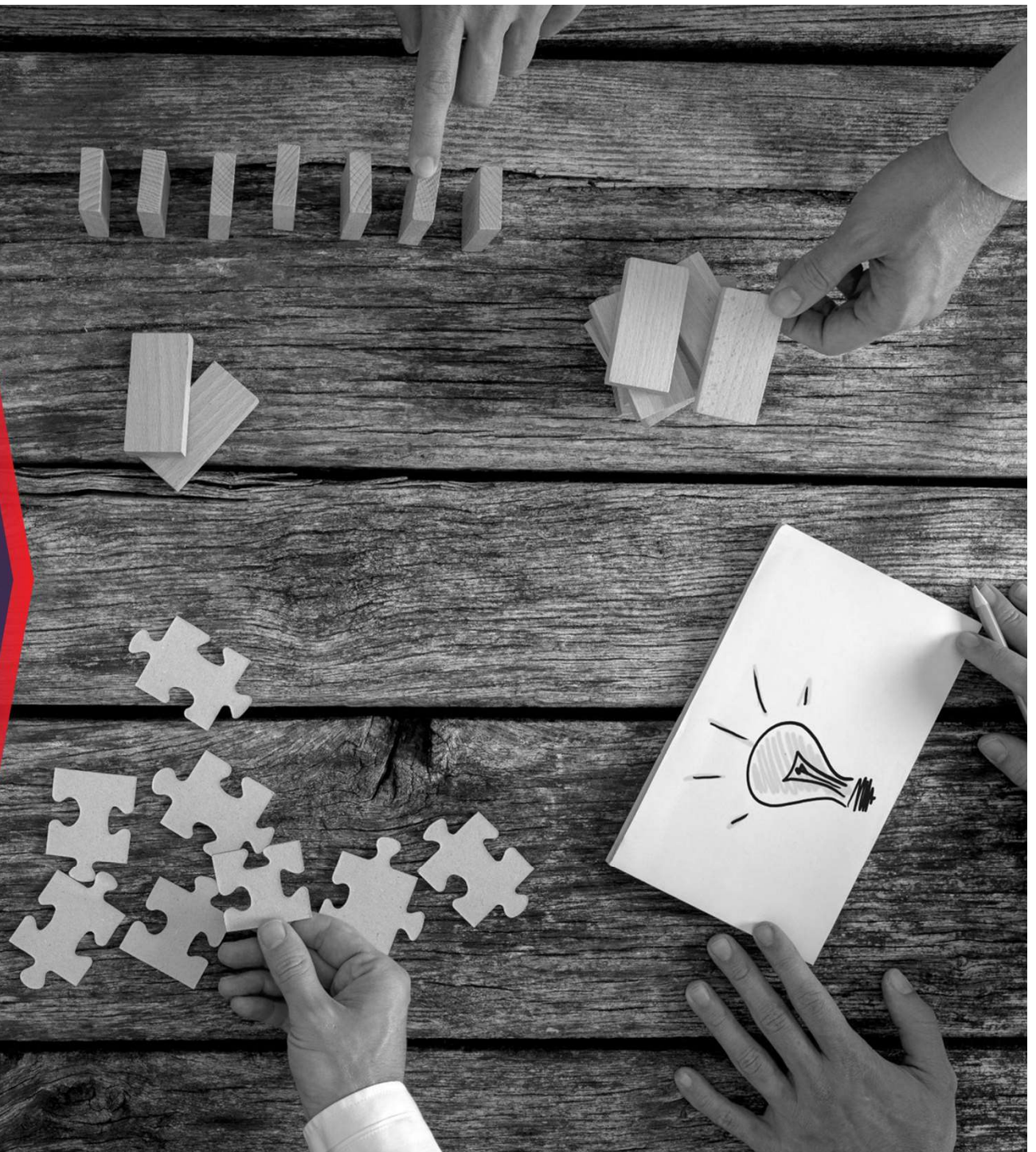
ESG Certification – FTSE Russell



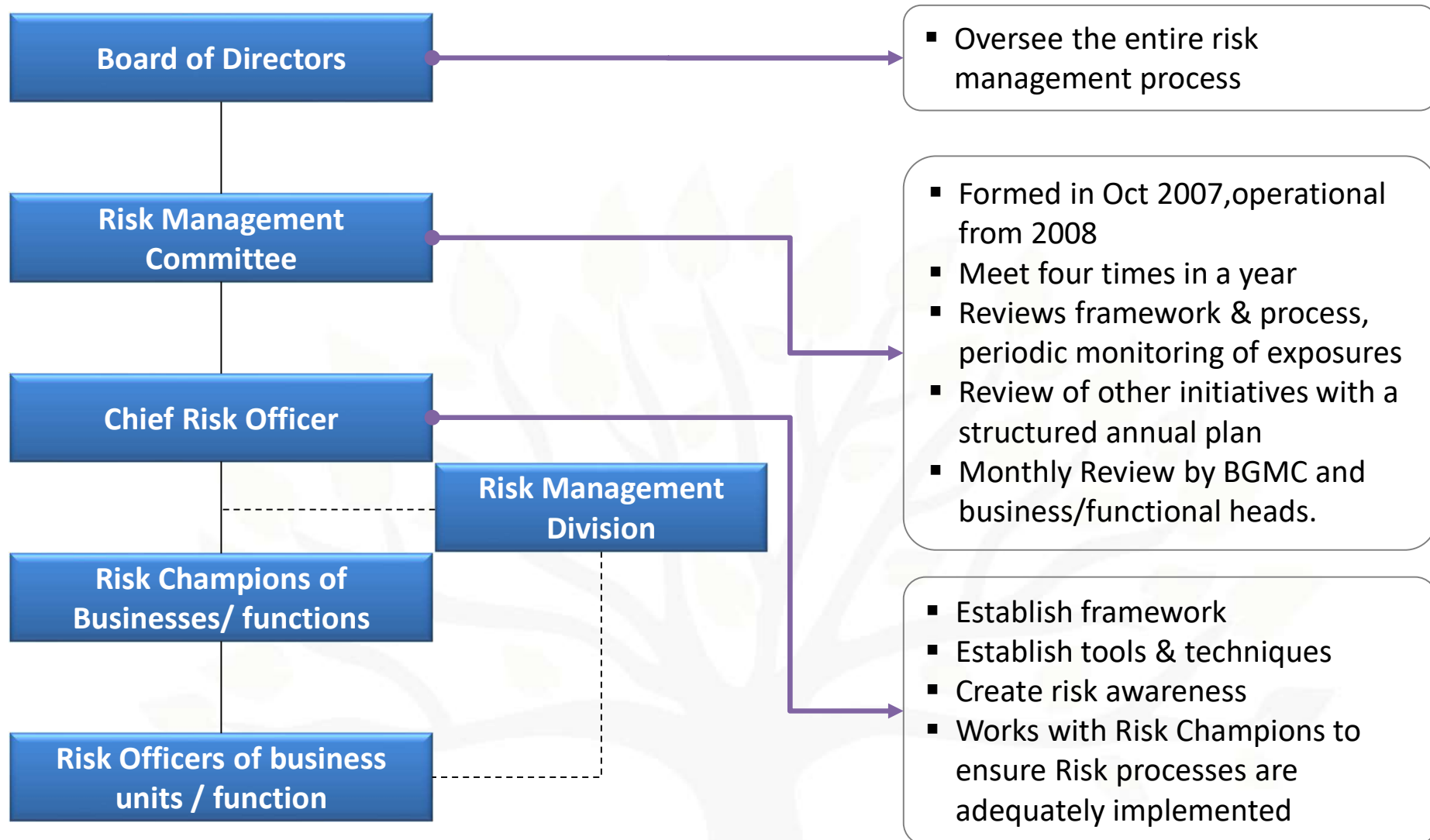
Our Company has been included in the FTSE4Good Index Series, created by the global index and data provider FTSE Russell. The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.

The FTSE4Good indexes are used by a wide variety of market participants to create and assess responsible investment funds and other products. FTSE Russell evaluations are based on performance in areas such as Corporate Governance, Health & Safety, Anti-Corruption and Climate Change. Businesses included in the FTSE4Good Index Series meet a variety of environmental, social and governance criteria.

