



Chola

Financial Holdings

CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED

CORPORATE PRESENTATION – Q4-FY24



murugappa

Murugappa Group in a Nutshell



Years of Existence



Consolidated Turnover (FY23)



Group Market cap (as on 31st Mar 2024)



Sectors



Businesses



Listed Companies



Geographical Presence

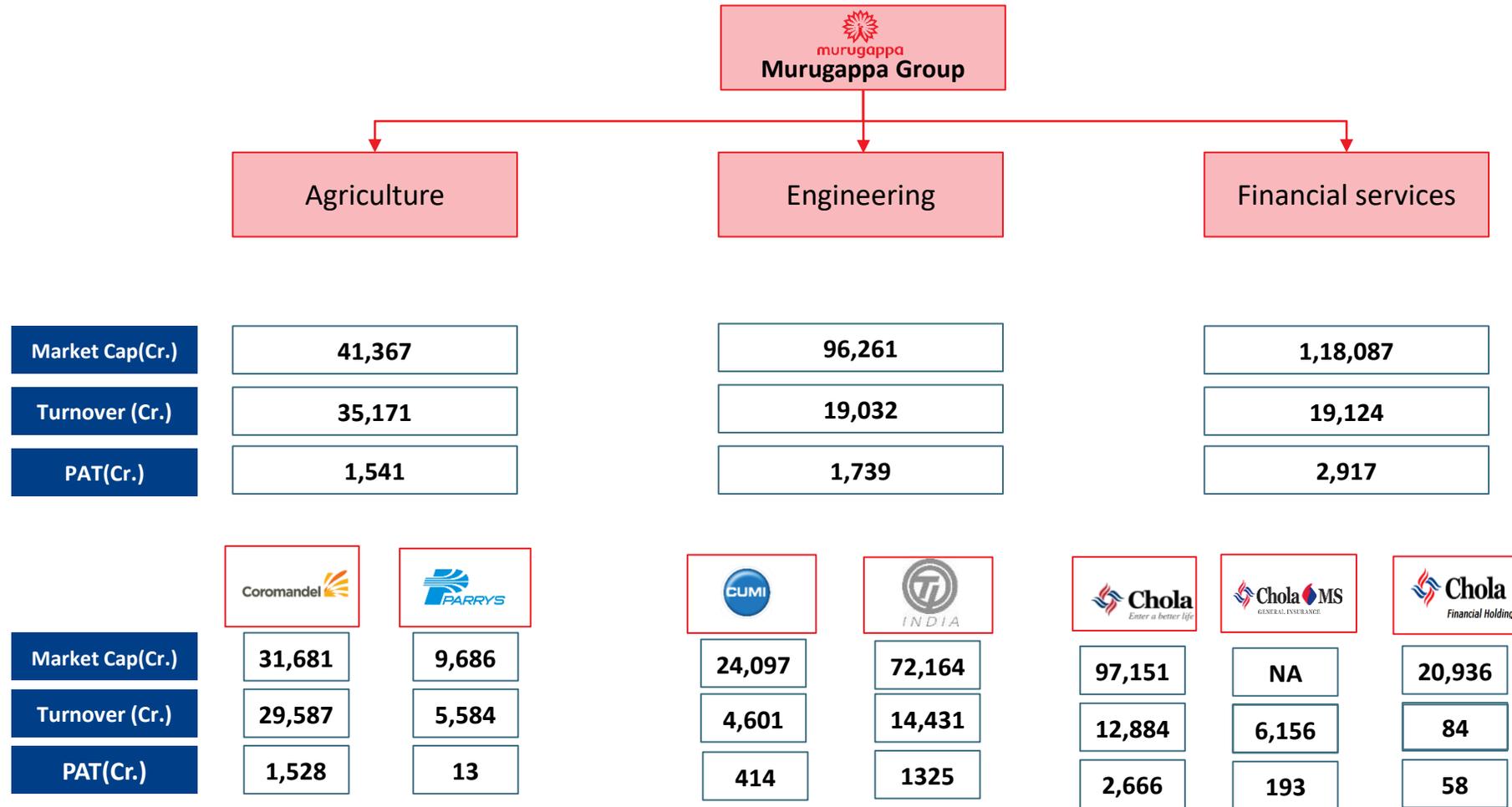


Manufacturing Locations



Work force

Murugappa Group Overview



Note: Market Capitalization of Financial services incl. Chola Investments and Chola Financial Holdings. Financial Performance are of FY 22-23. Market data as on 28th Mar 2024. Source: BSE

SPIRIT OF MURUGAPPA



The five lights
The values, principles and beliefs that have always guided us and continue to show the way forward.

Integrity
We value professional and personal integrity above all else. We achieve our goals by being honest and straightforward with all our stakeholders. We earn trust with every action, every minute of every day.

Passion
We play to win. We have a healthy desire to stretch, to achieve personal goals and accelerate business growth. We strive constantly to improve and be energetic in everything that we do.

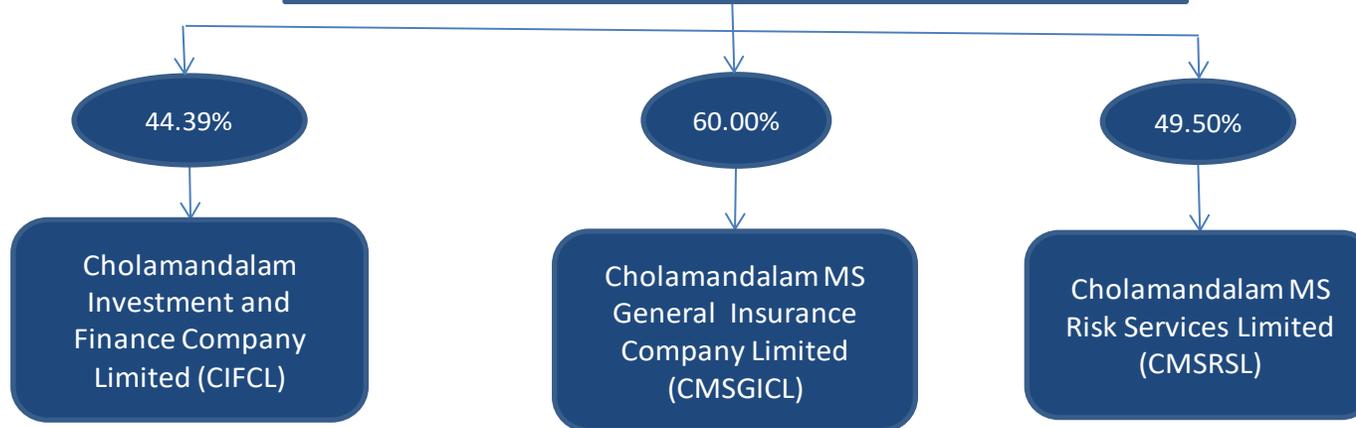
Quality
We take ownership of our work. We unfailingly meet high standards of quality in both what we do and the way we do it. We take pride in excellence.

Respect
We respect the dignity of every individual. We are open and transparent with each other. We inspire and enable people to achieve high standards and challenging goals. We provide everyone equal opportunities to progress and grow.

Responsibility
We are responsible corporate citizens. We believe we can help make a difference to our environment and change lives for the better. We will do this in a manner that benefits our size and also reflects our humility.

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

Cholamandalam Financial Holdings Limited (CFHL)
(Core Investment Company)



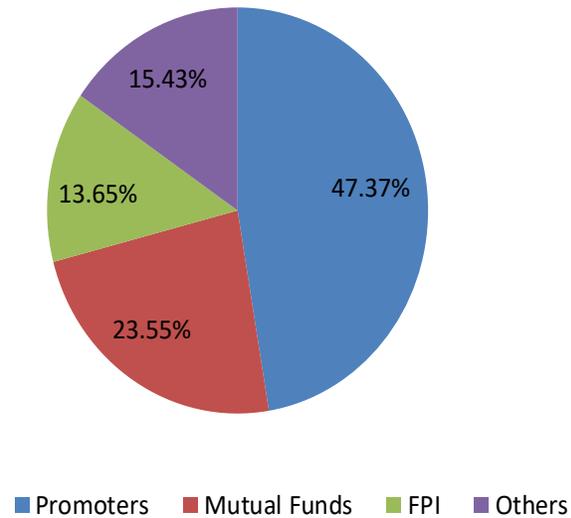
- Subsidiary (as per Ind AS)
- Associate (as per Companies Act)
- Listed Company
- Leading NBFC - Vehicle Finance, Loan against Property, Home Loans and other Secured/Unsecured Loans
- Stock broking and distribution of financial products through Subsidiary Companies

- Joint Venture with Mitsui Sumitomo Insurance Group, Japan
- Subsidiary
- Unlisted
- Multi-line insurer
 - a) Personal - Motor, accident, health, home
 - b) Commercial - Property, Engineering, Marine, Liability and Group Accident & Health

- Joint Venture with Mitsui Sumitomo Insurance Group, Japan
- Unlisted
- Risk Management and Engineering Solutions - Environment, Health and Safety

Shareholding Pattern

Shareholding Pattern
as of March 31, 2024



Institutional Holders (More than 1%)

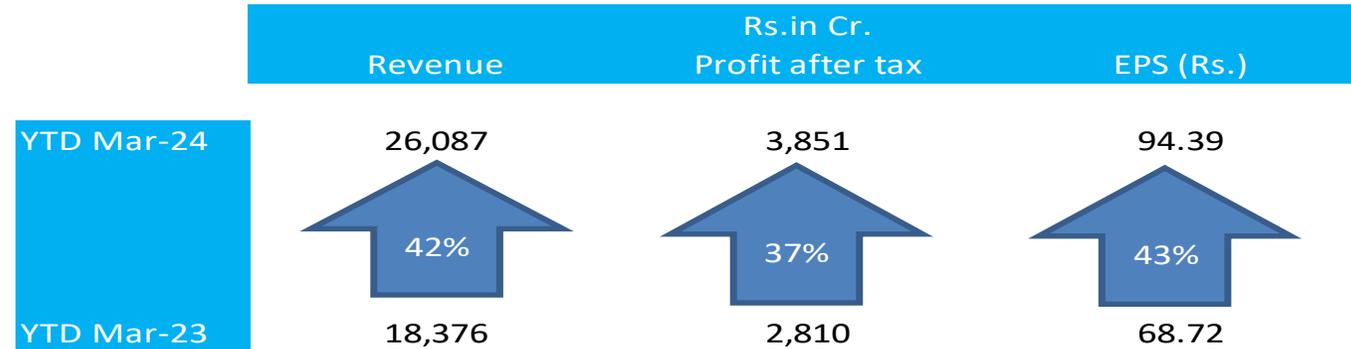
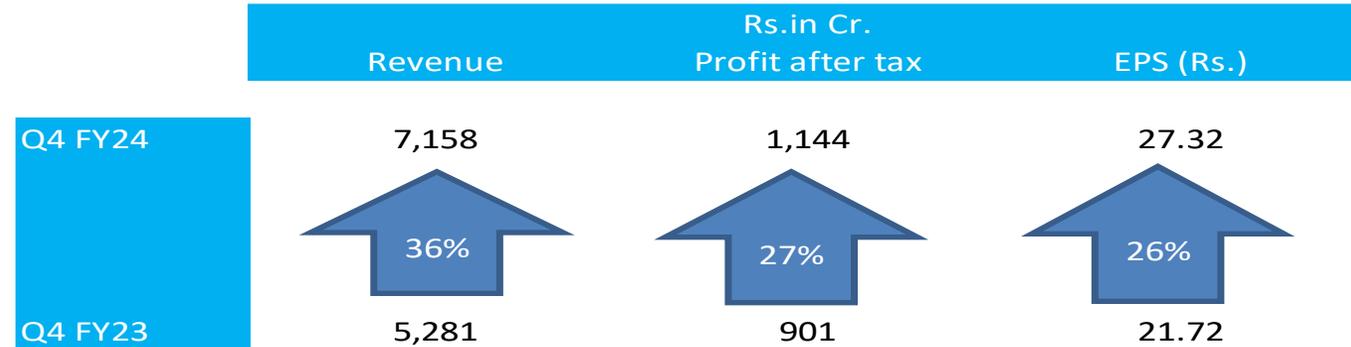
Top Domestic Institutional Holdings

- * ICICI Mutual Fund
- * Aditya Birla Mutual Fund
- * HDFC Mutual Fund
- * Nippon India Mutual Fund
- * Sundaram Mutual Fund
- * Axis Mutual Fund

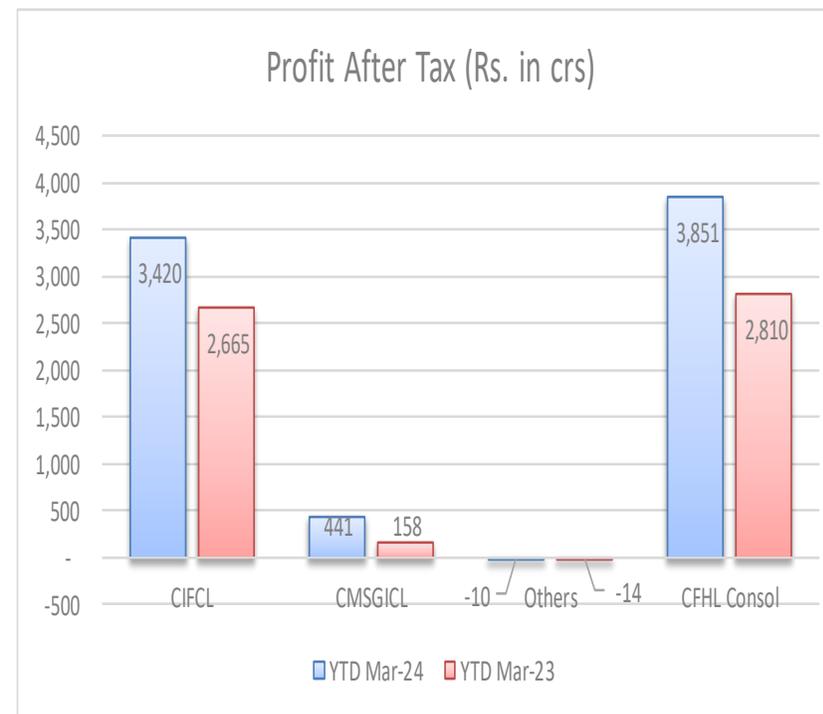
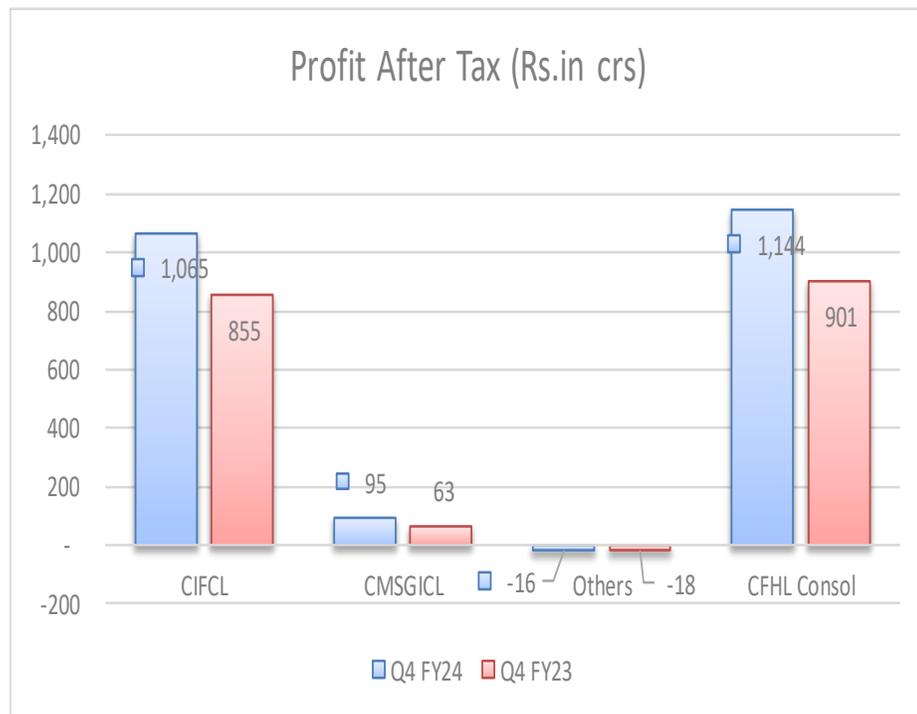
Top Foreign Institutional Holdings

First Sentier Investors ICVC - Stewart Investors I

Performance Highlights - Consolidated



Performance Highlights - Consolidated



Financial Performance & Metrics

CFHL - Standalone		
Particulars (Rs. in Cr)	YTD Mar-24	YTD Mar-23
Income	86.00	83.76
Expenses	6.99	9.90
Profit Before Tax	79.01	73.86
Tax Expense	17.29	15.99
Profit After Tax	61.72	57.87

CFHL - Standalone	As of	As of
Balance Sheet (Rs. in Cr)	31-Mar-2024	31-Mar-2023
Networth	1,287.50	1,236.39
Other Liabilities	1.65	51.96
Total Equity and Liabilities	1,289.15	1,288.35
Investments and Bank deposits	1,279.31	1,287.67
Other Assets	9.84	0.68
Total Assets	1,289.15	1,288.35

*CIE - Chola Insurance Express; VO - Virtual Office

CIFCL	YTD Mar-24	YTD Mar-23
Disbursements (Rs. in Cr)	88,725	66,532
	As of	As of
	31-Mar-2024	31-Mar-2023
Asset Under Management (Rs. in Cr)	1,53,718	1,12,782
No. of Branches	1,387	1,191

CMSGICL	YTD Mar-24	YTD Mar-23
Gross Written Premium (Rs. in Cr)	7,542	6,407
	As of	As of
	31-Mar-2024	31-Mar-2023
Investment Portfolio (Rs. in Cr)	16,538	14,271
Market presence (Branch+CIE +VO)*	669	604

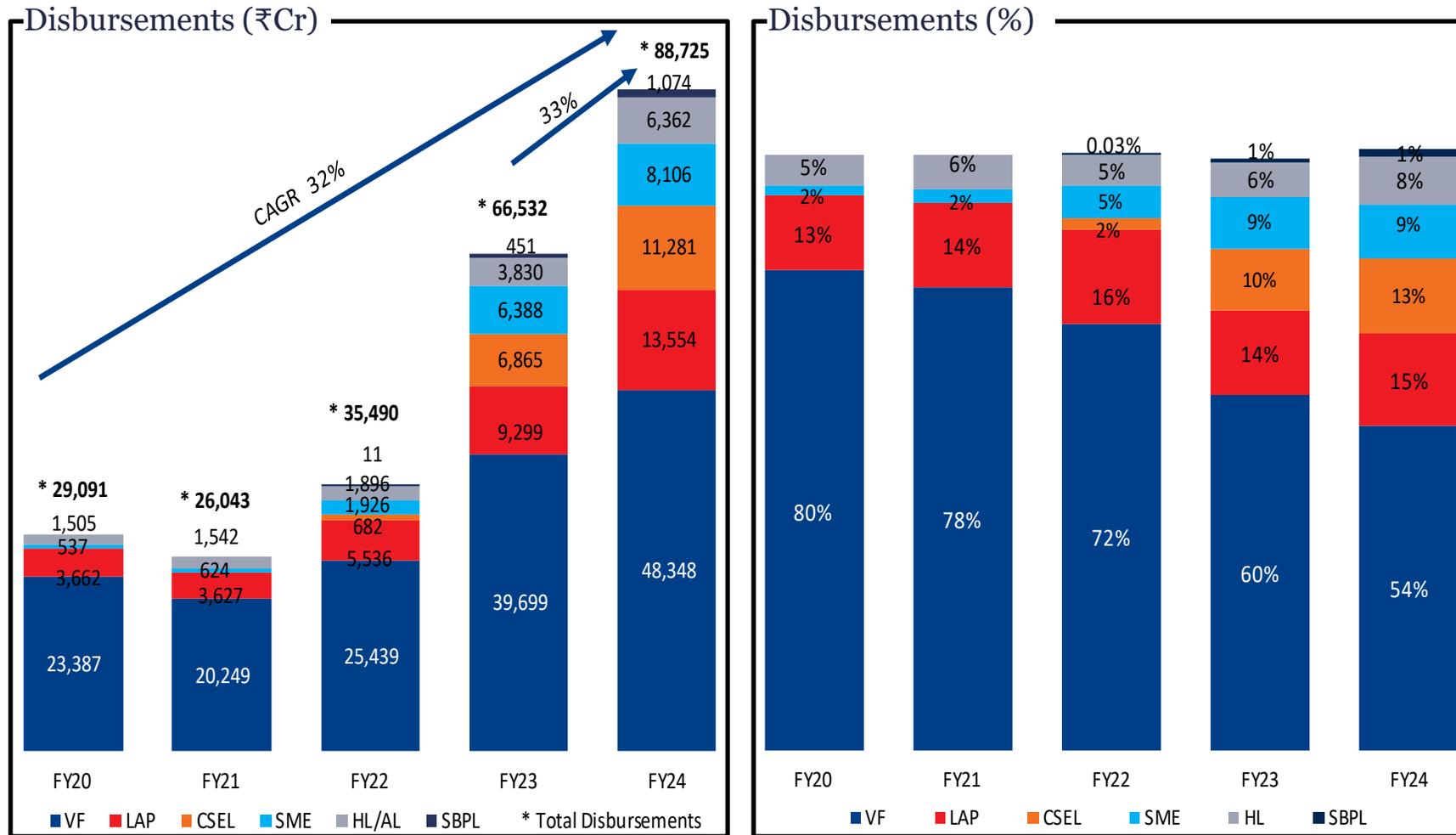
CMSRSL	YTD Mar-24	YTD Mar-23
Revenue (Rs. in Cr)	71.27	64.93
Profit After Tax (Rs. in Cr)	6.08	6.82
	As of	As of
	31-Mar-2024	31-Mar-2023
Networth (Rs. in Cr)	42.84	37.29

