

# TRANSFORMING LIVES ELEVATING COMMUNITIES

Annual Report 2024-2025



## NOTE

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

### **Forward-looking statement**

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

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

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





## TRANSFORMING LIVES ELEVATING COMMUNITIES

Chola's tagline, 'Enter a better life,' encapsulates our commitment to 'Transforming Lives, Elevating Communities.' This is not merely a business proposition but a driving force behind our efforts to create inclusive financial solutions. By providing accessible credit and financial products to underserved segments, including those in Tier-III to Tier-VI towns, we empower individuals and enterprises to achieve their aspirations and contribute to the nation's economic growth. In essence, Chola sees itself as a key enabler in fostering a prosperous and equitable society, where financial inclusion is a catalyst for progress.



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

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

### SECRETARY

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

### AUDITORS

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

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

### REGISTERED OFFICE

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

### CORPORATE IDENTITY NUMBER

L65993TN1978PLC007576

### REGISTRAR & SHARE TRANSFER AGENT

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

Phone No.: 040-67162222 | 79611000

Toll Free No.: 18003094001

## Chola's Statement of Purpose



### BELIEVE IN INDIA

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

### BELIEVE IN CHOLA

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

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

This is our purpose

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

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

### BELIEVE IN YOURSELF

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



### About Murugappa Group

A 124-year-old conglomerate with presence across India and the world, the INR 778 billion (77,881 crore) Murugappa Group has diverse businesses in agriculture, engineering, financial services and more.

The Group has 9 listed companies: Carborundum Universal Limited, CG Power & Industrial Solutions Limited, Cholamandalam Financial Holdings Limited, Cholamandalam Investment & Finance Company Limited, Coromandel International Limited, E.I.D.-Parry (India) Limited, Shanthi Gears Limited, Tube Investments of India Limited and Wendt India Limited. Other major companies include Cholamandalam MS General Insurance Company Limited and Parry Agro Industries Limited. Brands such as Ajax, Hercules, BSA, Montra, Montra Electric, Mach City, Chola, Chola MS, CG Power, Shanthi Gears, CUMI, Gromor, Paramfos, Parry's are part of the Group's illustrious stable.

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

Guided by the five lights – integrity, passion, quality, respect and responsibility – and a culture of professionalism, the Group has a workforce of over 83,500 employees.

For more information, visit [www.murugappa.com](http://www.murugappa.com)







## About Chola

### Vision

Enable Customers to Enter a Better Life.

### Mission

#### Customer First

Switch from product focused to customer focused

#### Improving Efficiencies

Long term Customer focus requires profitability & sustainability

#### People Power

People are our Primary Asset.  
Happier People = Happier Customers

### Overview

Cholamandalam Investment and Finance Company Limited (Chola), was incorporated in 1978 as the financial services arm of the Murugappa Group. Chola commenced business as an equipment financing Company and has today emerged as a comprehensive financial services provider offering vehicle finance, home loans, loan against property, SME loans, Secured Business Personal Loans (SBPL), Consumer & Small Enterprises Loans (CSEL), Gold loans, Consumer Durable loans and a variety of other financial services to customers.

Chola operates from 1613 branches and 724 Resident Locations across India with assets under management above INR 1,99,000 crore.

The vision of Chola is to enable customers enter a better life. Chola has a growing clientele of over 43.7 lakh+ happy customers across the nation. Ever since its inception and all through its growth, the Company has kept a clear sight of its values. The basic tenet of these values is a strict adherence to ethics and a responsibility to all those who come within its corporate ambit - customers, shareholders, employees and society.

For more information, visit [www.cholamandalam.com](http://www.cholamandalam.com)

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Years of Excellence

**64,900+**

Strong Workforce

**₹ 1.99 lakh crore**

Assets Under Management

**1,613** Branches  
**724** Resident Locations

**26** States  
**7** Union Territories

**43+ lakh**  
Happy Customers

## OUR PRODUCTS AND SERVICES



**COMMERCIAL  
VEHICLE LOANS**



**PASSENGER  
VEHICLE LOANS**



**TWO WHEELER  
LOANS**



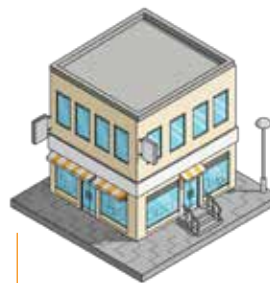
**THREE WHEELER  
LOANS**



**TRACTOR  
LOANS**



**CONSTRUCTION  
EQUIPMENT LOANS**



**LOAN AGAINST  
PROPERTY**



**HOME  
LOANS**



**SME  
LOANS**



**CONSUMER & SMALL  
ENTERPRISE LOAN**



**SECURED BUSINESS  
& PERSONAL LOAN**



**GOLD  
LOANS**



**CONSUMER  
DURABLE LOANS**



**CORPORATE  
INSURANCE  
AGENCY**



**STOCK BROKING &  
DEPOSITORY  
PARTICIPANT**



**OFFLINE PAYMENT  
AGGREGATOR**



## OUR JOURNEY

## 1979-2005

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



## 2006-2010

- JV with DBS Bank, Singapore
- Commenced Consumer Finance and Loan Against Property (LAP) business
- Increased Branch network to 171

AUM at ₹ 6,000 crore ↗

PAT at ₹ 15 crore ↗

## 2011-2015

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

AUM at ₹ 25,000 crore ↗

PAT at ₹ 400 crore ↗

## 2016-2019

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

AUM at ₹ 50,000 crore ↗

PAT at ₹ 1,000 crore ↗

## 2020-2024

- Acquired Payswiff Technologies Private Limited
- Launched Consumer & Small Enterprise Loans, Secured Business & Personal Loans and Small and Medium Enterprises Loans business
- Maiden public issue of NCDs
- Raised ₹ 4,000 crore through QIP
- Launch of Consumer Durable Loans

AUM at ₹ 1.5 lakh crore ↗

PAT at ₹ 3,400 crore ↗

## 2025

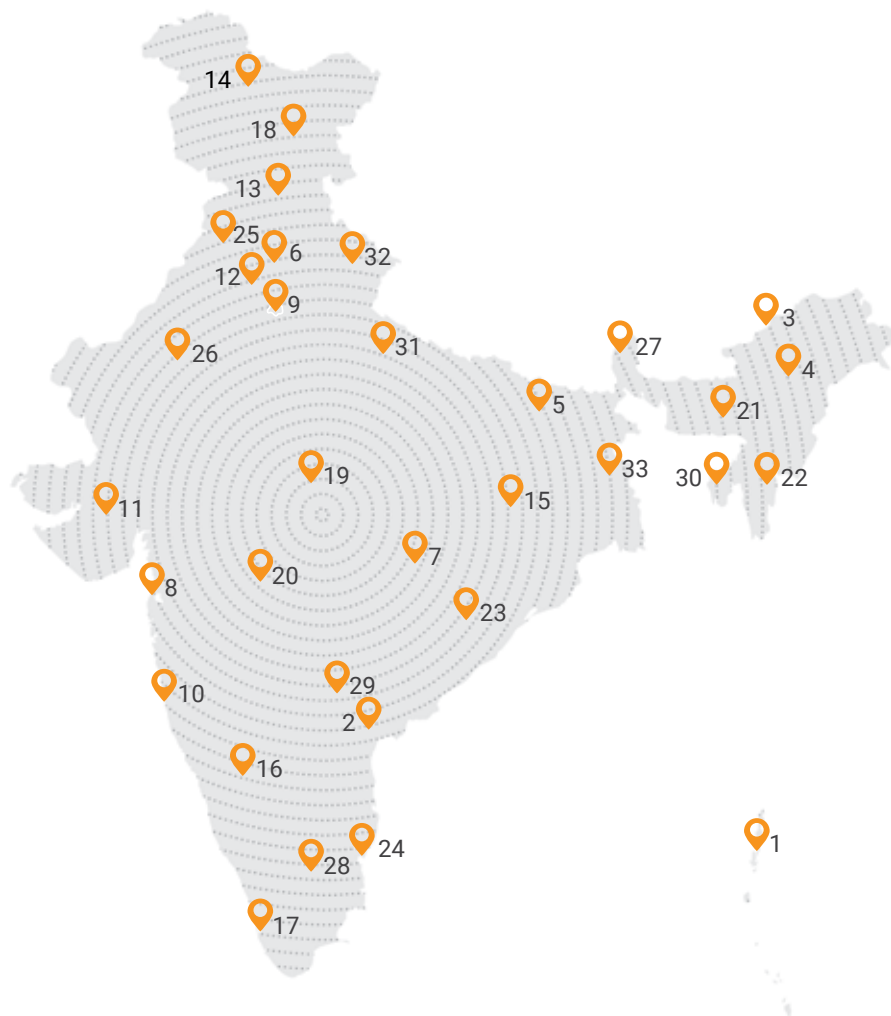
- Launch of all women branch
- Launch of Gold Loans in April 2025
- Customer base crossed ₹ 43 lakh
- Increased branch network to 1,613

AUM at ₹ 1.99 lakh crore ↗

PAT at ₹ 4,259 crore ↗



## OUR PRESENCE



**1,613**

**Branches across**

**26 States / 7 Union territories**  
as on 31 March, 2025

**90%**

presence across Tier III - VI towns

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

	No. of branches		No. of branches		No. of branches
1 Andaman & Nicobar	1	12 Haryana	52	23 Odisha	65
2 Andhra Pradesh	77	13 Himachal Pradesh	20	24 Puducherry	2
3 Arunachal Pradesh	1	14 Jammu & Kashmir	10	25 Punjab	32
4 Assam	39	15 Jharkhand	35	26 Rajasthan	120
5 Bihar	77	16 Karnataka	97	27 Sikkim	3
6 Chandigarh	1	17 Kerala	77	28 Tamil Nadu	176
7 Chhattisgarh	85	18 Ladakh	1	29 Telangana	59
8 Dadra & Nagar Haveli	1	19 Madhya Pradesh	105	30 Tripura	6
9 Delhi	9	20 Maharashtra	164	31 Uttar Pradesh	119
10 Goa	5	21 Meghalaya	5	32 Uttarakhand	23
11 Gujarat	77	22 Mizoram	1	33 West Bengal	68

## BOARD OF DIRECTORS



**Mr. Vellayan Subbiah**

(55 years) DIN: 01138759  
Executive Chairman



**Mr. N. Ramesh Rajan**

(67 years) DIN: 01628318  
Independent Director

- Holds a Bachelor of Technology in Civil Engineering from IIT Madras and an MBA from the University of Michigan.
- Has over 28 years of experience in varied fields such as consulting, technology, projects, financial services and engineering in senior positions across different industries.
- Recipient of the Outstanding Business Leader of the Year award at the India Business Leader Awards 2024, EY World Entrepreneur of the Year™ 2024, EY Entrepreneur of the Year™ 2023 (India) and Extraordinary Entrepreneur of the Year - TIECON 2014.
- Has worked with McKinsey and Company, 24/7 Customer Inc. etc.
- Is the Non-Executive Chairman of CG Power and Industrial Solutions Limited and a Director on the Boards of various other companies including SRF Limited and Cholamandalam Financial Holdings Limited. Is the Non-Executive Vice Chairman of Tube Investments of India Limited.
- Was the Managing Director of Chola from 19 August, 2010 to 18 August, 2017; Non-Executive Chairman of Chola from 12 November, 2020 and appointed as the Executive Chairman from 1 April, 2025.

- Graduate in Commerce, a fellow member of the Institute of Chartered Accountants of India.
- Has over 43 years of experience in the fields of audit, finance, strategy and operations.
- Was the Chairman and Senior Partner, PwC India, responsible for overall strategy and operations of all PwC entities in India.
- As Chairman & Senior Partner, represented India on the Global Strategy Council of PwC International and served as a member on PwC's Central Cluster led by PwC, UK.
- Is an Independent Director on the Boards of TTK Healthcare Limited, Rane (Madras) Limited, Lotte India Corporation Limited and ESAB India Limited.
- Joined the Board of Chola on 30 October, 2018.





**Mr. Anand Kumar**

(57 years) DIN: 00818724  
Independent Director

- Holds an MBA from Vanderbilt University, United States of America.
- Has over 34 years of experience in investments, mergers & acquisitions, equity capital markets and leveraged finance in South and Southeast Asia with a strong network of relationships in the region.
- Is a co-founder and Partner of Gateway Partners, an investment firm focused on growth capital and strategic opportunities across markets in Southeast Asia, South Asia, the Middle East and Africa.
- Prior to co-founding Gateway Partners in 2014, has held leadership positions in several leading investment banks including Standard Chartered Bank and Morgan Stanley.
- Is also on the Boards of TVS Supply Chain Solutions Limited, Tube Investments of India Limited and a few other foreign companies.
- Joined the Board of Chola on 16 March, 2021.



**Ms. Bhama Krishnamurthy**

(70 years) DIN: 02196839  
Independent Director

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



**Mr. M. A. M. Arunachalam**

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

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



**Mr. M R Kumar**

(63 years) DIN: 03628755  
Independent Director

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



**Mr. Ramkumar Ramamoorthy**

(57 years) DIN: 07936844  
Independent Director

- Holds a Master's Degree in English Literature, MPhil specialising in American New Journalism from the University of Madras and Post Graduate Diploma in Journalism and Mass Communication.
- Has over 35 years of experience in the areas of technology, management and leadership, strategy, planning and governance.
- Has worked with two of the largest employers in the private sector - Tata Consultancy Services and Cognizant Technology Solutions.
- Held various leadership positions as Chief Knowledge Officer, Executive Director, India, and Chairman and Managing Director of Cognizant India.
- Was on the Board of Cognizant Foundation.
- Is an Independent Director on the Board of Five-Star Business Finance Limited.
- Joined the Board of Chola on 26 July, 2024.



**Mr. Ravindra Kumar Kundu**

(56 years) DIN: 07337155  
Managing Director

- Holds a Commerce degree and Postgraduate in Management for Senior Executives from Indian School of Business and studied various modules at Fundação Dom Cabral, Belo Horizonte, Brazil, Kellogg School of Management, United States, The Wharton School of business, United States, during PGPMAX program of ISB, Hyderabad. He has also completed the Executive Program in Global Business Management from IIM Calcutta and holds a Diploma in Mechanical Engineering and Management.
- Brings with him over 37 years of extensive experience across the automobile and financial services industries, marked by a strong foundation in operations, business strategy, and customer-centric innovation.
- Has been associated with Chola for 25 years, beginning his journey with the Company as a Senior Executive in the Vehicle Finance division.
- Was the Executive Director of Chola from 23 January, 2020 to 6 October, 2024. Is the Managing Director of Chola since 7 October, 2024.
- Is the Non-Executive Chairman of Cholamandalam Securities Limited and Payswiff Technologies Private Limited.
- Is a Director on the Board of Cholamandalam Leasing Limited and Finance Industry Development Council.



# MESSAGE FROM THE CHAIRMAN

## BUSINESS SEGMENT HIGHLIGHTS

### ► Vehicle Finance – Navigating market dynamics with agility

Our flagship Vehicle Finance business demonstrated resilience and adaptability in a dynamic environment. Disbursements reached ₹53,922 crore, registering 12% growth, while AUM expanded to ₹1,01,257 crore. The commercial vehicle segment showed mixed performance – Light Commercial Vehicles (LCVs) recorded 3% growth, while Small Commercial Vehicles (SCVs) experienced headwinds with a degrowth of 9% in FY'25. Our strategic focus on the middle-of-the-pyramid customer segment, particularly Small Road Transport Operators (SRTOs) and first-time buyers, allowed us to respond effectively to market shifts.

Notably, 65% of our commercial vehicle disbursements served small and micro enterprises, including agri-based customers. In the passenger vehicle segment, 66% of our disbursements were to existing Chola customers and those engaged in agriculture and commercial activity. The two-wheeler segment also saw healthy growth, posting a 9% increase.

### ► Loan Against Property – Sustained excellence

Our LAP business delivered stellar performance, with disbursements of ₹17,913 crore, up 32% year-on-year. AUM stood at ₹41,439 crore, growing by 39%. Over the past five years, the segment has maintained a strong CAGR of 29% in AUM and 43% in profit before tax.

This performance is driven by our sharp focus on SME customers availing credit against immovable property, with 77% of the portfolio secured against self-occupied residential assets. Our emphasis on prudent underwriting is reflected in improved asset quality – Stage 3 assets have declined significantly from 6.67% in FY22 to 2.02% in FY25.

### ► Home Loans – Democratizing homeownership

Our Home Loans business continued its upward trajectory, with disbursements of ₹7,404 crore in FY25, growing 16%. AUM reached ₹18,427 crore, up 37% year-on-year. Operating through 710 branches, we are enabling thousands of middle and lower-middle-income families to achieve the dream of owning a home.

### ► Consumer and Small Enterprise Loans – Empowering aspirations

The Consumer and Small Enterprise Loans (CSEL) segment emerged as a key growth engine in FY25. Disbursements reached ₹12,552 crore, and AUM rose to ₹14,573 crore, marking 28% growth. With a customer base of over 1.4 million across 495 locations, the segment also delivered strong financial performance, with profit before tax increasing 39% to ₹343 crore.

## Dear Shareholders,

Your company continues to distinguish itself as a high-performing institution within India's financial services sector, consistently delivering growth, transforming lives, and creating impact at scale. At the core of our efforts lies a steadfast commitment to our vision: 'Enabling Customers to Enter a Better Life'. This is not merely a tagline, but a guiding principle we translate into real, measurable outcomes that uplift communities and build lasting value.

As I write this message, I am reminded of the many stories of transformation that truly define who we are. These stories are the real measure of our success. From the small entrepreneur in rural Tamil Nadu who received her first business loan, to the family in Gujarat celebrating the joy of their first home, from the farmer in Assam who modernized his field with a new tractor, to the aspiring driver in Jammu who bought his first car to start a travel company – each life we touch reflects our mission in action.

Behind these stories stands our extraordinary team of 64,941 professionals who bring our purpose to life every day. They uphold our core belief: "The fundamental principle of economic activity is that no man you transact with will lose. If you follow that, then you shall not." Across 1,613 branches and 724 remote locations, our teams have overcome distance and infrastructure challenges to build relationships that go far beyond financial transactions. In communities where banking was once out of reach, they have become trusted advisors, financial educators, and agents of lasting change.

## A YEAR OF EXCEPTIONAL PERFORMANCE

FY 2024–25 was a year of strong, broad-based performance across all our business segments. Total disbursements crossed ₹1,00,000 crore, registering a growth of 14%, while Assets Under Management (AUM) rose by 30% to reach ₹1.99 lakh crore – a significant milestone for the company. Our total income for the year stood at ₹26,055 crore, reflecting 36% year-on-year growth, and profit after tax increased by 24% to ₹4,259 crore. These outcomes reflect the disciplined execution of our strategy and the continued trust placed in us by our customers across the country.



► **Small and Medium Enterprises – Catalysing business growth**

The SME business continued to build on strong fundamentals, with AUM rising to ₹6,628 crore — a 33% increase. Profit before tax grew by 37% to ₹111 crore. Our offerings in this segment include supply chain financing, term loans for capital expenditure, and loans against shares, reaching customers across 95 locations.

► **Secured Business and Personal Loans – Accelerating scale**

Our newest business vertical, Secured Business and Personal Loans (SBPL), recorded exceptional growth in FY25. Disbursements totalled ₹1,316 crore, while AUM rose 73% to ₹2,422 crore. Now present across 414 locations in 11 states, SBPL is playing a vital role in enhancing financial access for underserved customer segments.

► **Expanding Horizons - New initiatives**

Our entry into Consumer Durables financing aligns with evolving consumption patterns and growing aspirations. The upcoming launch of Gold Loans in FY26 marks another strategic step in expanding our product suite.

## **BUILDING CAPABILITIES FOR THE FUTURE**

► **Technology as a Core Enabler**

Our digital transformation journey has fundamentally reshaped the way we serve customers. The comprehensive digitization of our Loan Origination System has significantly improved customer experience and operational efficiency. Innovations such as biometric eKYC, automated bureau checks, and system-driven underwriting have enhanced both speed and security.

The Chola One platform is steadily evolving into a super-app, offering customers a unified access point for a wide range of financial products. In Vehicle Finance, we've built a fully integrated digital ecosystem, including a thriving used vehicle marketplace that now facilitates over 3,900 vehicle sales each month.

► **Robust Risk Management Framework**

Our Enterprise Risk Management strategy is built on eight distinct pillars, ensuring comprehensive coverage across all key risk areas. Credit risk management has been enhanced through scorecard-based decision-making and robust governance mechanisms. Our cybersecurity framework incorporates red team assessments and comprehensive SOC monitoring.

We have a highly experienced in-house compliance team comprising over 20 professionals with a collective experience of more than 200 years, ensuring strong regulatory adherence and consistent performance across audits. This comprehensive risk framework forms the foundation for our commitment to sustainable and resilient growth.

► **Diversified Funding Profile**

Our well-balanced borrowing profile underscores our commitment to financial prudence. With total borrowings amounting to ₹ 1,74,946 crores, we maintain a healthy composition of loans from banks, market participants, ECBs, Public Debts etc.,. Our investor base is equally diverse, comprising Banks, Financial Institutions, Insurance Companies, and Mutual Funds.

► **Excellence in ESG Performance**

Our commitment to ESG has been recognized through steady improvements across global benchmarks. Our FTSE4Good score improved from 2.8 to 3.1, and S&P ESG score nearly doubled to 30. Sustainalytics noted an improved risk profile, with our score strengthening to 24.1.

Our Stakeholders Empowerment Services (SES) rating improved significantly from 61.6 to 79.6, while our ESG Risk Assessment & Insights score increased from 61.5 to 73.95. CRISIL also recognized our progress, with our ESG score rising to 63 in FY25. For the fifth year running, we have been reaffirmed as a constituent of the FTSE4Good Index Series.

► **Creating Lasting Social Impact**

Our social responsibility initiatives have deepened in scope and impact. In FY25, we allocated Rs. 31 crores towards healthcare initiatives and Rs. 20 crores for education programs. Beyond these flagship programs, we've invested in rural development, environmental conservation, disaster relief, water and sanitation projects, sports development and cultural preservation.

These CSR investments are strategic interventions designed to create sustainable change. From providing healthcare in remote villages to supporting education for girl children, each initiative is carefully chosen to maximize social impact while aligning with our mission.

## **LOOKING AHEAD WITH CONFIDENCE**

As we look to the future, we are energized by the opportunities that lie ahead. India's economic resilience, demographic dividend, and deepening financial inclusion create a strong runway for long-term growth.

Our presence across high-impact segments — vehicle finance, consumer lending, affordable housing, SME lending — and our foray into new areas like consumer durables and gold loans, position us well for the next phase of expansion. Backed by a Capital Adequacy Ratio of 19.75%, improving asset quality (Gross NPA at 3.97%), and a resilient funding base, we are financially well-prepared to pursue our ambitions.

From a market capitalization of ₹623 crore in 2010 to ₹ 1.27 lakh crore today, our journey has been remarkable — and it is only the beginning. As we prepare to cross ₹ 2 lakh crore in AUM, we remain confident that our proven business model, strong execution, technological capability, and committed team will continue to set new benchmarks.

With rising ESG ratings, deepening social impact, and an unwavering commitment to responsible governance, we are committed to delivering value — not just to shareholders, but to every stakeholder we serve.

I offer my heartfelt thanks to our customers who trust us with their dreams, to our employees who work tirelessly to fulfil them, to our banking partners and regulators who enable our growth, to our Board of Directors for their invaluable guidance and stewardship, and to you — our shareholders — for your enduring belief in our vision. Together, guided by integrity, passion, quality, respect, and responsibility, we remain steadfast in our mission: Transforming Lives, Elevating Communities.

Sincerely,

**Vellayan Subbiah**  
Executive Chairman



# MESSAGE FROM MANAGING DIRECTOR

in Tier-III to Tier-VI markets, introduction of new product and digital initiatives that have enabled the business to seamlessly deliver service to the customers and partners.

## Dear Shareholders,

It gives me great pride to share our performance and strategic priorities for the financial year. The year has been marked by our continued commitment to building long-term value, deepening customer engagement, and expanding our presence across India. We have remained focused on strengthening our operational foundations and leveraging innovation and technology to deliver inclusive and efficient financial solutions.