Risk Management



Risk Governance Structure

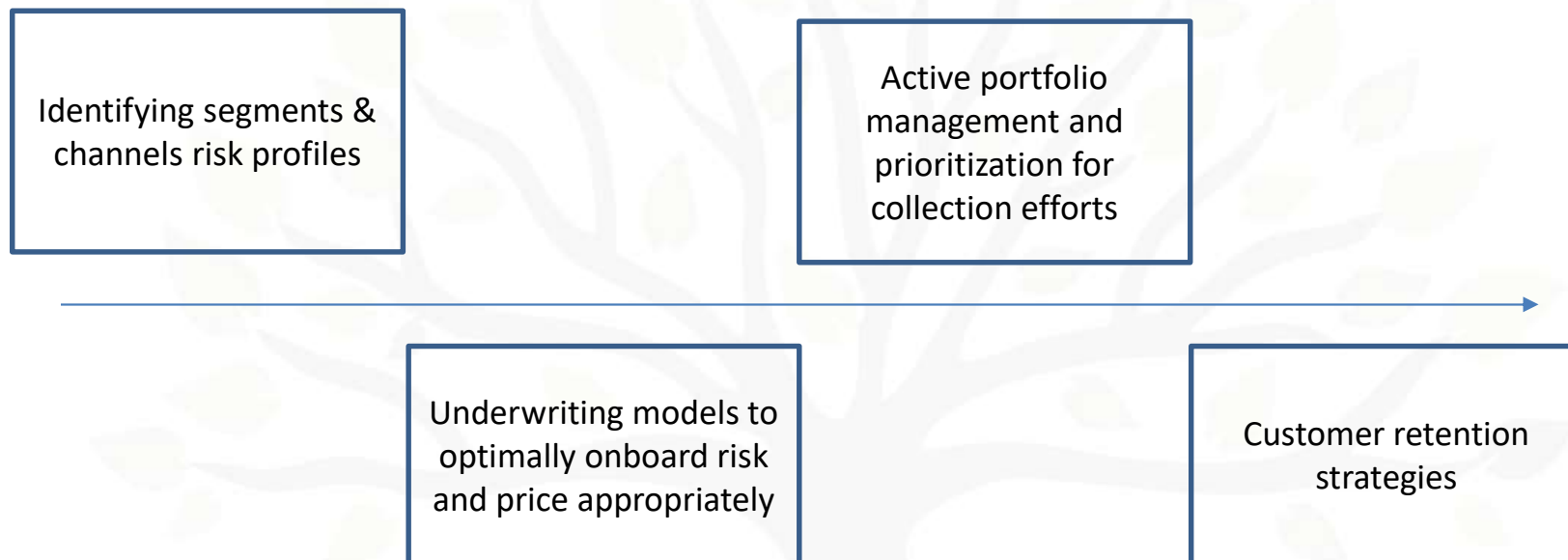


ERM as Value Centre in Corporate Processes

- ERM at Chola works as a value centre
- Risk management team engages in defining framework, overseeing enterprise wide risks and building a portfolio for risk appetite based decision making.
- At Chola risk management is an integral part of the existing business process and management systems.
- Functional level risk monitoring using functional risk index
- Engagement with audit & assurance functions to ensure effective implementation of processes
- Business continuity plan
 - ERM team manages the robust continuity plans which has ensured that all critical functions continue to operate even during this pandemic event

ERM as Value Centre in Business Processes

- Risk registers for various business process to identify laundry list of risks, controls, residual risks and KRIs for monitoring
- ERM works with business teams on the overall customer life cycle management



ERM as Value Centre in Strategic Functions

- Actively involved in giving strategic inputs for scenario building
- Active participant in Asset Liability support group which monitors company's liquidity position
- Building forward looking macro indicators and its impact on business metrics
- Involved in new product launch and assessing its risk / reward trade-off
- Supports all business functions in all new initiatives involving process changes/technical assessments involving risk mitigation

Information Technology



Technology Infrastructure

Provide resilient & scalable environment

- Executed enhancement of connectivity infrastructure for remote working & access to online services
- Complete BCP / DR Drill execution for key product and processes, ensuring appropriate network & compute
- Integrated asset and service management solution for all technology assets including laptops, tabs & printers
- Expanded usage of hybrid cloud compute and storage setup to support core business applications

Digital Engagement & Application Platform

Deliver seamless digital experience for all

- Ongoing functional and technical enhancements for both Home Loan & Loan Against Property related digital platforms
- Enhance functional capability in Co-Lending with other banks & financial institutions by adding support for more VF products
- Online integration with manufacturers for Lead flow to Origination's platform for status update and approvals
- Augment the module for securitization and assignment of originated loans through broader process automation

Security & Governance

Embed cyber security & technology governance

- Ensure on-going rigor for carrying out vulnerability assessment for deployed solutions and underlying systems
- Run continuous InfoSec campaigns and cyber awareness drives across organization's employee and customer base
- Architect and deploy appropriate role-based access controls to enterprise data
- Design and roll out Minimum Security Baseline for the components of the technology infrastructure
- Deploy robust infrastructure monitoring, auditing, and access management processes & solutions to maintain strong information security posture