Regulatory Ratios of CFHL

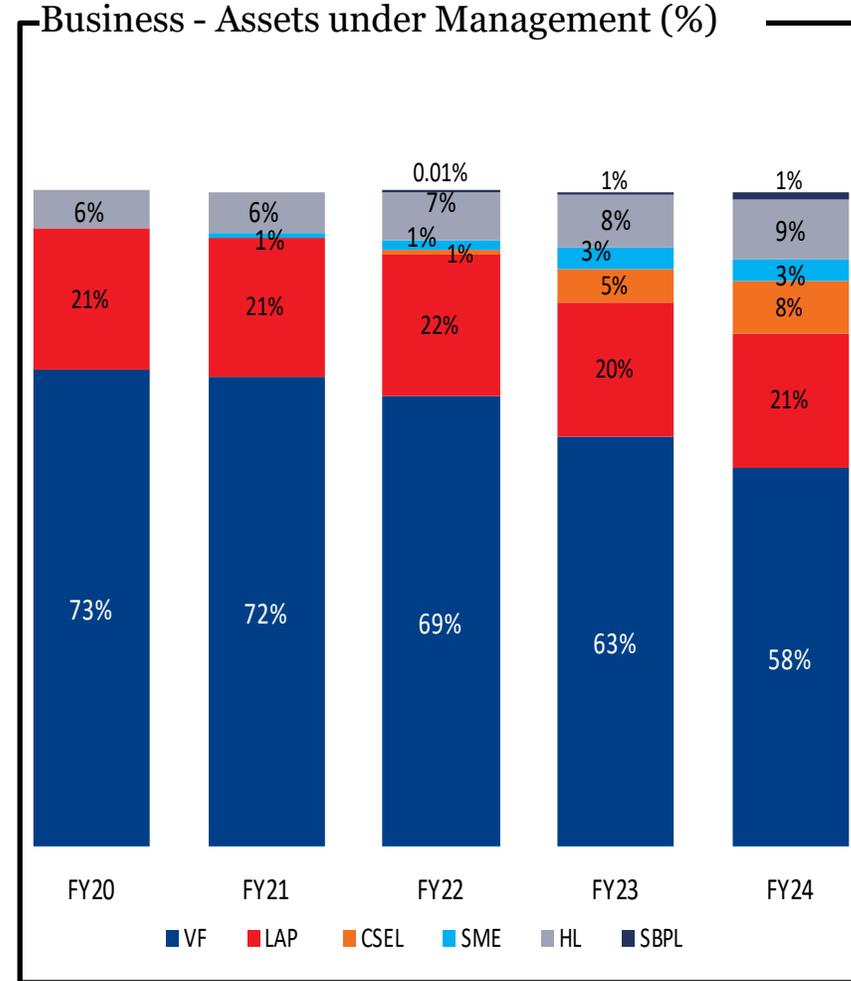
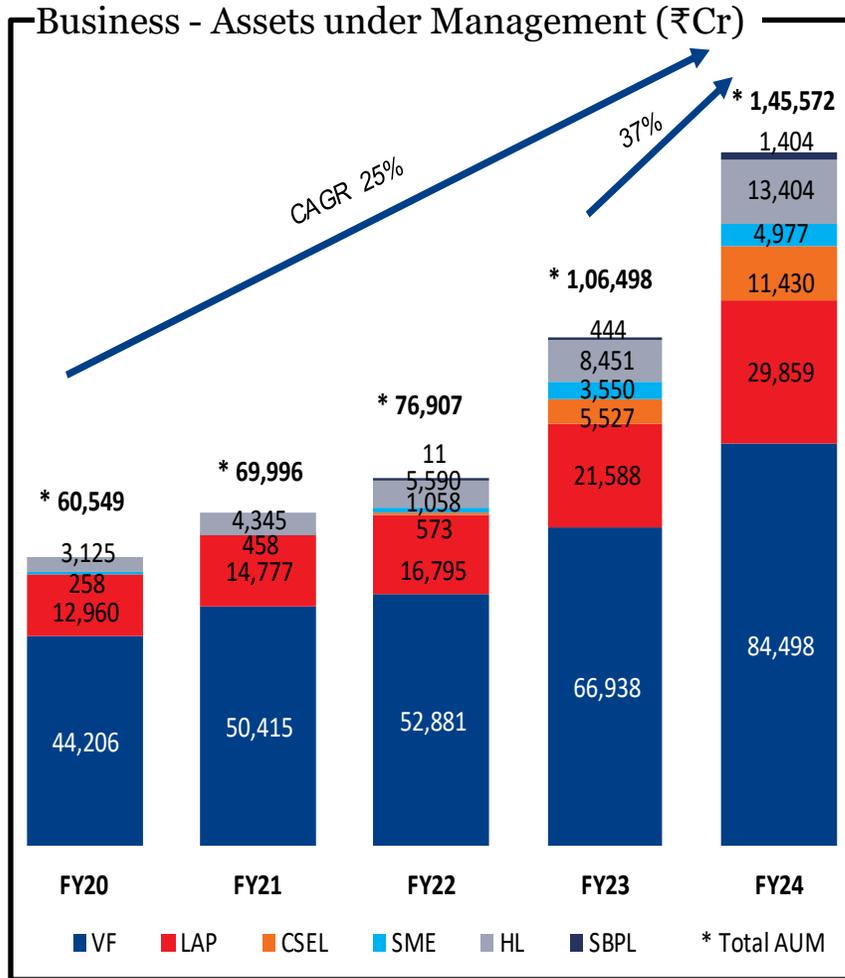
Particulars	Rs Crs	
	As of March 31, 2024	As of March 31, 2023
Owned Funds (A)	1,277.09	1,226.02
Adjusted Networth (B)	22,575.32	14,387.29
Risk Weighed Assets (C)	1,280.25	1,280.89
Outside Liabilities (D)	1.65	52.39
Net assets (E)	1,279.56	1,280.23
Investment in equity shares of group companies (F)	1,279.31	1,280.12
Capital Ratio (B / C)	1763.36%	1123.23%
Regulatory minimum	30.00%	30.00%
Leverage Ratio (D / B)	0.0001	0.004
Regulatory maximum	2.50	2.50
Investment in group companies (F / E)	99.980%	99.991%
Regulatory minimum	90.000%	90.000%

Cholamandalam Investment and Finance Company Limited

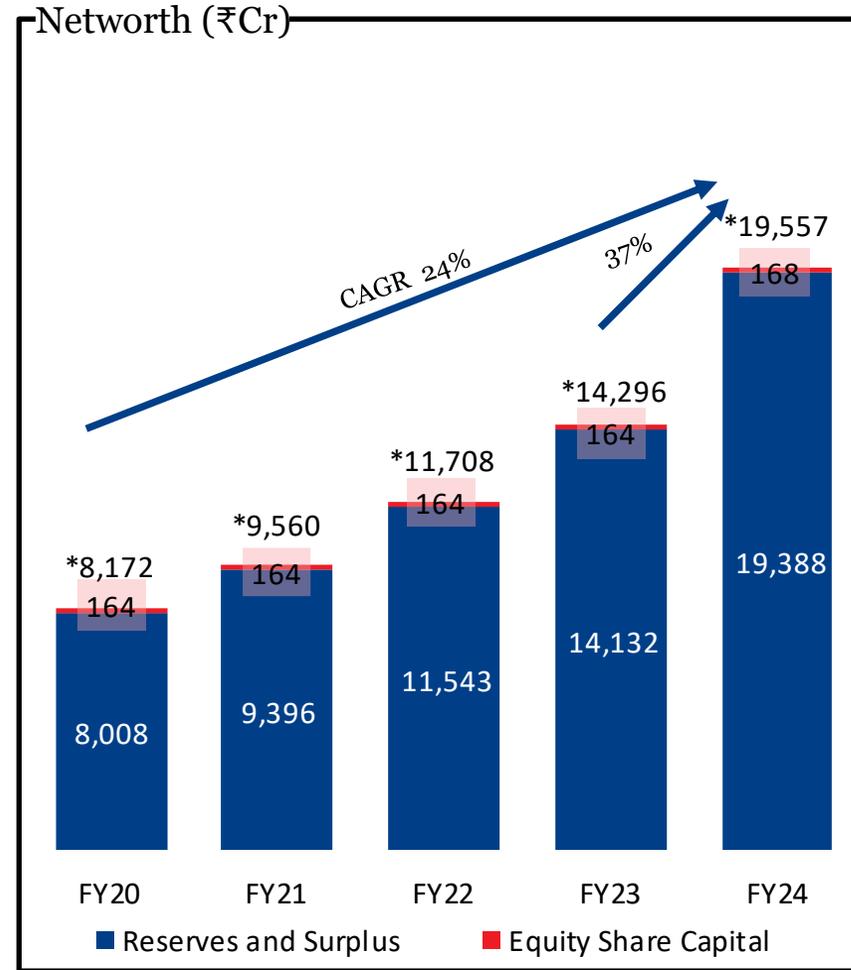
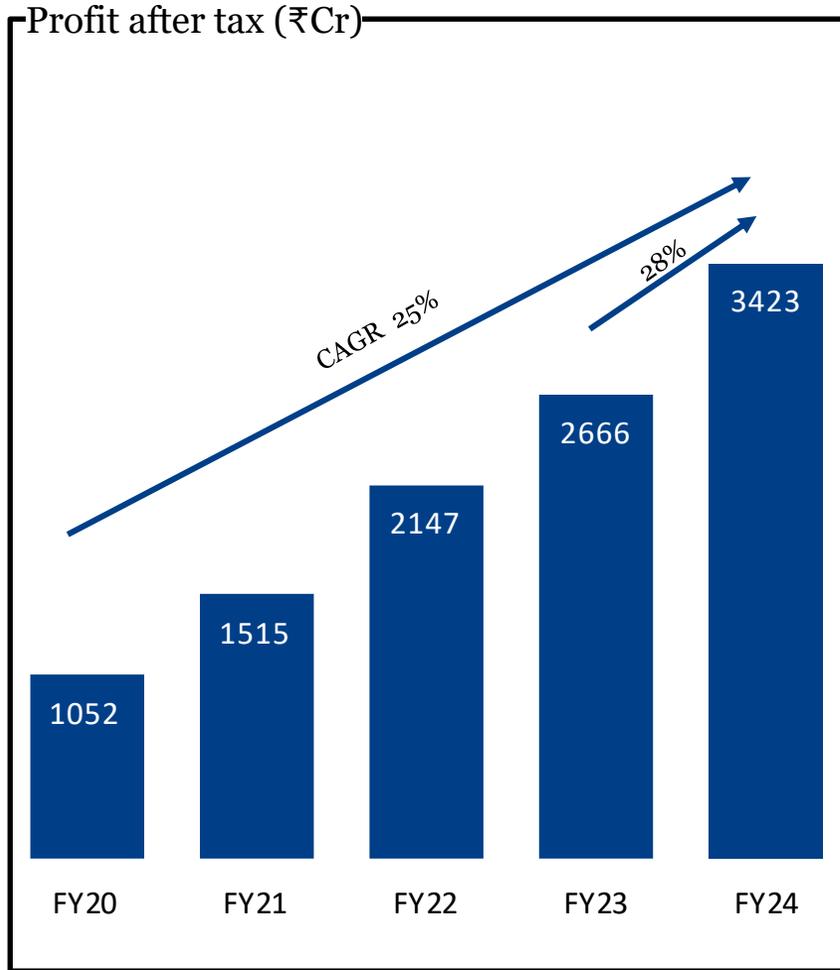
Disbursements



Assets Under Management



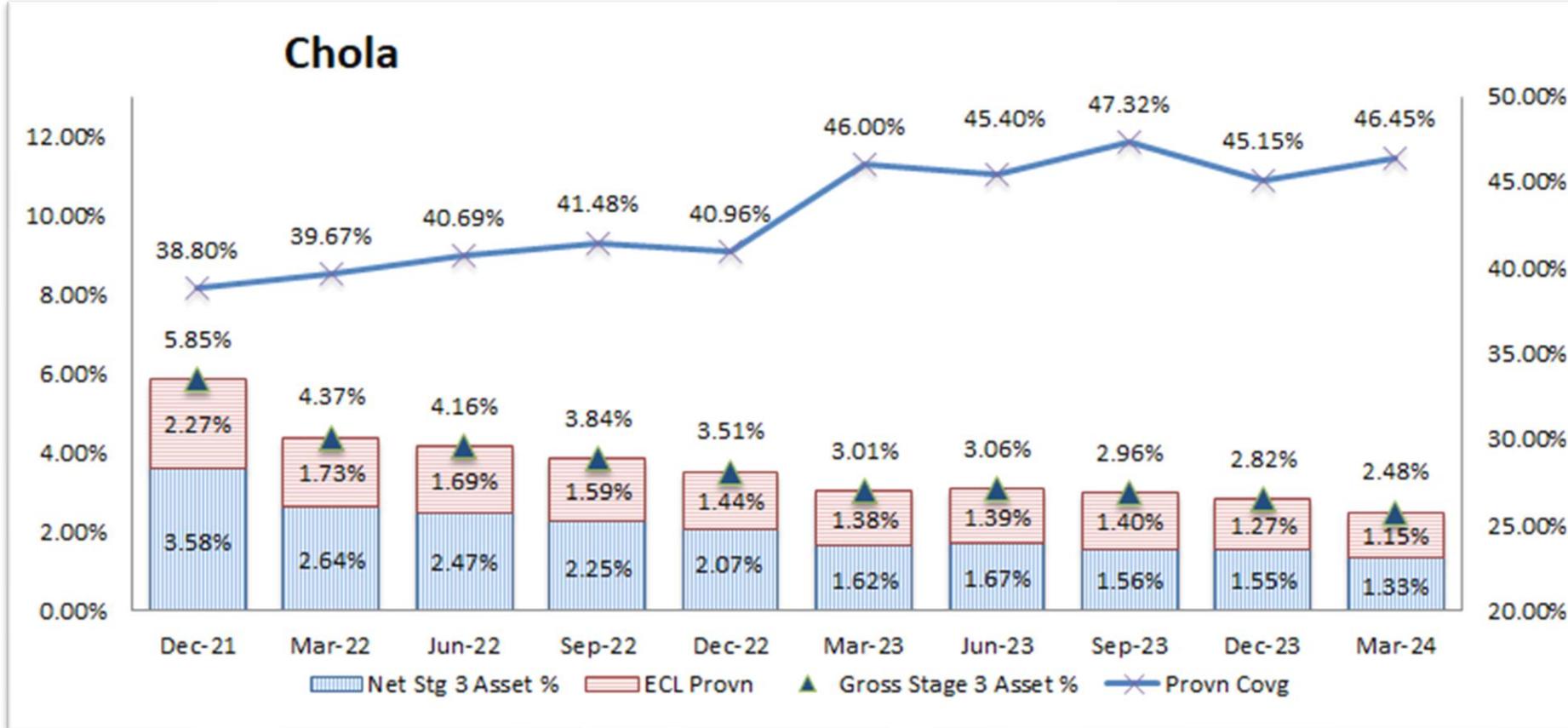
Profitability and Net worth



Note on Network

FY20 – Raised capital of ₹900 Cr (QIP) and Rs.300 Cr (Preferential allotment) & FY24 – Raised capital of ₹2,000 Cr (QIP) and Rs.2,000 Cr (Compulsory Convertible Debentures).

Chola –Stage 3 Assets Trend



As per revised RBI norms GNPA% & NNPA% as of Mar24 is at 3.54% and 2.32% respectively.

Vehicle Finance



Vehicle Finance: Q4FY24 & FY24 Performance

Disbursements

- Disbursements grew by 6% in Q4FY24 to Rs. 12,962 Cr & by 22% in FY24 to Rs. 48,348 Cr as compared to Q4FY23 & FY23 respectively.

Assets under management

- AUM has grown by 26% YoY.

Loss and provisions

- Loan losses at 0.5% in Q4FY24 from 0.4% in Q4FY23 & remained the same at 1.2% in FY24 as compared to FY23.

Profit before tax

- PBT grew by 21% in Q4FY24 to Rs.888 Cr & by 11% in FY24 to Rs.2,532 Cr as compared to Q4FY23 & FY23 respectively.

Sector outlook – Vehicle Finance business (1/3)

Sector Outlook

- The Light Commercial Vehicle (LCV) segment had a de-growth of 2% in Q4 FY'24 & 3% growth as of YTD Mar'24 which is an all-time high sales for the period when compared to any previous year. The segment is expected to plateau in the coming year due to a high base effect.
- The Small Commercial Vehicle (SCV) segment had a growth of 5% in Q4 FY'24 & 6% de-growth as of YTD Mar'24. The segment has shown growth for the first time in this quarter (Q4 FY'24) after Q2 FY'23. This segment is expected to grow at slow pace in the coming quarters.
- The Heavy Commercial Vehicle (HCV) segment had a de-growth of 10% in Q4 FY'24 & 2% growth as of YTD Mar'24 which is an all-time high sales for the period when compared to any previous year. This segment might witness flat growth for the first few months of FY'25 due to a high base effect and ongoing general elections.

Chola's Position

- We will continue our focus in this segment in line with macro economic environment and industry growth.
- Our financing in this segment will be based on vehicle earning capacity and rural cash flows.
- Our exposure in this segment is 7% at a portfolio level. We will closely watch this segment in the coming quarters based on government outlay for infrastructure and mining.

Sector outlook – Vehicle Finance business (2/3)

Sector Outlook

- The Passenger vehicle (Car & MUV) segment had a growth of 11% in Q4 FY'24 and 8% as of YTD Mar'24 with an all-time high sales compared to any other year for the same period. This segment is showing positive sentiments driven by replacement demand and launch of new models especially in the MUV segment.
- The Two-wheeler industry had a growth of 25% in Q4 FY'24 and 13% as of YTD Mar'24. This segment is expected to grow at a moderate pace in the coming year with sustained recovery in rural demand.
- Used vehicle industry has been witnessing steady over the years due to increasing prices of new vehicles and higher replacement demand post the pandemic. This trend is expected to continue further

Chola's Position

- We will continue our focus in this segment in line with market demand and retail sentiments.
- We will continue to focus on two-wheeler financing with a twin objective of portfolio quality and profitability.
- Used vehicles contribute to nearly 28% of our portfolio. We will continue our cautious approach to financing with a razor-sharp focus on collections.

Sector outlook – Vehicle Finance business (3/3)

Sector Outlook

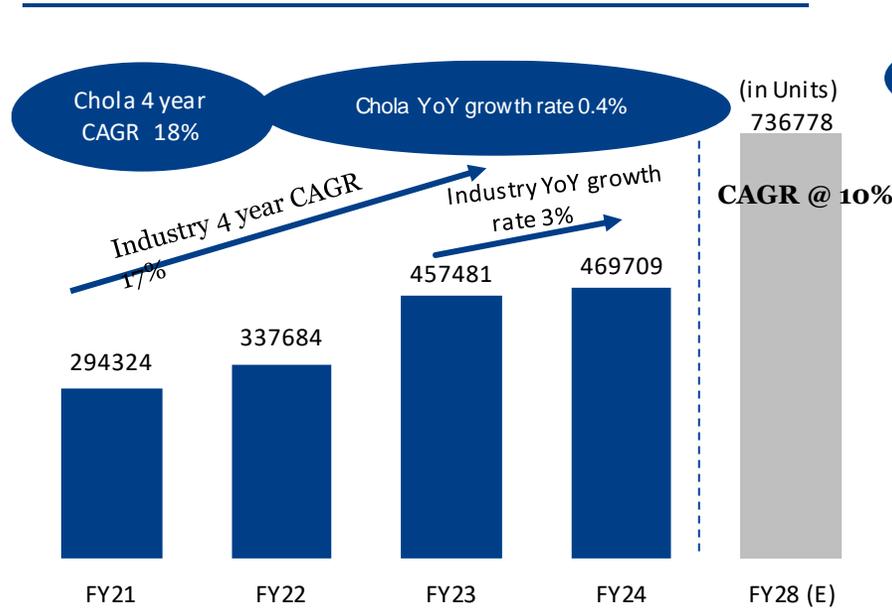
- The Construction Equipment (CE) segment had a growth of 14% in Q4 FY'24 and 23% as of YTD Mar'24. After two years of consecutive double digit growth, this segment might see moderate contraction of demand in the near quarter.
- The Tractor industry had a de-growth of 12% in Q4 FY'24 & 6% as of YTD Mar'24 due to a high base effect of last year. This segment is expected to grow at a modest pace with predictions of normal monsoon

Chola's Position

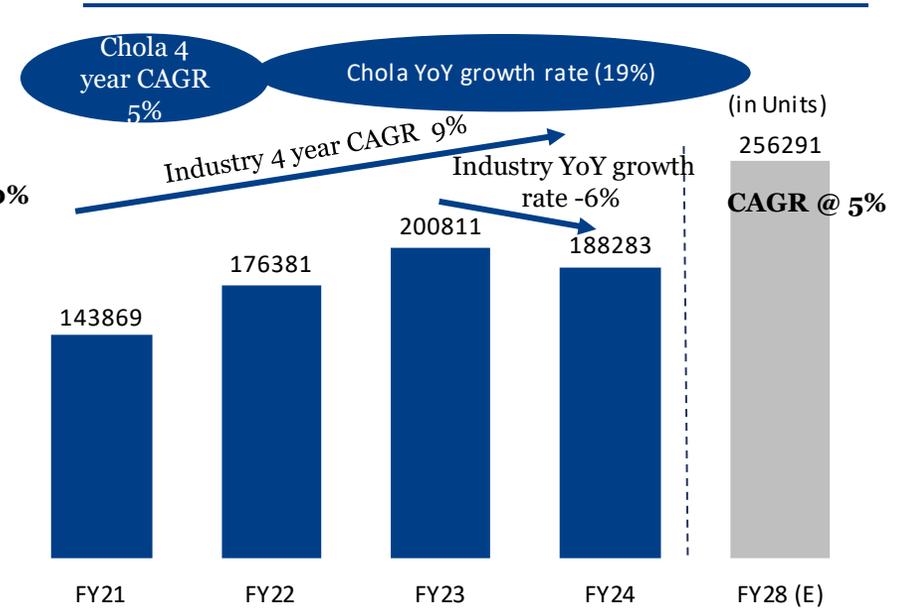
- Our exposure in this segment is around 7% at a portfolio level. Our focus is to build a quality portfolio in this segment.
- Influence of external factors like uneven rainfall, crop loss and irregular farm cash flows will determine our growth in this segment.

Auto Industry Outlook

Trend in Domestic LCV Sales



Trend in Domestic SCV Sales

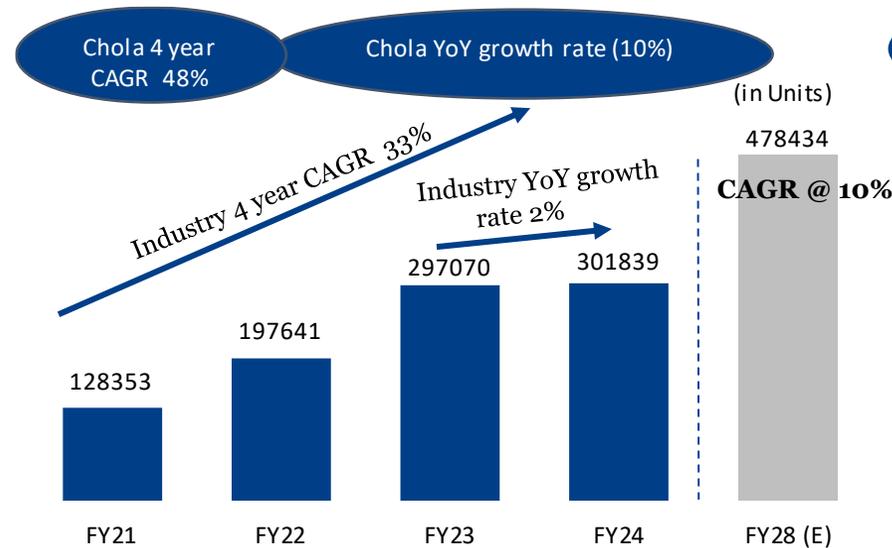


- Replacement demand, last-mile transport requirements and positive macroeconomic environment.
- Stronger demand from consumption driven sectors and E-commerce based companies.
- Demand for Pickups to increase in the long term due to higher flexibility in usage over sub one tonne vehicles.
- Bus Sales to be supported by growing urban population, demand from schools/ corporates and increased inter-city travel.