Our extensive presence comprising 1,613 branches and 724 Resident Locations across 26 states and 7 Union Territories, with 92% located in Tier-III to Tier-VI towns accentuate our mission of Transforming Lives and Elevating Communities. These locations are more than just service points they are gateways to financial inclusion for underserved populations. Through accessible products and personalized support, Chola continues to uplift communities and drive local economic progress.

## SEGMENT PERFORMANCE AND PROGRESS

- ▶ Vehicle Finance (VF) division has maintained a solid growth trajectory with 20% AUM growth at ₹ 1,01,257 crore supported by focused disbursement strategies and improvements across the digital value chain. By enhancing digital touchpoints, we're creating a seamless and intuitive customer experience while driving operational efficiency.
- ▶ Loan Against Property (LAP) division has delivered robust performance of 39% growth in AUM at ₹ 41,439 crores with a 30% growth in PBT at ₹ 1,266 crores. LAP has demonstrated significant reduction in stage 3 % from 6.67% in FY22 to 2.02% in FY25. LAP growth has been driven by focused efforts on market penetration particularly

- ▶ Affordable Home loan (HL) division continues to deliver strong AUM growth of 44% CAGR over the last 5 years with ₹ 18,427 crores as of FY25 coupled with a profit growth of 45% this year. The business is driven with a commitment to provide affordable home loans for all, specifically catering to the needs of middle and lower-middle-income families in rural and semi-urban markets. Chola continues to expand its reach into smaller villages and towns, focusing on untapped rural areas across India and ensuring accessibility to home loans for the underserved population.
- ▶ The Consumer and Small Enterprise Loan (CSEL) division continues to be a key contributor to our overall growth with 28% AUM growth recording ₹ 14,573 crore during FY25. These loans serve as critical enablers for small businesses and self-employed individuals, supporting livelihood generation and economic development at the grassroots level. Our customer-centric approach and customizable solutions have positioned us well in this space.
- ▶ The Small and Medium Enterprises (SME) division has helped catalyse entrepreneurship and foster economic vitality across various regions. This segment plays a crucial role in enabling economic growth and job creation by providing timely and accessible financing to small and medium enterprises. SME division has recorded 33% AUM growth reaching ₹ 6,628 crore in FY25.
- ▶ The Secured Business and Personal Loan (SBPL) division provides crucial financial flexibility for underserved self-employed and cash-salaried individuals. These tailored solutions empower a broader spectrum of society to manage their financial needs and pursue opportunities, underscoring our commitment to inclusive finance and enabling individuals to enter a better life by realizing their personal and business potential. In FY25, this division stood at ₹ 2,422 crore with an impressive 73% AUM growth.

## STRATEGIC OUTLOOK

Our strategy for long-term growth involves diversification and agile expansion. We are deploying resources to strengthen our reach and offerings. This strategic diversification not only supports growth but also enhances portfolio resilience.

To better address evolving customer needs, we have entered the Consumer durable and Gold Loan businesses.

For the consumer durable business, we have tied up with leading mobile and consumer electronics OEMs with the twin objectives of financing new aspirational consumers, entering homes across geographies and thereby contributing to financial inclusion. Transparency and customer experience are our focus as we expand in a calibrated manner.

Chola has added gold loans as a new line of business. Our strategic intent in launching gold loans is two pronged. Firstly 30-35% of our existing customers avail gold loans frequently and gold loans are a natural extension of our product offering resulting more products per customer. Secondly, it has been observed that roughly 45-50% of gold loan seekers are “new to credit”, thus helping Chola enhance its role in driving financial inclusion.

Our borrowing strategy is a testament to our commitment to sound financial management and prudent capital structuring. As of the reporting period, our total borrowings stand at ₹1,74,946 crores. This borrowing portfolio is strategically diversified to ensure financial stability and flexibility. We always maintain a conservative ALM mix and our LCR ratios are always comfortably above the regulatory thresholds.

### TECHNOLOGY AS A CATALYST

At Chola, we believe technology is not just an enabler but a catalyst for transformation. During FY 24-25, Chola made significant strides in enhancing its digital capabilities across the different lines of business and core functions. The Originations platform for flagship Vehicle Finance business was upgraded to a modern tech-stack enabling paperless customer journey including seamless onboarding via biometric and face-auth mechanism. Similarly, digital Originations platform was launched for our Consumer Durables as well as CSEL business. Each of this was launched with digitization and operational efficiency as key drivers.

Chola continued to execute its Core Financial Services Solution journey by providing a common customer solution application with enhanced user experience via Chola One, any-branch any-product service using common service & collections platform, and unified enterprise data repository using columnar database technology to enhance our analytical and MIS / reporting capabilities.

In parallel, our core treasury system was also refreshed to a new-age modular and scalable platform. Our adoption of Finacle Treasury Solutions marks a significant enhancement in treasury operations. With improved automation, risk management, and data-driven decision-making, we are better positioned to optimize resources and navigate market dynamics.

We leverage data analytics to gain deep insights, exemplified by key dashboards that monitor portfolio and Through the door trends, sales excellence, and market share. This intelligence allows us to proactively identify customers displaying non-uniform repayment or potential default behaviour, enabling more effective portfolio management and tailored customer

engagement.

Technology is central to our operational excellence and customer experience. Furthermore, digital collection capabilities from our call centre target specific customer segments, optimizing recovery efforts and reinforcing our commitment to seamless and trustworthy financial solutions.

### ESG COMMITMENT AND CORPORATE SOCIAL RESPONSIBILITY

Our journey is deeply intertwined with our commitment to Environmental, Social, and Governance (ESG) principles. We are reducing our environmental footprint through paperless processes, transitioning to green power in our office infrastructure, and implementing water-saving initiatives across locations.

Our commitment to corporate social responsibility (CSR) remains a cornerstone of our operations, deeply woven into our mission to ‘Transform Lives, Elevating Communities.’ We continue to implement a range of impactful CSR initiatives across the nation, focusing on areas vital for societal progress, such as education, health and livelihood creation. Over the past five years, Chola has made a significant impact through its social initiatives, investing over ₹ 243 crores and benefiting over 3.5 million individuals. Chola’s Gift of Life initiative has performed 626 life-saving congenital heart surgeries for children of commercial vehicle crew members from FY 2019-20. Under the Flagship Project Raahi, since 2018, Chola has conducted 718,811 screenings, distributed 326,730 spectacles, and referred 16,107 cataract cases. The Mamta program has provided safe mother and newborn support to 1059 newborn mothers and new born babies since it was onboarded in FY 21-22. For education of the children of Commercial vehicle crew members under the “My Dream Scholarship” Chola has supported 1,753 students pursuing technical courses since 2019, with 65% of the beneficiaries being female students. Chola’s Socially Responsible Corporate Citizenship Programme (SRCCP) has empowered employees to engage in community service, resulting in 23 employees leading 23 separate projects in their respective geographies. Chola has supported 778 players in Chess, Football, and Golf, with a focus on early-age training in FY 24-25. Chola’s CSR efforts demonstrate a strong commitment to sustainable growth and community empowerment. These programs directly support the well-being and development of the communities we serve, reflecting our dedication to creating broader positive change.

As we look ahead, I am confident that Chola’s strategic initiatives, digital advancements, and customer-first mindset will continue to drive sustained growth. I sincerely thank our dedicated employees, loyal customers, trusted partners, bankers, rating agencies and esteemed Board of Directors for their invaluable support and belief in our vision.

Sincerely,

**Ravindra Kumar Kundu**  
Managing Director & CEO



**BUSINESS HIGHLIGHTS**(*₹ in crore*)

KEY FIGURES (STANDALONE)					
Particulars	FY 25	FY 24	FY 23	FY 22	FY 21
Branch Network (in nos.)	1613	1,387	1,191	1,145	1,137
Disbursement	1,00,869	88,725	66,532	35,490	26,043
Assets Under Management (AUM)	1,99,876	1,53,718	1,12,782	82,904	76,518
Net Income Margin (NIM)	13,570	9,986	7,229	5,840	5,000
Operating profit	8,231	5,904	4,449	3,771	3,416
Profit Before Tax (PBT)	5,737	4,582	3,600	2,891	2,038
Profit After Tax (PAT)	4,259	3,423	2,666	2,147	1,515

Key Ratios (in %) *					
NIM	7.7	7.5	7.7	7.9	7.3
Expense Ratio	3.0	3.1	3.0	2.8	2.3
Gross NPA / Gross Stage 3 Assets	4.0/2.8	3.5/2.5	4.6/3	6.8/4.4	4.0
Net NPA / Net Stage 3 Assets	2.6/1.6	2.3/1.3	3.1/1.6	4.8/2.6	2.2
Tier I Capital	14.4	15.1	14.8	16.5	15.1
Tier II Capital	5.3	3.5	2.4	3.1	3.9
Capital Adequacy Ratio	19.8	18.6	17.1	19.6	19.1
Return on Total Assets - PBT	3.3	3.4	3.8	3.9	3.0
Return on Equity	19.8	20.6	20.6	20.4	16.9

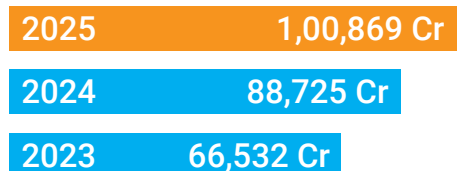
Growth Ratios (in %)					
AUM Growth	30.0	36.3	36.0	8.3	14.3
Disbursement Growth	13.7	33.4	87.5	36.3	-10.5
Book Value per Share Growth	20.7	33.9	22.0	22.3	16.9

Branch Efficiency Ratios (in crore)					
Disbursements per Branch	62.5	64.0	55.9	31.0	22.9
NIM per Branch	8.4	7.2	6.1	5.1	4.4
PAT per Branch	2.6	2.5	2.2	1.9	1.3

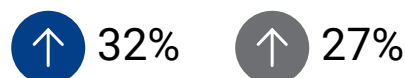
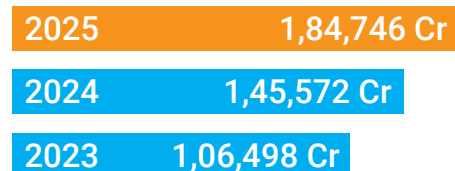
Note: Refer glossary section for terms and ratios

## FINANCIAL SUMMARY

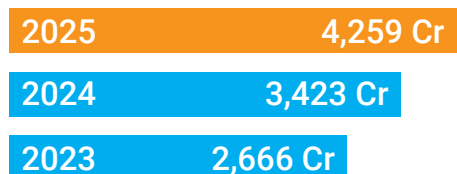
## Disbursements

**₹ 1,00,869 crore**

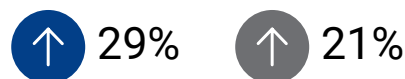
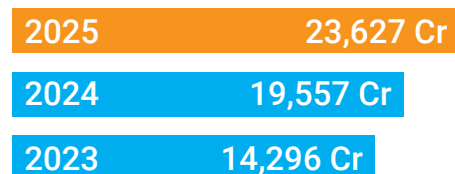
## Business AUM (Net)

**₹ 1,84,746 crore**

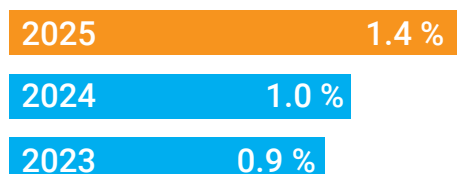
## Profit After Tax

**₹ 4,259 crore**

## Networth

**₹ 23,627 crore**

## Loan Losses &amp; Provisions

**1.4 %**

## PBT - ROTA %

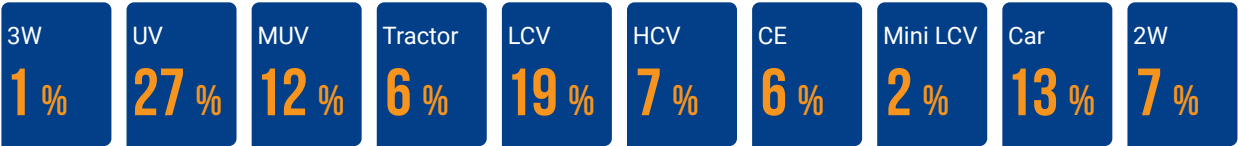
**3.3 %**

VEHICLE FINANCE

# DRIVING DREAMS EMPOWERING JOURNEYS

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

DIVERSIFIED ASSET PORTFOLIO (% Product wise)



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





## TRANSFORMING LIVES

Serving 26.5+ lakh delighted customers with unwavering trust and commitment

Pre-approved Direct-to-Customer (D2C) digital journeys tailored for existing customers

A legacy of over 40 years in enabling mobility and entrepreneurship

Highly customized product offerings designed to meet diverse customer needs

Segmented scorecard approach for key products to facilitate system based underwriting decisions

Biometric-enabled KYC for faster & safer onboarding, combining robust identity verification with seamless digital convenience

## ELEVATING COMMUNITIES

1 lakh+ crore in Assets Under Management (AUM) reflects scale and impact

Unparalleled presence in Tier III and IV markets, bridging access gaps

1,566 branches and 724 resident locations for hyperlocal service and support

Enduring partnerships with dealers through Trade Advance and Original Equipment Manufacturer (OEM) engagement

Robust Online-to-Offline (O2O) channels expanding reach across geographies

## KEY FEATURES

- ▶ Pioneering vehicle financing across the ecosystem
- ▶ Robust funding for used commercial vehicles and used cars
- ▶ Attractive financing schemes for electric vehicles
- ▶ Flexible refinancing and pre-approved offers for existing customers
- ▶ Comprehensive commercial vehicle loans upto 49 tonnes GVW
- ▶ Specialized financing for Construction equipment and Farm equipment
- ▶ Digitized and efficient loan processes for faster approvals
- ▶ Fast-track, paperless two-wheeler loan processing

## Disbursements

**₹ 53,922 crore**

2025	53,922 Cr
2024	48,348 Cr
2023	39,699 Cr

↑ 17%    ↑ 12%

## Business AUM (Net)

**₹ 1,01,257 crore**

2025	1,01,257 Cr
2024	84,498 Cr
2023	66,938 Cr

↑ 23%    ↑ 20%

## Income

**₹ 14,108 crore**

2025	14,108 Cr
2024	11,274 Cr
2023	8,851 Cr

↑ 26%    ↑ 25%

## PBT

**₹ 2,824 crore**

2025	2,824 Cr
2024	2,532 Cr
2023	2,272 Cr

↑ 11%    ↑ 12%

## Loan Losses &amp; Provisions

**1.6 %**

2025	1.6 %
2024	1.2 %
2023	1.2 %

## PBT - ROTA %

**3.0 %**

2025	3.0 %
2024	3.4 %
2023	3.9 %

LOAN AGAINST PROPERTY

# TURNING ASSETS INTO AMBITIONS

For over 18 years, Chola's Loan Against Property (LAP) division has been a steadfast partner for India's MSME sector, particularly amongst self-employed non-professionals. Managing assets exceeding ₹ 41,400 crore, Chola LAP has established itself as a reliable and trusted player amongst NBFCs, empowering over 90,000 satisfied customers to realize their business ambitions. Chola LAP is spread across pan-India covering nearly 900 branches with 5600+ employees.

Chola LAP demonstrates a deep understanding of the unique needs of MSME segment and has strategically expanded its market presence, introducing innovative product schemes designed to provide greater flexibility and access to capital.

Over 97% of Chola LAP customers are self employed non-professionals and 77% of the portfolio is financed against self-occupied residential property as collateral.

In the last few years, business has undergone transformation through geo expansion, new product introduction, simplified loan journey while ensuring best-in-class experience for customers, vendors and channel partners. By leveraging digital tools for onboarding, verification, and collections, the division is committed to providing efficient and convenient access to the financial resources that enable entrepreneurs to thrive and contribute to the economic vibrancy of their communities.



## TRANSFORMING LIVES

Catering to MSME sector - backbone of the Indian economy

Over 97% of LAP customers are self-employed non-professionals

## ELEVATING COMMUNITIES

Significant presence in rural locations – 630 branches (81% of total branches) are in rural location

38% of overall disbursements (₹ 6,809 crore) are in rural locations

## KEY FEATURES

- ▶ 18 years of market presence
- ▶ Widespread geographical presence with a robust team of 5,600+ employees
- ▶ 900 branches with a strong footprint in rural and semi-urban locations
- ▶ Customised product schemes to match customer funding requirements

## PRODUCTS THAT EMPOWER



Business loans for self-occupied residential property



Business loans for commercial and mixed-use properties



Balance transfer of existing property loans

## Disbursements

**₹ 17,913 crore**

2025	17,913 Cr
2024	13,554 Cr
2023	9,299 Cr

↑ 39%    ↑ 32%

## Business AUM (Net)

**₹ 41,439 crore**

2025	41,439 Cr
2024	29,859 Cr
2023	21,588 Cr

↑ 39%    ↑ 39%

## Income

**₹ 4,543 crore**

2025	4,543 Cr
2024	3,208 Cr
2023	2,292 Cr

↑ 41%    ↑ 42%

## PBT

**₹ 1,266 crore**

2025	1,266 Cr
2024	973 Cr
2023	759 Cr

↑ 29%    ↑ 30%

## Loan Losses &amp; Provisions

**0.2 %**

2025	0.2 %
2024	-0.2 %
2023	0.1 %

## PBT - ROTA %

**3.6 %**

2025	3.6 %
2024	3.9 %
2023	4.0 %



HOME LOAN

# UNLOCKING DOORS BUILDING COMMUNITIES

The Chola Home Loans division is dedicated to ensuring homeownership is affordable and accessible for families throughout India. Whether it involves building a house, buying a new or pre-owned property, renovating homes, or expanding living spaces, home loan division solutions are designed to meet a variety of customer needs. With a strong reputation for customer-centricity and flexibility, Chola Home Loan offers competitive interest rates, simplified eligibility criteria, and flexible repayment options. Its product suite includes fixed and floating rate loans, top-up loans, and balance transfer facilities, enabling customers to choose solutions aligned with their financial goals.

Leveraging the pan-India network and robust market presence, Chola Home Loan ensures seamless loan processing, prompt disbursals, and personalized support throughout the customer journey. Prioritizing transparency, customer convenience, and financial inclusion, Chola continues to be the preferred choice for aspiring homeowners nationwide.





## TRANSFORMING LIVES

In-person assessment for self-employed non-professionals (SENP) and cash-salaried individuals to simplify loan access

Focus on enhancing customer experience by streamlining the documentation process and direct-to-customer digital onboarding

Multiple financing options for self-construction, ready-to-move-in homes, and balance transfers

Flexible financing options for mixed-use properties, empowering families to generate income and improve their livelihood

Loans to shop owners tailored to their specific needs supporting financial resilience and entrepreneurial growth

Financial inclusion - 21% of customers are first-time - borrowers

## ELEVATING COMMUNITIES

Presence spans Tier II, III, and IV cities across India, ensuring that housing finance reaches those in underserved geographies

Chola plays a crucial role in developing housing infrastructure and boosting local economies in emerging areas

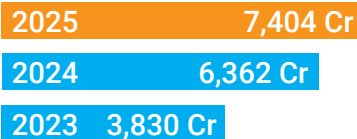
Catering to middle and lower income families to ensure that no one is left behind in their journey to homeownership

Financing for mixed-use properties and self-employed non-professionals promotes local businesses, nurturing the economic vibrancy of communities

Pan-India reach - 735 touchpoints across 22 states

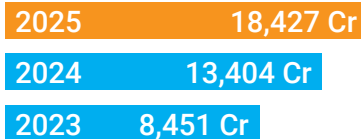
## Disbursements

**₹ 7,404 crore**



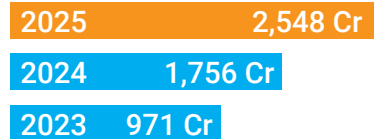
## Business AUM (Net)

**₹ 18,427 crore**



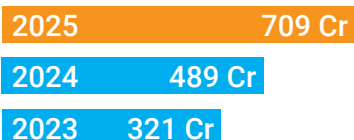
## Income

**₹ 2,548 crore**



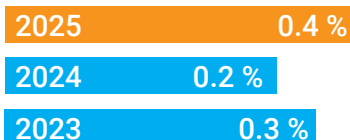
## PBT

**₹ 709 crore**



## Loan Losses &amp; Provisions

**0.4 %**



## PBT - ROTA %

**4.5 %**



## CONSUMER AND SMALL ENTERPRISE LOAN

# FINANCIAL SOLUTIONS TO EMPOWER POTENTIAL

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

CSEL's vision is to become "the most secured" unsecured lending business in the industry. With this vision, CSEL has adopted a multi-pronged strategy of acquiring customers through various channels such as -

**Traditional DSA/DST model** - The traditional business model provides collateral-free personal loans to salaried employees, professional loans to self-employed professionals, and business loans to small enterprises through two robust distribution channels: Direct Sales Agents (DSAs), where we

have strong relationships with over 500 channel partners across the country, including both corporate and regional DSAs; and Direct Sales Teams (DSTs), comprising a team of over 450 sales field executives who disburse cases sourced from centralized Head Office campaigns or the open market.

**Consumer Durables (CD) financing:** The CD financing business was launched in FY 24 through a tie up with various OEMs for providing consumer durable loans to customers for purchase of mobile phones. In FY25, the vertical also launched the Open Market consumer durables financing by partnering with leading OEMs.

**Direct 2 Consumer:** The D2C channel offers pre-approved loans to existing Chola customers through the Chola One app.



### TRANSFORMING LIVES

Collateral-free personal, business & professional loans

Achieved over ₹ 12,500 crore disbursement in FY 24-25

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

Quick and paperless digital processing

### ELEVATING COMMUNITIES

Launched open market Consumer Durables financing in partnership with leading OEMs

Active customer base of 18+ lakh with focus on financial inclusion

Significant disbursements support the growth of small enterprises and augment consumer spending

450+ branches covering 25 states and 4 union territories

## SECURED BUSINESS AND PERSONAL LOAN

# FINANCE FOR GROWTH IN EMERGING INDIA

Secured Business and Personal Loan (SBPL) division plays a vital role in transforming lives by serving the often-underserved micro-enterprises in Tier III, IV, V, VI towns – the very foundation of India's economic growth. Recognizing the unique needs of these micro-business owners, SBPL provides collateral-backed loans that fuel their operations and empower their aspirations, enabling them to build a better future.

What sets SBPL apart is its innovative approach to credit assessment. Utilizing unique form-based techniques and

cash flow projections, the division customizes its offerings to precisely meet the specific financial requirements of its customers, ensuring responsible and effective lending.

In FY 2024 - 25, a strategic focus on innovation through digitisation and field force expansion further enhanced the customer experience, reinforcing Chola's deep-rooted commitment to grassroots empowerment and fostering economic activity and self-reliance at the local level.

## KEY FEATURES

- ▶ Collateral based business loans
- ▶ Personalised doorstep service
- ▶ Transparent and easy process
- ▶ Convenient repayment options



## TRANSFORMING LIVES

Empowering micro-enterprises with over ₹ 2,400 crore in Assets Under Management, fostering grassroots economic growth

Business owners benefit from the unique income assessment program, designed to understand their distinct financial situations.

Supporting over 62,000 customers in achieving their business and personal aspirations

End-to-end digital process for faster and reliable onboarding

## ELEVATING COMMUNITIES

Presence in 330+ branches covering 414 touchpoint locations, primarily in Tier III, IV, V and VI towns, ensures financial inclusion in emerging regions

Financial services to micro-enterprises stimulates economic activity and job creation at the grassroots level

Availability of formal financial services is increasingly reaching underserved communities, demonstrating wider financial inclusion



## SMALL AND MEDIUM ENTERPRISES LOAN

# TAILORED FINANCING FOR A THRIVING NATION

Recognizing the pivotal role of Small, and Medium Enterprises (SME) as the true growth engine of the country, Chola is deeply committed to transforming lives and elevating communities by bridging the critical credit gap that hinders their progress. Understanding that over half of India's MSMEs lack access to formal financing, Chola offers a comprehensive suite of tailored financing solutions, both short and long term, to empower these vital businesses.