People & Innovation

Drive innovation & build new capabilities

- Ensure ongoing compliance with RBI master directions, across infrastructure, applications, network, service management and security
- Improve employee engagement by driving increased adoption of new collaboration and people management platform
- Deploy automation and other digital tools & services to improve process quality and reduce human activity index across processes
- Identify and build requisite skills in strategic technology areas to ensure readiness on Digital Technology front as a function

COVID Updates



Update on COVID test employees – as on 30th April 2021

Covid Data	North	East	West	South	Head Office	Total
# Total no of emp Tested Positive till date	819	1495	979	1236	109	4638
# Total no of emp Tested Positive on 30.4.2021	23	15	7	19	1	65
# Emp Under Treatment	313	227	236	239	29	1044
# No of Hospitalisation	7	4	27	13	4	55
# Emp Recovered till date	503	1266	738	996	80	3583
# Fatality due to Covid	3	2	5	1	0	11

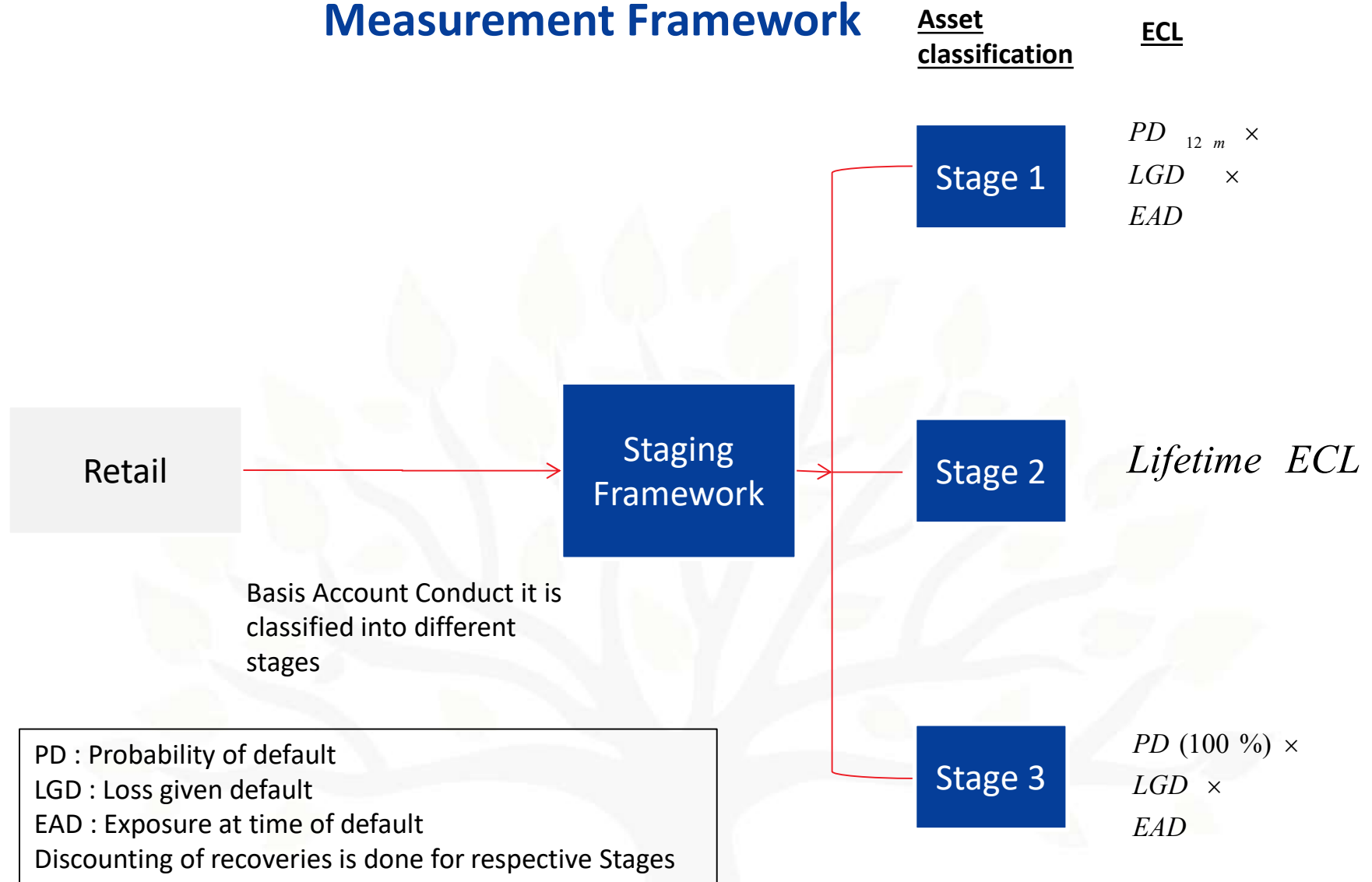
- Around 18% of the CHOLA's Population have been tested COVID positive.
- We lost 11 of our colleagues due to COVID.
- Regional HR continue to focus on precautions to be taken for employee safety and health, communication programs for keeping employees educated, branch hygiene and periodic sanitization.