Source: FY21 to FY28 numbers are from SIAM & CRISIL

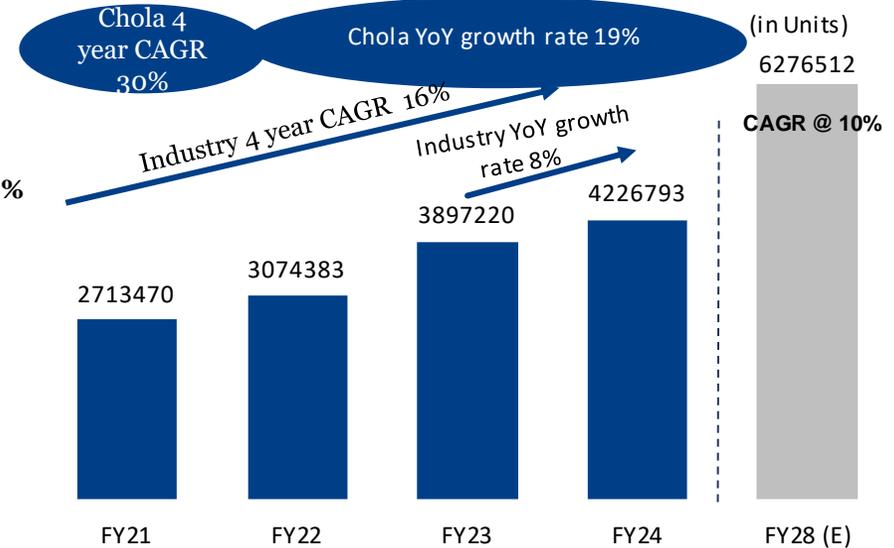
Auto Industry Outlook

Trend in Domestic HCV Sales



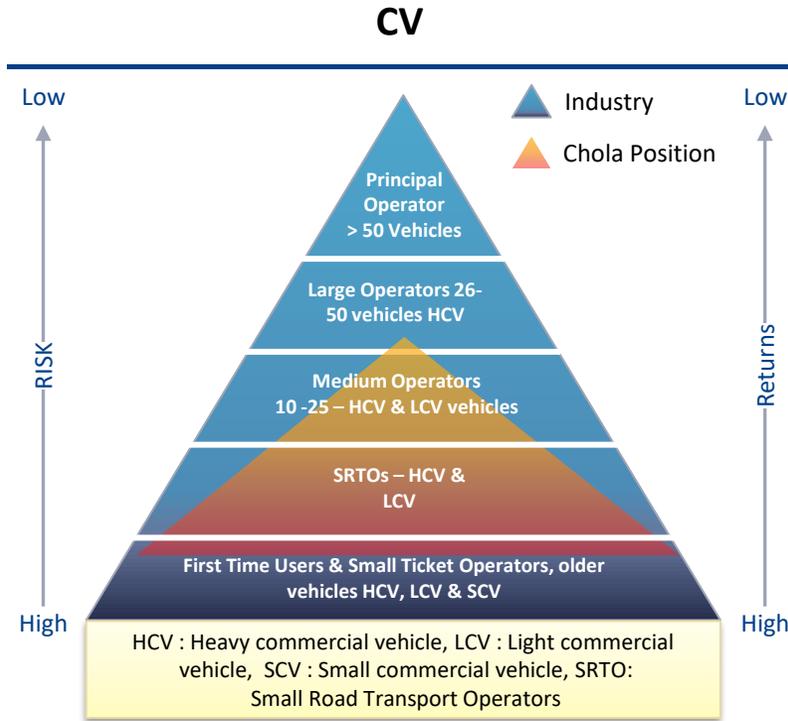
- Improved industrial activity, steady agricultural output and the government's focus on infrastructure will aid growth.
- Pick up in construction and mining activities over the long term would drive demand.

Trend in Domestic Car & MUV Sales

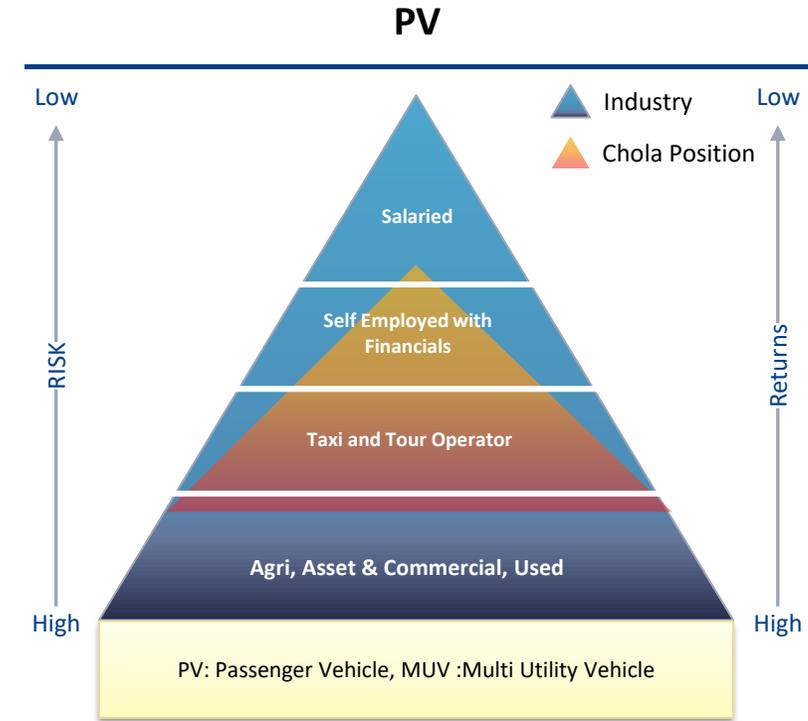


- Higher disposable income and introduction of newer models to aid long term demand.
- Increase in rural demand and growing penetration in tier III, tier IV towns will back stable growth.

Vehicle Finance—Business Model & Positioning

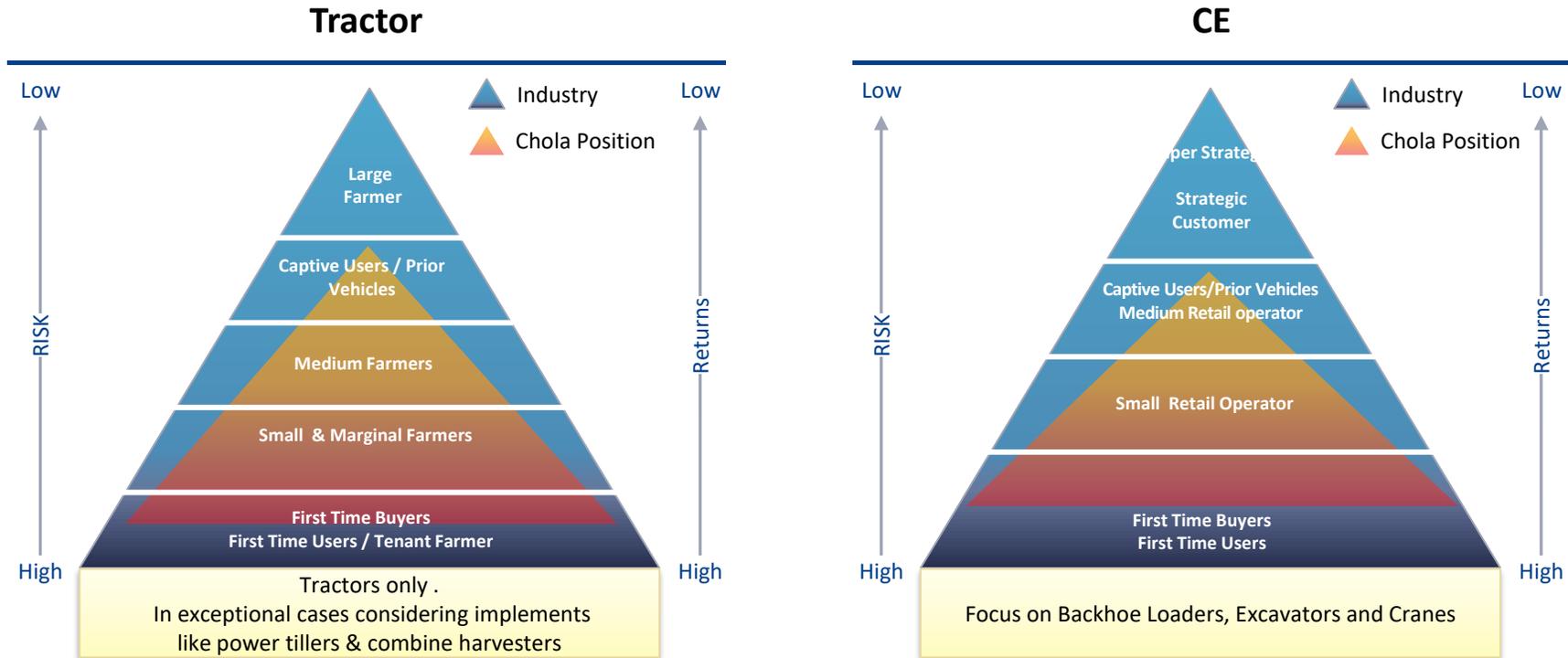


- ~65% of disbursements are to micro & small enterprises and agri -based customer segment
- Chola positioning-
 - Middle of the pyramid through New CVs, Used CVs
 - Top of the Bottom of the pyramid through SCV & older CVs Shubh



- ~ 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

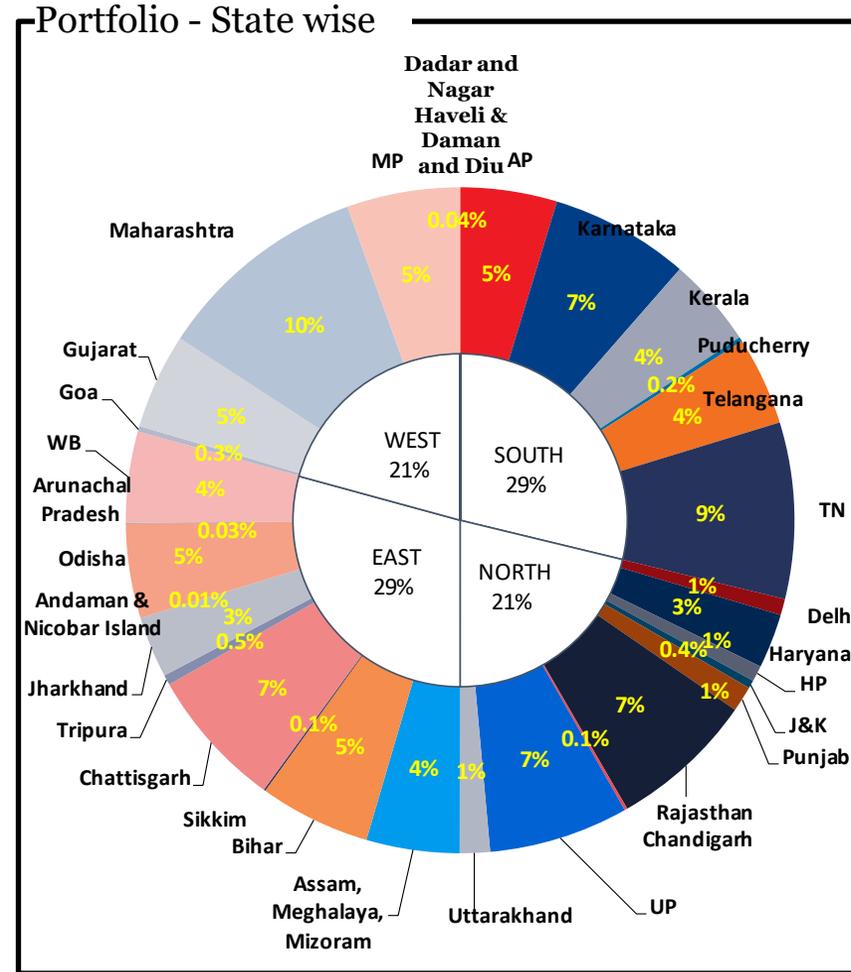
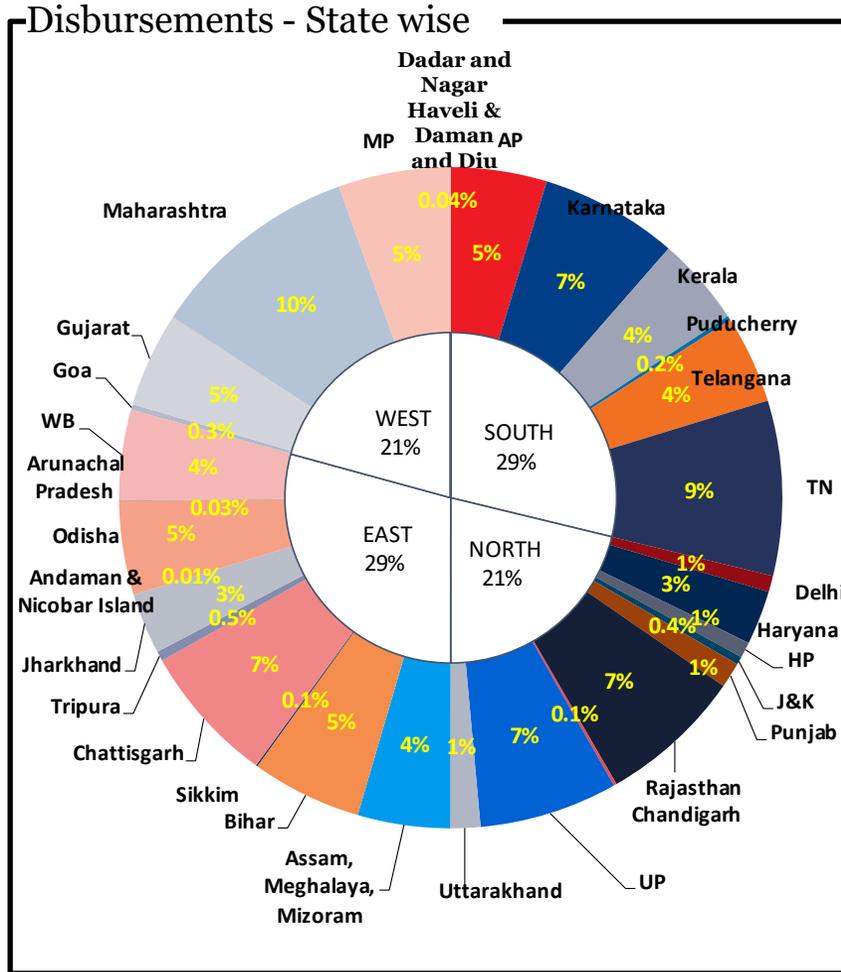


- ~65% of disbursements are to agri -based customer segment
- Application -
 - Agri usage
 - Commercial usage
 - Agri and Commercial usage
- New & Used

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

Vehicle Finance - Disbursement/Portfolio Mix – FY24

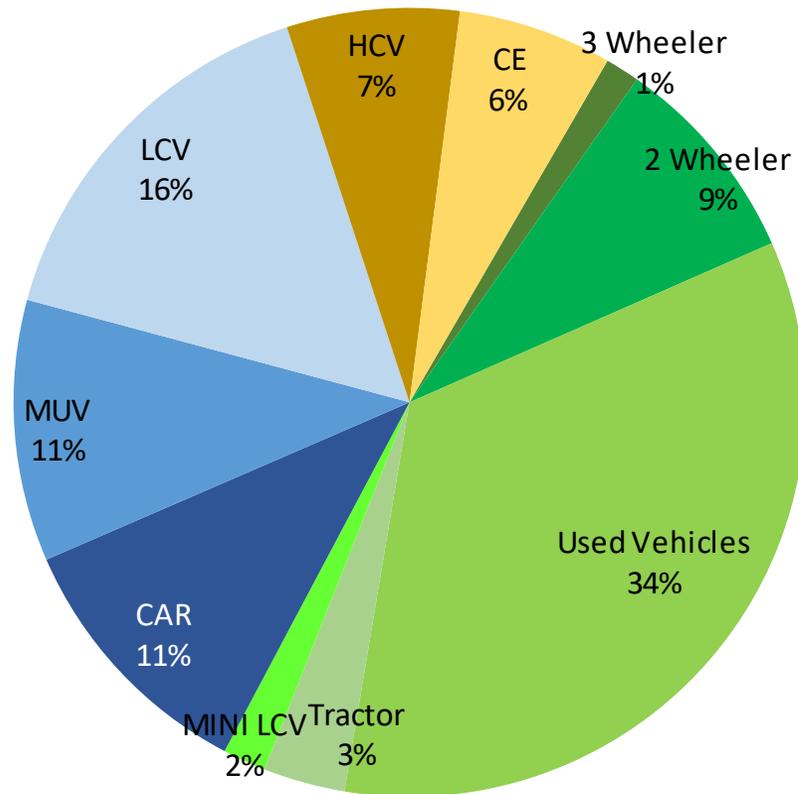
Well diversified across geography



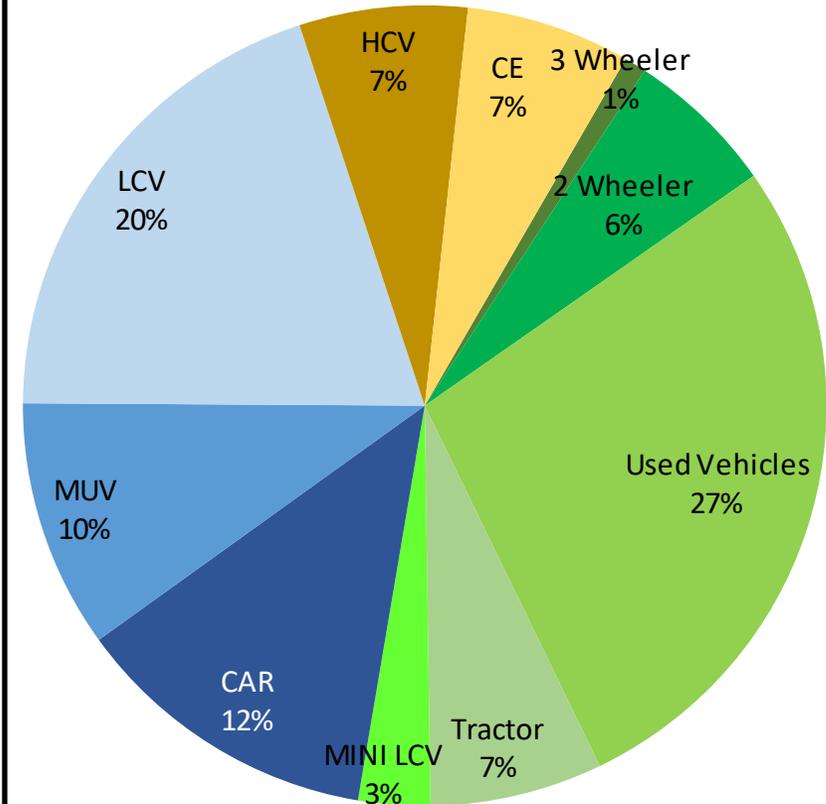
Vehicle Finance - Disbursement/Portfolio Mix – Q4FY24