With a diverse range of products, Chola addresses the varied needs of SMEs, providing essential financial support for both their day-to-day working capital requirements and their strategic expansion plans. By providing accessible and customized financial tools, Chola enables SMEs to scale their operations, create employment opportunities, and contribute significantly to the socioeconomic development and prosperity of their local communities and the nation as a whole.

## PRODUCTS



### Secured Term Loan

Finance for capex and long-term working capital requirements



### Equipment Finance

Financing for purchase of equipment and machinery



### Supply Chain Finance

Dealer financing and Vendor invoice discounting



### Loan Against Securities

Loan against pledge of securities / Mutual funds to retail and HNI investors



### Leasing

Leasing solutions for Multi utility Vehicles, EV, Equipment, Printing & Packaging, Gensets, etc



## TRANSFORMING LIVES

Providing loans ranging from ₹ 20 lakh to ₹ 15 crore, enabling SMEs to scale operations and achieve their business goals

By offering tailored loans to private limited companies, partnership firms, and proprietorship concerns, Chola nurtures the entrepreneurial spirit

Strong data-driven underwriting ensures informed lending decisions, supporting the sustainable growth of individual SMEs

Empowering SMEs with innovative financial solutions, facilitated by partnerships with over 8 Sourcing Tech Partners

## ELEVATING COMMUNITIES

Supporting 9,200 SME customers contributing to job creation and economic activity within local communities

Fueling the nation's economy with over ₹ 6,600 crore in AUM for SMEs, catalyzing their pivotal role in growth

Presence in 94 branches across 20 states ensuring accessibility of finance in diverse regions.

Collaborating with over 18 OEMs to drive greater financial inclusion in the market.



**GOLD LOAN**

# THE TRUSTED PATH TO IMMEDIATE FUNDS

Gold is more than just an asset; it represents significant financial potential. Whether for business expansion, major life events, education expenses, or unforeseen emergencies, Chola Gold Loan, a recently launched business division, provides a quick, secure, and hassle-free way to access essential funds, offering crucial financial support.

Drawing on over 47 years of enduring trust and stability cultivated by Chola as a reputable financier, the new Gold Loan division offers customers a foundation of surety and reliability. It pledges trust, safety, and a steadfast commitment to helping millions embark on a better life journey.

With its hallmark of quick disbursal and simplified processing, Chola's loan against gold ornaments serves as an immediate solution to pressing financial requirements and supports

individuals in pursuing their significant ventures. By offering flexible tenure and convenient repayment solutions, Chola Gold Loan empowers individuals to manage their finances effectively and realize their aspirations. This financial empowerment, in turn, contributes to the stability and progress of the communities they belong to, fostering a sense of security and enabling collective growth, ultimately elevating communities through individual financial well-being.

## KEY FEATURES

- ▶ First-in-class features such as RFID tagging and centralised monitoring cell.
- ▶ Advanced vault systems
- ▶ Centralized OTP-based access control
- ▶ 24x7 CCTV surveillance
- ▶ 10-layer security system at all Gold Loan branches



## TRANSFORMING LIVES

Offers a competitive rate per gram, allowing individuals to unlock the full potential of their gold

Quick loan approval addressing urgent financial needs

Minimal documentation making the loan process hassle-free and accessible

Includes pre and part payment facilities empowering borrowers to manage their loan effectively

Loan amounts start from ₹ 5,000, and the maximum is based on the value equivalent of 1 kg of gold, accommodating a wide range of financial needs from everyday expenses to life-changing aspirations.

## ELEVATING COMMUNITIES

Chola's guaranteed safety for gold assets provides complete assurance for customers

By providing accessible loans, Chola Gold Loan enables individuals to invest in businesses, education, and other opportunities that contribute to community growth

Competitive interest rates ensure that borrowing remains affordable, supporting the financial well-being of a broader segment of the population

Chola Gold Loan transforms trust into opportunity — enabling individuals to rise, families to flourish, and communities to thrive.

## ANALYTICS

# DATA-DRIVEN SOLUTIONS FOR CUSTOMER EMPOWERMENT

As a business enabling function, Analytics enables multiple business-focused and horizontal initiatives. While the business focused initiatives are oriented towards enabling more disbursements, driving cost savings and delivering higher process efficiency, the horizontal initiatives enable creation of dashboards and data marts.

<b>Revenue Enabling</b>	<b>Top-up Offers</b>	<b>Cross-sell Offers</b>	<b>Bureau Monitoring</b>	<b>Prospect Data</b>
<b>Cost Saving</b>	<b>Underwriting Models</b>	<b>Contact Enrichment</b>	<b>On-Us &amp; Off-Us Monitoring</b>	<b>Loss Projection</b>
<b>Efficiency Improvement</b>	<b>Propensity Models</b>	<b>Bounce Prediction</b>	<b>Digital Payment</b>	<b>Roll Forward Models</b>
<b>Data Management</b>	<b>Bureau Data</b>	<b>Application Data</b>	<b>Offer Mart &amp; Governance</b>	<b>BI &amp; Dashboards</b>

## Disbursement Focused

Disbursement related initiatives focus on delivering cross-sell and up-sell offers to eligible customers. These offers are created as both pre-approved and pre-qualified loans offers, based on the criteria defined by credit teams.

- ▶ Top-up offers: For active customers who have demonstrated a very impressive repayment track record both with CIFCL and off-us. These top-up offers were generated for VF, LAP, HL and CSEL businesses in FY25
- ▶ Cross-sell offers: For customers who wish to initiate another lending relationship with CIFCL

## Cost Saving Focused

Cost Savings related initiatives focus on enabling a bottom-line impact. During FY25 Chola piloted a profile based underwriting approach for the two-wheeler and Consumer Durable business. The Analytics team also utilized portfolio review with Credit Bureaus to identify customers who were showing differential delinquency across loans from business within Chola and on loans taken off-us. The team made use of additional contact details available through the bureau scrubs to enable stronger collection efforts from such customers.

## Process Efficiency Focused

Process efficiency interventions try to improve productivity of Marketing Campaigns, Underwriting, EMI reminder calling, etc. A few models were built and implemented in FY25 for key BUs like VF, LAP and HL.

- ▶ Propensity models optimized acquisition and marketing efforts by efficiently targeting high converting segments.
- ▶ Roll forward models were utilized to identify customer segments with low risk of flowing into the next bucket, that could be collected digitally via call centre, thereby enabling a lower cost of collections

## Horizontal Initiatives

### Applicant Data Mart

- ▶ Developed Applicant Data mart for VF, LAP, HL & CSEL businesses in FY25. Campaigns were run on select portions to enable higher disbursements.

### Portfolio Review with Credit Bureau

- ▶ Multi-bureau PR is live with both CIBIL TU and CHM for CIFCL customers.

### Dashboard Development

- ▶ During FY26, the team delivered multiple dashboards to enable better line of sight into Sales, Credit, Collections and Operations performance

## ENTERPRISE RISK MANAGEMENT

## RISK MANAGEMENT

Chola recognizes that effective risk management is essential to achieving strategic objectives and ensuring long-term sustainability. The company is committed to identifying, assessing, and mitigating risks across all levels of the business through a structured and proactive approach. Chola has always focused on creating a robust organisational risk culture designed on operating procedures, internal controls, and contingency planning to enhance its risk management. Chola believes in transforming itself continually to reinforce the existing risk mitigations and to meet the new & emerging risks.

To achieve this, the Board of Directors oversees the risk management process and sets the organization's risk appetite. A Risk Management Committee (RMC) monitors key risks and ensures alignment with strategic goals. The Risk Management division develops and reviews risk management policies and establishes risk management framework across the firm, including various metrics, indicators and other data. Risk owners across departments are responsible for implementing mitigation strategies and reporting emerging risks.

The company assesses and mitigates various risks -

- ▶ **Capital risk:** The Company carries out stress testing of capital to assess resilience.
- ▶ **Liquidity risk:** The liquidity buffer position is assessed regularly. Key parameters like HQLA holdings, funding lines in place are part of the assessment.
- ▶ **Cyber security & IT risk:** Information and cyber security risks are mitigated through firewalls, encryption, and intrusion detection systems ; regular penetration testing and vulnerability assessments ; employee training on phishing and cyber hygiene, red teaming, maturity assessment, etc.

▶ **Credit risk:** The credit risks are mitigated through strong analytics for on-boarding customers, underwriting models and collection strategies basis bounce prediction/Roll forward models as well stress testing capability deployed to refine credit & collection strategies proactively.

▶ **Operational risk:** Risks such as fraud, process failures and other operational issues are managed through Risk and Control Self-Assessments (RCSAs) and monitored using Key Risk Indicators (KRIs). Additionally, loss events are tracked, and root cause analysis are conducted to identify and address underlying issues.

▶ **Business Continuity & Disaster Recovery:** Managed through backup systems and data redundancy, crisis management teams contingency plans, regular drills and scenario testing.

▶ **Regulatory Compliance risks:** These risks are mitigated by total adherence to regulatory guidelines and framework with a zero tolerance policy for violations, regular internal and external audits as well as compliance monitoring tools and automated reporting

Further, the company has strong focus on review and monitoring of strategic risks, financial risks as well as observance to ESG i.e. environmental, social and governance standards.

Risk Culture & Training includes ongoing staff training on compliance and ethics, whistleblower mechanisms and incident reporting and clear accountability and escalation protocols.

The risk management process of the Company is driven by a strong organizational culture and sound operating procedures involving corporate values, attitudes, competencies, internal control culture, effective internal reporting and contingency planning.





## OPERATIONS

# DRIVING ARC FOR CUSTOMER DELIGHT

Chola's operations are centered on driving productivity and operational efficiency through continuous digitization, aimed at delivering an elevated customer experience. This focus aligns with the broader goal of improving the lives of customers and contributing to positive community impact. Operations embarked on the vision of ARC - Automation, Responsiveness and Compliance & Control to achieve this.

### Key operational initiatives include:

- ▶ **Automation:** Automation helped improve the turn-around time and grow the headcount nonlinearly. As a recognition of digitization success, Chola operations won the Platinum Award in the 8th CII National Low-Cost Automation Circle Competition 2024.
- ▶ **Responsiveness:** Responsiveness to customers resulted in better satisfaction levels, as evidenced by a high customer satisfaction score in a survey conducted by Knowledgebase. The Company strives to provide best customer experience through continuous training and awareness programs. For customer convenience, several facilities like UPI Autopay and Fast-Track Two Wheeler Loans were launched. By equipping the Chola One App, many service needs have been provided at the customers' fingertips.
- ▶ **Compliance and Control:** Compliance & control measures at operations were exemplified by the renewal of ISO 9001:2015 certification for another 3 years. The robust business continuity plan already in place at operations ensured uninterrupted services even during natural events like Cyclone Fengal. Operations also played a vital role in participating in the Pradhanmantri Awas Yojana 2.0, catering to the housing needs of common Indians.
- ▶ **Process Improvement and Innovation:** Operations continues to be at the cutting edge of technology and innovation, having implemented 323 Kaizen Projects and taken up several other path-breaking ones during FY 2024-25. Operations reduced its paper printing by 75% during the course of the year. The Operations Team conducted several campaigns raising customer awareness on the risks of using public Wi-Fi, ATM skimming, smishing and KYC frauds.





## FINANCE



## ENABLING SUSTAINABLE GROWTH AND STAKEHOLDER VALUE

The finance function plays a crucial role in Chola's sustainable growth and success, ultimately contributing to the Company's ability to support customers and communities. This is achieved through strong Financial Planning & Analysis (FP&A) and adherence to the highest accounting standards.

Key responsibilities and contributions include:

- ▶ **Strategic Financial Leadership:** Providing in-depth analysis and financial modelling to support informed decision-making and ensuring resources are allocated effectively to support growth
- ▶ **Data-Driven Insights:** Leveraging data analytics to generate valuable insights into financial performance, market trends and potential risks

- ▶ **Stakeholder Communication and Transparency:** Providing timely and accurate financial information to build trust among investors and other key stakeholders
- ▶ **Regulatory Compliance:** Maintain a close watch on evolving RBI regulations, ensuring timely implementation and adherence to all regulatory guidelines

By effectively managing Chola's financial resources and upholding strong governance, the finance function enables the Company to expand its reach, offer valuable financial solutions, and contribute to transforming lives, elevating communities.

## TREASURY

## EMPOWERING DREAMS DELIVERING DEVELOPMENT

Macroeconomic trends and outlook, geo political events and monetary policy actions need to be constantly monitored to assess liquidity risk, interest rate risk and regulatory risk. Chola's treasury team constantly navigates these complexities and ensures consistent liquidity to support the Company's business growth and cash flow needs at optimal cost. This is achieved through a combination of proactive measures such as generating an active pipeline of funding, diversifying funding sources through securitization, external commercial borrowings, public issue of debt and by developing new lenders and investors.

Chola actively engages in debt capital raising initiatives, constantly building relationships with key investors in the market. The Company's financial risk management practices and overall market position contribute to its ability to raise funding at optimal rates, which is recognized as a strength by stakeholders.



In pursuit of the larger objective of enhancing automation of processes, Chola has undertaken significant steps to modernize its treasury operations. This includes the successful migration to the Infosys Finacle Treasury solution, a unified web-based platform designed to streamline treasury management processes. The Finacle Treasury solution provides comprehensive support across the entire treasury lifecycle and offers a stable solution in the management of liabilities and investment portfolios, increasing operational efficiency.

Chola's treasury function is committed to effectively balancing the need to raise funds for business growth, ensure asset liability management and healthy liquidity coverage ratios while still managing the cost of funds in a volatile macroeconomic environment.

## COMPLIANCE

## UPHOLDING ETHICS ENSURING TRUST

In a dynamic evolving financial sector, cultivating a strong compliance culture is a strategic asset that builds trust, enhances reputation, and ensures sustainable growth for an organization. By prioritizing compliance, companies can confidently and credibly navigate the complexities of the financial landscape. Chola has developed a robust governance and compliance framework, rooted in ethical practices and integrity at every level in the organization. This thriving culture is driven by a clear “compliance first” approach from the Board and top management, showcasing zero tolerance for non-compliance. It is further supported by continuous employee education and training, comprehensive policies and procedures, and a proactive stance on compliance risk management. Utilizing technology, compliance is monitored

on a real-time basis and meticulously tracked by a team of over 30 independent qualified professionals. The Compliance function conducts comprehensive, independent testing on a periodic basis to assess adherence to regulatory requirements, including circulars and directions issued by the regulator.

At Chola, a structured approach of three-tier independent compliance testing process is carried out by compliance, internal audit and risk function. This ensures effective oversight and adherence to all regulatory standards, fortifying its robust governance framework. The Company maintains a good reputation for high standards of compliance culture.



## MARKETING AND CORPORATE COMMUNICATIONS

# AMPLIFYING BRAND DRIVING ENGAGEMENT

Chola's Marketing and Corporate Communications department plays a pivotal role in driving business growth and enhancing brand visibility through innovative and customer-centric strategies using data driven marketing. By leveraging digital platforms, data-driven insights, and impactful storytelling, the team effectively engages with target audiences, builds brand credibility, and supports lead generation across various business lines.

## KEY HIGHLIGHTS

- ▶ **Digital Engagement & Lead Generation:** Orchestrated 2133 targeted campaigns and implemented 67 Chatbot flows, resulting in a significant 27% increase in the lead generation rate.
- ▶ **Customer Acquisition Efficiency:** Scaled conversational RCS bots, achieving a notable 24% reduction in customer acquisition cost compared to WhatsApp.
- ▶ **Regional Reach:** Implemented 10 Regional Language bots at scale, leading to an impressive 83% increase in Lead Generation rate by catering to diverse linguistic preferences.
- ▶ **Website & Content Strategy:** Focused on creating product awareness, publishing compelling customer success stories on social media, optimizing content for SEO and customer needs, and effectively generating leads through Chola's digital assets (website, Chola One app, WhatsApp, SMS, RCS campaigns).
- ▶ **Thought Leadership & Branding:** Published informative content offering financial guidance and market insights, alongside strategic employer branding, impactful CSR communication, and authentic customer testimonials.
- ▶ **Leveraging Social Media:** On LinkedIn, the Company witnessed a 51% growth in engagement rate while Instagram made a remarkable 106.6% growth, Furthermore, the team actively utilized social media to create awareness about Chola's diverse product offerings and share inspiring customer success stories, publishing over 250 posts.
- ▶ **Public Relations:** Secured 269 media mentions, significantly enhancing brand credibility and overall visibility.





PEOPLE

# EMPOWERING GROWTH THROUGH PEOPLE, PURPOSE, PROGRESS

In FY 2024-25, Chola underwent bold transformation, strategically investing in its people. This commitment aligns its talent capabilities with growth ambitions and cultivates a thriving culture for every individual.

## Advancing Diversity, Equity & Inclusion (DE&I)

- ▶ **She Leads Initiative:** Our flagship women empowerment initiative, "She Leads," provided visibility, mentorship, and career opportunities for including exclusive women-only hiring drives, "Spotlight Women of Chola" campaign.
- ▶ **Women Empowered Branch:** Chola's first "Women Empowered Branch" was inaugurated in Mawlai, Meghalaya, on February 11, 2025.
- ▶ **Targeted Opportunities:** Collaborating with business leaders, Chola identified and provided targeted opportunities for diverse talent across multiple functions.

## Talent Assurance: Building a Future-Ready Workforce

- ▶ **Workforce Expansion:** Cholamandalam significantly expanded its workforce by 10,872 net additions across its various entities, reflecting accelerated recruitment aligned with its business growth.
- ▶ **Leadership Pipeline:** A key strategic move in developing its leadership pipeline involved onboarding Management Trainees from prestigious institutions, thereby reinforcing its commitment to nurturing future talent.

- ▶ **Comprehensive Learning & Development:** To enhance proficiency and operational excellence, Chola significantly invested in continuous learning and development programs for its employees. These comprehensive programs spanned Performance Booster, Customer Reiteration, Product and Process, Leadership Development, First-Time Manager initiatives, and Digital Adoption training.
- ▶ **Market-Aligned Compensation:** Pay adjustments were strategically deployed as a critical component of Chola's talent management framework, aimed at both retaining and rewarding key personnel.
- ▶ **"Leader as a Sculptor" Campaign:** Fostering a culture of care and connection, Chola supported its managers in reimagining their roles as pivotal talent developers, transcending traditional task ownership.
- ▶ **Holistic Development & Well-being:** Chola enhanced employee well-being with over 2,700 employees participating in programs of Isha Foundation. Further fostering a vibrant internal culture, initiatives like 'Sweet Karam Koffee,' 'Harvest,' and 'Chola Got Talent' brought joy, creativity, and recognition into employees' everyday lives.





## INFORMATION TECHNOLOGY

# ENABLING BUSINESS THROUGH DIGITAL AND AI-POWERED INNOVATION

At Chola, technology-led digital transformation scales businesses, boosts efficiency, and advances financial inclusion. Our strategy prioritizes experience, efficiency, and security, aiming for seamless financial service delivery. Chola is progressively embedding AI across all operations and offerings.

## REIMAGINING THE DIGITAL EXPERIENCE

Chola is reimagining the digital experience with user-first design. By modernizing its mobile apps, partner platforms, and branch journeys, it ensures consistent, scalable service delivery.

## AUTOMATION AND SMART WORKFLOWS

Enterprise-wide innovation streamlines operations and accelerates service delivery. Progressively incorporating intelligent services, especially Agentic AI, moves our systems beyond simple automation to drive faster decisions, lower costs, and smarter customer service.

## DATA-DRIVEN ENTERPRISE

Becoming a truly data-driven enterprise is foundational to innovating our business and offerings. We derive actionable insights from data for smarter, objective, and faster lending decisions, strengthening customer engagement through personalized digital journeys.

## CYBERSECURITY AND TRUST

Cybersecurity is a top priority, integrated into every initiative. Strong governance, robust risk controls, real-time monitoring, and threat intelligence safeguard our systems, ensure compliance, and protect all data.

## SYSTEM STRATEGY FOR SCALABLE INNOVATION

Our digital architecture is built on a scalable, integrated framework:

- ▶ **Systems of Engagement:** For real-time, seamless interactions.
- ▶ **Systems of Record:** For data integrity and operational continuity.
- ▶ **Systems of Intelligence:** For actionable insights via AI-infused analytics.

## ESG ALIGNMENT

Chola's digital strategy directly aligns with ESG principles. Digitizing workflows advances paperless lending, reducing our environmental footprint. Infrastructure optimization through cloud-native architecture enhances operational resilience and long-term sustainability.

## E-WASTE DISPOSAL

Chola's commitment to environmental responsibility extends to robust processes for the safe and ethical disposal of electronic waste.

## ROBUST ANTI-PHISHING PROGRAM

A comprehensive program, including employee training and subsequent mock e-mail campaigns, actively builds anti-phishing awareness across the workforce.

## PEOPLE AS DRIVERS OF INNOVATION

Our people are the true drivers of innovation. We prioritize upskilling our workforce, fostering an innovation culture, and developing in-house capabilities in AI/ML/GenAI, data analytics, cloud, and cybersecurity, utilizing cross-functional squads and expert partnerships.



## OUR SUBSIDIARIES

## EXPERT GUIDANCE FOR INFORMED INVESTMENTS

Cholamandalam Securities Limited (CSEC) brings over three decades of deep financial service expertise to empower individuals in their investment journeys and contribute to their long-term financial well-being – ultimately transforming lives. With a seasoned team dedicated to excellence, CSEC provides tailored investment solutions grounded in rigorous research and cutting-edge technology, ensuring customers make informed decisions with confidence.

Transparency, integrity, and confidentiality are paramount at CSEC, ensuring the financial interests of its clientele are safeguarded. Customers trust CSEC to optimize their investments, helping them achieve both their present and future financial goals with a reliable and ethical partner.

### INVESTMENT PRODUCTS



Stocks



Futures & Options



Mutual Funds



Margin Trade  
Funding



Fixed Income  
Products- Bonds  
and Debentures



Initial Public  
Offerings (IPOs)



Thematic Baskets



Corporate  
Insurance Agency

CSEC is committed to continuously elevating the investing experience for its diverse customer base. This commitment is fulfilled by the Chola Securities app and web platform that helps clients make their investment decisions on the go.

CSEC not only offers investment opportunities but also collaborates with local entrepreneurs and businesses to help them venture into financial investment business confidently. CSEC empowers the business partners with advanced technology and research backed advice so that they can navigate with their clients easily. This strategic engagement bolsters regional economies, spurring job creation, local upliftment and economic resilience.

CSEC empowers its clients to make informed investment choices by providing vital financial knowledge through seminars, workshops, and personalized training sessions.



### PAYSWIFF TECHNOLOGIES PRIVATE LIMITED

Payswiff Technologies Private Limited (Payswiff) is engaged in the business of offline payment aggregator services and provides e-commerce solutions. Payswiff is an omni channel payment transaction solution that lets business owners accept payments from their customers in-store, at home deliveries, online and on-the-go using mPOS and POS solutions.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

## DRIVING POSITIVE CHANGE FOR PEOPLE AND PLANET

Chola's commitment to Environmental, Social, and Governance (ESG) principles is integral to its strategy of driving sustainable growth and fostering positive societal impact. The Company focuses on embedding sustainable practices across all business operations, with a vision to make a positive impact on the society.

Chola's approach to ESG is structured around the following pillars:

**Environmental Responsibility:** Chola is committed to environmental sustainability and reducing its carbon footprint.

- ▶ Implemented sensor-based lighting at the Head Office and LED lighting in our branches
- ▶ Implementing renewable energy solutions at our Head Office premises to reduce our carbon footprint and promote sustainability
- ▶ Installed water flow solutions with aerators to taps
- ▶ Promoting reusable bottles and glasses to minimize plastic usage
- ▶ Enhancing customer on-boarding and credit underwriting with digitization; providing e-receipts to reduce paper use



### Social Impact through Financial

**Inclusion:** Chola provides a range of financial products designed to promote inclusion and empower underserved communities. These include:

- ▶ Vehicle loans for women borrowers, low-income groups, and electric vehicle purchasers
- ▶ Loan against properties for small business entrepreneurs
- ▶ Affordable financial products focused on underserved customers in Tier III, IV, V, & VI towns, the unorganized sector and women borrowers
- ▶ Small & Medium Enterprise (SME) Loans, Factoring, and Inventory Funding
- ▶ Secured Business & Personal Loans catering to underserved, self-employed, non-professionals and cash salaried workers
- ▶ A significant portion (91%) of Chola's branches are located in Tier-III to Tier-VI towns, with expansion into underbanked districts to enhance financial access as of 31 March, 2025

### Governance and Transparency:

Chola upholds high standards of corporate governance, emphasizing transparency, regulatory compliance, and its brand reputation. The Company has a well-defined ESG governance structure, including ESG Steering and Working Committees, to oversee the implementation of ESG initiatives.