Employee Support Programs

- Communication drives, webinars to educate employees on precautions to be taken, to cope up the current crisis.
- Help Desk for hospitalization needs – a core team, trained are available 24*7 for employees to support for hospitalization needs – ambulance arrangement, beds.
- Doctor on call service – tie up with Practo for Doctor on call.
- Vaccination campaign, creating awareness, organizing Vaccination camps at workplace.
- Dedicated team to support in finding ICU's in hospitals, Oxygen cylinder, Remdesivir injection.
- Tie up with hotels – beds for employees who needs to be isolated till recovery.
- Increased touch points with employees – to check on health of self & family.
- Work from home options, Partially filled offices, Pandemic leave program.
- Insurance support programs like combat plan, hospitalization, term life insurance are extended to employees.

ECL Methodology

Measurement Framework



Measurement Framework

Asset classification

ECL

Description

Stage 1

$$\frac{PD_{12m} \times LGD}{EAD}$$

- Assets with low risk (0-30 DPD) on reporting date
- Loss estimate based on a 1 year forward estimate

Stage 2

Lifetime ECL

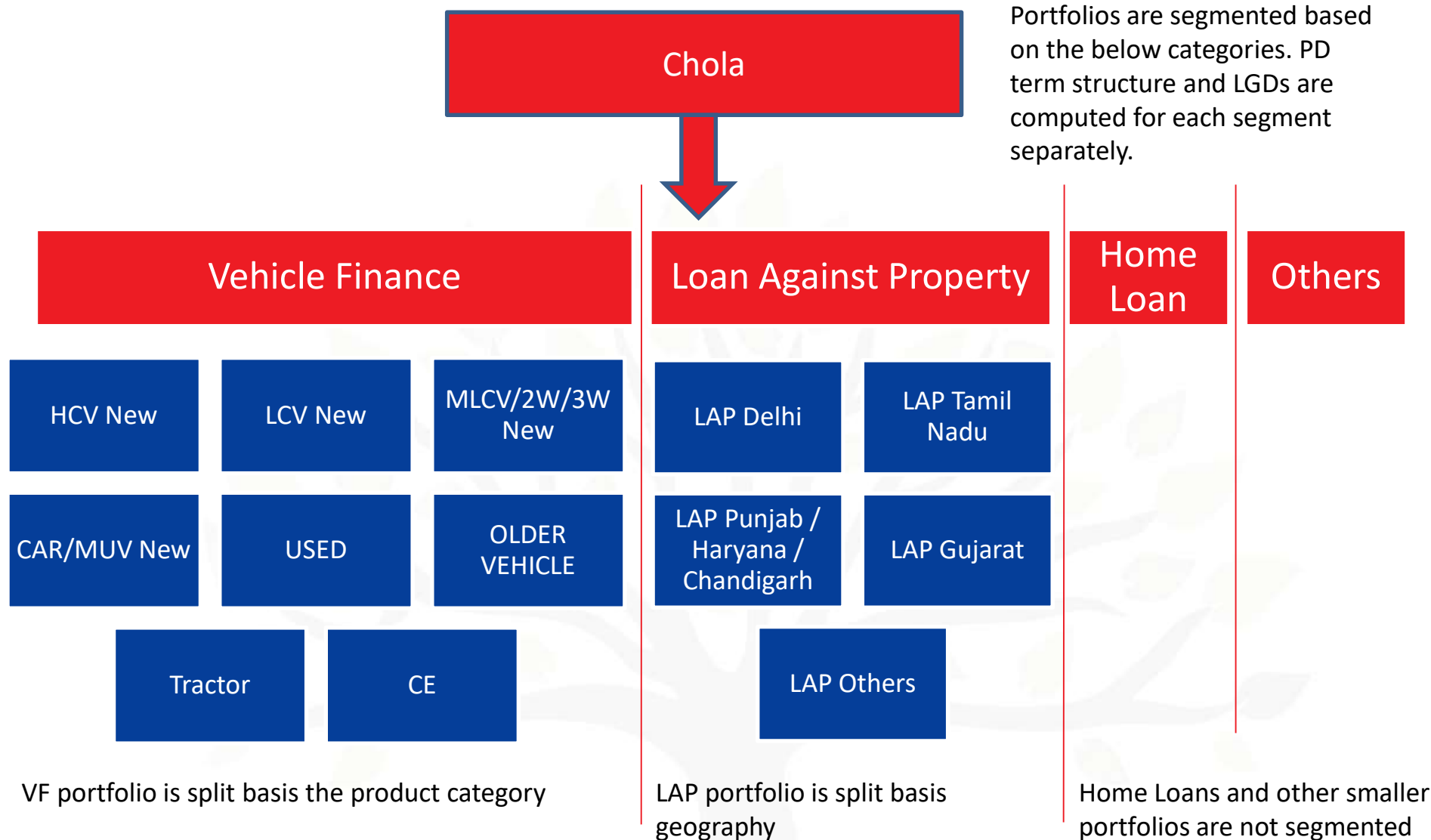
- Assets with Significant Increase in Credit Risk (SICR) since initial recognition
- Assets with > 30 DPD and < 90 DPD are considered as Stage 2
- Lifetime expected loss is computed