Well diversified product segments

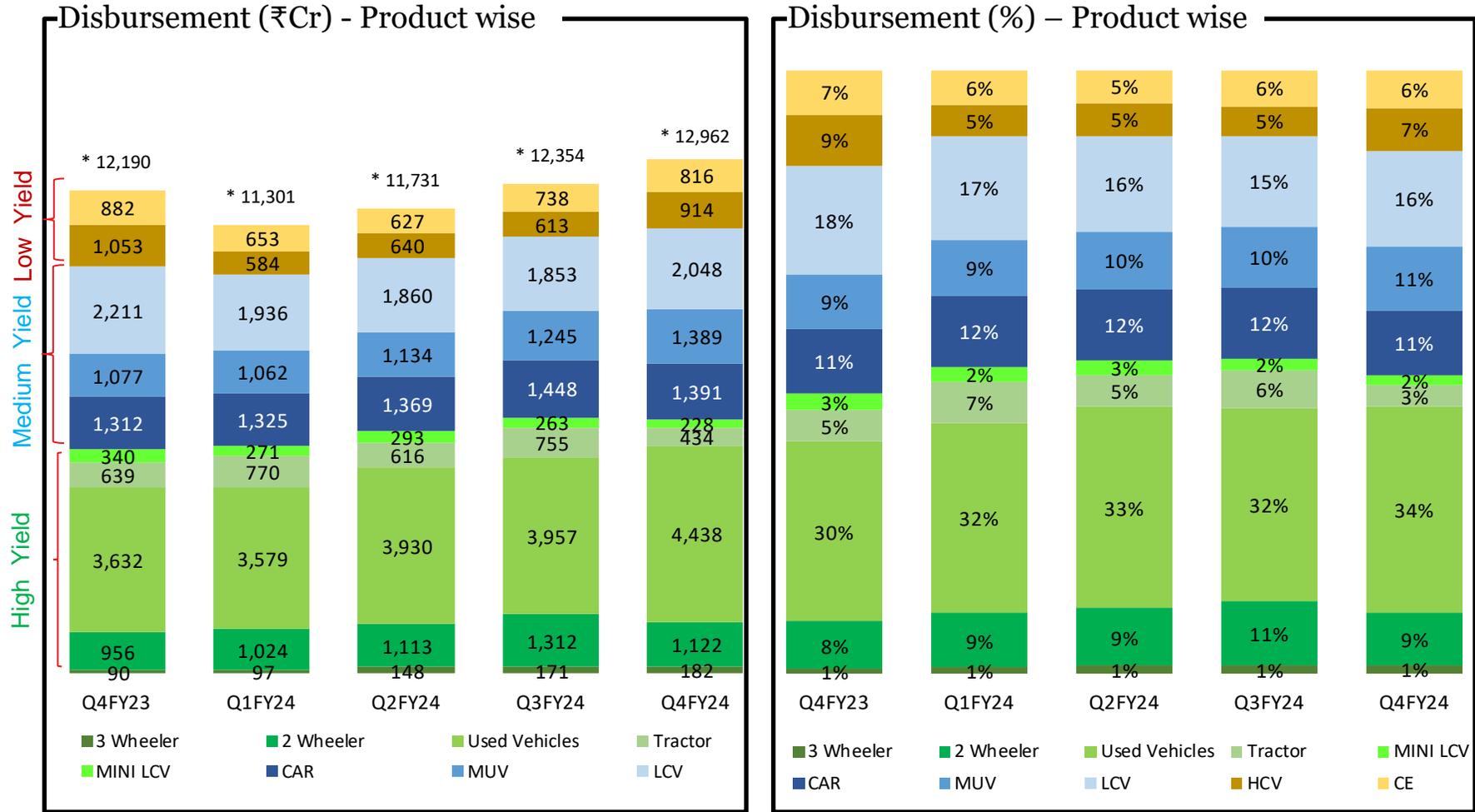
Disbursements (%) - Product wise



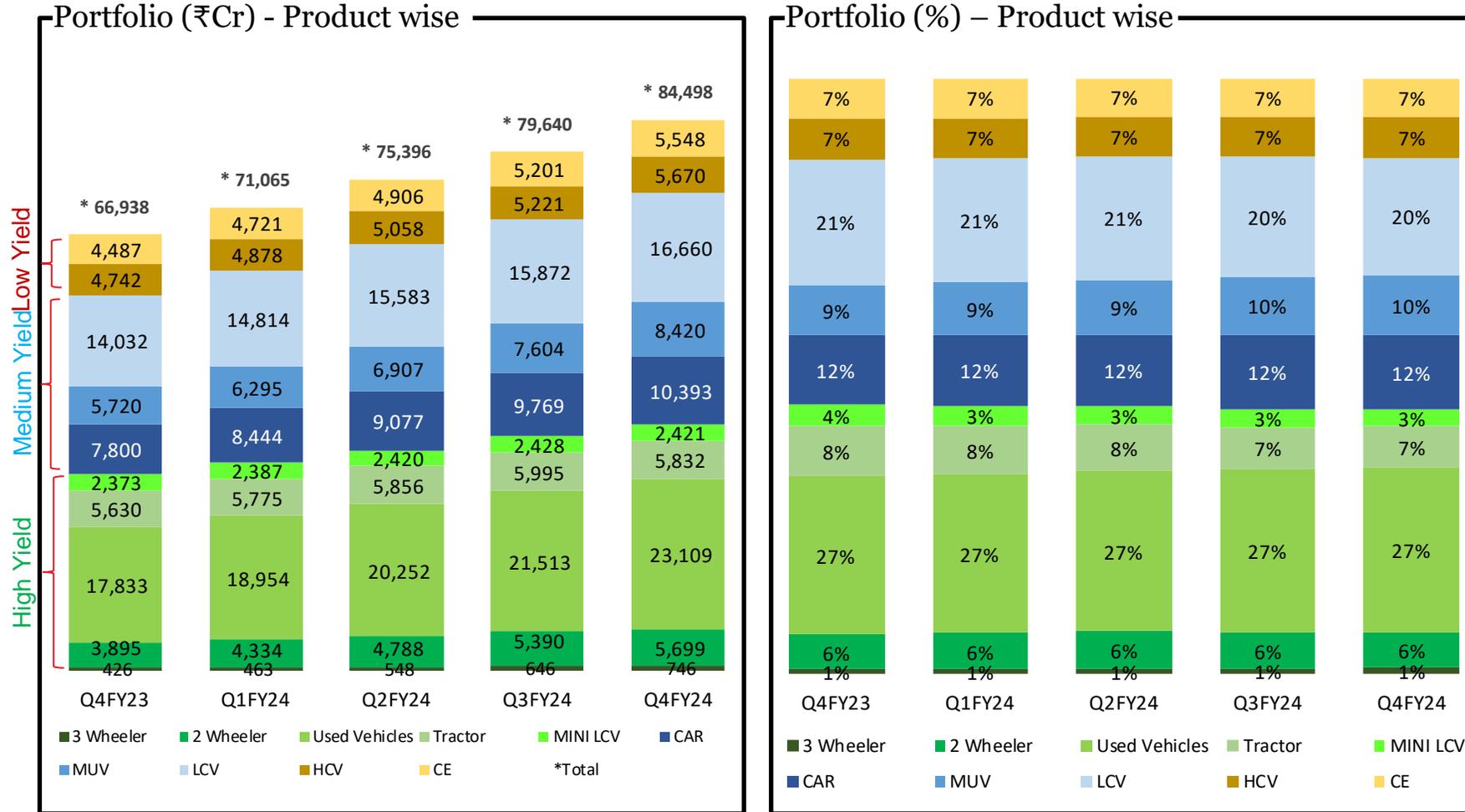
Portfolio (%) - Product wise



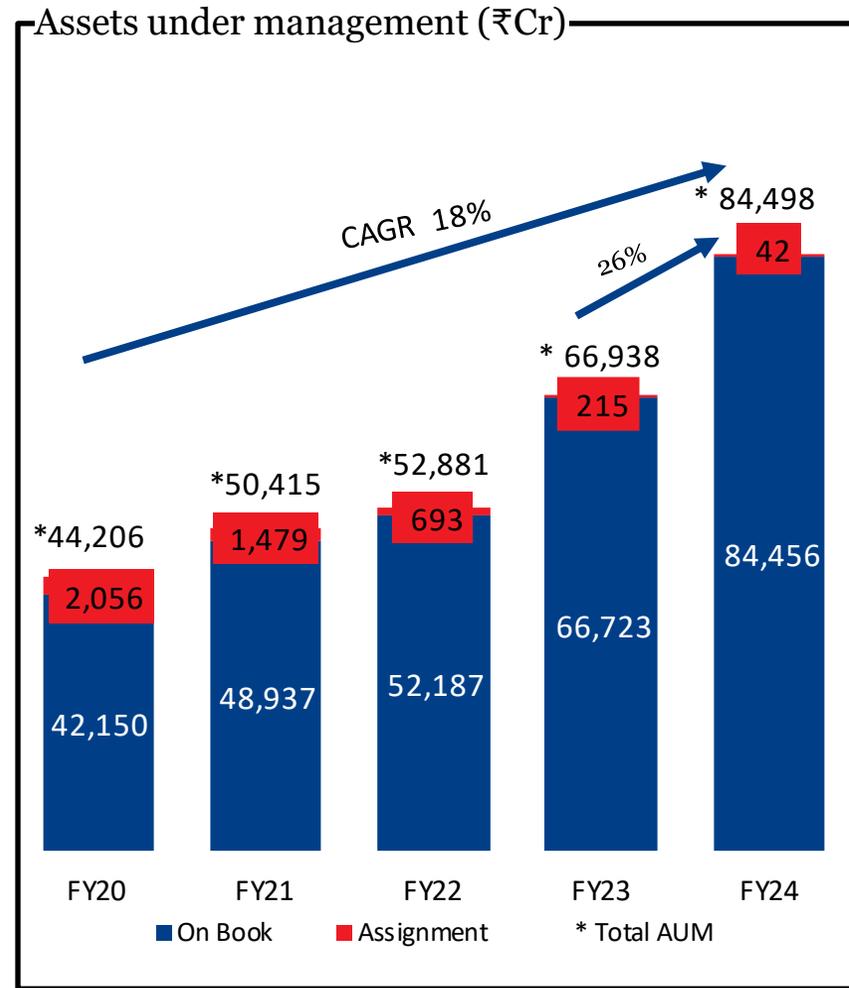
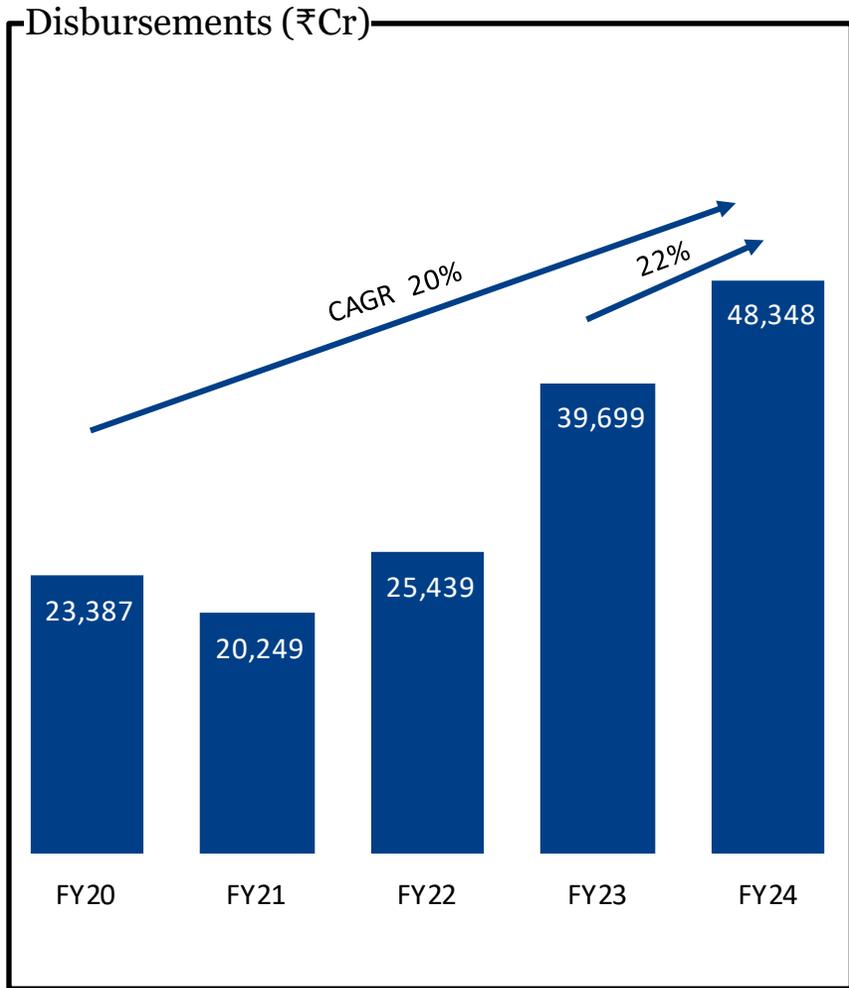
Vehicle Finance - Disbursement Mix – Quarter-wise



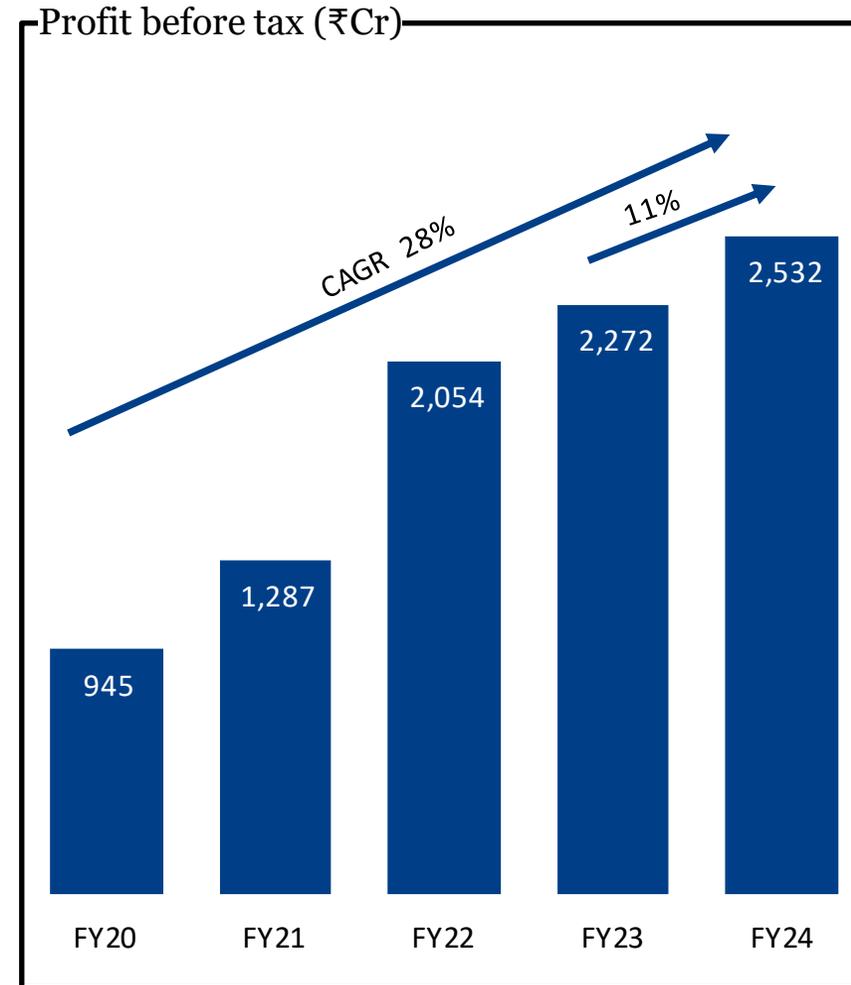
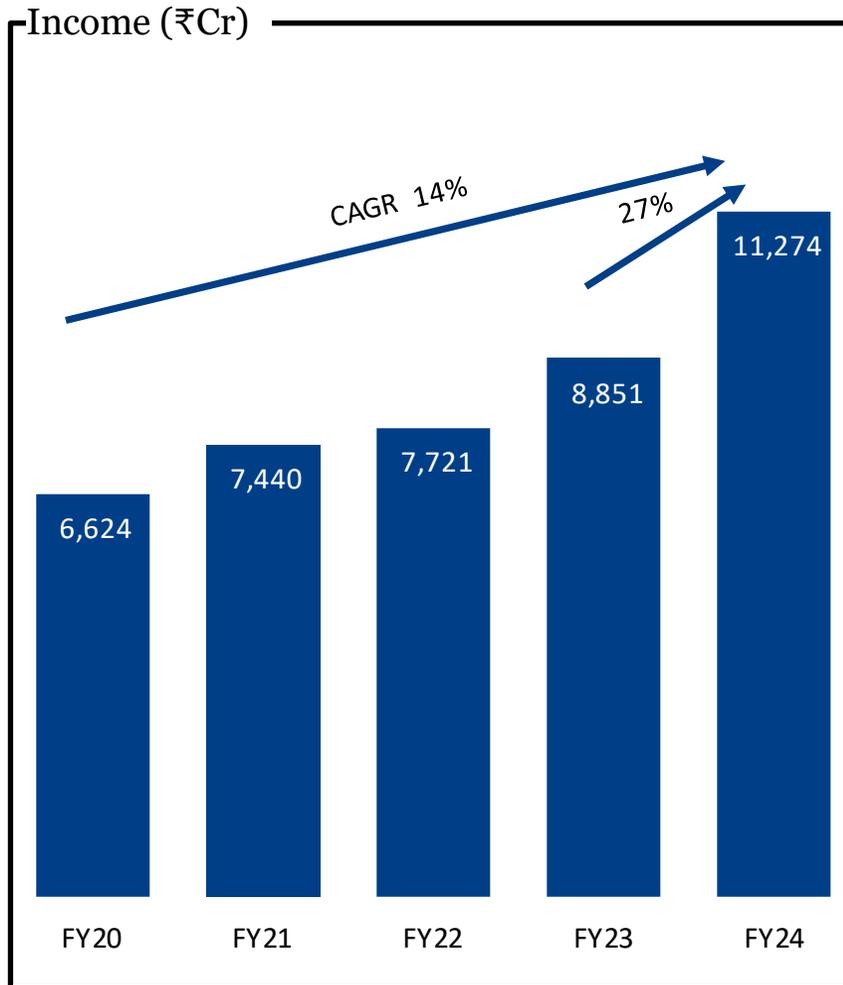
Vehicle Finance - Portfolio Mix – Quarter-wise



Vehicle Finance - Disbursements and Asset Under Management



Vehicle Finance - Income and Profit before tax



Loan Against Property



Loan Against Property – Q4FY24 & FY24 Performance

Disbursements

- Disbursements grew by 55% in Q4FY24 to Rs. 4,273 Cr & by 46% in FY24 to Rs. 13,554 Cr as compared to Q4FY23 & FY24 respectively.

Asset under management

- AUM has grown by 38% YoY.

Loss and provisions

- Loan losses dropped to -0.3% in Q4FY24 from 0.5% in Q4FY23 & to -0.2% in FY24 from 0.1% in FY23.

Profit before tax

- PBT grew by 39% in Q4FY24 to Rs.271 Cr & by 28% in FY24 to Rs.973 Cr as compared to Q4FY23 & FY23 respectively.

Loan Against Property: Industry outlook

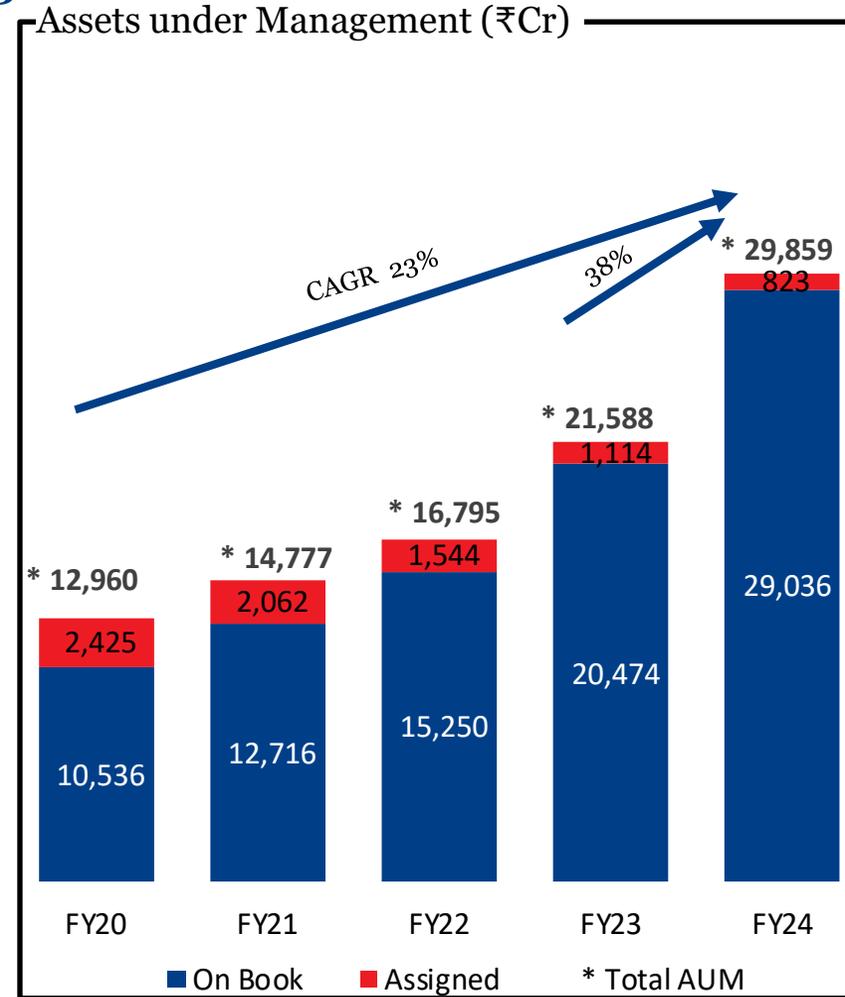
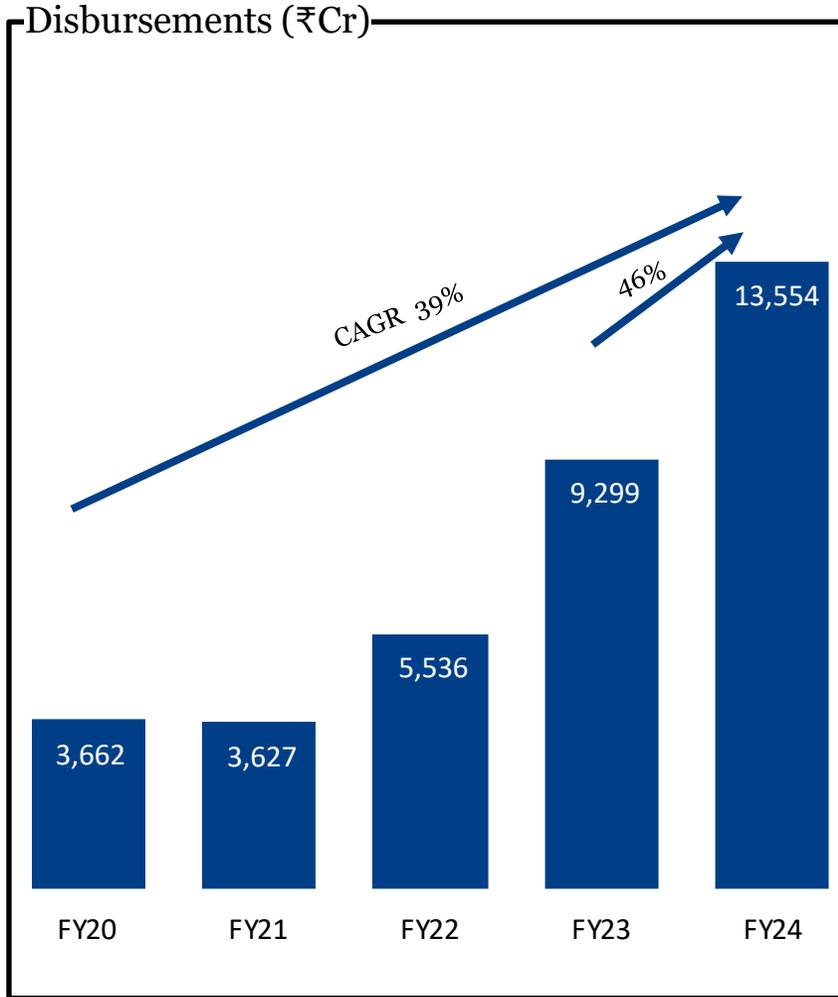
Sector Outlook

- CRISIL estimates the LAP segment to register 24-26% growth in FY24. Similarly, strong growth is anticipated in fiscal 2025, with NBFCs likely to grow at a rate of 21-23%
- Ind-Ra believes NBFCs' funding strategy will continue to be in focus for FY25. Furthermore, while net interest margins will be under pressure, other levers including fee income, operating expenses and credit costs will be used to minimize any impact on profitability
- MSME book asset quality of NBFCs is expected to improve in this fiscal, with continued pickup in economic activity, better collection efficiency, and faster credit growth.