- ▶ Digital Transformation to minimize manual documentation
- ▶ Data Security & Privacy: Robust policy review at the board level; employees receive data security and privacy training; cyber resilience and response are monitored with stringent SLAs
- ▶ Obtained the ISO 27001:2022 certification for the Information Security Management System (ISMS)





## CORPORATE SOCIAL RESPONSIBILITY

# IMPACTING LIVES, DRIVING CHANGE.

Chola's Corporate Social Responsibility (CSR) programs are designed to integrate seamlessly with its business objectives, focusing on transforming lives and contributing to nation-building. The core vision is to empower beneficiaries, integrating them into the mainstream economy through sustainable livelihood initiatives.



## KEY CSR INITIATIVES INCLUDE:

**Promoting Health and Well-being:** Chola continues to prioritize health initiatives, delivering comprehensive support. This includes funding congenital heart disorder surgeries and the "Raahi" project, which provides eye check-ups and health awareness for the Commercial Vehicle Crew Members. Additionally, Chola champions an Ante Natal Care program, Mamatva offering quality healthcare services to young pregnant mothers and newborns in Chhattisgarh, Haryana, Maharashtra, Uttarakhand, and Jharkhand, significantly benefiting these communities.

**Investing in Education:** Recognizing the transformative power of education, Chola is increasing its focus on scholarships, including the "My Dream Scholarship" in Tamil Nadu, to support students in pursuing higher academic aspirations in fields like engineering and medicine.

**Product Innovation:** India's economic growth, while driven by traditional and service sectors, increasingly demands product innovation for global competitiveness. Chola, in partnership with IIT Madras, has championed this by supporting the development of an indigenous portable Point-of-Care Ultrasound (POCUS) scanner. This AI-equipped, radiation-free device addresses a critical healthcare need for maternal and child health, enabling accurate on-site diagnosis and management, truly embodying the "Make in India" initiative.

**Green Initiatives & Ecological Restoration:** Beyond incorporating green practices like solar facilities as power sources, a significant focus is on ecological restoration. This includes a substantial investment for the rejuvenation of lakes in the Sivagangai and Erode districts, aiming to restore ecological balance and ensure clean water availability.

**Supporting Sports:** Chola invests in the future of sports by funding promising chess players via the "Chola Chess" initiative. This includes training camps for grandmasters, with a vision to cultivate a sports ecosystem that benefits the nation. Additionally, Chola supports young golf players, providing them with training and resources to excel.

**Empowering Communities & Livelihoods:** Chola is deeply committed to rural development and empowering livelihoods. This includes projects like "Swachha Odisha," which improves water and sanitation facilities in villages, and a preventive healthcare and sanitation initiative in the Nilgiris Hills. Simultaneously, Chola empowers individuals with sustainable income opportunities, funding programs that train women as auto drivers and provide homes for the Irula community, enabling them to pursue livelihoods and achieve financial inclusion.

**Preserving Heritage and Culture:** Chola is dedicated to preserving India's rich cultural heritage. This includes restoring and developing visitor amenities at the Kailasanathar temple in Kanchipuram, in partnership with the Archaeological Survey of India and the Tamil Nadu Heritage and Culture Department. Chola also supports the Cholamandalam Arts & Museum Management Project at the Dakshina Chitra Museum, focusing on museum management, conservation, and student internships.

Chola's commitment to social responsibility has been recognized through awards, including the "Best Corporate - Large Category" in the ICSI CSR Excellence Awards by the Institute of Company Secretaries of India (ICSI) and the "Pioneer in Technology Award" from IIT Madras for leveraging technology for social impact through which the country's first indigenous ultra sound scanners have been developed.

In alignment with ESG principles, Chola is also focused on ensuring its projects are environmentally sustainable, with an emphasis on incorporating green practices such as solar facilities as power sources.

Through these coordinated and expanding efforts, Chola aims to create a broader positive impact on society, truly transforming lives and elevating communities.

## FY25 SOCIAL IMPACT INITIATIVES

**1,95,298**

eye check-ups



**66,479**

spectacles provided



**12,226**

cataract surgeries performed



**10,666**

screened for hearing loss



**778**

sportspersons supported



**660**

mothers and new born benefitted



**536**

scholarships awarded



**251**

women trained for livelihood



**98**

congenital heart surgeries funded



## IMPACT OVER 5 YEARS

**3.5 MILLION**

beneficiaries



**₹ 243 CRORE**

for social impact initiatives



## LIVELIHOOD

CIFCL has been implementing various initiatives to encourage over 200 women in Bengaluru and Hyderabad to enter the formal workforce.



## HEALTH

Chola's health programs deliver essential care from heart surgeries to maternal health to communities across India.



## EDUCATION

Through My Dreams scholarship, Chola has supported 536 scholarships in FY 24-25 ensuring that ensuring that students have the opportunity to reach their full potential.

## SPORTS

Chola's commitment extends beyond chess, as it also supports over 750 players with early-age training across various sports and games, including golf.





# AWARDS



**IBLA OUTSTANDING BUSINESS  
LEADER OF THE YEAR 2024 -  
VELLAYAN SUBBIAH**



**WOW WORKPLACE AWARD 2025**



**ICSI CSR EXCELLENCE AWARD 2024**



**CII PLATINUM AWARD**  
For Best Case Study On Innovative  
Application Of LCA



**CFO OF THE YEAR  
AWARD 2024**

## FINANCIAL HIGHLIGHTS

(₹ in crore)

Financial Year Ended	FY 25	FY 24	FY 23	FY 22	FY 21
<b>Operating Results</b>					
Total Income	26,055	19,216	12,978	10,139	9,576
Profit Before Tax (PBT)	5,737	4,582	3,600	2,891	2,038
Profit After Tax (PAT)	4,259	3,423	2,666	2,147	1,515
<b>Assets</b>					
Loans (net) - Ind AS / Receivables under financing activity - IGAAP	1,81,930	1,44,424	1,04,748	74,149	65,839
Cash, Bank and Cash Equivalents	9,401	4,320	2,961	4,220	5,232
Others	10,318	7,707	5,806	3,994	3,477
<b>Total Assets</b>	<b>2,01,648</b>	<b>1,56,451</b>	<b>1,13,515</b>	<b>82,363</b>	<b>74,548</b>
<b>Liabilities and Equity</b>					
Borrowings	1,74,946	1,34,474	97,356	69,174	63,730
Others	3,073	2,420	1,863	1,482	1,258
Equity	23,627	19,557	14,296	11,708	9,560
<b>Total Liabilities</b>	<b>2,01,648</b>	<b>1,56,451</b>	<b>1,13,515</b>	<b>82,363</b>	<b>74,548</b>
<b>Key Indicators*</b>					
Earnings per Equity Share - Basic (₹)	50.67	41.20	32.45	26.16	18.48
Earnings per Equity Share - Diluted (₹)	50.55	41.09	32.40	26.11	18.45
Dividend per Equity Share (%)	100%	100%	100%	100%	100%
Book Value per Equity Share (₹)	280.96	232.64	174.02	142.59	116.58

\* Equity shares have been divided into face value of ₹ 2 per share from FY20, consequently previous year figures have been adjusted. Note: Numbers are as per IND AS from FY 2018 onwards and rest of the years are as per IGAAP.

## FINANCIAL HIGHLIGHTS

(₹ in crore)

Financial Year Ended	FY 20	FY 19	FY 18	FY 17	FY 16
<b>Operating Results</b>					
Total Income	8,715	7,049	5,529	4,660	4,194
Profit Before Tax (PBT)	1,586	1,823	1,401	1,106	871
Profit After Tax (PAT)	1,052	1,186	918	719	568
<b>Assets</b>					
Loans (net) - Ind AS / Receivables under financing activity - IGAAP	55,403	52,622	42,253	28,414	25,910
Cash, Bank and Cash Equivalents	6,959	3,675	888	471	490
Others	1,641	1,129	949	1,710	1,488
<b>Total Assets</b>	<b>64,002</b>	<b>57,426</b>	<b>44,090</b>	<b>30,595</b>	<b>27,888</b>
<b>Liabilities and Equity</b>					
Borrowings	55,005	50,567	38,330	24,109	22,576
Others	825	683	662	2,201	1,655
Equity	8,172	6,176	5,098	4,285	3,657
<b>Total Liabilities</b>	<b>64,002</b>	<b>57,426</b>	<b>44,090</b>	<b>30,595</b>	<b>27,888</b>
<b>Key Indicators*</b>					
Earnings per Equity Share - Basic (₹)	13.37	15.2	11.8	9.2	7.5
Earnings per Equity Share - Diluted (₹)	13.35	15.2	11.7	9.2	7.5
Dividend per Equity Share (%)	85%	65%	65%	55%	45%
Book Value per Equity Share (₹)	99.71	78.99	65.22	54.84	47.32

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



# Board's Report

Your Directors' have pleasure in presenting the forty seventh annual report together with the audited accounts of the Company for the year ended 31 March, 2025.

## FINANCIAL RESULTS

Particulars	₹ in crores	
	2024-25	2023-24
Gross Income	26,054.76	19,216.28
Profit Before Tax (PBT)	5,736.87	4,582.10
Profit After Tax (PAT)	4,258.53	3,422.76
Total Comprehensive income	4,117.07	3,362.65
<b>Appropriation:</b>		
Transfer to statutory and other reserves	860.00	690.00
Dividend – Equity	168.13	166.72

## SHARE CAPITAL

During the year, there was an increase in paid up capital by ₹ 0.19 crores, consequent to allotment of shares upon exercise of stock options by employees under the Company's employee stock option scheme. Total paid up equity share capital of the Company as at 31 March 2025 is ₹168.25 crores.

## OPERATIONS

India's auto industry grew 7.3% in FY25 with record passenger vehicle sales and a 19.2% jump in exports, driven by strong demand, policy support, and rising interest in electric mobility. AUM of retail NBFC growth in FY25 witnessed slowdown and is expected at 17-19%, compared to 29% growth in FY24. The slowdown in growth is largely emerging from unsecured asset segments, such as the MFI Personal and Consumer Loans, primarily due to stricter underwriting and disbursement practices. (Source- ICRA, SIAM)

The Company has crossed the milestone of achieving highest ever disbursements at ₹1,00,869 crores in FY25 with YoY growth at 14%. Disbursements in Vehicle Finance (VF) business grew by 12% in FY25 to ₹53,922 crores. Disbursements in Loan against property (LAP) business grew by 32% to ₹17,913 crores in FY25. Disbursements in Home Loans (HL) stood at ₹7,404 crores in FY25, which is a growth of 16% YoY. Disbursements in Small and Medium Enterprises (SME) stood at ₹7,763 crores in FY25 which is a marginal de-growth of 4% YoY. Disbursements in Consumer and Small Enterprise Loans (CSEL-Consol) stood at ₹12,552 crores which is a growth of 11% YoY. Disbursements in Secured Business & Personal Loans (SBPL) grew by 23% in FY25 to ₹1,316 crores. The business AUM of the

Company stood at ₹1,84,746 crores which is a growth of 27% YoY. The profit before tax of the Company for FY 2024-25 is ₹5,737 crores as against ₹4,582 crores for FY 2023-24, which is a growth of 25% YoY. The Company continues to hold a strong liquidity position with ₹ 15,267 crores as cash and liquid asset balances as at end of March 2025 (including ₹ 3,375.31 crores invested in Gsec & SDL/ ₹ 1,721.41 crores invested in T-Bill & ₹ 771.91 crores invested in Strips shown under investments), with a total liquidity position of ₹ 15,712 crores (including undrawn sanctioned lines).

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

## OUTLOOK

In response to economic challenges, RBI reduced the repo rate to 6% by early 2025 and shifted its policy stance from neutral to accommodative. The combination of income-tax relief in the Union Budget for FY26, rate cuts leading to lower Equated Monthly Instalments (EMIs), and a moderation in food inflation is expected to boost household disposable incomes and urban consumption in FY26. However, the retail AUM of NBFCs (excluding HFCs) is projected to grow at a moderated pace of 16-18% in FY26. This growth rate is slightly lower than the levels seen in FY25, with potential downside risks arising from global macroeconomic uncertainty impacting domestic economic activity. (Source- ICRA)

## CHANGE IN NATURE OF BUSINESS

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

## DIVIDEND

### Dividend distribution policy

The Company has formulated a dividend distribution policy in compliance with regulation 43A of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Listing Regulations), a copy of which is available on the website of the company. ([weblink: https://www.cholamandalam.com/files/dividend-distribution-policy-2025](https://www.cholamandalam.com/files/dividend-distribution-policy-2025))

### Payment of dividend

The Company paid an interim dividend on the equity shares at the rate of 65% (₹ 1.30/- per equity share) as approved by the Board on 31 January, 2025 for the year ended 31 March, 2025.

Your Directors' are pleased to recommend a final dividend of 35% (₹ 0.70/- per equity share) on the equity shares of the Company. With this, upon approval of the same by the shareholders, the total dividend will be 100% (₹ 2/- per equity share) for the year ended 31 March, 2025.

### TRANSFER TO RESERVES

The Company transferred a sum of ₹ 860 crores to statutory reserve as required under the Reserve Bank of India Act, 1934.

### FIXED DEPOSITS

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

### LICENSES HELD

The Company is an NBFC - Investment and Credit Company (NBFC- ICC). The Company also has a license to do factoring business (NBFC-F). The Company is notified as an NBFC in Upper Layer (NBFC-UL) by the Reserve Bank of India under the Scale Based Regulatory Framework for NBFCs. The Company also has a Composite Corporate Agency License from Insurance Regulatory and Development Authority of India, to operate as a corporate insurance agent.

### CAPITAL ADEQUACY

The Company's capital adequacy ratio was at 19.75% as on 31 March, 2025 as against the statutory minimum capital adequacy threshold of 15% prescribed by RBI. The Common Equity Tier 1 (CET1) capital was at 13.68% and Tier I capital was at 14.41% as against the statutory minimum requirement of 9% and 10% respectively. Tier II capital was at 5.34% as on 31 March, 2025.

### EMPLOYEE STOCK OPTION (ESOP) SCHEME

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

During the year, the Company made grants aggregating to 17,23,960 options to 188 employees. The total number of options outstanding as on 31 March, 2025 under ESOP 2016 is at 59,32,718 (represents vested exercisable and unvested options).

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

The certificate from secretarial auditor M/s. R. Sridharan & Associates, Company Secretaries confirming implementation of ESOP 2016 scheme in accordance with the SEBI (SBEB) Regulations and shareholders resolutions has been obtained and will be available for inspection of the shareholders at the ensuing annual general meeting (AGM). The details of the scheme as on 31 March, 2025 and the certificate is disclosed on the website of the Company. ([weblink: https://www.cholamandalam.com/investors/esop](https://www.cholamandalam.com/investors/esop))

## DIRECTORS

### Appointment / Re-appointment

Mr. Ravindra Kumar Kundu, was appointed as the Managing Director of the Company for a term of 5 years commencing from 7 October, 2024 to 6 October, 2029. He held the position of Executive Director till 6 October, 2024.

Mr. Ramkumar Ramamoorthy was appointed as an Additional Director in the capacity of an Independent Director of the Company for a term of 5 years commencing from 26 July, 2024 to 25 July, 2029.

The above appointment of Mr. Ravindra Kumar Kundu as Managing Director and the appointment of Mr. Ramkumar Ramamoorthy as an Independent Director for the said periods were approved by the shareholders on 7 September, 2024 vide a postal ballot.

Ms. Bhama Krishnamurthy was re-appointed as an Independent Director of the Company for a second consecutive term of 5 years commencing from 31 July, 2024 to 30 July, 2029.

Mr. M R Kumar was appointed as an Independent Director of the Company for a term of 5 years commencing from 1 May, 2024 to 30 April, 2029.

The above re-appointment of Ms. Bhama Krishnamurthy and the appointment of Mr. M.R. Kumar as Independent Directors for the said periods were approved by the shareholders at the 46<sup>th</sup> Annual General Meeting.

Mr. Vellayan Subbiah, Non-Executive Chairman was appointed as a Whole-time Director designated as Executive Chairman for a term of 5 years commencing from 1 April, 2025 to 31 March, 2030, subject to the approval of shareholders.

Mr. M A M Arunachalam, Non-Executive Director who retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment and is recommended to the shareholders for approval.

All Directors have confirmed that they satisfy the 'fit and proper' criteria as prescribed under RBI (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023.

## DECLARATION FROM INDEPENDENT DIRECTORS

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

## KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Act read with the rules made there under, the following employees are the whole time key managerial personnel of the Company as on date of this report:

- a) Mr. Vellayan Subbiah, Executive Chairman  
(effective 1 April, 2025)
- b) Mr. Ravindra Kumar Kundu, Managing Director
- c) Mr. D. Arulselvan, Chief Financial Officer and
- d) Ms. P. Sujatha, Company Secretary

## DIRECTORS' RESPONSIBILITY STATEMENT

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

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

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

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

## MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis report (MDA), highlighting the business-wise details is attached and forms part of this report.

MDA also contains the details of the risk management framework of the Company including the development and implementation of risk management policy and the key risks faced by the Company.

## CORPORATE GOVERNANCE REPORT

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

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

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Company being in top 100 listed entities based on market capitalization, in terms of Regulation 34(2)(f) of Listing Regulations read with SEBI master circular dated 11 November, 2024, a business responsibility and sustainability report is attached and forms part of this report. Further, as per SEBI circular on BRSR Core – Framework for assurance and ESG disclosures for value chain dated 12 July, 2023, the Company has undertaken reasonable assurance of the BRSR Core during the year and the same is enclosed.

## CONSOLIDATED FINANCIAL STATEMENTS

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

## AUDITORS

M/s. B.K. Khare & Co. and M/s. KKC & Associates LLP, Chartered Accountants are the joint statutory auditors of the Company. They were appointed as joint statutory auditors at the 46<sup>th</sup> AGM held on 26 July, 2024 for a period of three years commencing from the conclusion of 46<sup>th</sup> AGM till the conclusion of 49<sup>th</sup> AGM. The statutory audit report is attached with financial statements and forms part of this report and does not contain any qualification, reservation, adverse remark or any disclaimer.

## SECRETARIAL AUDIT

M/s. R. Sridharan & Associates, Company Secretaries were appointed as the Secretarial Auditors of the Company for FY 2024-25. The Secretarial Audit Report forms part of this report and does not contain any qualification, reservation, adverse remark or any disclaimer.

Pursuant to Regulation 24A of Listing Regulations, the Board of Directors have recommended to the shareholders for approval, the appointment of M/s. BP & Associates as Secretarial Auditors of the Company for a term of five (5) consecutive years, from FY 2025-26 to FY 2029-30.



## COST RECORDS AND COST AUDIT

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

## ANNUAL RETURN

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

## CORPORATE SOCIAL RESPONSIBILITY

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

The Company has been carrying out corporate social responsibility (CSR) activities for many years even before it was mandated under the Act. The Company has in place a Board approved CSR policy. The policy and details on the composition of CSR committee and projects approved by the Board are available on the website of the Company. (*Weblink*: <https://www.cholamandalam.com/files/csr-policy-2025>)

As per the provisions of the Act, the Company is required to spend at least 2% of the average net profits of the Company made during the three immediately preceding financial years, which aggregated to ₹ 73.18 crores. In FY 2024-25, the Company has spent ₹ 74.24 crores and an excess amount of ₹ 1.00 crore shall be carried forward and adjusted in the CSR spend for FY 2025-26. The details of the CSR activities is annexed hereto and forms part of this report.

During the year, the Company formed a Trust under the name "Chola Foundation" for direct implementation of various CSR activities. Further, Chola Foundation has been registered as an implementation agency under the Companies Act, 2013.

## INTERNAL FINANCIAL CONTROLS

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

## RELATED PARTY TRANSACTIONS

The Company has in place a policy on related party transactions as approved by the Board and the same is available on the website of the Company (*weblink*: <https://www.cholamandalam.com/files/rpt-policy-2025>). All transactions with related parties that were entered into during the financial year were in the ordinary course of business and were on an arm's length basis. There were no materially significant transactions with promoters, Directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large. There were no contracts or arrangements entered into with related parties during the year to be disclosed under sections 188(1) and 134(h) of the Act in form AOC-2. An omnibus approval of the Audit Committee was obtained for the transactions of the Company proposed to be entered into with related parties at the beginning of the financial year including for any unforeseen transactions with related parties up to ₹ 1 crore per transaction per party. The transactions entered into pursuant to the approval so granted were placed before the audit committee for its review on a quarterly basis.

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

During the year under review, the Company had no major impact on account of conservation of energy or technology absorption. Foreign currency expenditure / remittances amounting to ₹ 1,568.03 crores towards repayment of overseas borrowing and interest, travel and other professional charges were incurred during the year under review. The Company does not have any foreign exchange earnings.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Being an NBFC, the disclosures regarding particulars of loans given, guarantees given and security provided is exempted under the provisions of section 186(11) of the Act. With regard to investments made by the Company, the details of the same are provided under note 10 in standalone financial statements and note 12 in consolidated financial statements of the Company for the year ended 31 March, 2025.

## DISCLOSURE OF REMUNERATION

The disclosure with respect to remuneration as required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached and forms part of this report.

## PARTICULARS OF EMPLOYEES

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

## COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Company has complied with all the provisions of secretarial standards issued by the Institute of Company Secretaries of India in respect of meetings of the Board of Directors and General Meetings held during the year.

## INTERNAL COMPLAINTS COMMITTEE

The Company has in place a policy for prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). The Company has complied with the provisions relating to constitution of internal complaints committee (ICC) under the POSH Act. ICC has been set up to redress complaints received regarding sexual harassment. All employees including contract workers, probationers, trainees, apprentices or any person so employed at the workplace called by any other such name are covered under this policy. During the year, the Company conducted awareness for employees about POSH Act. The details on complaints received under this policy is provided in the report on corporate governance (refer page no. 88).

## OTHER DISCLOSURES

There was no fraud reported by auditors of the Company as given under Section 143 (12) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 during FY 2024-25 requiring a disclosure in the Board's report.

During the year ended 31 March, 2025, the Company had not made any application under the Insolvency and Bankruptcy Code, 2016 ("the Code"). As at 31 March, 2025, total number of applications filed and pending under the Code are 10 cases amounting to ₹ 42.41 crores. No proceeding is pending against the Company under the Code. During the year, the Company had not made any one-time settlement with banks or financial institutions.

## HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES / ASSOCIATES AND JOINT VENTURES

### CHOLAMANDALAM SECURITIES LIMITED (CSEC)

During FY 2024-25, CSEC remained focussed on maintaining operational efficiency and strengthening its business and demonstrated resilience in spite of challenges. CSEC achieved a gross income of ₹ 104.44 crores and a Profit before Tax of ₹ 10.85 crores during the year ended 31 March, 2025. As at 31 March, 2025, the Company directly holds 92% of equity share capital of CSEC and the balance 8% is held through Cholamandalam Leasing Limited, making CSEC a wholly owned subsidiary.

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

CLL recorded a gross income of ₹ 3.45 crores for the year ended 31 March, 2025 and made a loss of ₹ 0.45 crores as against profit of ₹ 63.25 crores in the previous year. CLL declared an interim dividend at the rate of 14% on 20 March, 2025. As at 31 March, 2025, CLL is a wholly owned subsidiary of the Company.

CLL had surrendered its license as a corporate agent with composite license from Insurance Regulatory and Development Authority of India (IRDAI) for distributing insurance products on 27 August, 2024.