Stage 3

$$\frac{PD(100\%) \times LGD}{EAD}$$

- Assets where default event has already happened as on reporting date
- Assets which have DPD > 90 days as on reporting date are classified into stage 3

Retail Pooling



Contact us

Our registered office

Cholamandalam Investment and Finance Company Limited (Chola),
Dare House 1st Floor, No. 2, NSC Bose Road, Parrys,
Chennai 600001.

Toll free number: 1800-200-4565 (9 AM to 7 PM)

Land Line: 044-3000 7172

<http://www.cholamandalam.com>

Email-ID

Sujatha P-Sr. Vice President & Company Secretary–

companysecretary@chola.murugappa.com

Arulselvan D-Executive Vice President & CFO–

cfo@chola.murugappa.com

Disclaimer

- Certain statements included in this presentation may be forward looking statements made based on management's current expectations and beliefs concerning future developments and their potential effects upon Cholamandalam Investment and Finance Company Ltd and its subsidiaries. There can be no assurance that future developments affecting Cholamandalam Investment and Finance Company Ltd and its subsidiaries will be those anticipated by management. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are important factors that could cause actual results to differ, possibly materially, from expectations reflected in such forward-looking statements. Cholamandalam Investment and Finance Company Ltd does not intend and is under no obligation, to update any particular forward-looking statement included in this presentation.
- The facts and figures mentioned in this presentation is for informational purposes only and does not constitute or form part of, and should not be construed as, an offer or invitation to sell securities of the Company, or the solicitation of any bid from you or any investor or an offer to subscribe for or purchase securities of the Company, and nothing contained herein shall form the basis of or be relied on in connection with any contract or commitment whatsoever. Nothing in the foregoing shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the Indian public or any section thereof or any other jurisdiction through this presentation, and this presentation and its contents should not be construed to be a prospectus in India or elsewhere. This document has not been and will not be reviewed or approved by any statutory or regulatory authority in India or any other jurisdiction or by any stock exchanges in India or elsewhere. This document and the contents hereof are restricted for only the intended recipient (s). This document and the contents hereof should not be (i) forwarded or delivered or transmitted in any manner whatsoever, to any other person other than the intended recipient (s); or (ii) reproduced in any manner whatsoever. Any forwarding, distribution or reproduction of this document in whole or in part is unauthorised.
- The information in this document is being provided by the Company and is subject to change without notice. The information in this presentation has not been independently verified. No representation or warranty, express or implied, is made to the accuracy, completeness or fairness of the presentation and the information contained herein and no reliance should be placed on such information. The Company or any other parties whose names appear herein shall not be liable for any statements made herein or any event or circumstance arising therefrom.



STRONGER TOGETHER

Collaborating for Success!

THANK YOU