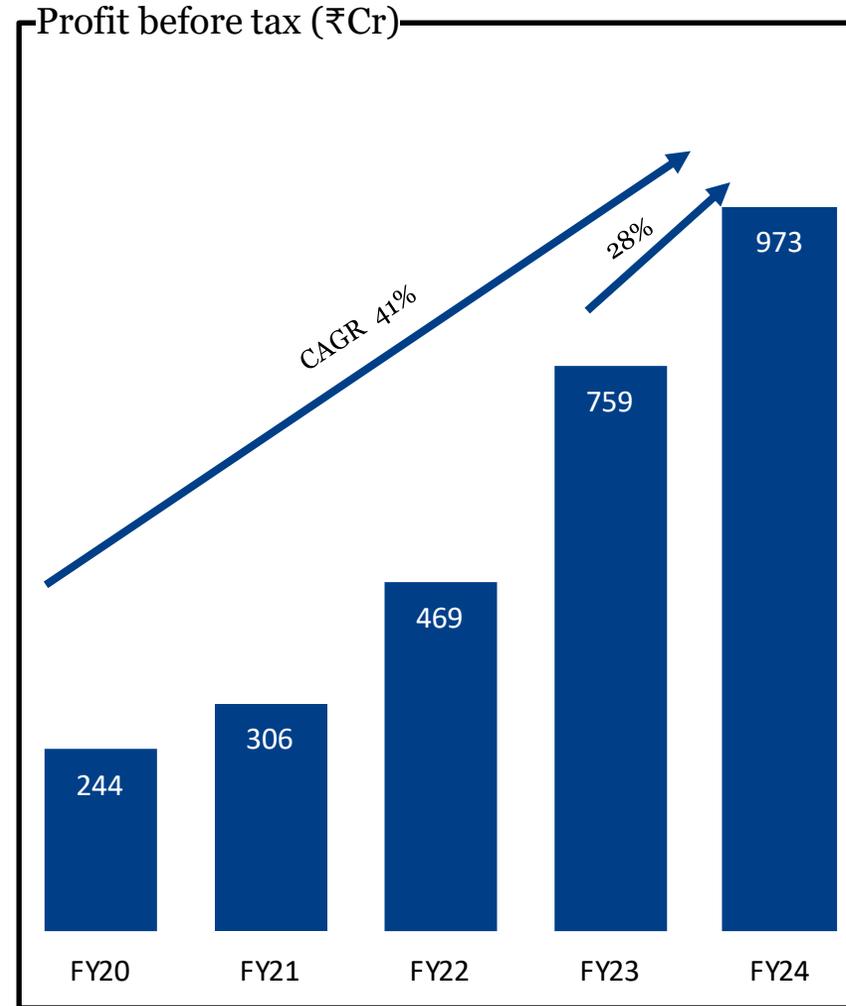
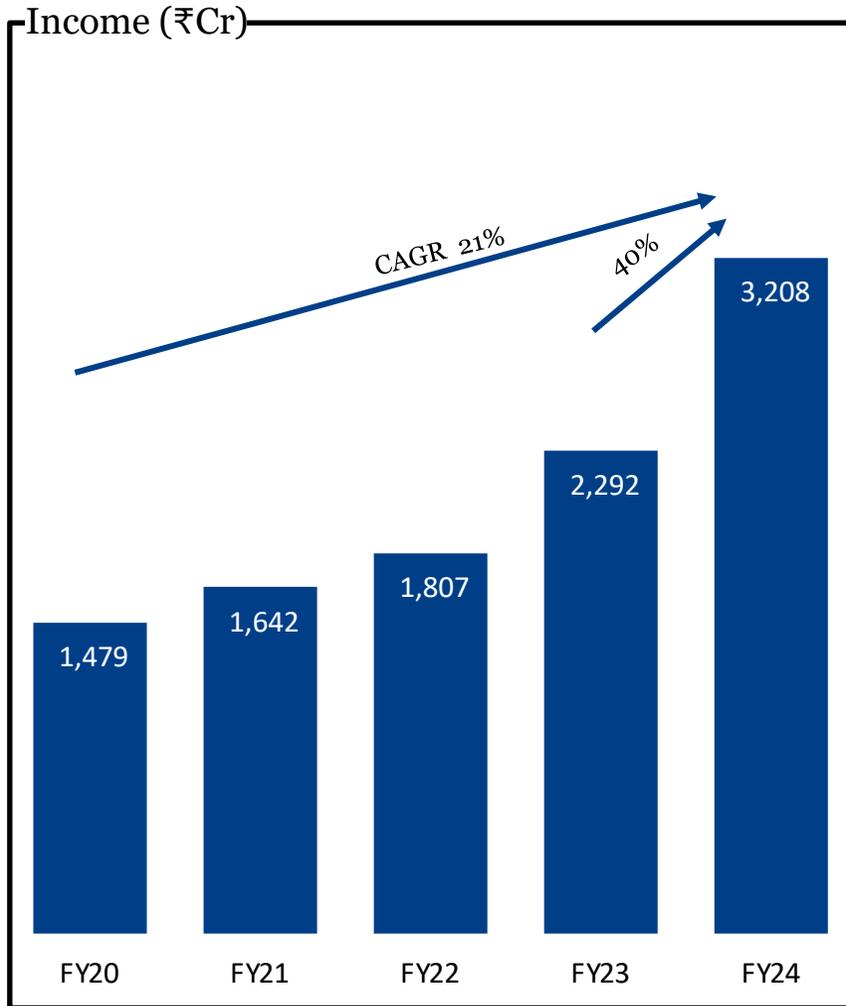
Chola's Position

- Chola's LAP team is focusing on increasing its market share backed by consistent disbursement growth and collections performance. Our focus continues to be on retail customers especially in smaller towns and rural areas
- LAP team is capitalizing on Chola's pan India geographical presence by going wide in tier 3 and tier 4 markets to improve margins, while continuing to hold significant presence in tier 1 and tier 2 markets
- Chola LAP team has strengthened collection & legal process, and the asset quality has shown steady improvement. The stage 3 book has come down with consistent improvement in collection efficiency

Loan Against Property - Disbursements and Asset Under Management



Loan Against Property – Income and Profit before tax



Home Loans



Home Loans – Q4FY24 & FY24 Performance

Disbursements

- Disbursements grew by 24% in Q4FY24 to Rs. 1,747 Cr & by 66% in FY24 to Rs. 6,362 Cr as compared to Q4FY23 & FY23 respectively.

Asset under management

- AUM have grown by 59% YoY.

Loss and provisions

- Loan losses at -0.04% in Q4FY24 from -0.3% in Q4FY23 & has dropped to 0.2% in FY24 from 0.3% in FY23.

Profit before tax

- PBT grew by 73% in Q4FY24 to Rs.170 Cr & by 52% in FY24 to Rs.489 Cr as compared to Q4 FY23 & FY23 respectively.

Note: Home Loans includes Affordable LAP

Home Loans - Industry outlook

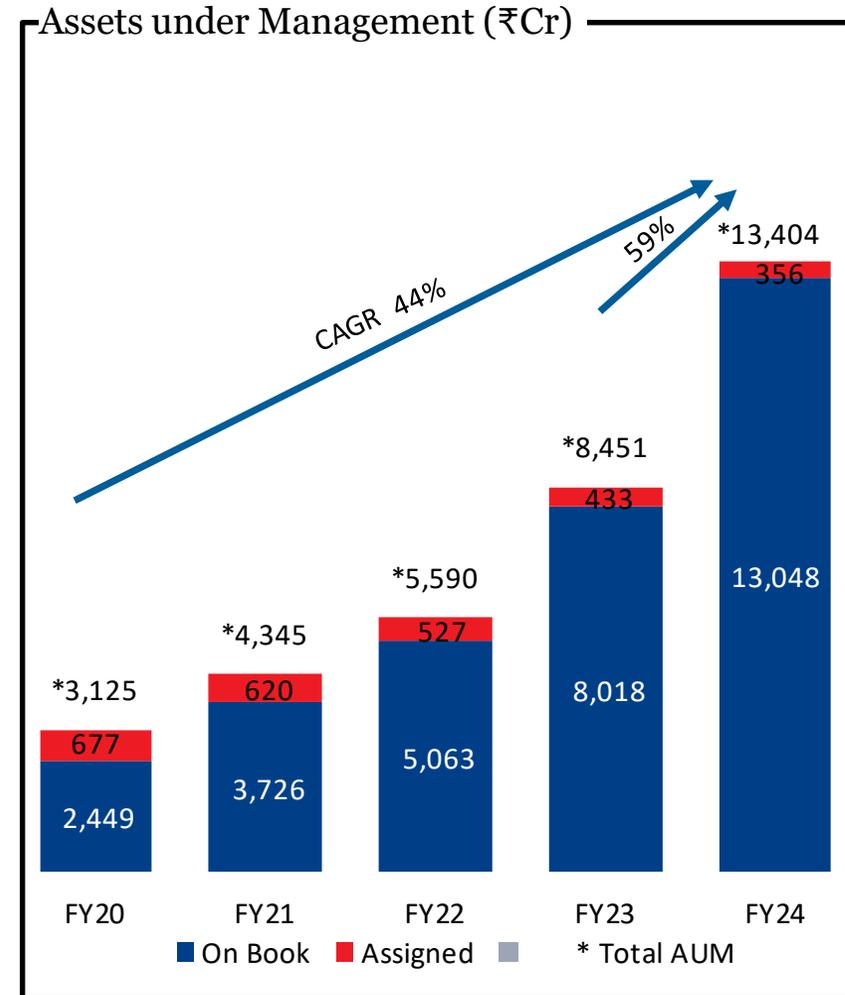
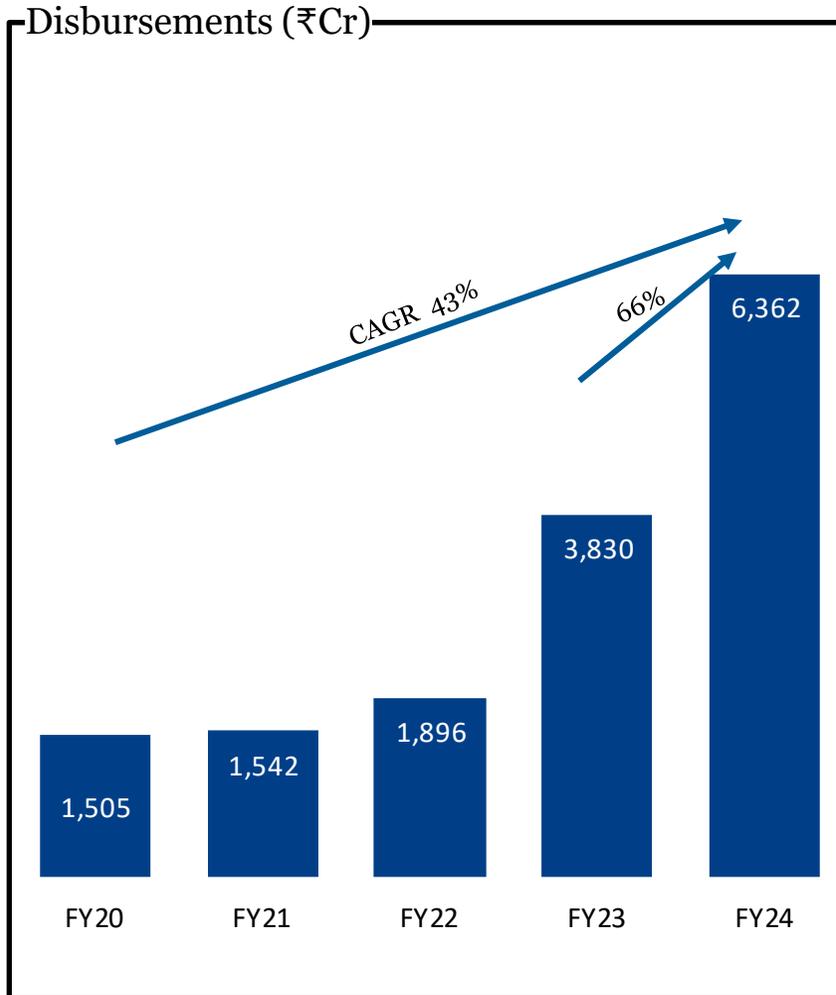
Sector Outlook

- The overall growth in HFCs is expected to remain at 12-14% in FY25
- GNPA's of AHFCs are expected to stabilize and further recovery in FY25 is anticipated
- Moderation in NIMs expected; however, contained credit costs to support profitability. Adequate capital and liquidity support the entity-level risk profiles.

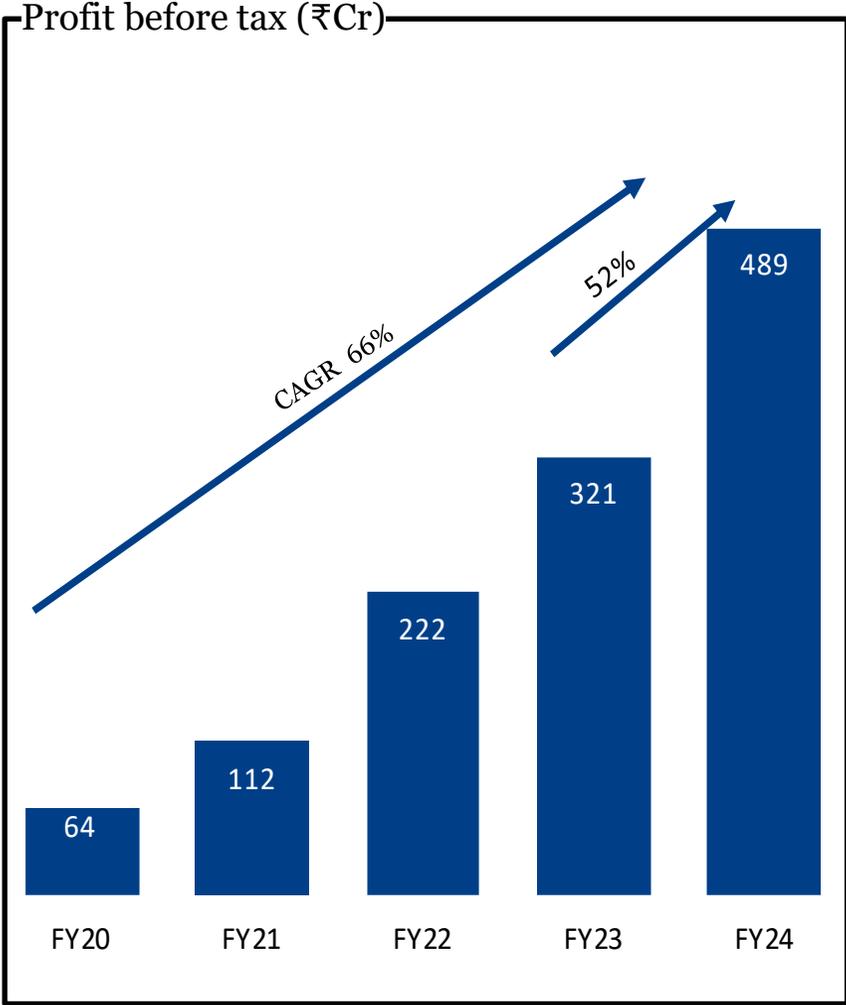
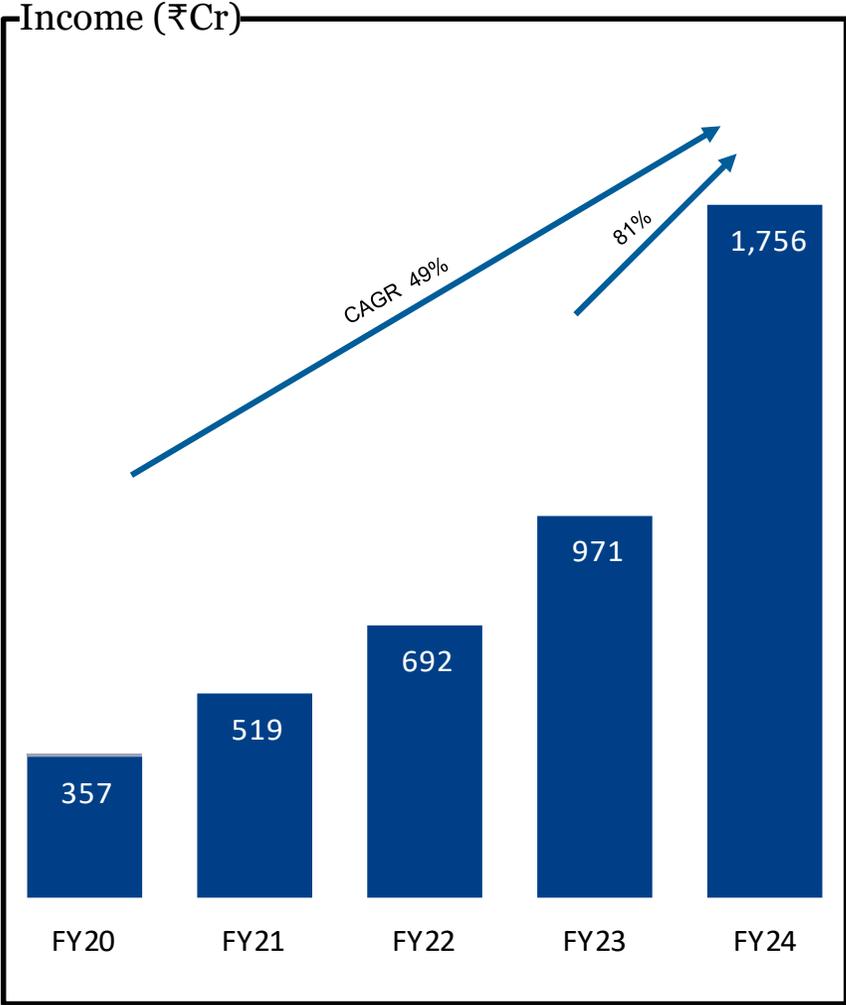
Chola's Position

- Chola continues to leverage its strength in reaching out to lower and middle-income borrowers across the country, penetrating to smallest villages and towns.
- Chola continues to pursue legal recovery for the higher bucket portfolio & is also continuously improving collection efficiencies through advanced analytics & digital-led collections.
- Chola continues to pursue profitable growth through low-cost expansion, process optimizations, & elimination of inefficiencies across all functions to ensure margins are sustained

Home Loans - Disbursements and Asset Under Management



Home Loans - Income and Profit before tax

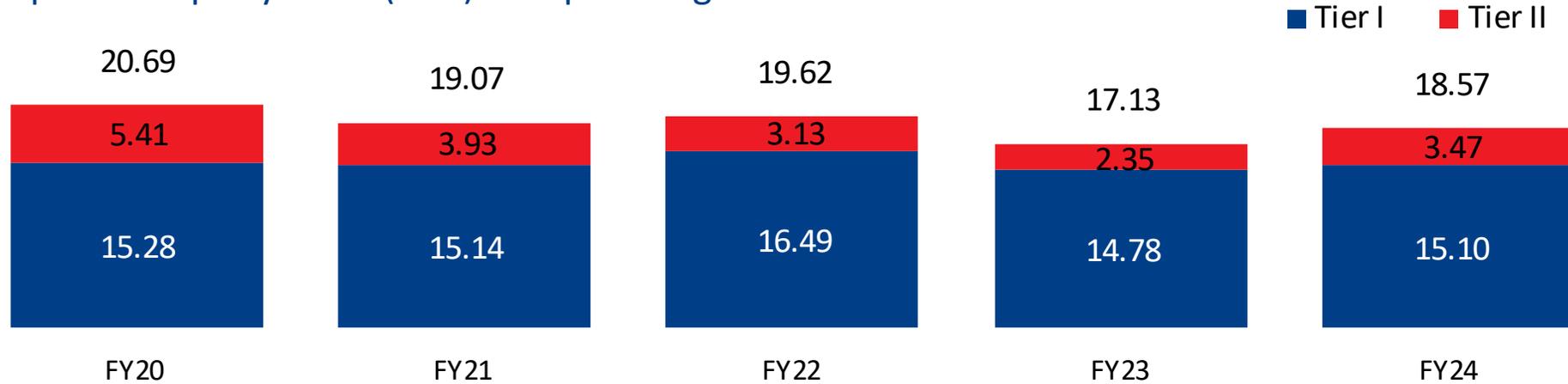


Funding Profile



CAR and Credit Rating

Capital Adequacy Ratio (CAR) – As per RBI guideline



Minimum CAR Stipulated by RBI is 15% & for Tier I is 10%

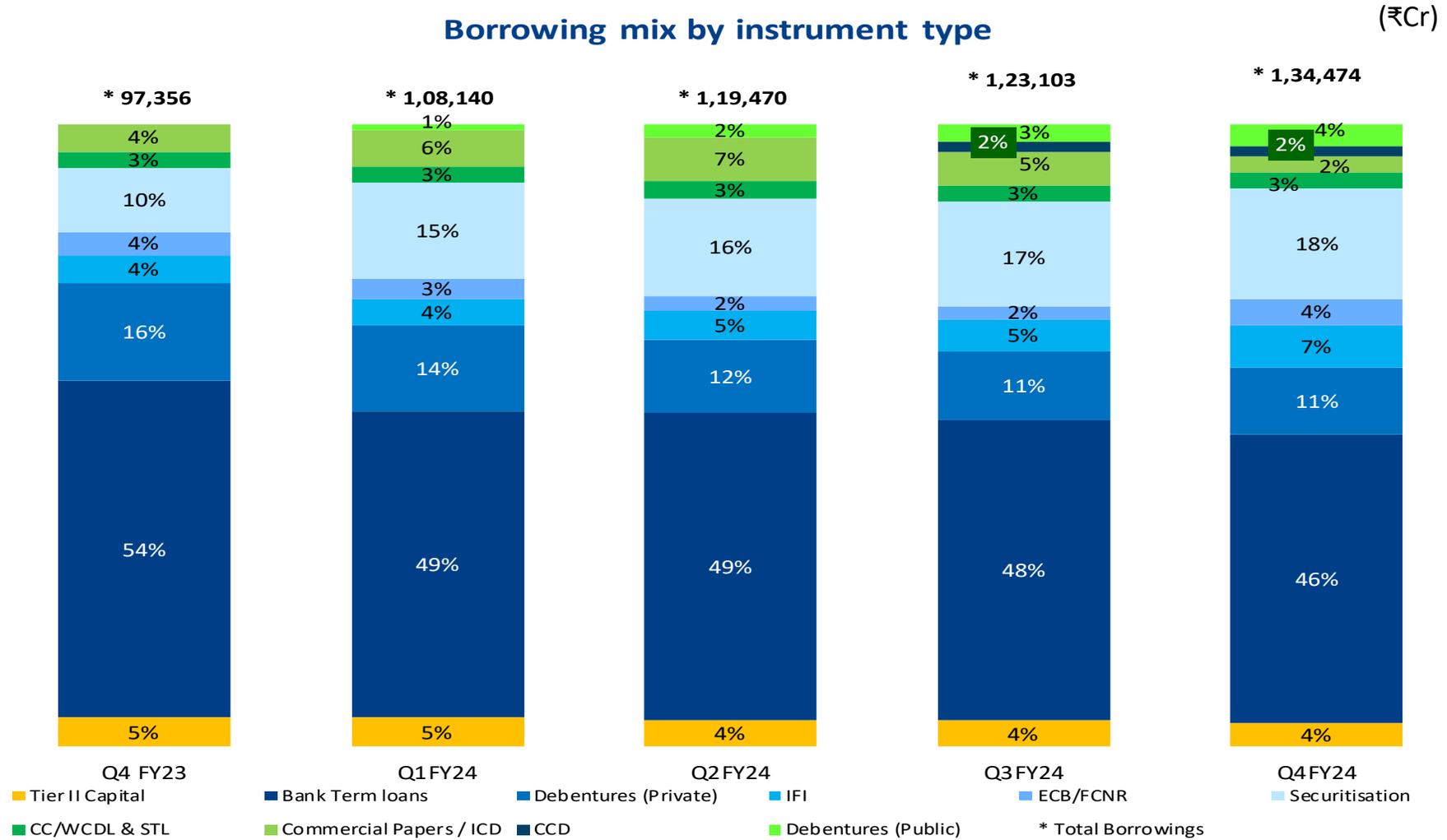
Tier 2 includes 1.58% % of CCD which is compulsorily convertible into equity in Sep 2026.