During the year, the CLL's Board and shareholders approved amendments to the Object clause of the Memorandum of Association enabling the company to undertake leasing business. Consequently, Subsequently, the name of the company was changed from Cholamandalam Home Finance Limited to Cholamandalam Leasing Limited on 24 January, 2025 to reflect the proposed line of business.

### VISHVAKARMA PAYMENTS PRIVATE LIMITED (VPPL)

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

### PAYSWIFF TECHNOLOGIES PRIVATE LIMITED (PTPL)

PTPL recorded a gross income of ₹ 110.87 crores for the year ended 31 March, 2025 and made a profit of ₹ 6.27 crores as against a loss of ₹ 2.17 crores in the previous year. As on March 31, 2025, the Company holds 74.63% of the equity share capital of PTPL.

## ACKNOWLEDGEMENT

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

On behalf of the board

Place : Chennai  
Date : 25 April, 2025

**Vellayan Subbiah**  
Executive Chairman

# Directors' Responsibility Statement

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

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

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures therefrom.
- b) they have, in the selection of the accounting policies, consulted the joint statutory auditors and have applied their recommendations consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2025 and of the profit of the Company for the year ended on that date;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) they have prepared the annual accounts on a going concern basis.
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the year ended 31 March, 2025; and
- f) proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended 31 March, 2025.

On behalf of the board

Place : Chennai  
Date : 25 April, 2025

**Vellayan Subbiah**  
Executive Chairman



# Annexure-I

## Secretarial Audit Report

### for the financial year ended 31<sup>st</sup> March, 2025

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

The Members,

**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**

CIN: L65993TN1978PLC007576,

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED** [Corporate Identification Number: L65993TN1978PLC007576] (hereinafter referred as "the Company") for the financial year ended 31<sup>st</sup> March, 2025. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings. There was no Foreign Direct

Investment and Overseas Direct Investment during the year under review;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Employee Stock Option Plan, 2016 approved under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 & the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable during the year under review);
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable as the company is not registered as Registrar to an Issue and Share transfer Agent during the year under review).
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable during the year under review); and
  - i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (not applicable during the year under review);
- (vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:

- a) Reserve Bank of India Act, 1934, Rules, Regulations, guidelines, circulars, directions, notifications made thereunder applicable to Non-Banking Financial Company.
- b) Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.
- c) Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 (Exempted pursuant to Clause 2(i)(iv)(a) of Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016).
- d) NBFC Auditors Report Reserve Bank Directions, 2016.

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) (as amended) and the Guidance Note on Meetings of the Board of Directors and General Meetings (revised) issued by The Institute of Company Secretaries of India.
- (ii) The Uniform Listing Agreement entered into with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. (hereinafter referred to as "Listing Regulations").

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such other regulatory authorities for such acts, rules, regulations, standards etc. as mentioned above.

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Woman Independent Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, Listing Regulations and Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

Adequate notice is given to all directors/members before schedule of the Board/Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and

clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Committee Meeting which is convened at shorter notice and agenda/notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013, Secretarial Standards on Meetings of the Board of Directors and Listing Regulations are complied with.

During the year under review, the Members who have participated in the Committee meetings through Video Conferencing were in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities pertaining to Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions at the Board/ Committee Meetings were taken with the consent of the Board of Directors/ Committee Members and no Director/ Member had dissented on any of the decisions taken at such Board/ Committee Meetings. Further, in the minutes of the General Meetings, the number of votes cast against the resolutions has been recorded.

**We further report that** based on review of compliance mechanism established by the Company and to the best of our information and according to explanations given to us by the Management and also on the basis of the Compliance certificates issued by the Chief Financial Officer and Company Secretary under various statutes as mentioned above in clause (vi) and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws.

**We further report that** the above mentioned Company being a listed entity, this report is also issued pursuant to Regulation 24A of the Listing Regulations as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by the Securities and Exchange Board of India.

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

**We further report that** during the audit period, the Company had

1. Obtained approval of Board of Directors at their meeting held on 30<sup>th</sup> April, 2024 for public issuance of secured redeemable non-convertible debentures amounting to ₹ 10,000 Crores in one or more tranches.

# Annexure-I

## Secretarial Audit Report

### for the financial year ended 31<sup>st</sup> March, 2025 (Contd.)

2. Obtained the approval of Board of Directors at their meeting held on 26<sup>th</sup> July, 2024 for:
  - Issue/ re-issuance of 4,00,000 secured and/or unsecured, redeemable, non-convertible debentures of a face value of ₹ 10 lakhs each aggregating to ₹ 40,000 crores (including partly paid-up debentures).
  - Issue / re-issuance of 30,000 unsecured, redeemable, non-convertible debentures of a face value of ₹ 10 lakhs each aggregating to Rs. 3,000 crores, in or more series on a private placement basis for raising of perpetual debt.
  - Issue / re-issuance of 50,000 unsecured, redeemable, non-convertible debentures of a face value of ₹ 10 lakhs each aggregating to ₹ 5,000 crores, in or more series on a private placement basis for raising of subordinated debt.
3. Obtained approval from the Stock Exchange on 23<sup>rd</sup> October, 2024 for reclassification of certain persons belonging to the Promoters/Promoter Group of the Company to "Public" Category.
4. Obtained the approval of Board of Directors at their meeting held on 25<sup>th</sup> October, 2024 for availing bank loan borrowings up to a limit not exceeding ₹ 1,25,000 crores.

Place : Chennai  
Date : 25 April, 2025

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

**CS R.SRIDHARAN**  
**CP No. 3239**  
**FCS No. 4775**  
**PR NO. 6232/2024**  
**UIN: S2003TN063400**  
**UDIN: F004775G000204128**

*This report is to be read with our letter of even date which is annexed as **ANNEXURE -A** and forms an integral part of this report.*

## Annexure-A

The Members,  
**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**  
CIN: L65993TN1978PLC007576,  
Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate,  
Guindy, Chennai - 600032

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Chennai  
Date : 25 April, 2025

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

**CS R.SRIDHARAN**  
**CP No. 3239**  
**FCS No. 4775**  
**PR NO. 6232/2024**  
**UIN: S2003TN063400**  
**UDIN: F004775G F004775G000204128**



# Annexure-II

## CSR Report

### Annual Report on Corporate Social Responsibility (CSR) Activities:

#### 1. Brief outline on CSR policy of the Company:

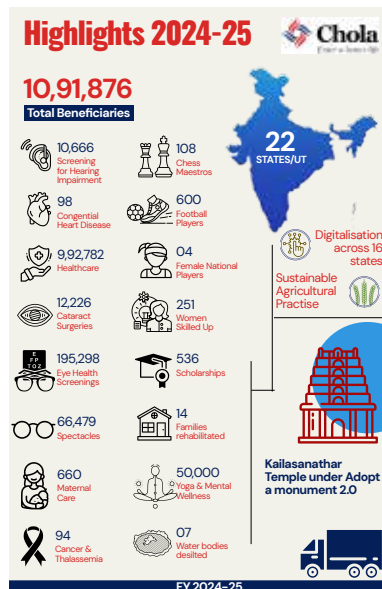
Chola's Corporate Social Responsibility (CSR) initiatives for the fiscal year 2024-25 reflect a deep commitment to societal welfare, sustainable development, and community empowerment. Chola's focus not only limited to the organisation's growth but also extends to the well-being of the people and the planet. Thus, towards that objective, Chola has strategically allocated resources across various themes, including education, health, environment, sports, and rural development, to create a meaningful impact on society.

In these exciting yet demanding times, Chola does not forget its commitment to live by one of its core values – 'Taking Responsibility'.

As a responsible corporate citizen, Chola recognises its duty to integrate sustainability

into every aspect of its operations. Chola's efforts in this arena have earned us numerous accolades, mirroring its dedication to these principles with its same vigour as its commercial pursuits. Sustainability and CSR initiatives are not afterthoughts but integral elements of Chola's corporate strategy.

Chola seeks to positively impact the lives of the disadvantaged by supporting and engaging in activities that aim to improve their wellbeing. Chola is dedicated to the cause of empowering people, educating them and in improving their quality of life. While Chola will undertake programme based on the identified needs of the community, education and healthcare remains Chola's priority.



Over the past 5 years, Chola has spent ₹ 243 crores in social impact initiatives, benefiting and impacting over 3.5 million marginalised sections, directly and indirectly.

#### Resonating impacts

In its unwavering commitment to elevate communities and enhance the quality of lives, Chola has undertaken projects in the domains of infrastructure development, healthcare, sports, environment, preserving heritage, educational support and many more.

These endeavours have touched the lives of countless individuals, nurtured positive transformation and fostering sustainable growth. With each step forward, Chola weaves a tapestry of compassion and progress, illuminating the path towards a brighter future for all.

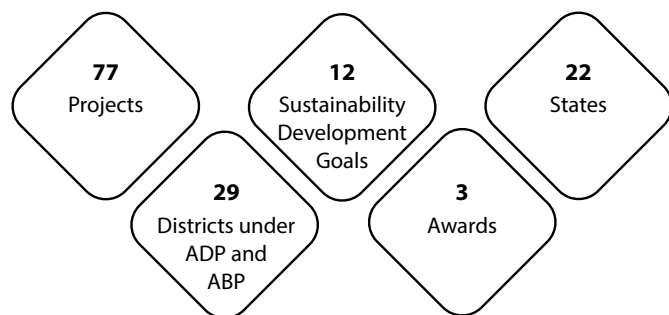
#### Empowering Aspirational Districts and Aspirational Blocks Programs (ADP and ABP)

Aspirational districts are under-developed districts identified by the Government of India for focussed development.

The CSR initiatives targeted several aspirational districts and aspirational blocks, including:

- **Odisha:** Ganjam, Dhenkanal, Angul, and Khorda.
- **Uttar Pradesh:** Kanpur Nagar, Prayagraj, and Gorakhpur.
- **Tamil Nadu:** Dharmapuri, Krishnagiri, Ramanathapuram, and Villupuram.
- **Gujarat:** Kutch.
- **Madhya Pradesh:** Satna and Jhabua.
- **Maharashtra:** Nanded.
- **Karnataka:** Chikmagalur.
- **West Bengal:** Jalpaiguri.
- **Bihar:** Aurangabad, Kaimur, Gaya.
- **Assam:** Dhekiajuli.
- **Chhattisgarh:** Durg/Bhilai and Raigarh.
- **Kerala:** Thrissur.
- **Jharkhand:** Saraikela, Hazaribagh, Gumla, Koderma, and Dumka.
- **Uttarakhand:** Haridwar.
- **Haryana:** Palwal.



**Key highlights from FY 2024-25****Sustainable Development Goals****THE CORE AREAS****Empowering the commercial vehicle crew members: Holistic Development for a Healthier, Safer Future**

The holistic development of the trucking community is paramount in addressing the unique health challenges faced by drivers, such as sedentary lifestyles, irregular sleep patterns, and limited access to healthy food. By promoting better health practices and providing preventive care, these programs not only enhance drivers' quality of life but also significantly improve their job performance and safety on the road.

Not just the Commercial vehicle crew member (CVCN), but Chola takes immaculate steps in reaching out to the immediate kith and kin of this

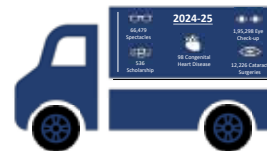


community through its, the Raahi, The Gift of Life and Mamta Project.

Chola has been focussing on the higher education of children of CVCNs through My Dreams Scholarship.

Chola's Gift of Life initiative has performed 626 life-saving congenital heart surgeries for children of commercial vehicle crew members from FY 2019-20.

Under the Flagship Project Raahi, since 2018, Chola has conducted 718,811 screenings, distributed 326,730 spectacles, and referred 16,107 cataract cases.



The Mamta program has provided safe mother and new-born support to 1069 new mothers and babies, since FY 2021-22.

For education of children of Commercial vehicle crew members under The "My Dream Scholarship", Chola has supported 1,753 students pursuing technical courses since 2019, with 65% of the beneficiaries being female students.

Chola's Socially Responsible Corporate Citizenship Programme (SRCCP) has empowered employees to engage in community service, resulting in 23 employees leading 23 separate projects in their respective geographies.

Chola has supported 778 players in Chess, Football, and Golf, with a focus on early-age training in FY 2024-25.

Chola's CSR efforts demonstrate a strong commitment to sustainable growth and community empowerment.

In FY 2024-25 alone, Chola has reached out to more than 1.9 lakh beneficiaries from CVCNs (depicted in fig below)

**Transforming Lives: Chola's Healthcare Initiatives**

Chola's healthcare initiatives are driven by a profound commitment to enhancing the quality of life for individuals across various regions. Through targeted projects, Chola aimed to address critical health issues for 9,92,782 individuals, by providing timely interventions and support to those in need in FY 2024-25.

**Health Awareness**

Clear vision is essential not only for daily life but also for performing one's job effectively. Whether it's the intricate craftsmanship of artisans, the bustling operations of garment factories, the precision required by tailors, or the rigorous work in tea and coffee plantations, clear eyesight is a crucial asset. For farmers, clear vision can enhance productivity, increase income, and prolong employability. Numerous challenges hinder the distribution of eyeglasses to impoverished communities. A significant barrier is the lack of awareness about the need for vision correction, particularly in rural areas where many live with uncorrected refractive errors (URE) and presbyopia. Common misconceptions and social stigmas further hinder the adoption of eyeglasses. Many believe that wearing reading glasses will worsen their eyesight, while others think that over-the-counter (OTC) reading glasses can harm their eyes. Cultural stigmas also play a role, as wearing glasses is sometimes viewed as a Western practice, leading to resistance until vision problems become severe. Additionally, the perception that eye care and eyeglasses are expensive deters many individuals from seeking necessary vision correction. Chola ensured refractive

error and referral services for commercial vehicle crew members and the rural population.

From 2018	Screening	Spectacles	Cataract Referral
<b>Total</b>	7,18,811	3,26,730	16,107

**SHRUTI: Early Intervention for Hearing Loss** - In Odisha, Chola has taken a proactive stance against hearing loss by supporting early intervention and treatment for both children and adults by reaching out to 10,666 people in FY 2024-25.

The SHRUTI project has made a significant impact by providing timely care that fosters communication skills and enhances overall well-being. This initiative underscores Chola's dedication to ensuring early intervention for preventable or treatable conditions.

#### Life-saving surgeries, giving young hearts a new lease on life.

Chola's "Gift of Life" initiative has brought hope and healing to children suffering from congenital heart disease in Chhattisgarh, Haryana, and Maharashtra. This project has funded 98 surgeries in FY 2024-25.

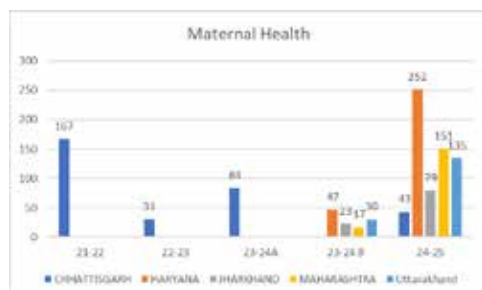
Chola's support has not only eased the financial burden on families but has also enabled these children to lead healthy and fulfilling life.

#### Saving Mothers, Strengthening Futures

Maternal death is the death of a woman while pregnant or within 42 days of termination of pregnancy, irrespective of the duration and site of the pregnancy, from any cause related to or aggravated by the pregnancy or its management but not from accidental or incidental causes. Addressing maternal mortality is essential for ensuring the well-being of women and new-borns and achieving global health goals.

Chola has been providing ANC and Postpartum Care to women from CVCMS. From FY 2021-22, Chola has helped 1,069 new born mothers and new born babies and has ensured safe mother and new born support.

This commitment ensures that drivers and their families thrive, contributing to a stronger and more resilient industry.



#### Livelihood Generation: When women generate income, they should be encouraged with income protection.

During FY 2024-25, Chola has been implementing various initiatives to encourage 251 women in Bengaluru and Hyderabad to enter the formal workforce. The introduction of such projects is a small effort to provide financial protection and support to women entrepreneurs who take the initiative to step forward.

#### "Nurturing Tomorrow's Leaders: Development for Every Child"

Enabling Holistic Development of Children and Youth Protection and enhancing the well-being of children is central to the Company's social impact programmes.

Chola collaborates with several grassroots-level organisations to support child health, child education, child protection, and persons with disabilities. Under child health, we provide financial assistance to children affected by heart conditions, cancer, and respiratory care.

This also includes the Company's strategic project – Healing Little Hearts and Project Samhita – which creates awareness, identifies and offers timely treatment to underprivileged children affected by congenital heart and cancer.

So far, more than 12 thousand children have benefitted from Chola's interventions on health in last five years.

#### Chola's Education Initiatives: Empowering Minds, Enriching Lives

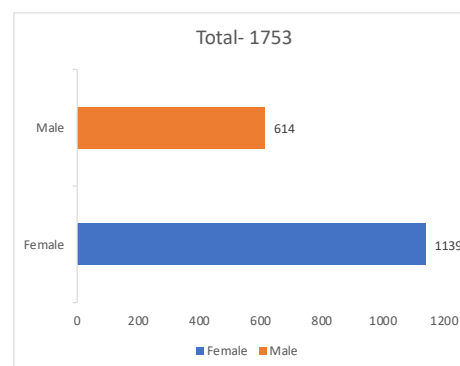
In the child education space, Chola focusses on digital learning interventions, foundational learning (FLN), mental health programmes, early childhood education, vocational trainings, scholarships, after-school support etc.

Chola's commitment to education is a testament to its vision of fostering a brighter future through access to quality education, the promotion of vocational skills, and the development of robust infrastructure. Here are some of the key projects that exemplify this dedication:

Chola's support for the Murugappa Polytechnic College, Vellayan Chettiar School, and Murugappa Scholars in Tamil Nadu underscores its commitment to empowering students through quality education and scholarships. These projects are designed to nurture talent and inspire excellence, ensuring that every student has the opportunity to reach their full potential.

#### My Dream Scholarship

The scholarship supports the most vulnerable, providing education and professional training. Education has a multiplier effect, reducing poverty, improving access to public services, increasing employment opportunities, and promoting upward mobility. Chola has provided scholarships to 1,753 students since FY 2019, pursuing technical courses like, engineering, nursing and medical, with a focus on female education.



#### Promoting Wellness Through Yoga

In a ground breaking collaboration with the esteemed ISHA Institute of Inner Science, Chola has championed a preventive healthcare program that offers free yoga and mental wellness practices. This has touched the lives of 50,000 individuals in Tamil Nadu, laying a strong foundation for their physical and mental well-being. By integrating ancient wisdom with modern needs, Chola is paving the way for a healthier, more resilient community.



## Chola- Samskriti

The ISHA-Samskriti project epitomises Chola's dedication to holistic education for 208 beneficiaries. The construction of a new facility, provides accommodation and classroom space for children, fostering an enhanced learning environment. This initiative is not just about building structures; it's about building dreams and nurturing the leaders of tomorrow.

Chola's education initiatives are more than just projects; they are a beacon of hope and a catalyst for change, inspiring a future where every individual has the opportunity to thrive and succeed.

### Chola Eureka Homes Initiative

The "Eureka Homes" initiative aims to provide shelter to 14 families in FY 2024-25, who have lost their homes due to natural disasters or are currently without a home. The rehabilitation process is community-driven, involving the entire village in identifying the families most in need of this support.

The homes are thoughtfully designed to offer essential amenities, with a particular emphasis on:

- Heat Insulation: Ensuring comfortable indoor temperatures year-round.
- Rain Resistance: Protecting against water damage and leaks.
- Solar Panels: Providing a sustainable source of electricity.

### Product Innovation

India's economic growth has been remarkable, driven initially by traditional sectors such as automotive and more recently by the service economy, including software development and Global Capability Centres (GCCs). However, to become a significant player in global supply chains, India must focus on product innovation. Chola in partnership with the Researchers of Indian Institute of Technology, Madras (IITM) have developed an indigenous portable Point-of-Care Ultrasound (POCUS) scanner specifically designed for maternal and child health applications. This innovative device, funded for several years under the "Make in India" initiative, addresses a critical need in healthcare by enabling on-site diagnosis and management of maternal and child health issues. The POCUS scanner, equipped with advanced Artificial Intelligence (AI) capabilities, offers a safe and radiation-free solution with sufficient resolution for accurate assessments.

### Leading India's Sports Revolution: One Game at a Time

Chola is at the forefront of a transformative movement in Indian sports, starting with nurturing the next generation of chess prodigies in Chennai. Through a pioneering ecosystem, aspiring chess players are receiving world-class training from esteemed grandmasters, setting the stage for future champions.

Chola's commitment extends beyond chess with support to 778 players, with significant investments in early-age training for a variety of sports and games, including golf. This innovative training academy stands as a beacon of excellence, where young talents are meticulously groomed under the watchful eyes of seasoned masters.

## A tapestry of environment initiatives

To create a sustainable and harmonious future, driven by dedicated execution partners, Chola is making a tangible difference in the lives of the people and the environment.

One such initiative is focussed on securing the livelihoods of rural communities through innovative, technology-driven solutions. This project aims to foster a peaceful coexistence between humans and elephants, ensuring that both can thrive in harmony. With an investment of ₹ 100.00 lakhs, this ongoing initiative is a testament to the commitment towards environmental sustainability and community well-being.

Another significant project is dedicated to the rejuvenation of lakes in the Sivagangai and Erode districts. This initiative, with a substantial investment of ₹ 652.06 lakhs, aims to restore the ecological balance and ensure the availability of clean water for the local communities. The project is reflecting a continuous effort to preserve and enhance the natural resources of the region.

Additionally, a preventive healthcare and sanitation project is underway to ensure the overall well-being and maintenance of the serene Nilgiris Hills. This initiative aims to provide a pleasant, hygienic, and engaging experience for the large number of visitors.

### Other Domains:

Chola's commitment extends far beyond the conventional, embracing a vibrant tapestry of initiatives that nurture the arts, music, wildlife conservation, and community development across the diverse landscapes of India. Each endeavour is meticulously evaluated through the lens of the REES framework—Relevance, Effectiveness, Efficiency, Social Impact, and Sustainability—ensuring that every project is not only pertinent but also profoundly impactful, efficient, and enduring. This holistic approach guarantees that Chola's efforts bloom into meaningful change, enriching the lives of countless individuals and communities.

### Way Forward

With a steadfast gaze on the horizon, Chola is poised to navigate the ever-evolving landscape, both within India and on the global stage. The organization is dedicated to weaving a brighter future for disadvantaged communities, with a bouquet of planned initiatives that include livelihood and financial inclusion projects for the unorganized sector workforce. Additionally, Chola will champion gender sensitization and accessibility awareness programs, fostering an environment where the rights of marginalized women are celebrated and upheld. This visionary path ensures that Chola's contributions will continue to blossom, bringing hope, support, and improvement to those who need it most.

**1. Composition of CSR Committee (as on March 31, 2025):**

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

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

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

The programme objectives were evaluated using the REES framework. REES framework measures the performance of the projects on five parameters – Relevance, Effectiveness, Efficiency, Sustainability and Social Impact. Key findings of the impact assessment are given below. Detailed report can be accessed at <https://www.cholamandalam.com/community-relations>.

Project	Relevance	Effectiveness	Efficiency	Social Impact	Sustainability
Murugappa Polytechnic College	The program supports SDG 4 (Quality Education) and SDG 8 (Decent Work and Economic Growth) by addressing Tamil Nadu's need for a skilled workforce in manufacturing, robotics, and renewable energy. With a Gross Enrollment Ratio (GER) of 47% in higher education, there is a clear need for vocational training.	85% of graduates are employed within six months, highlighting high employability.	Uses a "Sandwich Course" model, integrating classroom learning with industry internships.  Improved cost-benefit ratio due to industry partnerships	Provides industry-relevant education for underprivileged students, enabling rural students to access high-tech job markets.	Alumni network actively mentoring students and contributing to infrastructure development. High employability ensures financial sustainability of graduates.
Murugappa Science Centre	Bridges gaps in rural STEM education, supporting skill development. Aligns with SDG 4 and SDG 9, offering quality STEM (Science, Technology, Engineering, and Mathematics) education and an innovation center for young students.	Increased student enrollment and participation in science-related activities and competitions.  Increase in STEM college enrolments among students engaged in the program.	Low-cost, scalable STEM learning modules designed for replication in other districts. Use of digital and mobile-based learning reduces resource constraints.	Higher interest in STEM fields among rural students, fostering future employment in technology sectors. Future workforce development for Tamil Nadu's growing industries.	Local teacher training ensures continuity of the program beyond donor funding. Interactive learning materials are adaptable to other regions.

Project	Relevance	Effectiveness	Efficiency	Social Impact	Sustainability
AMM Hospital	Bridges gaps in healthcare, focusing on geriatric care. Supports SDG 3 by addressing geriatric and non-communicable diseases.	Enhanced patient visits and better service delivery for non-communicable diseases. Improved DALYs through effective chronic disease management and geriatric care services	Efficient resource use for cost-effective healthcare. Improved efficiency through telemedicine and digital health solutions.	Better health outcomes for vulnerable groups, reducing disease burden. Improved access to specialized care for the elderly.	Enhanced healthcare workforce through training and skill development, ensuring continuous service delivery.
Nanneer Water Rejuvenation Project (Sustainable Water Management)	Addresses Tamil Nadu's acute water stress and dependence on external sources. Aligns with SDG 6 (Clean Water & Sanitation) and SDG 13 (Climate Action).	Improved agricultural productivity and water availability for rural communities. Increased groundwater levels and water retention benefiting agriculture.	Cost-effective lake rejuvenation methods ensuring long-term water conservation. Cost-effective rainwater harvesting and storage systems.	Enhanced livelihoods through improved water access, benefiting farmers and rural households. Improved food security and income stability for farmers.	Community engagement in maintaining water bodies, reducing long-term dependency. Community-led maintenance ensures longevity of restored lakes.
High Altitude Project- Spiti Valley	The project uses a comprehensive approach with interventions in wildlife conservation, livestock management, crop guarding, and agricultural revival. It involves the needs, aspirations, and participation of all stakeholders, including beneficiaries.	Intervention has achieved its desired goals. Local people want to replicate the project in other nearby villages too	Livestock – Snow Leopard conflict has decreased, number of both domestic animals and snow leopards have increased.	Despite challenges in high-altitude regions and livestock-snow leopard conflicts, the project has been impactful. Conflicts have decreased, livestock management has improved, and there is growth in domestic animal numbers and economic development through agriculture and ecotourism.	The people-centric, impact-driven intervention ensures suitability. It promises sustainable, long-term benefits in livestock management, agricultural production, sustainable tourism, and wildlife conservation.



Project	Relevance	Effectiveness	Efficiency	Social Impact	Sustainability
Hassan and Valparai	Tackles the critical issue of human-elephant conflict, impacting safety and livelihoods. Between 2019 and 2022, over 1,500 human and 300 elephant deaths occurred due to retaliatory killings and accidents. Habitat fragmentation makes restricting elephants to forests impractical, requiring innovative coexistence strategies.	In Hassan, 90% found SMS alerts effective, and 98% valued voice call alerts for real-time elephant movement updates. Digital display boards were less preferred, with 26.4% finding them ineffective. 92% reported increased elephant encounters, and over 70% experienced crop damage, causing economic distress. Valparai shows stronger cultural acceptance of elephants, aiding conservation efforts.	Mobile alerts and digital displays offer a cost-effective, tech-driven conflict mitigation solution. Optimizing existing infrastructure, especially by redesigning digital display boards, can enhance usability and community trust.	Timely mobile alerts have reduced human casualties. Valparai benefits economically from potential eco-tourism, but unregulated tourism could threaten conservation.	Valparai: Strong acceptance of conservation strategies with community-integrated models for long-term coexistence. Hassan: Increasing human-elephant conflict and dissatisfaction with forest department responses threaten sustainability. Enhancing early warning systems, multilingual messaging, and eco-tourism policies is crucial for long-term success.
My Dream Scholarship	The scholarship supports the most vulnerable, providing education and professional training. Education has a multiplier effect, reducing poverty, improving access to public services, increasing employment opportunities, and promoting upward mobility.	Increased academic performance: 22 students scored above 90%, and 12 students scored 80%-90% in their studies.	All steps, from candidate selection and due diligence to scholarship disbursement and leadership, have been effectively managed with stakeholder support. This cost-effective model maximizes impact through strategic fund allocation for scholarships and mentorship, reducing dropout rates and enabling students to complete their education without loans.	Decrease in financial burden in the family. Empowered first-generation learners to pursue higher education and career opportunities, reducing cycles of poverty.	Academically and professionally, it will have multiplier effect and sustainable chain of positive impact both individually as well as in society.

Project	Relevance	Effectiveness	Efficiency	Social Impact	Sustainability
Project Raahi	This initiative addresses: Unmet vision care needs of truck drivers. India's National Road Safety Strategy (2021-2030) and the goal of reducing avoidable blindness.	Beneficiary feedback highlights the program's effectiveness: Vision Screening: 144,986 truck drivers were screened for vision impairments Spectacle Distribution: A total of 66,554 truck drivers received free prescription glasses to correct refractive errors. Cataract Referrals: 3,063 drivers were diagnosed with cataracts and referred for specialized treatment.	The program optimizes resources by: Using a mobile van and static vision center model to maximize outreach at key trucking hubs. Providing ready-to-clip spectacles for instant refractive error correction. Implementing digital data tracking for efficient follow-ups and future screenings.	Improved eyesight among truck drivers has reduced vision-related accidents, saving costs on private eye care and enhancing road safety for all. Key economic impacts include: 144,986 drivers avoided wage loss, saving ₹25.37 crores. Transport agencies saved ₹43.49 crores by reducing absenteeism and accident downtime. Accident prevention saved ₹108.73 crores in potential GDP loss. Insurance companies saved ₹21.74 crores due to fewer accident claims.	To ensure long-term impact, the program aims to: Secure ongoing CSR funding from CIFCL and other corporate partners. Advocate for mandatory vision testing during commercial truck driver license renewals.
Action for Rural Rejuvenation	The program reaches rural and tribal populations. with limited mobility, where the nearest Primary Health Centre is over 20 km away, making healthcare access difficult. Elderly individuals, pregnant women, and daily wage workers rely on family support for medical visits, leading to delayed treatments. It bridges critical healthcare gaps in maternal care, chronic disease prevention, and elderly care, ensuring doorstep healthcare access.	Significant healthcare outreach with over 40,000 patient interactions through MHCs, IRHCs, and camps. 20 elderly women (70–90 years) rely on MHCs for healthcare. 35+ outpatients at IRHCs reported improved access to affordable, high-quality care. 18 out of 147 anaemic women reported better health due to Isha ARR health kits. High impact with minimal per capita expenditure, ensuring sustainable healthcare access.	Cost-effective healthcare model with digital health tracking, optimized inventory management, and community-based support. Increasing awareness and early disease detection for better NCD management.	Reliance on tertiary hospitals for treatable conditions. Social and economic benefits include less dependency on family caregivers and increased workforce productivity. Strengthened community resilience through disaster relief and preventive healthcare awareness.	The program focusses on: Training community health workers and volunteers for service continuity. Integrating with Tamil Nadu's health mission and NHM for policy alignment.

Project	Relevance	Effectiveness	Efficiency	Social Impact	Sustainability
Prayas	The program effectively addresses the financial literacy, health, and entrepreneurial needs of its target population, which includes low-income CVCM and their families. The entrepreneurship training is in line with the aspirations of the participants, with 86.7% identifying new business opportunities after training	97.9% of the participants opened a bank account, and the use of digital payment methods increased significantly. The use of disposable sanitary pads rose from 6.7% to 73.3%, while awareness of proper washing methods increased from 13.3% to 93.3%. Following training, 82.2% of women started their own businesses, with 86.7% feeling more confident in business management.	The program makes efficient use of resources by combining multiple interventions (financial literacy, health, hygiene, and entrepreneurship) into a single initiative	Increasing bank account ownership and digital financial transactions reduces reliance on cash and improves financial resilience. Better access to menstrual hygiene information and business opportunities benefits women's financial and social well-being.	The project's sustainability is dependent on ongoing financial education, health awareness, and entrepreneurial support.
Research and Development on Sustainable Agricultural Practices	The interventions address critical gaps in sustainable farming practices, financial literacy, and environmental protection, making them highly relevant to the needs of marginalized communities.	High adoption rates (e.g., 94% for soil testing, 100% for biochar) and measurable outcomes like increased yields and reduced chemical usage demonstrate strong effectiveness	Resources were utilized effectively, with tailored training and teleconsulting ensuring targeted support, though challenges like product availability and cost need attention.	The focus on training, awareness, and eco-friendly practices ensures lasting benefits, though continued support and knowledge transfer are essential for sustained impact.	The initiatives have significantly improved agricultural productivity, environmental sustainability, and community resilience, fostering long-term benefits.
Farmer Producer Organization Initiative	The intervention was designed to address critical challenges faced by farmers, such as exploitation by middlemen and poor market access. It also incorporated elements like sustainable farming practices and enhanced market linkages, which are essential for long-term agricultural success. These actions ensured that the program was closely aligned with the community's immediate needs.	The intervention achieved remarkable outcomes, as evidenced by the respondents' feedback. Farmers reported significant improvements in market linkages (92%), direct buyer connections (84%), and adoption of better farming practices (86%).	The program utilized resources effectively by leveraging collective efforts, such as bulk procurement to reduce input costs (70%).	The program's impact is evident in the long-term benefits it has created for the community. Farmers adopted sustainable practices (77%), advanced farming techniques, and gained valuable market knowledge. Additionally, increased women's participation (66%) showcased the program's success in fostering inclusivity and empowerment.	By encouraging organic farming, use of biofertilizers, and adoption of improved irrigation techniques, the program ensured that its benefits could be sustained over time.

Project	Relevance	Effectiveness	Efficiency	Social Impact	Sustainability
Project Sadhanapada	The program effectively aligns with participant expectations such as self-awareness, mental clarity, and physical balance. These are crucial for personal and spiritual growth, ensuring the program meets its intended objectives.	Key practices like Sadhana and Seva have resulted in measurable improvements in mental and physical health for 75–80% of participants. Enhanced sleep quality (despite reduced duration), better dietary habits, and improved emotional stability highlight the program's success.	Community living and strict schedules foster discipline, while the inclusion of activities like time management and technical skill development maximizes resource utilization and adds value beyond spiritual aspects	Transformative outcomes, such as increased clarity, resilience in handling situations, and fostering inclusivity through Seva, indicate profound changes in participants' lives.	The lifestyle changes instilled, such as healthier eating and disciplined habits, suggest the potential for long-term benefits in maintaining physical, mental, and emotional well-being.
Gift of Life	The project bridges the gap in basic medical care for CHD in rural & low income families	Project has demonstrated significant effectiveness in addressing the challenges of CHD among children from underserved communities	Project demonstrates high efficiency by optimizing resource allocation, leveraging partnerships, and delivering impactful results at a low cost per beneficiary	Project has positive impact at the individual, family, and community levels, transforming lives and fostering well-being across these spheres	Numerous Corporates, Government Agencies, and Philanthropists have continued their financial support for this project, strengthening and ensuring sustainability
Indigenous State-of-the-Art Ultrasound Scanner for Maternal and Foetal Healthcare	To improve maternal foetal healthcare by providing an affordable and advanced ultrasound scanner.	The project has successfully developed Divergent Beam Technology, a significant departure from the conventional Focus Beam Approach used in existing ultrasound machines. This innovation allows for multiple points to be focused simultaneously, improving imaging efficiency and accuracy. The achievement of this technical milestone demonstrates the project's effectiveness in advancing ultrasound technology.	Considering the bottlenecks and the eco-system challenges, the project has demonstrated efficiency in its use of financial, human, and time resources. The project optimally managed its budget, reallocated funds to prioritize critical tasks.	This project pioneers indigenous R&D in ultrasound technology, reducing India's reliance on imports. The machine has potential to be portable and integration of gender masking	The project aims to develop an affordable ultrasound scanner, making it accessible to a larger population, particularly in rural and underserved areas. The affordability of the technology ensures that it can be widely adopted, even in resource-constrained settings, contributing to its long-term financial sustainability.



4. a) Average net profit of the company as per section 135(5): ₹ 3,658.83 crores  
b) Two percent of average net profit of the company as per section 135(5) – ₹ 73.18 crores  
c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Nil  
d) Amount required to be set off for the financial year, if any – Nil  
e) Total CSR obligation for the financial year (b+c-d) – ₹ 73.18 crores
5. a) CSR amount spent on CSR Projects (both ongoing and other than ongoing projects)- ₹ 73.32 crores  
b) Amount Spent in administrative overheads- ₹ 0.93 crores  
c) Amount Spent on Impact assessment – Nil  
d) Total amount spent for the financial year (a+b+c)- ₹ 74.24 crores  
e) CSR amount spent or unspent for the financial year:

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

**f) Excess amount for set off, if any**

Sl. No.	Particulars	Amount ₹ in crores
(i)	Two percent of average net profit of the company as per section 135(5)	73.18
(ii)	Total amount spent for the Financial Year	74.24
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.06
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.06*

\*The Board of Directors have decided to carry forward ₹ 1 crore out of ₹ 1.06 crores available for set off in succeeding financial years.

**6. Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1	2	3	4	5	6		7	8
Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹ crores)	Balance Amount in unspent CSR Account under subsection (6) of Section 135 (in ₹ crores)	Amount Spent in the Financial Year (in ₹ crores)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Year (in ₹ crores)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
Nil								

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

If yes, enter the number of Capital assets created/ acquired: Not applicable

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

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

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

On behalf of the Board

Place : Chennai  
Date : 25 April, 2025**Vellayan Subbiah**  
Executive Chairman and Chairman - CSR Committee**Ravindra Kumar Kundu**  
Managing Director

# Annexure-III

Information under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board's report for the year ended 31 March, 2025

Nature of Disclosure	Particulars		
a) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	Name of the Director / Designation	% increase in remuneration in 2025 as compared to 2024	Ratio of Remuneration to Median Remuneration of employees
	Non-Executive Directors:		
	Mr. Vellayan Subbiah, Non-Executive Director (till 31 March, 2025)/ Chairman	Nil	21.67:1
	Mr. N. Ramesh Rajan, Non-Executive / Independent Director	Nil	5.2:1
	Ms. Bhama Krishnamurthy, Non-Executive / Independent Director	Nil	4.33:1
	Mr. M.A.M. Arunachalam, Non-Executive Director	Nil	4.33:1
	Mr. Anand Kumar, Non-Executive / Independent Director	Nil	4.33:1
	Mr. M R Kumar, Non-Executive / Independent Director	NA	3.98:1
	Mr. Ramkumar Ramamoorthy, Non-Executive / Independent Director	NA	2.96:1
	Managing Director:		
	Mr. Ravindra Kumar Kundu	50.47	140.13:1
b) Percentage increase in remuneration of Chief Financial Officer and Company Secretary in the financial year	Name of the KMP / Designation	% increase in remuneration in 2025 as compared to 2024	
	Mr. D Arulselvan, Chief Financial Officer	39.79%	
	Ms. P Sujatha, Company Secretary	12.43%	
c) Percentage increase in median remuneration of employees in the financial year	4%		
d) Number of permanent employees on the rolls of company (as of 31 March, 2025)	46,678		
e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	For employees other than managerial personnel who were in employment for the whole of FY 2024 and FY 2025, the average increase is 11%. The average increase for managerial personnel is 34.23%.		
f) Key parameters for any variable component of remuneration availed by the director	The remuneration to the Non-Executive Director takes in the form of commission on profits. The remuneration to Managing Director comprises of fixed & variable cash components and stock options. The increments in salary is determined by the Nomination & Remuneration Committee basis the Company's performance, experience and pay scales prevailing in the industry.		
g) Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is in line with the Remuneration Policy of the Company.		

On behalf of the board

Place : Chennai  
Date : 25 April, 2025

**Vellayan Subbiah**  
Executive Chairman

# Management Discussion and Analysis

## MACROECONOMIC OVERVIEW

The Indian economy in the year 2024-25 was marked by significant inflationary pressures, geopolitical tensions, and volatile global financial markets. This posed substantial risks to inflation and economic stability. The Central Government's commitment to fiscal consolidation presented challenges in balancing growth and inflation control. Despite these hurdles, the Indian economy demonstrated resilience, achieving robust GDP growth at 6.5% for FY 2024-25, driven by strong private consumption, increased government spending on infrastructure and continuing monetary easing.

The general elections in 2024 resulted in a decisive victory for the incumbent government, which continued its focus on economic reforms and infrastructure development. This political stability boosted investor confidence, supporting sustained economic growth. However, the Indian economy faced liquidity challenges in most part of the of FY25. CPI inflation fluctuated, peaking at 6.2% in October 2024 before moderating to 3.6% by February 2025. The rupee faced depreciation risks due to external uncertainties, impacting import costs and contributing to imported inflation.

The RBI maintained a cautious stance, keeping the policy repo rate unchanged at 6.50% till January 2025 to balance inflation control with growth support. To manage liquidity, the RBI conducted Open Market Operations (OMOs) and dollar/rupee swaps to stabilise the rupee, which faced depreciation pressures due to global uncertainties. The Liquidity Adjustment Facility (LAF) corridor was actively used to manage short-term liquidity mismatches, ensuring adequate liquidity in the banking system. These measures helped lower borrowing costs and stimulated investment.

In Q4, RBI adopted a fresh perspective to monetary policy, focussing on balancing growth and inflation control. In response to economic challenges and the need to contain inflation within the target range, RBI reduced the repo rate by 25 bps in February 2025 and an additional 25 bps in April 2025 taking the repo rate to 6%. The Policy stance has also been changed from neutral to accommodative. The rate cuts are expected to encourage lending and investment, stimulate demand, and strengthen overall economic activity.

## INDUSTRY GROWTH PROSPECTS

### Automobile Industry

The Indian Commercial Vehicle (CV) industry had a degrowth of 1% in FY25 with the Heavy Commercial Vehicle (HCV) degrowing by 3% in FY25 due to the high base effect in the previous year. The Small Commercial Vehicle (SCV) degrew by 9% in FY25, due to high

inventory levels and rising vehicle costs due to BS VI transition. This segment is witnessing the second continuous year of degrowth. The Light Commercial Vehicle (LCV) segment had a growth of 3% in FY25. As per industry expectations, the CV industry in India is poised for growth in FY26, propelled by a surge in e-commerce, increasing infrastructure spending, and government initiatives to promote clean energy and domestic manufacturing. With technological advancements, particularly in electric and hybrid vehicles, the domestic CV segment is expected to reach around 10 lakh units in FY26, which might surpass the peak numbers of FY19.

The Passenger vehicle (Car & MUV) segment had a growth of 2% in FY25 which is the highest over the previous three years. The factors aiding growth in FY26 are rising income levels, penetration in rural markets, increasing urbanisation and customer shift towards utility vehicles.

The Two-wheeler industry had a growth of 9% in FY25 and the growth of this segment is expected to be driven by increasing farm income, easy access to vehicle loans and improved demand from tier 3 & 4 towns.

### Construction Equipment Industry

The Construction Equipment (CE) segment had a growth of 2% in FY25. This segment is expected to grow at a moderate pace in FY26 with single digit growth supported by higher coal and iron ore mining, healthy real estate demand and increased budgetary outlay by government.

### Tractor Industry

The Tractor industry had a growth of 7% in FY25. This segment is expected to grow aided by expectations of a normal monsoon, improved cash flows from Kharif output, robust rabi sowing and higher minimum support prices for the crops.

Source: SIAM, TMA, ICEMA, CRISIL, ICRA

### Loan Against Property

LAP portfolio is expected to grow by 21-23% in FY26 driven by increasing property ownership, rising demand for financial products, and an expanding middle class. With attractive interest rates, flexible repayment terms, and minimal documentation, LAP has become a popular financial tool for individuals and businesses seeking funding. The market has been further propelled by the digitalisation of lending processes and the growing number of non-banking financial companies (NBFCs) and banks offering tailored LAP products to meet diverse consumer needs.

Source: ICRA Research



## Housing Finance (Home loans)

The outlook for India's housing sector continues to be positive, fuelled by a combination of government initiatives, urbanisation trends, and technological advancements. The recent budget announcements have provided a significant boost to the sector, particularly through the expansion of PMAY 2.0, which is set to enhance the availability of affordable housing for India's growing urban population. The development of smart cities, better public transport, and improved connectivity are likely to further stimulate real estate growth, particularly in emerging urban centres.

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

NBFC-HFCs' on-book portfolio grew by 14% YoY in 9 months of FY25. Analysts expect disbursements portfolio of HFCs to grow by 20-22% in FY25 as well as FY26.

Source: ICRA Research

## Small and Medium Enterprises (SME)

As a vital contributor to India's industrial landscape, the Micro, Small and Medium Enterprises (MSME) sector plays a crucial role in manufacturing, exports, and employment. With 6.3 crore registered MSMEs employing more than 25 crore people, these enterprises generate a significant share of the country's economic output. In FY 2023-24, MSME-related products accounted for 45.73% of India's total exports, reinforcing their role in positioning the country as a global manufacturing hub. The new budgetary provisions aim to build on this strong foundation by fostering innovation, enhancing competitiveness, and ensuring better access to resources. Through these steps, the government seeks to equip MSMEs with the tools needed to expand their reach and strengthen their contribution to India's economic growth.

Exports of MSMEs have seen substantial growth, rising from ₹3.95 lakh crore in FY 2020-21 to ₹12.39 lakh crore in FY 2024-25. The number of MSME exports has also surged from 52,849 in FY 2020-21 to 1,73,350 in FY 2024-25.

MSME contribution to India's total exports has steadily grown, reaching 45.73% in FY 2023-24, and 45.79% in FY 2024-25. These trends underscore the sector's increasing integration into global trade and its potential to drive India's position as a manufacturing and export hub.

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

fostering innovation, generating employment, and enhancing export competitiveness.

Source: Press Information Bureau, Government of India

## Personal Loans

The Personal Loans market has undergone significant evolution and expansion over the last few years. Unsecured lending clocked rapid growth in the past three fiscals at a CAGR of ~45% and has become the third-largest component of the overall NBFC AUM. This expansion is driven by technological advancements and changing consumer behaviour.

However, CRISIL Research Report indicates a measured normalisation reducing personal loan growth to 15-16%. This is likely to happen amidst RBI caution, asset-quality vulnerability and visible stress in early DPD buckets in the coming fiscal years.

Some of the recent developments in the industry were:

- Rising concerns around household indebtedness and asset quality risks is expected to have a bearing on growth strategies in short tenure unsecured loans.
- Industry has focused on measures related to customer protection, transparent pricing and complaints management which had necessitated process recalibration. Industry players have been proactive to constitute Self-Regulatory Organisations (SRO) and the regulator has granted license to one SRO as well.

## Unsecured Business Loans

The unsecured business loan segment is facing challenges in maintaining asset quality. Lenders may need to adopt a more cautious approach to lending, focussing on risk management and compliance. The growth of the unsecured business loan segment is likely to moderate, with a shift towards more sustainable and balanced growth strategies.

Slowdown in GDP growth, weak performance of companies across multiple industries in FY25 resulted in liquidity constraints resulting in strain on sales and collection. The recent move by RBI in reducing repo rates is expected to infuse liquidity and improve market conditions.

Delinquency rates improved for individual MSMEs, while the Entity segment faced increased portfolio at risk. With over 3.6 crore MSME registrations (30% YoY growth), the sector shows potential for future growth, supported by government initiatives and financial inclusion.

## Consumer Durables (CD)

As per industry reports, India's consumer electronics and appliances sector is projected to become the 5<sup>th</sup> largest in the world by the end of 2025. The sector posted double-digit growth in the year 2024, and is poised for outstanding growth in 2025, driven by launch of new products which are both aspirational and focussed on consumer needs. The growth will also be led by favourable policies like the Production-Linked Incentive (PLI) scheme and multiple

modes of financing available to end consumers. Industry reports point to the Consumer Durables financing market growing at a CAGR of between 20%-25% for the next 5 years.