Credit Rating

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

Note : ICRA has reaffirmed the Ratings and Outlook upgraded to AA+ (Positive) from AA+ (Stable)

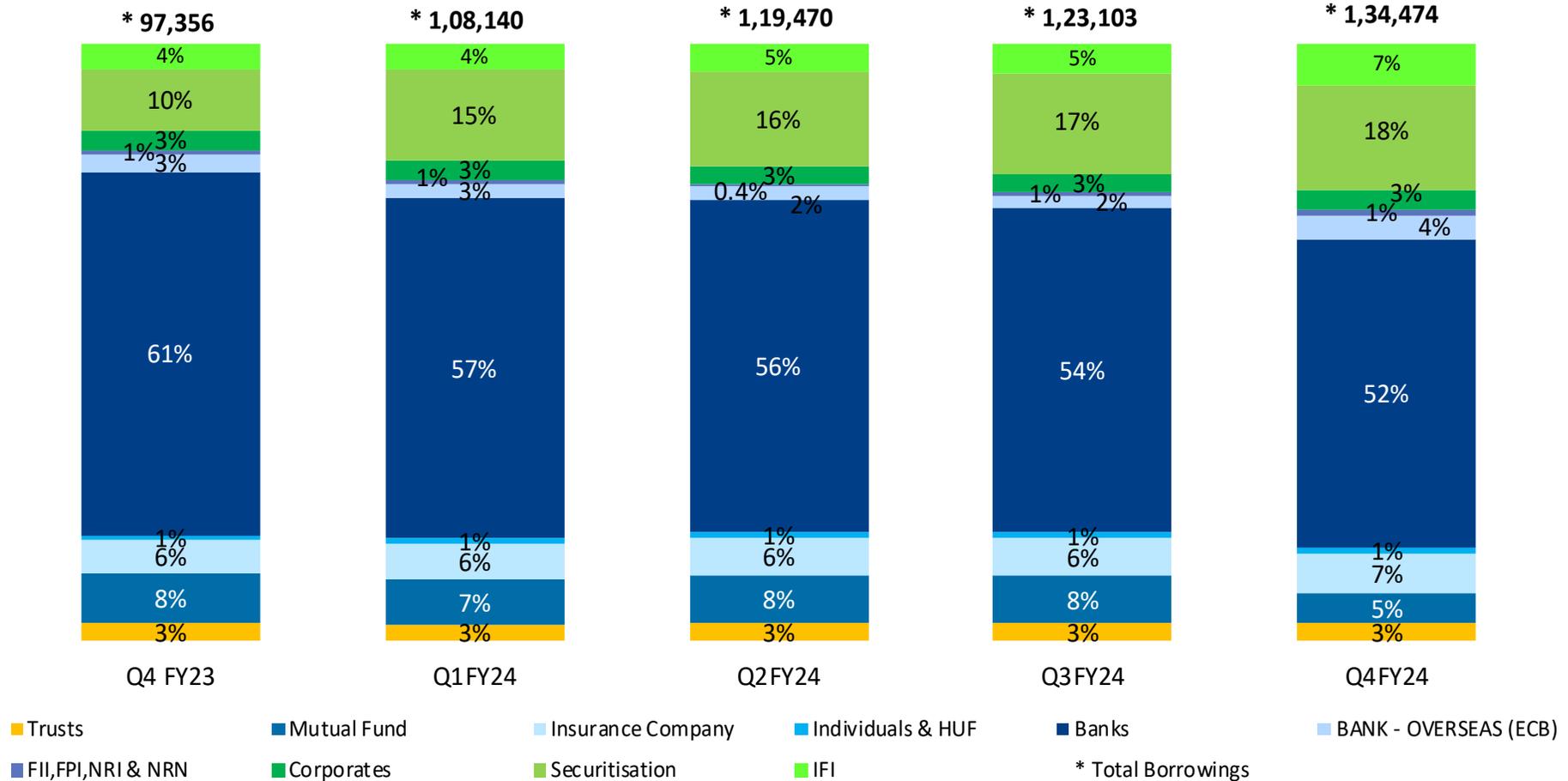
Diversified Borrowings Profile (I/II)



Diversified Borrowings Profile (I/II)

Borrowing mix by investor type

(₹Cr)



ALM Statement as of 31st Mar 2024 (As per IND AS)

(₹Cr)

ALM snapshot as on 31st Mar 2024									
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	5,493.73	1.66	7.70	24.43	231.16	1,422.56	717.38	-	7,898.62
Advances	5,448.61	4,911.47	4,082.44	13,743.92	22,593.01	59,313.03	22,081.28	14,996.74	1,47,170.50
Trade Receivable & Others	139.15	303.25	128.36	4.87	7.82	109.76	474.26	2,960.36	4,127.83
Total Inflows (A)	11,081.48	5,216.39	4,218.49	13,773.23	22,832.00	60,845.34	23,272.92	17,957.10	1,59,196.96
Cumulative Total Inflows (B)	11,081.48	16,297.87	20,516.36	34,289.59	57,121.59	1,17,966.94	1,41,239.86	1,59,196.96	
Borrowin Repayment-Bank & Others	5,107.89	2,697.74	4,180.49	9,122.68	16,220.15	51,929.48	15,174.24	315.78	1,04,748.46
Borrowin Repayment- Market	2,605.87	1,243.78	63.70	2,301.74	4,160.05	9,541.09	6,755.40	3,290.82	29,962.45
Capital Reserves and Surplus	-	-	-	-	-	-	-	19,819.17	19,819.17
Other Outflows	3,170.11	521.20	45.82	68.34	155.03	286.21	339.67	80.51	4,666.88
Total Outflows (C)	10,883.87	4,462.71	4,290.01	11,492.76	20,535.23	61,756.78	22,269.31	23,506.27	1,59,196.96
Cumulative Total Outflows (D)	10,883.87	15,346.59	19,636.60	31,129.36	51,664.59	1,13,421.37	1,35,690.68	1,59,196.96	
E. GAP (A - C)	197.61	753.68	(71.52)	2,280.47	2,296.77	(911.44)	1,003.61	(5,549.18)	
F.Cumulative GAP (B - D)	197.61	951.28	879.77	3,160.23	5,457.00	4,545.57	5,549.18	0.00	
Cumulative GAP as % (F/D)	1.82%	6.20%	4.48%	10.15%	10.56%	4.01%	4.09%	0.00%	

Cholamandalam MS General Insurance Company Limited

Financial data in this section is as per IGAAP

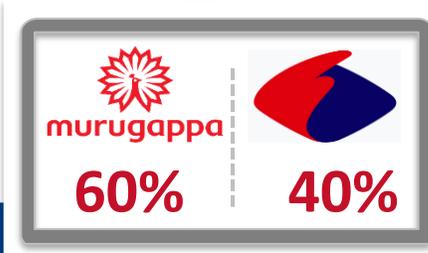
Chola MS General Insurance: Brief Overview

Murugappa Group

- Murugappa Group - India's leading business conglomerate
- Founded in 1900, Headquartered in Chennai, the INR 742 Billion Murugappa Group is one of India's leading business conglomerates
- Diversified presence in 3 sectors - Agriculture, Engineering, Financial Services
 - 29 businesses
 - Market leaders in served segments
 - Renowned Brands
 - 73000+ employees

Mitsui Sumitomo Insurance, Japan

- Mitsui Sumitomo Insurance - part of MS&AD – one of the largest insurance group in the world.
- MS&AD is the 8th largest insurance group in the World with size of USD 46 billion
- No. 1 insurer in ASEAN region
- Operates in 48 countries; 35854 employees
- Leader in venture investments amongst global insurers / reinsurers



7598^{\$}

FY'24 GWP (INR Cr)



22.5%

Growth over
FY'23



1.79

Solvency (Mar'24)



462 Lacs

of Live Customers



137 Lacs

Policies sold in
FY'24

Financial data as per standalone IGAAP

Key Financial Parameters (Rs. Crs)

Particulars – In Rs. Cr	FY'22	FY'23	FY'24
Gross Written Premium\$	4854	6200	7598
Growth	10.3%	27.6%	22.5%
NEP	3437	4019	5079
U/W Results	-433	-599	-659^
Investment income (Net)	799	887	1116
PBT	106*	264	444^
PAT	77	199	331
Net worth (Ex fair value change surplus)	1962	2160	2492
Investment portfolio	12534	14715	16811
Solvency Ratio (x)	1.95	2.01	1.79
Earnings per Share (Rs.)– Not Annualized	2.58	6.65	11.09
Book value per Share (Rs.)	65.6	72.3	83.4
Return on Average Networth (%)	4.0%	9.7%	14.3%
CoR % (on NWP)	111.0%	109.3%	109.9%^

*PBT impacted by Covid claims and IRDAI order on DAC

^ Impact of NatCat events in NIC was Rs. 54.6 Crs for YTD (Effect on CoR @ 1.08% for YTD)

\$ GWP Includes RI inward as well

LOB Wise - Quarterly Growth Trends of Multi-line Insurers

Particulars	Months	Fire	Other Comm Lines	Motor	Health	PA	Crop	Others	Total
Industry	Q1 FY'24	5.9%	8.2%	20.9%	18.5%	31.3%	16.7%	19.4%	16.5%
	Q2 FY'24	7.4%	4.1%	13.9%	28.9%	11.7%	23.0%	23.4%	18.6%
	Q3 FY'24	10.5%	10.7%	10.0%	10.5%	-4.8%	21.5%	29.5%	11.2%
	Q4 FY'24	5.9%	10.8%	9.6%	12.2%	10.2%	12.9%	28.3%	10.9%
	FY'24	7.2%	8.4%	12.9%	17.6%	11.7%	19.7%	25.0%	14.2%
Private sector	Q1 FY'24	12.2%	9.8%	20.7%	35.0%	26.1%	18.4%	23.0%	21.2%
	Q2 FY'24	8.8%	6.1%	15.2%	56.1%	2.1%	12.6%	36.3%	21.1%
	Q3 FY'24	8.1%	10.7%	12.0%	33.2%	3.0%	17.6%	42.0%	16.2%
	Q4 FY'24	6.0%	10.8%	12.4%	24.0%	1.2%	-6.1%	40.4%	12.4%
	FY'24	9.2%	9.3%	14.5%	36.7%	7.4%	9.1%	35.5%	17.5%
Public sector	Q1 FY'24	-4.5%	5.3%	21.6%	8.8%	41.8%	-97.6%	14.2%	10.1%
	Q2 FY'24	5.0%	1.1%	10.8%	11.1%	24.5%	377.0%	5.2%	14.3%
	Q3 FY'24	14.5%	10.7%	5.0%	-1.9%	-28.5%	48.7%	5.3%	3.4%
	Q4 FY'24	5.7%	10.9%	3.1%	2.6%	30.5%	-756.1%	6.4%	8.4%
	FY'24	3.8%	7.0%	9.0%	5.2%	20.3%	309.8%	8.0%	9.0%
SAHI	Q1 FY'24				28.0%	-9.6%		9.1%	26.5%
	Q2 FY'24				25.8%	-7.2%		-26.9%	24.2%
	Q3 FY'24				27.4%	-10.8%		-16.3%	25.9%
	Q4 FY'24				28.3%	16.7%		-18.6%	27.8%
	FY'24				27.4%	-2.8%		-15.3%	26.2%
Chola MS	Q1 FY'24	15.4%	20.6%	35.3%	31.4%	17.0%		34.5%	30.3%
	Q2 FY'24	5.5%	0.1%	13.5%	43.0%	21.2%		6.3%	35.0%
	Q3 FY'24	11.5%	8.3%	4.8%	22.8%	6.9%		-3.4%	14.2%
	Q4 FY'24	0.1%	0.7%	10.3%	15.8%	16.6%		27.5%	13.6%
	FY'24	8.2%	7.5%	14.2%	27.9%	15.3%		15.4%	22.4%

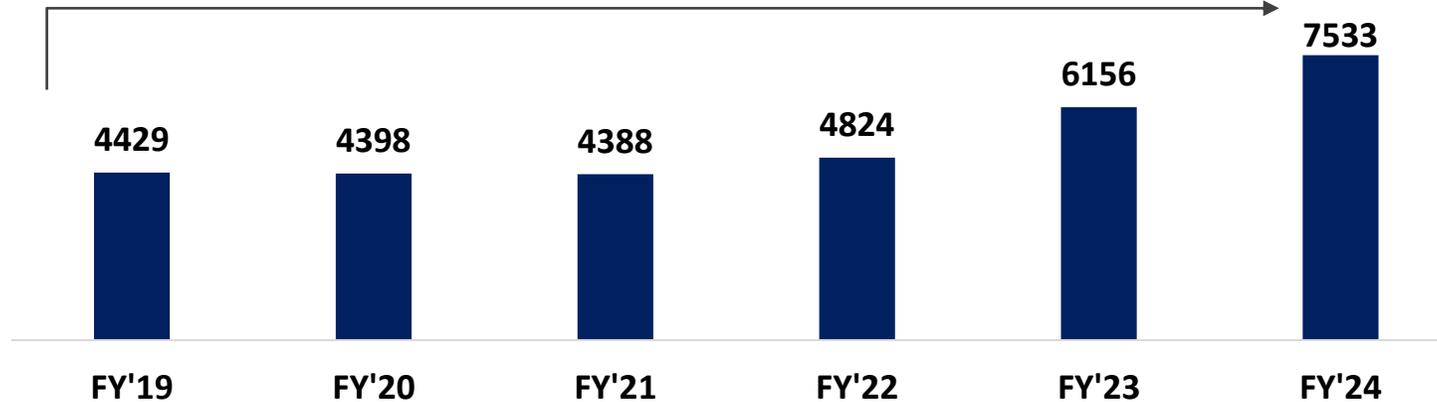
In Q4, Chola MS

- Overall growth higher than industry & Pvt. Players @ 13.6%
- Motor, Health and PA: Higher than industry growth

Among the Top ranked GI Players supported by strong growth

GDPI* growth over years – Faster growth in Last 2 Years Rs In Crs

(CAGR FY2019 - FY 2024 = 11.2%)



FY'2024

Growing Market Share

5.4%

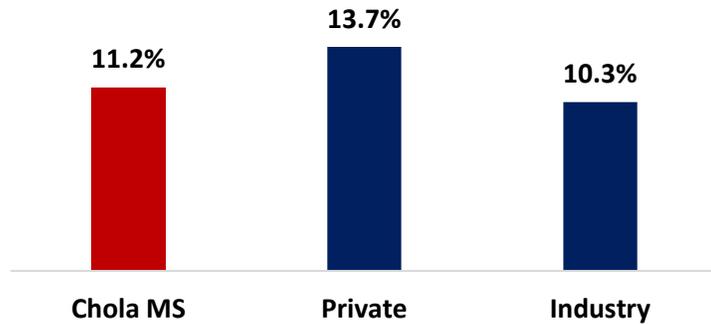
Market share in Motor Insurance

5.04%

Market share in PA

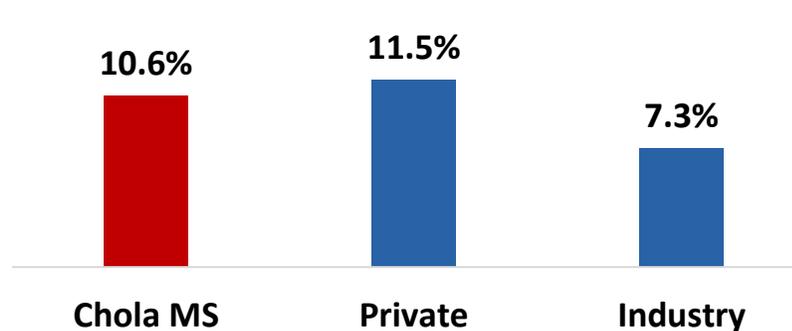
Growth vis-à-vis peers / industry

GWP CAGR (FY 2019 - FY 2024)



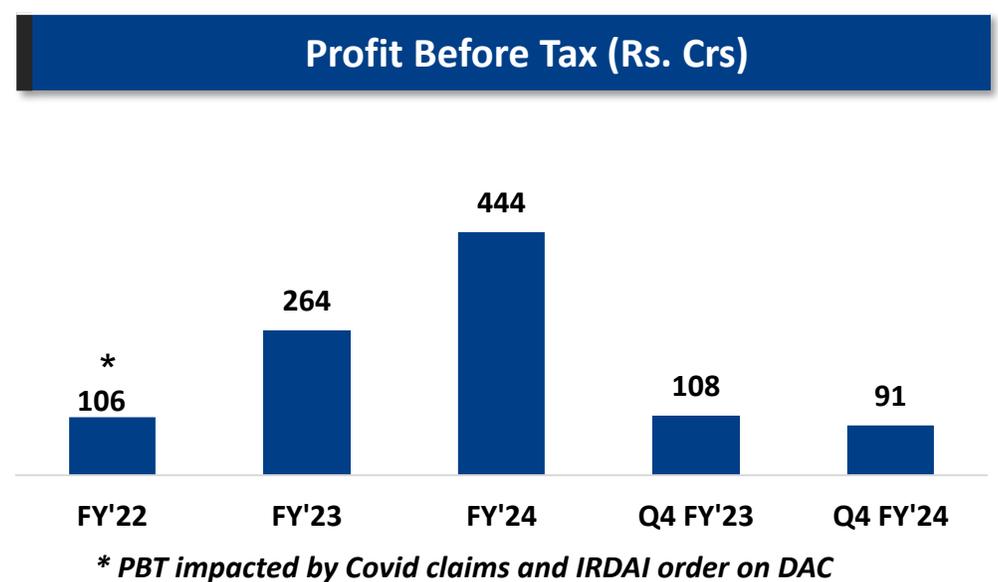
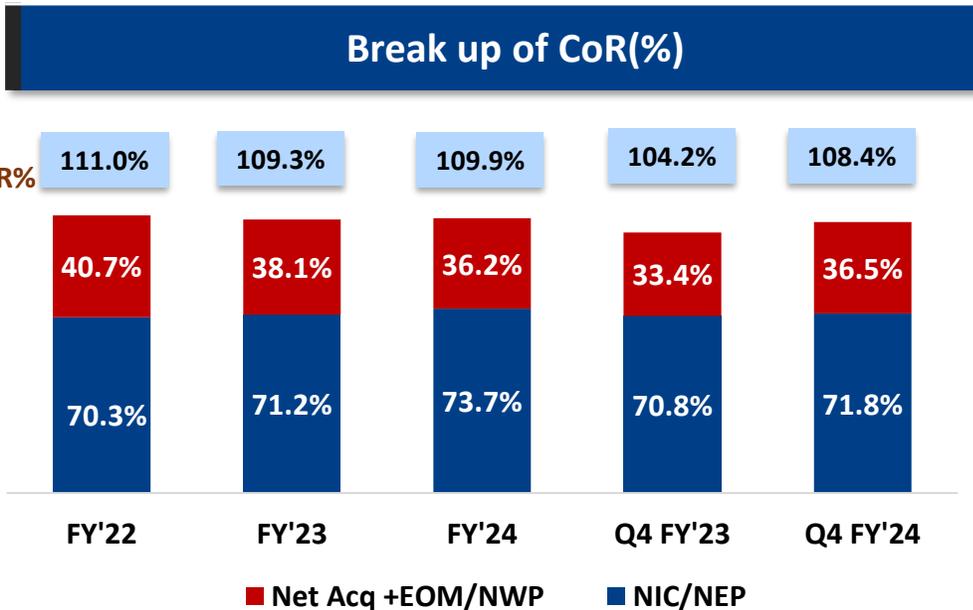
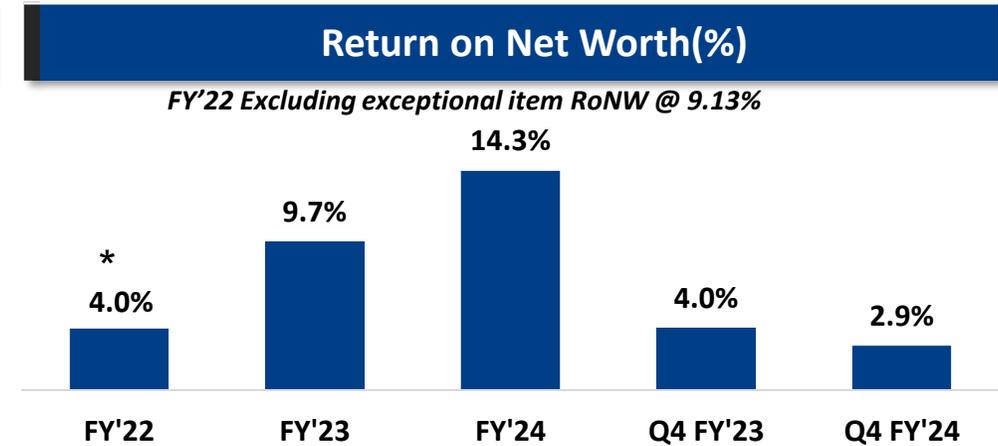
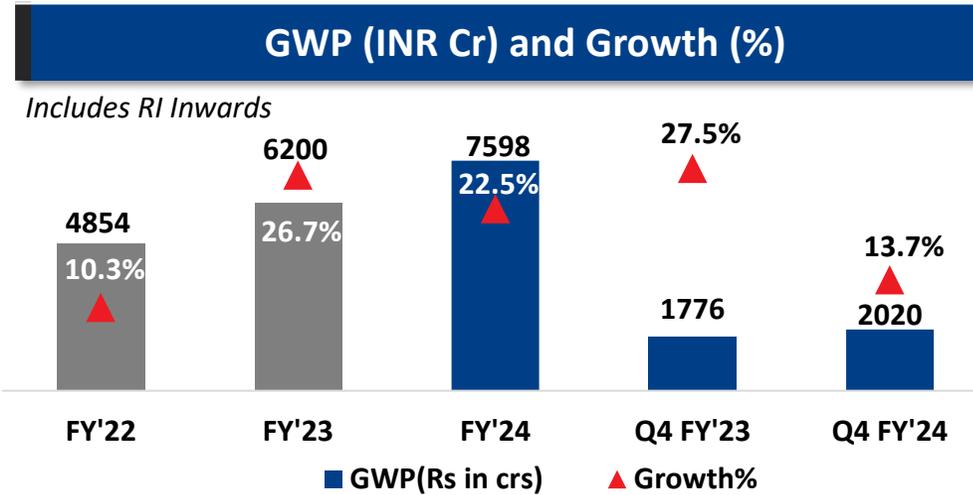
Amongst the fastest growing Motor GWP

Motor GWP CAGR (FY 2019 - FY 2024)



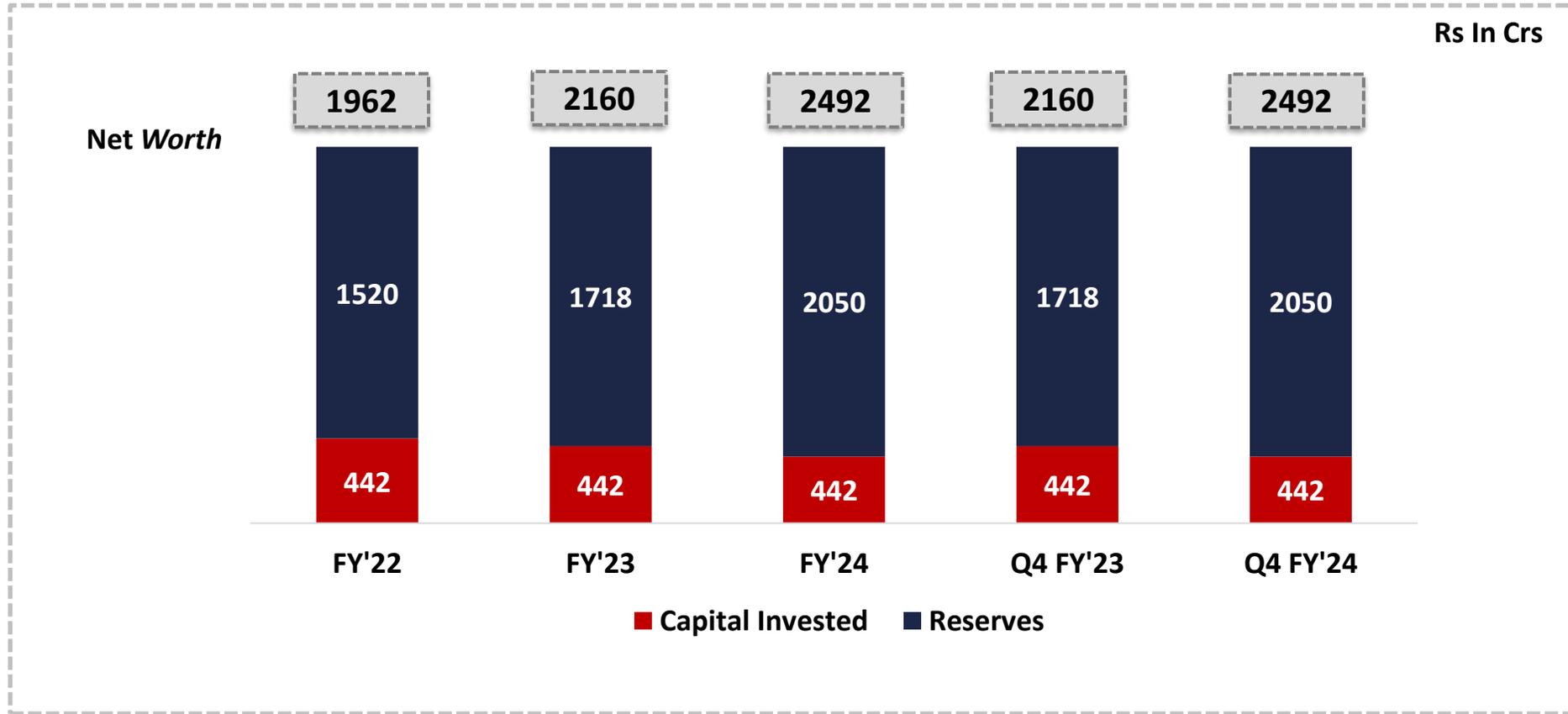
*GDPI – Premium from Direct Business Written

Key Financial Indicators



Impact of NatCat events in NIC was Rs. 0.7 Crs for Q4 & Rs. 54.6 Crs for FY'24 (Effect on CoR @ 0.06% for Q4 & 1.08% for FY'24)
 Q4 CoR @ 108.4% (Q1 – 112.9%; Q2 - 108.3%; Q3 – 110.3%) | Q4 Net Acq. +EOM / NWP at 36.5% (Q1 – 38.4%; Q2 - 34.4%; Q3 – 35.8%)

Capital efficiency - No Capital Infusion Since FY'15



- Accumulated profits @ 82.3% of Net worth (Rs. 2492 Crs) as on Mar'24
- Total Capital infused is Rs. 442 Crs
- Tier 2 Capital presently at Rs. 100 Crs; Fresh Issuance of additional Rs. 100 Crs in FY 2024-25

Consistent Operating Metrics

Particulars		2020-21	2021-22	2022-23	2023-24
Number of Customers (Live Customer)	No in Lacs	165	254	336	462
Number of policies issued	No in Lacs	63	99	121	137
Market Presence(Branch + CIE + VO)	No's	593	638	604	669
Bank Branches	No's	37000+	34000+	34000+	38000+
Motor OD Claims Settlement (TTM)	%	94%	93%	94%	96%
Health Claims Settlement (TTM)	%	90%	97%	94%	95%
Network Garages	No's	10000+	12600+	14500+	15900+
Network Hospitals	No's	9500+	10000+	11000+	12000+
Complaints Disposal Ratio%	%	100%	100%	100%	100%

Claims Ratio (%)

Line of Business	FY'22	FY'23	FY'24	Q4 FY'23	Q4 FY'24
Motor OD	69.8%	71.7%	72.8%^	72.0%	71.5%^
Motor TP	63.4%*	77.0%	76.0%	78.4%	74.8%
Motor Total	65.1%	75.6%	75.1%	76.6%	73.8%
Health, Travel & PA	117.1%	66.6%	66.7%	68.3%	69.0%
Crop	NA	NA	104.2%	NA	119.6%
Fire	33.5%	39.0%	78.5%^	20.4%	55.9%
Marine	61.9%	62.6%	76.3%	22.9%	68.8%
Engineering	28.5%	34.7%	54.3%	27.7%	69.8%
Total	70.3%	71.2%	73.7%	70.8%	71.8%

* Includes lockdown benefit

^Impact of NatCat event in LR of FY24: Fire: 21.3%, Motor OD: 1.2% & Overall: 1.1%

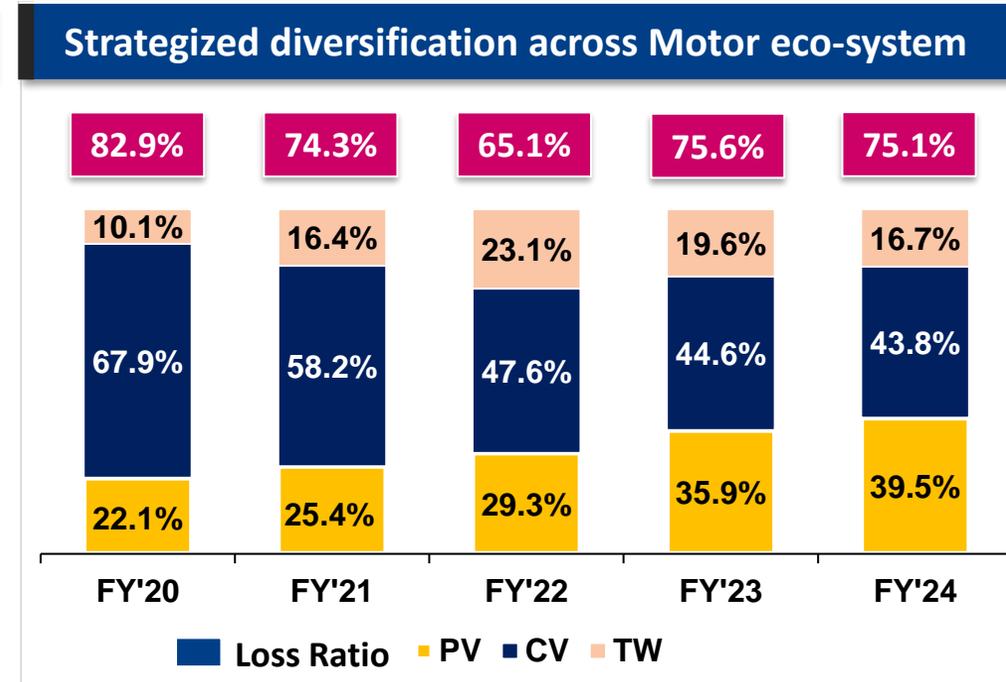
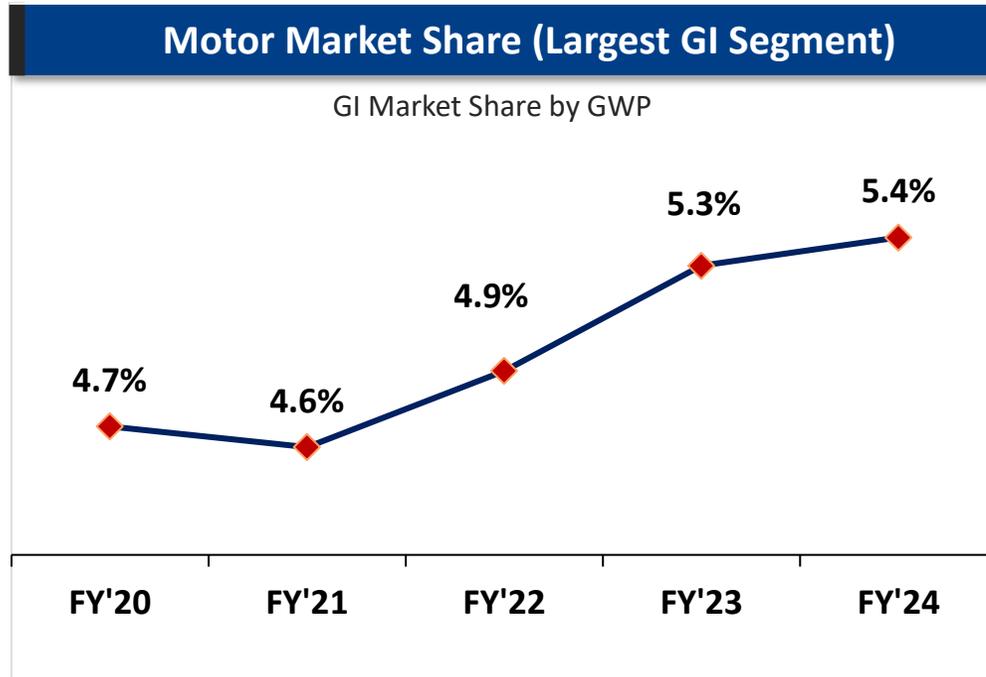
Excluding the Natcat event - OD LR reduced in Q4 to 68.8% (Q1 - 74.9%; Q2 - 72.7%; Q3 - 69.4%)

Investment Book Overview (Rs In Crs)

Category	Mar-22	Mar-23	Mar-24
Govt Securities	8290	9579	10121
PSU / Corporate Bonds	2834	4483	5475
Equity	151	321	583
Others	1229	300	322
Grand Total	12504	14683	16501
Yield with profit on sale	6.8%	6.5%	7.1%
Yield without profit on sale	6.2%	6.4%	6.6%
Investment book / Net worth (x)	6.4	6.8	6.9
Investment book / GWP annualized (x)	2.6	2.4	2.2

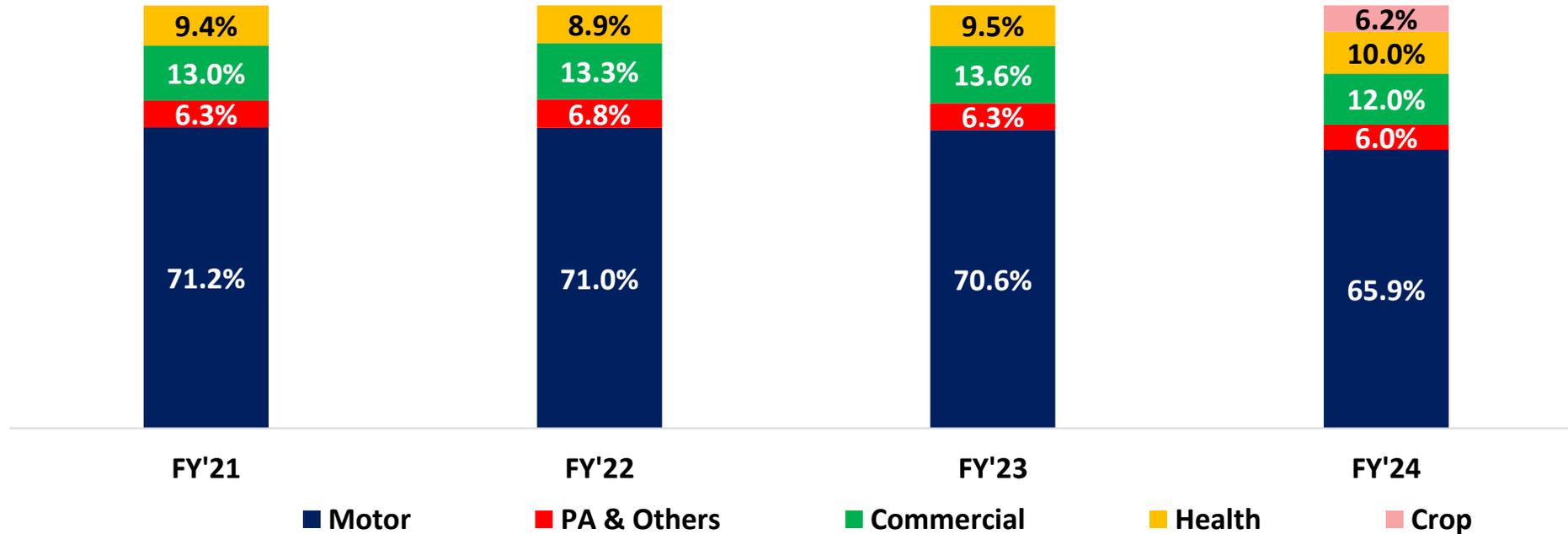
- No Net exposure to stressed assets as at Mar 2024; Exposure to Securities rated less than AA : NIL
- MTM deficit as at Mar 2024: Debt @ Rs. 180 Crs; Unrealised Gains in Equity @ 310 Crs.
- Over 90% of Investments in Infra are in PSU/Infra Bonds of Private Sector Banks
- Exposure to AIFs at Rs. 82.3Crs
- Incremental deployment of fresh and maturing Investments @ 7.66% yield in Q4 (Q4 of FY 2022-23 – 7.50%)

Dominance in Motor, Diversification Underway



- PV mix improved to 39.5% due to new tie-up and volume growth from financier channels
- Advance Premium on Long Term Business at Mar 31st 2024 @ Rs. 1334 Crs (Mar 31st 2023 – Rs. 1382 Crs)
- TW Mix down to 16.7% arising from lower sales in Two Wheelers / Portfolio Corrections
- No revision in base premium for Motor TP for FY2024

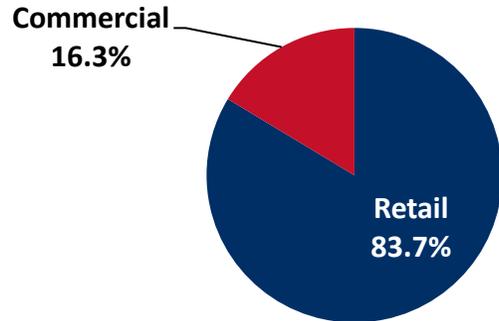
Dominance in Motor, Gaining Prominence in Other Segment



- Focus on Commercial business (including SME business) mix @ ~12%
- Health mix improved to ~10.0% while PA & others @ ~6.0%
- Crop accounts for ~6.2% of the portfolio and helps diversify

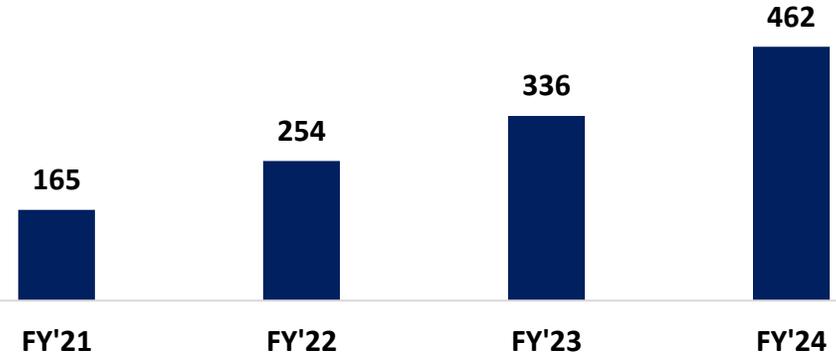
Retail Focused Diversified Operations

Retail dominated business mix



Granular book aided by increasing dispersed customer base

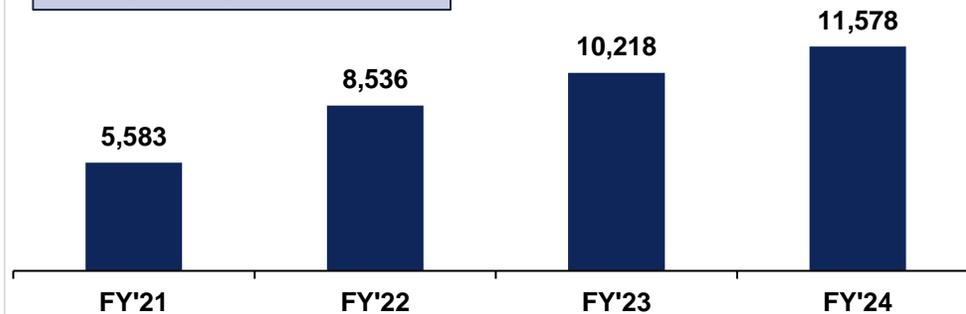
Customers (#) in Lacs



Significant growth in retail oriented policies

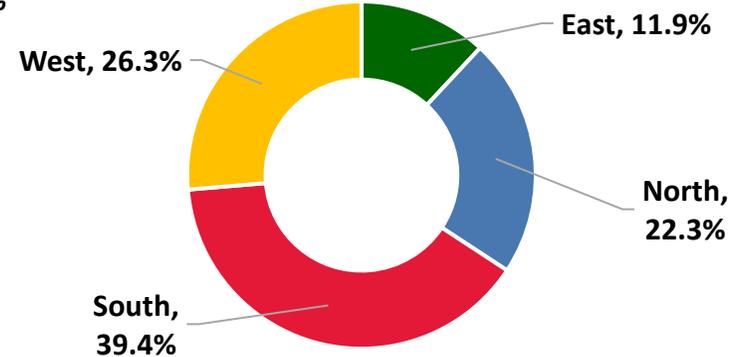
of Retail Policies (Motor, Retail Health, PA and travel) (000's)