### Secured Business and Personal Loan (SBPL)

The Indian lending landscape faces a unique challenge: a segment that remains largely untapped despite possessing collateral and repayment capacity. This segment, distinct from regular Loan Against Property (LAP) borrowers, encounters barriers due to financial, geographical, and profile-related norms set by prime LAP lending institutions.

An added challenge to this scenario is that many Indian households live in rural areas where banking services are scarce and inadequate. This creates an unmet demand for financial services and an opportunity for the sector to tap into. India faces high levels of financial exclusion due to factors such as low income, lack of financial literacy, high costs, and poor infrastructure. As a result, many people still rely on informal sources of credit, such as relatives, money lenders, and landlords.

SBPL offers collateral backed business and personal loans based on the credit assessment and cashflow projections of these businesses. Depending on eligibility and type of property, customers may avail loans with significantly smaller ticket sizes at low loan-to-value (LTV).

### BUSINESS ANALYSIS

#### VEHICLE FINANCE (VF)

The Vehicle Finance disbursements during the year were at ₹53,922 crores as against ₹48,348 crores in the previous year with a double-digit growth of 12%. The growth in disbursements was predominantly from the new passenger vehicle segment, which had a growth of 17% over last year followed by used vehicle segment with a growth of 13% and 11% in the new commercial vehicle segment. Assets Under Management (AUM) for the business grew by 20% to ₹1,01,257 crores in FY25 compared to ₹84,498 crores in FY24. The PBT during the year was ₹2,824 crores as against ₹2,532 crores in the previous year with a growth of 12%. The stage 3 assets were at 3.52% in FY25 compared to 3.02% in FY24 due to the sluggishness in market with respect to cash flows.

The Vehicle Finance business will continue to maintain a balanced mix of used and new vehicle loans to maintain marginal yields. The expected decrease in borrowing rates will augur well to improve net income margins (NIM) in this segment as this is a fixed rate lending model.

The credit ecosystem will be further reinforced with revamped, templated underwriting models and the use of alternate data to strengthen credit rule engines with the sole objective of reducing delinquencies at micro-cluster levels.

The VF business will benefit from its expansions in Tier 4 & Tier 5 markets over the years which will de-risk business concentration and enable last mile coverage for customer acquisition and collections. The business will realign its organisational structure

with strategic business objectives to drive efficiency & effectiveness to handle higher volume growth.

The business will focus on increasing its existing customer base through pre-approved loan offers using technology-based communication and social media platforms.

The business will design and implement GenAI solutions across value streams in various processes and expand its digital footprint for personalised collection activities at customer level which will further improve collection efficiencies.

#### LOAN AGAINST PROPERTY (LAP)

LAP business has achieved ₹17,913 crores of disbursements in FY25, which is 32% higher than FY24 disbursements. The AUM for business grew by 39% to ₹41,439 crores in FY25 compared to ₹29,859 crores in FY24.

Pan-India presence and geographical penetration into new markets, introduction of localised credit policy in line with market developments, increased contribution from rural branches have led to this growth. The entire legal process has been automated with the introduction of new Legal Module which will aid in seamless legal processing. Collateral Management System (CMS) has been developed to track all the properties mortgaged and will act as a single repository.

LAP is one of the major sources of funding for the MSME community in India. LAP business is an active contributor to MSME growth by way of lending to them for business expansion and working capital requirements. 97% of LAP disbursements in FY25 is towards Self Employed Non-Professionals (SENP) community.

As of FY25, LAP business has 630 branches in rural locations, which is 81% of total LAP branches across India. In FY25, LAP business has disbursed ₹6,809 crores in rural locations, amounting to 38% of total disbursements.

The business continues to focus on a systematic approach to build a healthy portfolio mix, with more than 77% of the portfolio being residential properties and an average loan ticket size of less than ₹51 lakhs.

The asset quality of this business has shown steady improvement with the net credit losses and Stage 3 assets coming down significantly with consistent improvement in collection efficiency. Stage 3 assets of LAP business stand at 2.02% as of March 2025 compared to 2.43% as of March 2024.

#### HOME LOANS (HL)

As of 31 March, 2025, the HL business had 1.5 lakh+ live accounts (39% growth YoY) with an AUM of ₹18,427 crores (37% growth YoY). The portfolio is from Tier II, III, IV cities and towns. The disbursements grew 16% Y-o-Y from ₹6,362 crores in FY24 to ₹7,404 crores in FY25. The target group remains the lower middle income group customer. The average ticket size is ₹13.2 lakhs with an average LTV of 49%. 89% of the portfolio comprises business owners with semi-formal income and significant business vintage and 21% of customers are first time borrowers. The HL business leverages

Chola's strength in reaching out and underwriting lower and middle-income borrowers across the country, penetrating to the smallest villages and towns. Chola offers loans for self-construction, purchase of new flats/independent houses, purchase of pre-owned flats/independent houses, balance transfer from other financiers, mortgage of existing houses for business use and shop loans.

Chola enjoys a significant presence in Tier II, III, IV towns and cities. The business has been strengthening the channel partner network in order to reach out to more customers. Chola Home Loans now has pan-India presence subsequent to the expansion in last financial year in Uttar Pradesh, Bihar, West Bengal, Orissa, Assam, Jharkhand and also expanded the branch network further in states previously operational. Home loans are serviced through 735 touchpoints across 22 states.

Chola continues to build a strong ecosystem of channel partners, coupled with its digital offerings for customer service and onboarding, making it a trustworthy choice for customers pan-India.

### CONSUMER & SMALL ENTERPRISE LOAN (CSEL)

As of 31 March, 2025, the CSEL business has been serving close to 14 lakh customers with an AUM close to ₹14,600 crores with 16% mix in the fintech partnership. Chola intends to exit the fintech partnership business in FY26.

The CSEL business has expanded across the country covering 25 states and 4 union territories with over 200+ area offices. The business has 500+ channel partners and a strong frontline team across the country in order to achieve efficient market coverage and best in class customer service.

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

#### Key Differentiators:

1. Quick loan processing facilitated by a seamless end-to-end digital process.
2. Tie-ups with 500+ channel partners and a strong front-line team.
3. Multiple products and programmes to cover customers of different segments.
4. Pan-India presence in 800+ locations.

### CONSUMER DURABLES LOAN (CD)

The CD lending business was launched in FY24 through a tie up with a leading mobile phone manufacturer. In FY25, the business expanded to cover 22 states across 54,000 dealers and increased its market share. In late FY25, the business also launched the Open Market consumer durables financing through direct associations with other OEMs and onboarded customers through a dedicated platform.

### DIRECT TO CUSTOMER (D2C)

To target digitally savvy customers, Chola had introduced Direct to Customer (D2C) channel, to disburse loans directly to existing and new customers without any intermediaries. The business commenced in Q4 of FY23 through the Chola One app by disbursing personal loans and is currently focussed on a pre-approved loan journey servicing the existing customer base of other businesses.

There is a deep focus on continuous improvement of digital processes and customer experience, and with these as foundational pillars, the business verticals will strive to move ahead steadily with adherence to regulatory compliance, in a rapidly evolving market.

### SMALL AND MEDIUM ENTERPRISES LOAN (SME)

As of 31 March, 2025, the SME business has around 9,200 MSME customers with an AUM of ₹6,628 crores. The business has expanded across the country, covering 20 states with over 94 branches. The business has entered into strategic partnerships with more than 18 OEMs and 8 leading fintech companies to drive greater financial inclusion in the market.

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

**Product & Customer Segment:** The SME business focusses on the following product segments:

- Secured Term loan: Secured Term Loans as offered to formal SME segment with loan amounts ranging from ₹50 lakhs to ₹15 crores, backed by land & building as primary collateral. The business has further expanded to smaller ticket size loan i.e., Micro Term loan with ticket size ranging from ₹20 lakhs to ₹1 crore. End use of loan is usually for capacity expansion, branch expansion and long-term working capital requirements. Assessment is done basis audited financial statements, GST returns, banking behaviour and positive cash flow from operations with average LTV ranging from 60% to 70% of the estimated market value of the property.
- Equipment funding: These are short-term loans provided to MSME clients against hypothecation of machinery with key targeted market segments including machine tools, plastic and packaging, textiles, medical equipment, DG sets and printing industries. Chola collaborates with a select group of top OEMs in the industry to offer equipment funding facility. Assessment is done basis audited financial statements, viability of the machine, GST returns, banking conduct, with LTV offered ranging from 65% to 75% depending on the machine categorisation, OEM tie-ups and marketability of the asset.
- Vendor Invoice discounting and Channel finance: Major growth drivers for the Indian supply chain finance market include the increasing demand for working capital financing and growing adoption of digital technologies. These solutions provide short-term revolving credit facility of up to 90 days tenure with sanctions valid for one year backed by invoices to vendors or

dealers. This is largely based on anchor tie up with mid and large corporates by way of a Memorandum of Understanding (MOU). Chola intends to boost MSME's access to working capital funds through these alliances and direct channels.

- **Loan Against Securities:** Loan against securities offers loans to retail and HNI investors and promoters against the pledge of securities and mutual fund units.

### SECURED BUSINESS AND PERSONAL LOAN (SBPL)

As of 31 March, 2025, the SBPL business had crossed 62,000 live accounts with an AUM of ₹2,422 crores. The average ticket size is around ₹4.30 lakhs with an average tenure of 6 years. SBPL vertical is currently being distributed across 330+ branches spanning 11 states; however, the business plans to expand to 413 branches by the end of FY26, with preliminary focus on Tier 3 to Tier 6 cities. This business has digitised the entire customer loan journey for a hassle-free experience.

Key differentiators include personalised doorstep service to customers, a unique assessed income program for business owners, a transparent end-to-end digital process and customised products focussing on new-to-credit customers.

### ASSET LIABILITY MANAGEMENT (ALM)

The first half of FY25 was low on momentum of economic activity due to the general elections in Q1 and monsoons in Q2 extending into Q3. GDP growth dipped in Q3 to 5.4%. This was the lowest in seven quarters. Liquidity was in deep deficit in Q3, and the credit-deposit ratio was uncomfortably high in the economy. This led to a deposit drive by banks and a considerable slowing of credit growth. Though core inflation was stable, food inflation continued to hover at high levels for much of FY25. It was in Q4 that the RBI announced many measures to inject liquidity, including open market operations, buy/sell swap of dollars, reduction of CRR and repo auctions. Due to these measures, liquidity turned surplus in March 2025.

The rupee depreciated to new lows, owing to capital flight in India. The RBI allowed the rupee to fall below ₹87 in February 2025, since stemming the fall would have impacted liquidity. In keeping the balance between growth and inflation, RBI leaned towards giving stimulus to growth over keeping inflation under check. Towards this end, RBI announced a much-awaited rate reduction of 25 bps. The regulatory intervention by RBI in FY24 on bank credit to NBFCs, by way of higher risk weights was reversed, giving a further impetus to growth.

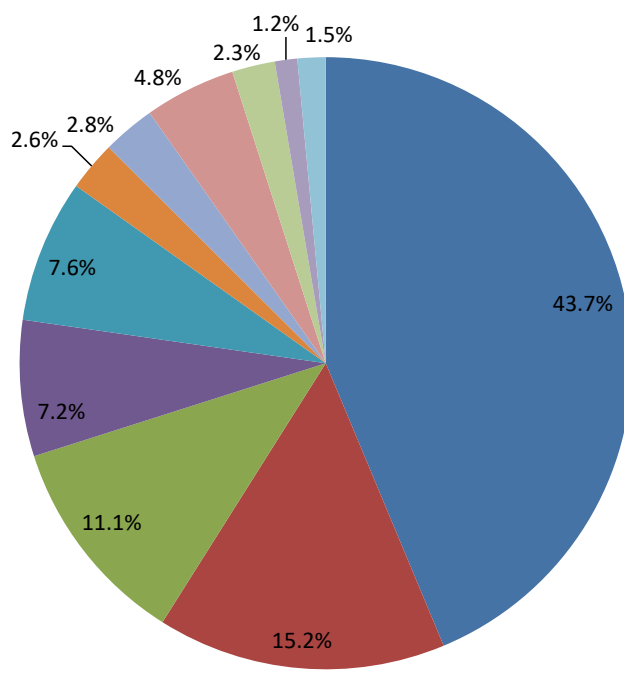
Q4 FY25 was volatile for developed and emerging economies on account of tariff wars triggered by the new Government that assumed office in the US. As the US trade deficit widened, the dollar fell against developed and emerging markets and resulted in a meltdown of the global bond markets. Since India's exports to the US is not significant, the outlook remains positive for growth, inflation, liquidity and interest rate.

The Company ensured that the liquidity risk and interest rate risk were mitigated by ensuring a pipeline of fund availability through broad basing of sources of funds, bringing in new investors and

lenders. ALM was managed by borrowing an appropriate mix of long-term and short-term borrowings. Years of strong relationship with lenders, investors and intermediaries enabled the Company to meet its borrowing plan and manage the cost of funds.

### RESOURCES & TREASURY

During the year, the Company raised funds from banks/financial institutions and from money markets to support the growth of its businesses at competitive interest rates without compromising the right mix of long and short-term borrowings, thereby maintaining a healthy asset liability position. The borrowing profile as at 31 March, 2025, is given below:



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



## BANK BORROWING

In FY25, the Company mobilised ₹ 49,415 crores (net) of medium-term loans & ECB and ₹ 1,900 crores (net) as working capital/cash credit/short-term loan facilities from banks. The Company continued getting support for its money market issuances from banks through subscription of Commercial Papers (CPs) and Non-Convertible Debentures (NCDs), and for Securitisation through investment in Pass Through Certificates (PTC). The Company continued to enjoy the steadfast support of the lending banks and the strong relationship helped manage the borrowing plan for FY25.

## MARKET BORROWING

During FY25, the Company raised CP of ₹ 13,200 crores of which ₹9,175 crores were repaid in FY25. CP outstanding as at the end of the year was ₹ 4,025 crores. Medium and long-term secured NCDs to the tune of ₹ 10,336 crores by private placement were mobilised at competitive rates. At the end of FY25, outstanding NCD stood at ₹ 22,989 crores (₹ 18,569 crores through private placement, ₹ 4,420 crores through public placement) and Compulsorily Convertible Debentures (CCD) at ₹ 2,000 crores.

The Tier II borrowings raised during the year was ₹ 1,000 crores of perpetual debt and ₹ 4,760 crores of subordinated debt. As at the end of FY25, Tier II borrowings stood at ₹ 10,621 crores.

## MOVEMENT IN INTEREST COST

During the year, the availability of funds and the cost of funds spurted. The Company managed the interest cost by optimising on the mix of marginal borrowings.

As a percentage of average borrowings, interest cost stood at 8.0% in FY25 as compared to 7.9% in FY24.

## CAPITAL ADEQUACY RATIO (CAR)

As at the end of FY25, the capital adequacy ratio stood at 19.75% (Tier I: 14.41% and Tier II: 5.34%).

## INVESTMENTS

The Company's investments of ₹6,390 crores include investments in G-Sec of ₹ 3,375 crores, investments in treasury bill of ₹ 1,721 crores, investments in GSTRIPS of ₹ 772 crores, investments in subsidiaries, joint ventures and associates of ₹ 522 crores.

## FINANCIAL REVIEW

The Company's aggregate disbursements grew by 14% from ₹88,725 crores in FY24 to ₹ 1,00,869 crores in FY25. The AUM of the Company grew by 30% (YoY) and the growth of on-balance sheet assets was 26%. The business AUM (including on book and assigned net of provisions) in FY25 grew by 27% and stood at ₹ 1,84,746 crores in FY25 as against ₹ 1,45,572 crores in FY24.

## HUMAN RESOURCES (HR)

Human Resource function at Chola continued to evolve as a strategic enabler of growth, transformation, and organisational agility. In the last financial year, HR played a central role in supporting the Company through a period of significant business

shifts – anchored in structural re-alignment, the launch of new businesses and building future-ready capabilities.

Together, these initiatives reflect HR's commitment to not just enabling performance but nurturing purpose and potential – positioning Chola for sustainable success in the years to come.

### Organisation restructuring:

This financial year marked a pivotal change in HR leadership with the onboarding of a new Chief Human Resources Officer (CHRO), tasked with driving transformational initiatives across the organisation. Another notable leadership addition was the appointment of Chief Business Officer for the Consumer and Small Enterprise Loans (CSEL) business.

This financial year was a defining period for Chola, characterised by significant leadership transitions and structural evolution. To align with the evolving organisational design, C-suite roles were formalised, and the grade nomenclature across the organisation was restructured. This initiative aimed to enhance clarity in roles and responsibilities, improve organisational efficiency, and foster a more streamlined and agile leadership structure, ultimately supporting strategic growth and operational effectiveness.

The Vehicle Finance business underwent a strategic reimagination, while a new business vertical, Consumer Durables, was carved out from the Consumer and Small Enterprise Loans (CSEL) business to drive sharper focus and accountability.

### Talent Attraction:

Chola significantly expanded its workforce by 10,872 net additions across its various entities, reflecting accelerated recruitment aligned with its business growth and bringing the total workforce close to 65,000. This surge in talent acquisition supports the Company's strategic expansion and operational scaling.

### Diversity and Inclusion:

Chola strengthened its commitment to diversity, equity, and inclusion with the launch of Sheleads, a dedicated initiative to empower women within the organisation. The "Spotlight Women of Chola" series was a key element, showcasing the journeys and achievements of female colleagues and elevating their voices across the Company. This platform has increased both internal and external recognition of Chola's inclusive culture, serving as a strategic tool to attract more women professionals and reinforce the Company's focus on gender diversity.

Collaborating with business leaders, Chola identified women-centric roles across multiple functions to provide targeted opportunities for female talent. Exclusive women-only walk-in recruitment drives were piloted across all zones, underscoring Chola's commitment to expanding diversity and creating pathways for women to succeed.

The inauguration of the first Women Empowered branch in Mawlai, Meghalaya, on 11 February, 2025, marked a significant milestone in advancing the Company's mission to support women at all organisational levels.

These initiatives are integral to embedding inclusion into Chola's core business strategy and cultivating a workplace where everyone can thrive.

#### **Talent Development:**

During FY 2024–25, the Learning & Development (L&D) function played a strategic role in enabling business performance and employee development through targeted, high-impact initiatives. All interventions were closely aligned with business objectives, focussing on capability building at scale and equipping the Company's workforce for the future.

**Product and Process Training for Frontline Executives** - Chola prioritised enhancing the functional expertise of the Company's frontline teams through structured product and process training. These sessions were designed to strengthen product knowledge, streamline operational workflows, and drive overall process efficiency.

**Digital Adoption Training Programs** - To accelerate the organisation's digital journey, L&D implemented specialised programs aimed at improving digital fluency. These initiatives enabled employees to confidently adopt and utilise new digital tools, contributing to increased productivity and seamless business execution.

**Performance Booster Training Programs for Frontline Executives** - In pursuit of operational excellence, performance-focussed training interventions were introduced to address identified gaps. These sessions provided practical strategies and actionable tools, equipping executives to enhance productivity and achieve performance goals.

**Profitability Maximisation Training Programs** - To strengthen financial acumen and drive business outcomes, SBU-specific training modules were conducted. These programs focussed on educating employees on key profitability levers and empowering them to optimise Profit Before Tax (PBT) within their respective markets.

**Leadership Development Programs** - A series of targeted leadership initiatives were rolled out to build future-ready leaders. These programs focussed on strengthening core leadership capabilities, fostering succession readiness, and building a strong leadership pipeline across the organisation.

**Technical Skill Building Training Initiatives** - Chola launched structured technical upskilling initiatives and these included training in emerging technologies and agile methodologies, with strong participation from Business Enabler functions, underscoring Chola's commitment to a tech-enabled future.

**Customer Reiteration Training** - To elevate customer experience, training interventions were delivered across business verticals with a focus on resolution speed and service excellence. These programs empowered frontline executives to proactively resolve issues and deliver consistent customer satisfaction.

**Digital Regulatory & Compliance Modules** - To reinforce the Company's governance standards, a suite of interactive, self-paced digital modules was launched. Covering essential areas such as KYC & AML, POSH, Fair Practice Code, and Cybersecurity, these modules ensured widespread awareness and compliance readiness across the workforce.

These initiatives reflect the Company's commitment to continuous learning and excellence, positioning the organisation for sustained success in a dynamic environment.

#### **Fostering a Culture of Care and Connection:**

Chola's people strategy is centred on fostering a culture of care, connection, and continuous learning. The "Leader as a Sculptor" initiative empowered leaders to reflect on their roles, invest in team development, and nurture future talent. Mental well-being was addressed through programs like "Paralysis to Power," while team spirit was strengthened via "Sweet Karam Koffee" sessions and festive celebrations featuring creative, game-based, and cultural activities. Monthly themes inspired by core values encouraged participation in fitness and mindfulness challenges. Employee achievements in sports and arts were highlighted through "Chola Got Talent," and the "Harvest" platform facilitated knowledge sharing within the HR community. Together, these initiatives deepened employee engagement and helped create a vibrant, inclusive workplace.

Chola continued its commitment to holistic development by launching Inner Engineering, a transformative initiative designed to enhance emotional resilience, self-awareness, and inner balance. In partnership with Isha Yoga, more than 2,700 employees successfully completed the Inner Engineering program in FY25. This initiative has not only supported individual growth and mental wellness but has also fostered a culture of mindfulness, empathy, and purpose throughout the organisation, strengthening team cohesion and overall workplace wellbeing.

### **TECHNOLOGY INITIATIVES**

#### **Digital at the Core**

The technology landscape is undergoing a tectonic shift with GenAI being the foremost driver of this change. Advancements like GenAI have far reaching impact across the different constituents of the business – customers, lines of business, enabling functions, and digital technology function. In parallel, with the rapid expansion and adoption of Digital Public Infrastructure (DPI), the lending technology arena is further altered by the efforts of ecosystem players, government, and regulators.

As a result of these initiatives coupled with launch of ULI – a platform for delivery of frictionless credit – technology is becoming central to organisation's objective of customer-centricity, focussed product launches, and optimised processes across the entire lending value chain. Reflecting on this shift, Chola has been on a rapid journey transforming a company that leverages technology to digitise its business processes into one that is fundamentally driven by digital innovation.

Chola One and Gaadi Bazaar – Chola's key customer facing and vehicle ecosystem related platforms are being continuously enhanced to deliver more personalised, contextual, and efficient customer experiences. Chola One continues to serve as the integrated digital solution for customers providing loan origination, repayment and other seamless servicing options. Similarly, Gaadi Bazaar, provides a broad array of functionality to support dealers & broker partners to utilise features such as buy and sell vehicles, participate in vehicle auctions, and avail ecosystem specific capabilities for dealers like trade advance.

A two-pronged approach of using both in-house-developed and best-of-breed off-the-shelf solutions has been adopted to deliver a combination of agility and control across different systems of engagement and records. In areas where agility is key, Chola has adopted an in-house approach for better flexibility and improved responsiveness while tapping the best industry-wide practices and controls available in off-the-shelf applications. Chola also believes that software development lifecycles will transform radically with usage of GenAI assisted code development, code review, testing, documentation, and modernisation. Similarly, from an infrastructure perspective, the Company adopts a hybrid cloud approach to balance the multiple objectives of time-to-market, scalable compute, vendor & provider agnostic design, and cost-effective innovation.

As organisations become increasingly data-driven, access to quality information in a timely manner is critical for organisations to take judicious decisions. Chola's enterprise data platform is an initiative to achieve that objective to democratise and make quality data available, with appropriate access control, for analysis and decision making across different business and functions.

Cyber guardrails continue to be a core area of activity to ensure infrastructure reliability, service continuity, and data integrity are maintained. Here again, optimal mix on internal talent and external cyber domain experts are engaged to manage and mitigate risk across the entire digital landscape. The objective here is to have clear operational visibility and control across the endpoint, network, application, data, and server layers. At the same time, Chola maintains an unwavering focus on regulatory compliance and data privacy by continuously adapting tools & practices to align with evolving data protection laws and ensure responsible handling of customer information across the layers.

The near-term goal is to embed innovation and digital thinking at the heart of everything we do. By nurturing a digital workforce with future-relevant skills and designing intelligent scalable purpose-built solutions, Chola aims to unlock sustained business growth using technology.