CAGR (2016-24) = 31.2%

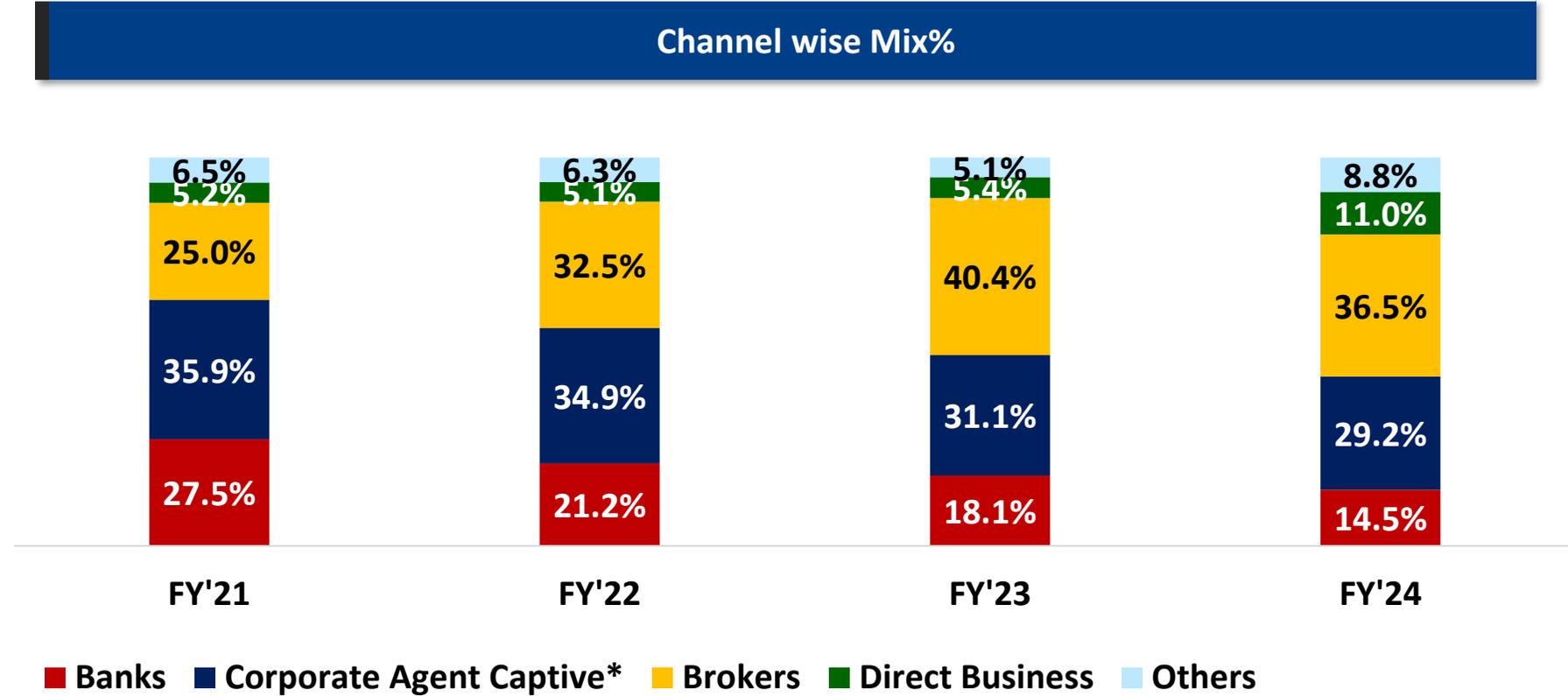


Geographic Presence – Mix %

Mix %

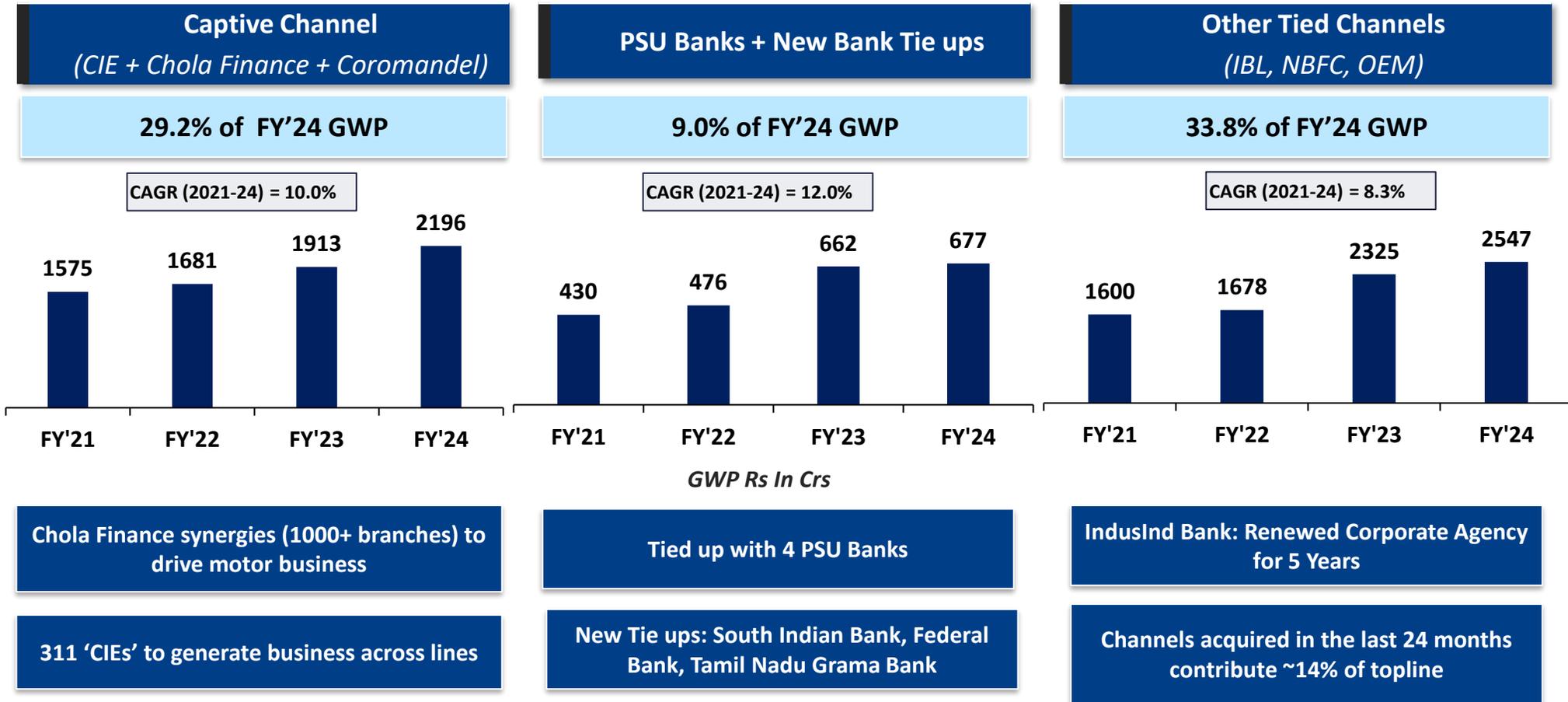


Multi-Channel Model Ensures Less Concentration & Diversified Revenue Stream

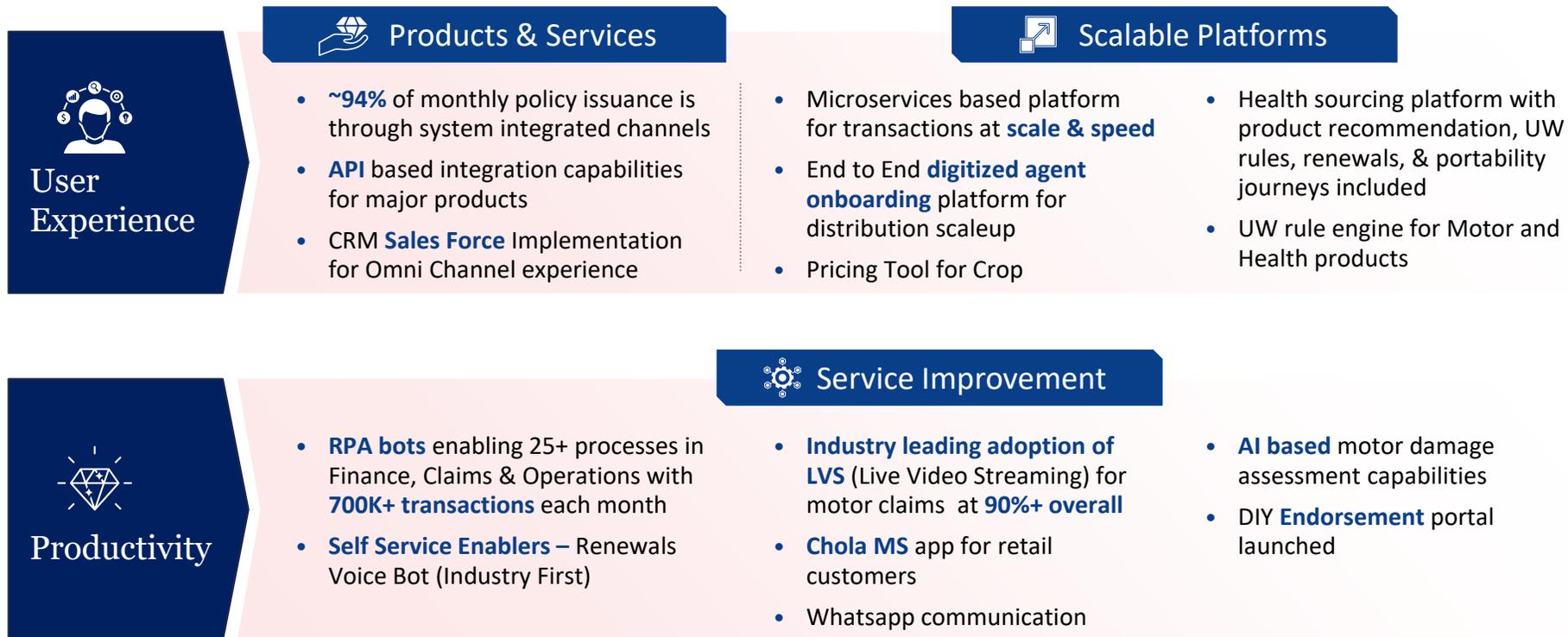


**Chola Finance + Coromandel+ CIE*

Balanced Revenue Mix: Stable in-house + Growth Channels



Tech Enablers across the value chain of functionalities to enable better user experience and productivity



Glimpse of new Tech & Digital Capabilities across the value chain leading to superior partner and customer experiences

Distribution build



100%

Digital Onboarding of Agents

Sales fulfilment



100%

Policy issuance digitally

2 min

Instant policy issuance

Underwriting

Taylor

UW OCR

Tele UW

75%

STP issuance for Health

100%

Digitization of PPMC records

Claims

AI based Motor Claim Adjudication

Provider Portal

90+%

Accuracy of AI based Motor damage assessment model

Renewals



Voice Bot for renewals

NRLMS

100%

Automated fulfilment of renewals via bot

Ops and servicing

Self Service Chatbot

RPA for Claims, Finance, Operations

24 x 7

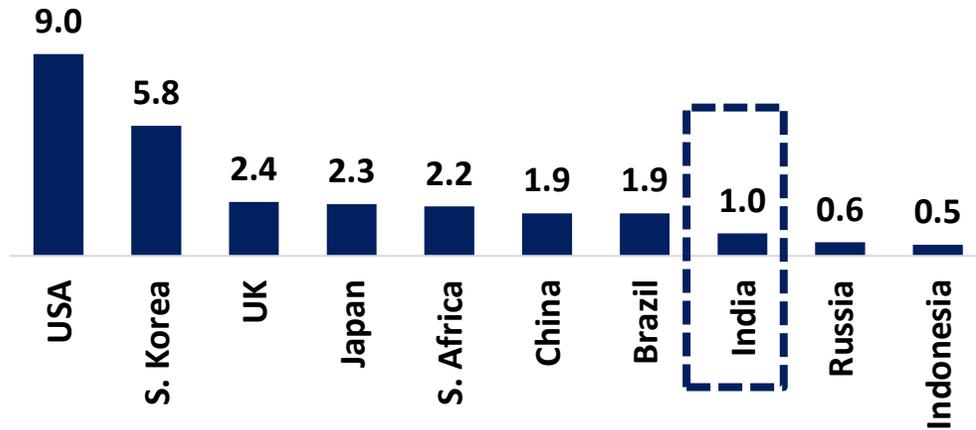
Query resolution using chatbot

700K+

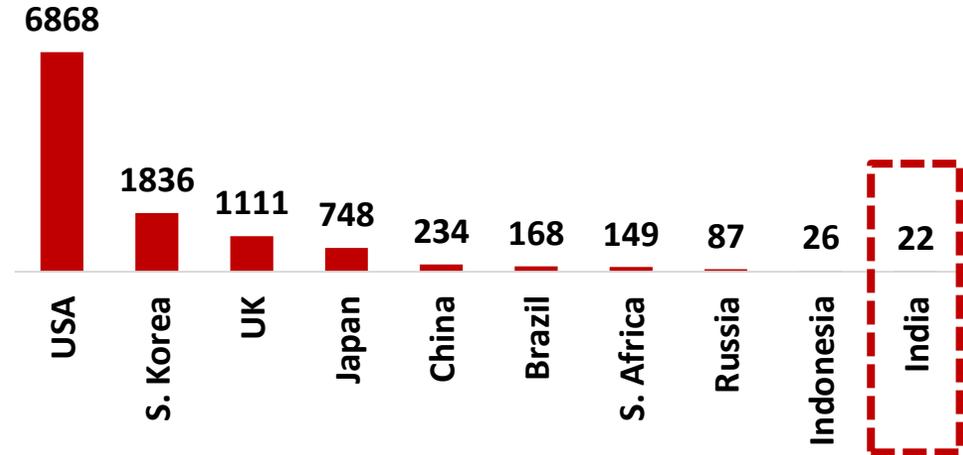
Successful monthly RPA transactions

Indian General Insurance: - Large addressable market

Significantly underpenetrated Premium as a % GDP (CY22) (US\$)



Non-Life Insurance Density (Premium per capital) (CY22) (US\$)

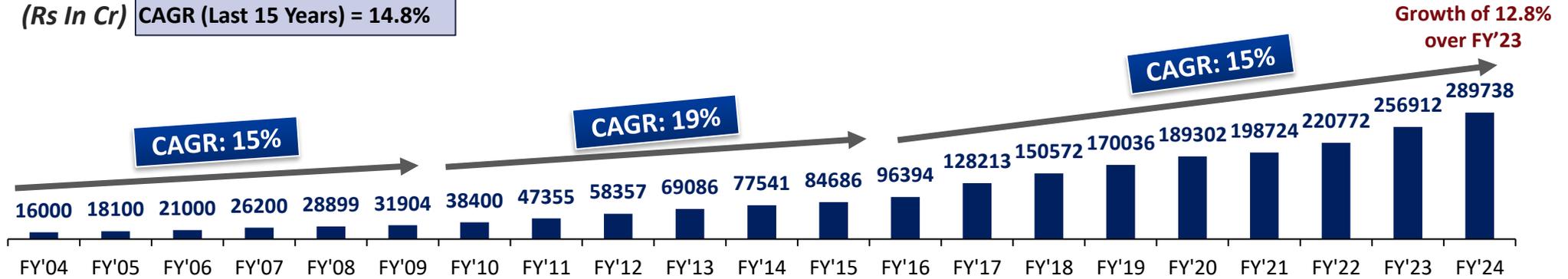


- India is the 4th largest non-life insurance market in Asia and 14th largest globally
- Operates under a “cash before cover” model
- Density & Penetration low in India compared to other countries
- Increase in penetration can happen with growth of personal lines, product enrichment, catering to rural masses, innovative selling and bright long term outlook for growth
- Every 0.25% increase in penetration can increase industry GWP by Rs. 775 Bn

Industry has Witnessed Strong Growth Over the last 15 Years

General Insurance Gross Premium has grown >10x over the last 15 years

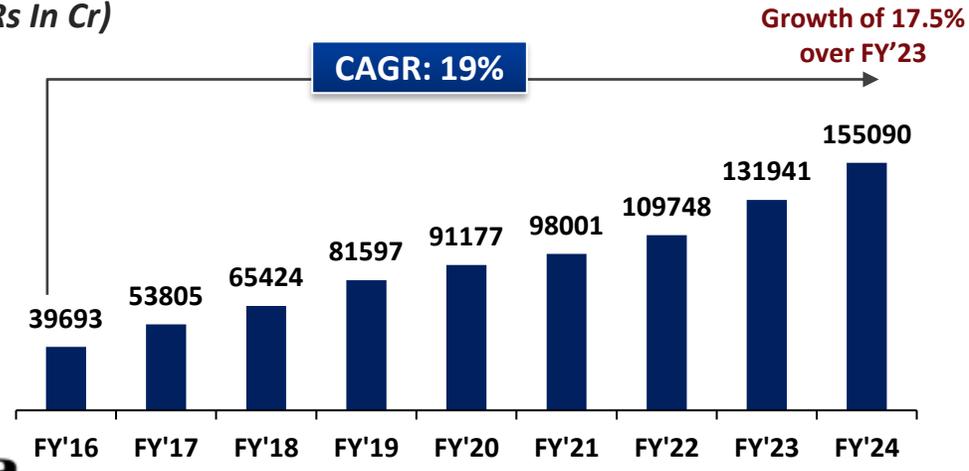
(Rs In Cr) CAGR (Last 15 Years) = 14.8%



Source: IRDA; data includes public general insurers, private general insurers, standalone health insurers (SAHI) and specialized general insurers

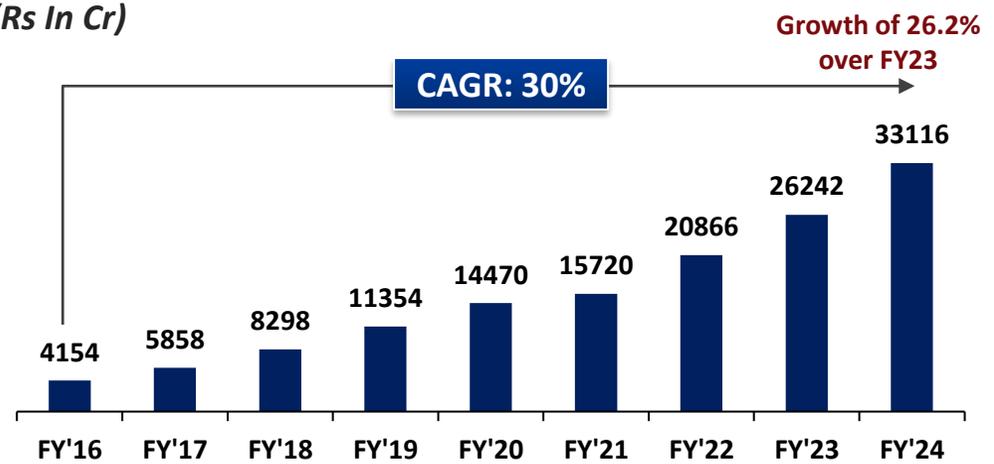
Private GI Players have grown at a faster pace

(Rs In Cr)



Robust growth for SAHI Players driven by Retail

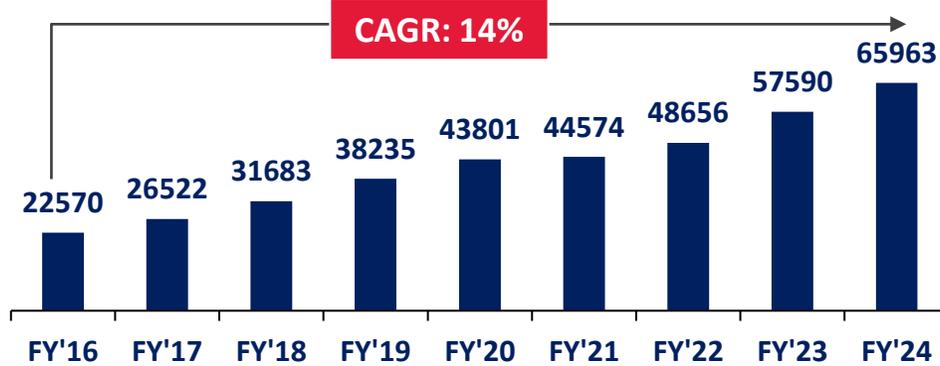
(Rs In Cr)



Motor & Retail Health are the Largest GI Segment and Continue to Grow at Steady Pace

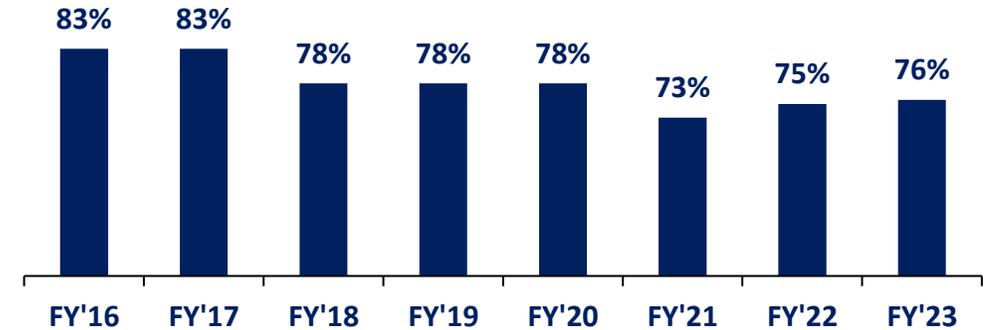
Motor accounts for 42.5% share of the overall GWP for Private General Insurers (single largest segment)

(Private Motor Insurance – GWP Rs in Crs)



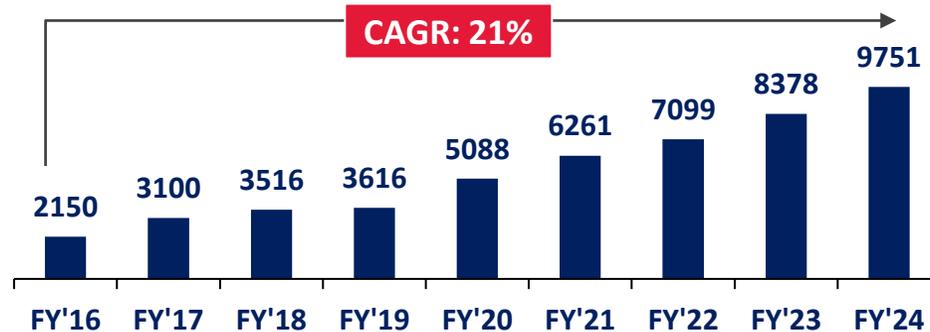
Motor Claim ratio

(Private Motor Insurance – Claims Ratio)



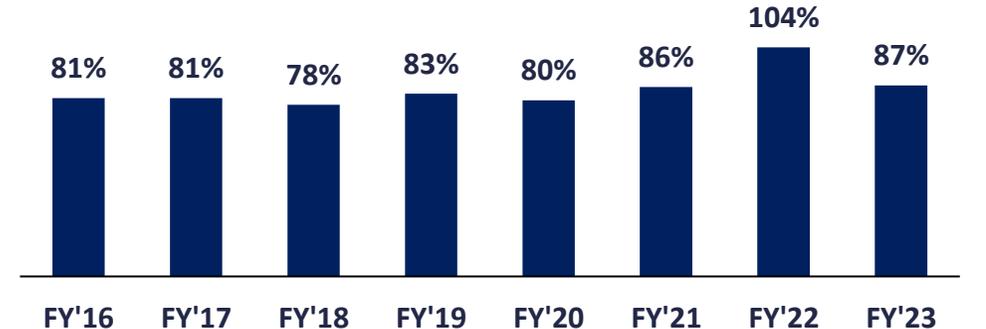
Retail Health (4.0%* share of overall GWP) is the fastest growing segment

(Private Retail Health Insurance – GWP Rs in Crs)



Health Claim Ratio

(Private Health Insurance – Claims Ratio)



* Excluding SAHI Companies

Favorable Regulations Aiding Growth

Amendment to Acts expected to improve profitability and growth across segments

Growth Oriented	Requiring Tweaks	Impending
<p>Product Regulations</p>  <ul style="list-style-type: none"> ▶ Use and File across lines ▶ Flexibility in Short term / long term products ▶ Flexibility in wordings ▶ IIB burn cost rates ceasing to be the reference rates 	<p>Rural / Social / TP Obligations</p>  <ul style="list-style-type: none"> ▶ Insurance penetration at Gram Panchayat level 	<p>Courts' recognition of amended MV Act</p>  <ul style="list-style-type: none"> ▶ Claim initiation time cut to 6 months, shortening the long tail of claims ▶ Courts' to recognize and implement for relief to sector
<p>Single Limit for Expense of Management</p>  <ul style="list-style-type: none"> ▶ Fungible EOM limits across LOBs ▶ Fungible EOM limits across intermediaries 	<p>Distribution</p>  <ul style="list-style-type: none"> ▶ Sub-limits to be reviewed as they remain at historic levels ▶ Regulatory Arbitrage to be removed 	<p>Amendments to Insurance Act</p>  <ul style="list-style-type: none"> ▶ composite licenses ▶ Distribute other financial products
<p>Regulatory Amendments</p>  <ul style="list-style-type: none"> ▶ Bima Vistar – combo product ▶ Health Products pricing – Annual revisions enabled 	<p>TP Premium Pricing</p>  <ul style="list-style-type: none"> ▶ Rising medical inflation and wage levels impact claims severity ▶ Inadequate price increase over the last 3 to 4 years 	<p>Regulatory Amendments</p>  <ul style="list-style-type: none"> ▶ Industry managed data repository – corporatization of IIB ▶ Bima Sugam – Common digital platform ▶ Health Claims Exchange

Contact us

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