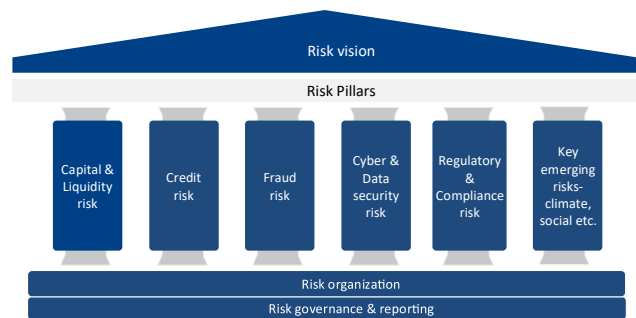
## RISK MANAGEMENT

The risk management process of the Company is driven by a strong organisational culture and sound operating procedures involving corporate values, attitudes, competencies, internal control culture, effective internal reporting and contingency planning.

The risk governance structure is as below:



The Company's Enterprise Risk Management strategy comprehensively covers the following aspects of risk:



The risks associated with the Company's business and scale of operations are strategic, financial, operational, reputation, compliance, liquidity & capital, cyber security, credit, fraud, people, market, emerging risks and others. The process for management of such risks broadly comprises the following steps:

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

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

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

Key Performance Indicators (KPIs) provide insight into the status of operational processes to evaluate operational weaknesses,

failures, and potential loss. Escalation triggers provide alerts when risk levels approach or exceed thresholds or limits and prompt mitigation plans.

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

Business process mappings identify the key steps in business processes, activities, and functions. The key risk points in the overall business process are documented. Process maps reveal individual risks, risk interdependencies, and areas of control.

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

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

### CREDIT RISK

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

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

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

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

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

### OPERATIONAL RISK

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

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

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

### IT AND CYBER RISKS

The Company's risk management strategy focusses on identifying, assessing, and mitigating risks associated with information technology and cybersecurity.

Continuous monitoring and identification of potential IT and cyber threats, including data breaches, malware, phishing attacks, and system vulnerabilities by conducting regular risk assessments helps prioritise risks based on their potential impact and likelihood.

Firewalls, encryption, multi-factor authentication, regular software updates and documented response plan ensures readiness to contain and remediate any security incidents with minimum potential damage.

The Company thus aims to protect the critical information assets, maintain stakeholder trust and ensure support to the long-term business objectives.

### FRAUD RISK

To mitigate fraud risks, stringent internal controls, thorough background checks and a culture of integrity and transparency are adopted as sine qua non for Company's work ethics. The fraud prevention measures include employee training programs, fraud detection systems, and regular audits.

Whistleblower policy and its awareness through periodic trainings/ mailers ensure swift action to investigate and address any suspected fraud, minimising potential damage.

### COMPLIANCE RISK

Compliance risk is the risk of legal or regulatory breaches, material financial loss or loss of reputation the Company may suffer, as a result of its failure to comply with laws, regulations, rules and codes of conduct, etc. The Company has processes and controls in place to ensure compliance with the regulatory framework prescribed by the Reserve Bank of India (RBI), SEBI and other relevant authorities.

The Company follows a robust process for timely dissemination of regulatory updates to all relevant stakeholders and implementation of the same. In the day-to-day operations, the Company adopts



the three lines of defense model with well-defined roles and responsibilities for managing the compliance risk in the Company. The first line of defense lies with businesses who are primarily responsible for ensuring the implementation of regulations. The second line of defense lies with Compliance and Risk function, who are responsible for identification assessment and mitigation of compliance risk. The Compliance function identifies the compliance risk, disseminate and monitor the same and ensures robust compliance culture is established across the organization. The Risk Management function assesses and monitors all material risks at enterprise level, including inherent compliance risk and ensures effectiveness of key controls in place to mitigate the same. The third line of defense is the Internal Audit function which provides an independent assurance of the adequacy of the compliance framework in place. Additionally, a comprehensive Compliance Testing Programme is carried out periodically to evaluate adherence to critical regulatory requirements.

### FINANCIAL RISK

Financial risk refers to the potential for a company to experience losses due to various factors such as market fluctuations, credit defaults, or operational failures. It encompasses several types, including credit risk, market risk, and operational risk. The Company undertakes specific focus for effective management of financial risk by identifying potential threats, assessing their impact, and implementing strategies to mitigate them and the risks are graded based on financial impact of the risk event. Escalations and remedial actions are aligned with severity of risk grading to ensure minimum impact.

### LIQUIDITY RISK

Liquidity risk is the risk that a company will not be able to meet its short-term financial obligations due to an inability to convert assets into cash quickly without incurring significant losses. This can arise from market liquidity issues or funding liquidity constraints. The Company ensures proper liquidity risk by maintaining sufficient cash reserves and keeping access to credit to meet its operational and financial commitments. The risk metrics are monitored keeping in view the coming time periods so that there is sufficient leg room to plan course corrections prior to actual occurrence of a liquidity risk event.

### REPUTATION RISK

Reputational risk refers to the potential for negative publicity, public perception, or uncontrollable events to adversely impact a company's reputation, thereby affecting its revenue and market value. This risk can arise from various sources, including the actions of the Company, its employees, or external parties. Good governance practices, transparency, and social responsibility, mechanisms for prompt damage control, measures are undertaken to prevent/mitigate impact of events. The Company focusses on abiding by Murugappa Five Lights and extends its surveillance to cover all forums from where such an impact could come.

## RISK GOVERNANCE AND REPORTING

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

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

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

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

### RISK APPETITE AND STRATEGY

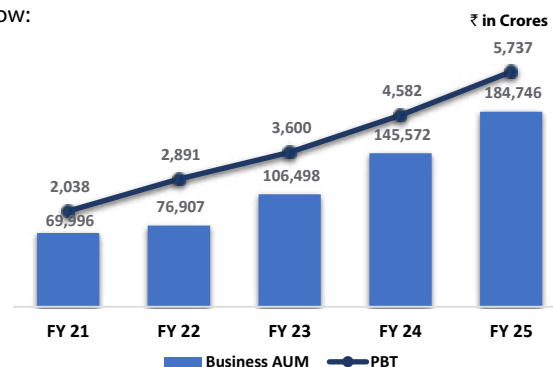
The Board approved Risk Appetite Statement addresses the following key elements:

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

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

## RESULT OF OPERATIONS

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



**STATEMENT OF PROFIT & LOSS**

₹ in Crores

Particulars	Mar-24	Mar-25	Growth %
Disbursements	88,725	1,00,869	14%
Income	19,216	26,055	36%
Cost of Funds	-9,231	-12,485	35%
Net Margin	9,986	13,570	36%
Operating Expenses	-4,082	-5,339	31%
Provisions and Losses	-1,322	-2,494	89%
Profit Before Tax (PBT)	4,582	5,737	25%
Current and Deferred Tax	-1,159	-1,478	28%
Profit After Tax (PAT)	3,423	4,259	24%

**BALANCE SHEET**

₹ in Crores

Particulars	Mar-24	Mar-25	Growth %
<b>Assets</b>			
Business Assets	1,44,424	1,81,930	26%
Cash & Bank Balances	4,320	9,401	118%
Other Liquid Assets	3,578	5,869	64%
Other Assets	4,129	4,448	8%
<b>TOTAL</b>	<b>1,56,451</b>	<b>2,01,648</b>	<b>29%</b>
<b>Liabilities</b>			
Net worth	19,556	23,627	21%
Borrowings	1,10,692	1,48,280	34%
Securitisation	23,782	26,667	12%
Other Liabilities	2,421	3,074	27%
<b>TOTAL</b>	<b>1,56,451</b>	<b>2,01,648</b>	<b>29%</b>

**KEY OPERATING MEASURES**

Particulars	Mar-24	Mar-25	Change*
Net Income Margin	7.5%	7.7%	0.2%
Operating Expenses to Assets	-3.1%	-3.0%	0.1%
Return on Total Assets - PAT	2.6%	2.4%	-0.2%
Return on Equity - PAT	20.6%	19.8%	-0.8%
Profit Before Tax to Income	23.8%	22.0%	-1.8%
Total Assets under Management – ₹ in crores	1,53,718	1,99,876	30%
Gross Stage 3 Assets	2.5%	2.8%	0.3%
Stage 3 (Net off ECL) Assets	1.3%	1.6%	0.2%
Provision Coverage	46.5%	45.3%	-1.2%
Earnings Per Share - Basic in ₹	41.2	50.7	23%
Book Value Per share	232.6	281.0	21%
Price to Book Ratio (no. of times)	5.0	5.4	9%
Market Capitalisation – ₹ in crores	97,227	1,27,785	32%
CAR	18.6%	19.7%	1.2%

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

**CONSOLIDATED RESULTS**

The consolidated profit after tax for the year under review was ₹ 4,462.72 crores, as against ₹ 3,420.05 crores in FY24.

On behalf of the Board

Place : Chennai  
Date : 25 April, 2025

**Vellayan Subbiah**  
Executive Chairman

# Report on Corporate Governance

Corporate Governance is about creating value for all stakeholders of the organisation in a sustained manner by following legal and ethical means. It refers to a system, rules, practices and processes by which a company is guided and managed. It involves balancing the interests of the company's stakeholders, including shareholders, management, customers, suppliers, regulators and the community at large. Effective corporate governance promotes transparency, ethical behaviour, and responsible decision-making, which is essential for fostering a culture of accountability and achieving long-term business success.

## CORPORATE GOVERNANCE PHILOSOPHY

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

The Board, senior management recognise that governance expectations are constantly evolving and is committed to maintaining standards of transparency and dissemination of information under continuous review to meet both letter and spirit of the law and its own demanding levels of business ethics.

The Company believes that sound corporate governance practices are crucial to the smooth and efficient operation of a company, its ability to attract investment, protect the rights of its stakeholders and provide shareholder value. Everything the Company does is defined and conditioned by the high standards of governance, which serve its values. The Company firmly believes in and follows the below principle:

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

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

- Adhere to corporate governance standards beyond the letter of law;
- Maintain high degree of transparency and disclosures;

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

## BOARD OF DIRECTORS

The corporate governance practices of the Company ensure that the Board of Directors ("the Board") remain informed, independent and involved in the Company and that there are ongoing efforts towards better governance to mitigate "non-business" risks.

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

The Board is committed in representing the long-term interests of the stakeholders and in providing effective governance over the Company's affairs and exercise reasonable business judgment on the affairs of the Company. The day-to-day affairs of the Company is managed by the Managing Director (MD) and an experienced competent management team, under the overall supervision of the Executive Chairman and the Board. The Company has in place an appropriate risk management framework covering various risks that the Company is exposed to, including fraud risks, which are discussed and reviewed by the management on an ongoing basis and by the Audit Committee, Risk Management Committee, Special Committee of the Board for monitoring and follow-up of cases of fraud and the Board every quarter.

## Composition

The Board has been constituted in a manner as per Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Companies Act, 2013 ("the Act") and Reserve Bank of India (Non-Banking Financial

Company - Scale Based Regulation) Directions, 2023 (RBI Scale Based Regulations). and the Companies Act, 2013 ("the Act"). The Board has a mix of executive / non-executive and Independent Directors, including a Woman Independent Director to ensure proper governance and management.

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

### Core Skills / Expertise / Competencies

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

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

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

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

### Formal induction and familiarisation programme for directors

The Company's Independent Directors are eminent professionals with several decades of experience in banking and financial services industry, technology, finance, governance, risk management, analytics, strategy, marketing and management areas and are fully conversant and familiar with the business of the Company. The Company has an ongoing familiarisation programme for all Directors with regard to their roles, duties, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc. The programme is embedded in the regular meeting agenda where alongside the review of operations, information on the industry, competition and Company strategy are presented and deliberated on a quarterly basis. The details of the familiarisation programme attended by Directors are available on the website of the Company (weblink: <https://www.cholamandalam.com/files/familiarisation-programme-2025>).

A structured process is followed by the Company for induction of a Director. The Director is made familiar about the group structure, Company structure, its subsidiaries, applicable regulations, various committees of the Company and its terms of reference and Company policies. The Director is explained in detail the compliances required of him / her under the Act, the Listing/RBI Regulations and other relevant Regulations and his / her affirmation is taken for the same. The Director gets inducted into the businesses and functions of the Company. The Chief Business Officers and functional heads make a presentation about their business/ functional structure and products/responsibilities respectively. At the time of induction of a Director, a formal invitation is sent out along with a brief introduction about the Company. A copy of the Company's latest annual report and the schedule of the upcoming Board / Committee meetings for the calendar year are forwarded to the Director.

Additionally, the Company's Code of Conduct which *inter-alia* lays down the values and beliefs of the Company, functions, duties, and responsibilities as a Director of the Company, including the duties of Independent Directors in terms of the Act is given to the Director at the time of joining and on an annual basis. Further, a detailed quarterly discussion and presentation on review of operations of the Company and the regulatory updates impacting the business is undertaken which helps the Director familiarise himself / herself with the Company, its business, and the regulatory framework in which the Company operates. The details of Directors as of 31 March, 2025, including the details of their other Board Directorship and Committee Membership reckoned in line with



Regulation 26 of the Listing Regulations and the Act as well as their shareholdings are given below:

Name of the director	Executive / Non-executive / Independent / Promoter	No. of directorship including Chola* (Out of which as chairman)	No. of shares held in the company	No. of board committee membership including Chola** (Out of which as chairman)
Mr. Vellayan Subbiah	Non-Executive / Promoter Director/ Chairman®	13 (3)	Nil	3 (1)
Mr. N. Ramesh Rajan	Non-Executive / Independent Director	7	Nil	9 (5)
Ms. Bhama Krishnamurthy	Non-Executive / Independent Director	6	Nil	8
Mr. M.A.M. Arunachalam	Non-Executive / Promoter Director	15 (6)	1,65,752	4 (1)
Mr. Anand Kumar	Non-Executive / Independent Director	4	Nil	2
Mr. M R Kumar#	Non-Executive / Independent Director	4 (2)	Nil	2
Mr. Ramkumar Ramamoorthy <sup>§</sup>	Non-Executive / Independent Director	2	Nil	2 (1)
Mr. Ravindra Kumar Kundu	Managing Director	4 (2)	3,08,565	1

\*For the purpose of Directorship / Committee Membership, all public / private companies and section 8 companies have been considered.

\*\*Only Chairmanship / Membership of Audit Committee and Stakeholders' Relationship Committee have been considered.

@Appointed as a Whole-time Director designated as the Executive Chairman with effect from 1 April, 2025.

#Appointed as a Non-Executive Independent Director with effect from 1 May, 2024.

§Appointed as a Non-Executive Independent Director with effect from 26 July, 2024.

The names of the other listed entities where Directors hold directorship as at 31 March, 2025 are given below:

Name of the director	Name of the listed entity	Category of directorship
Mr. Vellayan Subbiah	SRF Limited	Non-Executive Non-Independent Director
	Tube Investments of India Limited	Executive Vice Chairman* / Promoter
	Cholamandalam Financial Holdings Limited	Non-Executive Director / Promoter
	CG Power and Industrial Solutions Limited	Non-Executive Director / Chairman / Promoter
Mr. N. Ramesh Rajan	TTK Healthcare Limited	Non-Executive / Independent Director
	Rane (Madras) Limited	
	Rane Engine Valve Limited	
	Rane Brake Lining Limited	
	ESAB India Limited	
Ms. Bhama Krishnamurthy	Five-Star Business Finance Limited	Non-Executive / Independent Director
	Thirumalai Chemicals Limited	
	Muthoot Microfin Limited	
	Just Dial Limited	
Mr. M.A.M. Arunachalam	Tube Investments of India Limited	Executive Chairman / Promoter
	CG Power and Industrial Solutions Limited	Non-Executive Director / Promoter
	Shanthi Gears Limited	Non-Executive Chairman / Promoter
Mr. Anand Kumar	Tube Investments of India Limited	Non-Executive / Independent Director
	TVS Supply Chain Solutions Limited	Non-Executive / Nominee Director
Mr. M R Kumar	Ambuja Cements Limited	Non-Executive / Nominee Director
	Bank of India	Non-Executive Chairman / Independent Director
	Aurobindo Pharma Limited	Non-Executive Chairman / Independent Director
Mr. Ramkumar Ramamoorthy	Five-Star Business Finance Limited	Non-Executive / Independent Director
Mr. Ravindra Kumar Kundu	-	-

\* Re-designated as Non-Executive Vice Chairman effective 1 April, 2025

In the opinion of the Board, the Independent Directors of the Company fulfill the conditions specified in Listing Regulations, Companies Act, 2013 and RBI Scale Based Regulations and are independent of the management of the Company. All the Board Members, including Independent Directors, have the opportunity and access to interact with the management.

#### Separate meeting of Independent Directors

During the year, in line with the requirement under section 149(8) and schedule IV of the Act, the Independent Directors had a separate meeting on 24 March, 2025 without the presence of non-

Independent Directors and management team. All Independent Directors were present at the meeting.

#### Board Meetings

The Board meets at regular intervals with an annual calendar and a formal schedule of matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. The Board is regularly briefed and updated on the key activities of the business and is provided with comprehensive review and presentations on operations, compliance, risk management system, internal

controls, asset liability management, risk & IT framework, new products, fraud control, quarterly financial statements and other matters concerning the Company. Besides, information about statutory compliances, minutes of all the subsidiary companies and Committees of the Board and information as required under the Listing Regulations and RBI directions are also provided to the Directors on a quarterly basis. The Board at every meeting also reviews the key regulatory changes and its impact on the Company operations between two meetings.

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

The dates of the Board meetings are fixed in advance for the calendar year to enable maximum attendance from Directors. During the year, the Board met five times on 30 April, 2024, 26 July, 2024, 25 October, 2024, 31 January, 2025 and 24 March, 2025.

The Companies Act, 2013 read with the relevant rules made there under and the Listing Regulations, facilitates the participation of a Director in Board / Committee meetings through video conferencing or other audio-visual means. Accordingly, the Company provided the option to Directors to participate in meetings through video conferencing.

The Board periodically reviews the matters required to be placed before it and inter-alia reviews and approves the quarterly financial statements, corporate strategies, business plan, annual budgets, revised estimates and capital expenditures. It monitors the overall performance and reviews other matters which require the Board's attention. The Board also takes on record the declarations and confirmations made by the Managing Director, Chief Financial Officer, and Company Secretary regarding compliances of all laws on a quarterly basis.

#### **Certificate from Company Secretary in Practice**

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

#### **COMMITTEES OF THE BOARD**

The Board has constituted various Committees to support the Board in discharging its responsibilities. The ten Committees of the Board are Audit Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Risk Management Committee, IT Strategy Committee, Business Committee, Special Committee of the Board for Monitoring and Follow-up of cases of Frauds, Review Committee and Customer Service Committee. Besides, the Board has constituted various management committees viz. Asset Liability Management Committee, Customer Service Committee, Identification Committee (pursuant to RBI Master Direction on Treatment of Wilful Defaulters and Large Defaulters), IT Steering Committee & IT Security Committee as per the RBI Master Directions.

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

#### **AUDIT COMMITTEE (AC)**

##### **Terms of Reference**

The Committee acts as a link between the Board, the statutory auditors, and the internal auditors. The role of the Audit Committee includes overseeing the financial reporting process and disclosure of financial information, adequacy of internal financial controls and risk management systems, review and approval of transactions with related parties, findings of internal audits / investigations, whistle blower policy, monitoring the usage of funds from issue proceeds, review the financial statements, in particular, the investments made by the unlisted subsidiary companies, review of usage of loans, advances received, investment in the subsidiaries exceeding ₹ 100 crores or 10% of the asset size of the subsidiary whichever is lower, review of compliance with the provisions of SEBI Prohibition of Insider Trading Regulations. Besides, the Committee recommends the appointment / removal of Chief Compliance Officer, Chief Financial Officer and the joint statutory auditors, the internal auditors and fixing their remuneration and review of the effectiveness of audit process, consider and comment on cost benefits / impact of schemes involving merger and demerger, approval of risk based internal audit plan, review of performance of internal auditor, formulation of quality assurance and improvement program of the internal audit function, review of consolidated position of major risks faced by the organisation, review of pending high and medium risk observations, approving information system (IS) audit policy, reviewing processes and system of internal audit of all outsourced activities.

##### **Composition & Meetings**

As at 31 March, 2025, the Committee comprised of five Non-Executive Directors, all of them being Independent Directors. The Committee comprised of Mr. N. Ramesh Rajan, Independent Director as the Chairman, Ms. Bhama Krishnamurthy, Mr. Anand Kumar, Mr. M R Kumar, Mr. Ramkumar Ramamoorthy as its Members. Mr. Vellayan Subbiah, Executive Chairman, Mr. M.A.M Arunachalam, Non-Executive Director and Mr. Ravindra Kumar Kundu, Managing Director are permanent invitees to the Committee. The Company Secretary acts as the secretary to the Committee.

During the year, the Committee met nine times. All Members of Audit Committee have knowledge of financial management, audit, and accounts. The joint statutory auditors, the internal auditors and senior management are invited to attend the meetings of the Committee. The Company has in place a system for meetings of the Audit Committee Members with the joint statutory auditors and Head – Internal Audit without the presence of Managing Director and management team. The Committee accordingly had one meeting with joint statutory auditors and four meetings with internal auditors during the year.

## NOMINATION AND REMUNERATION COMMITTEE (NRC)

### Terms of Reference

The role of the Committee is to determine the Company's policy on remuneration to Executive Directors and senior management, including periodic increments in salary and implementation of compensation policy of the Company. The Committee is also empowered to determine the annual commission / incentives of the Executive Directors and the minimum remuneration of the Executive Directors in the event of inadequacy of profits besides implementing, remuneration including commission payable to Non-Executive Directors, administering, and monitoring the employee stock option plan / scheme of the Company. The terms of reference inter-alia include to consider and recommend persons who are qualified for Board positions, evaluate Directors' performance prior to recommendation for re-appointments, assess the fit and proper criteria of all the Directors, identify persons who are qualified to be in senior management and recommend their appointments, remuneration payable and removal. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and devising a policy on Board diversity, determine whether to extend or continue the terms of appointment of Independent Director on the basis of the report of performance evaluation. Decisions for selecting a Director is based on the merit, qualification, competency, and the Company's business needs. Such candidates shall be free of conflict of interest that would interfere with their ability to discharge their duties. Further, the Committee shall work with Risk Management Committee to achieve effective alignment between compensation and risks.

### Composition & Meetings

As at 31 March, 2025, the Committee comprised of Mr. Anand Kumar, Independent Director as the Chairman, Mr. Vellayan Subbiah and Mr. N Ramesh Rajan as its Members. The majority of the Members of this Committee are Independent Directors. The Committee had four meetings during the year ended 31 March, 2025.

Mr. M R Kumar, Independent Director was inducted as a Member of the Committee in place of Mr. Vellayan Subbiah with effect from 1 April, 2025 consequent to Mr. Vellayan Subbiah's appointment as the Whole Time Director designated as Executive Chairman.

## REMUNERATION OF DIRECTORS

### Remuneration Policy

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

The elements of compensation of Executive Directors comprise a fixed component and performance incentive. The compensation is determined based on the level of responsibility and scales prevailing in the industry. Executive Directors are not paid sitting fees for any Board/Committee meetings attended by them. Executive Directors (not being a Promoter) are eligible to receive employee stock options. The Company ensures that the

compensation to Executive Directors is within the scale approved by the Board and shareholders. The Board upon recommendation of the NRC, may decide the quantum/portion of variable pay (cash and non-cash components) that will be subject to deferral based on the time horizon of the risks. Claw back provisions for deferred variable pay including cancellation of vested and unexercised ESOPs may be invoked by the Board based on the recommendation of NRC as per policy. The remuneration policy is posted on the Company's website ([weblink: https://www.cholamandalam.com/files/remuneration-policy-2025](https://www.cholamandalam.com/files/remuneration-policy-2025))

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

The sum is reviewed periodically taking into consideration of various factors such as performance of the Company, industry standards, time devoted by each of the Directors in attending to the affairs and business of the Company and the extent of responsibilities cast on the Directors under various laws and other relevant factors. The Chairman of the Board and Audit Committee are paid differential commission in view of their enhanced role on the Board/ Committees. The Non-Executive Directors are also paid sitting fees subject to the statutory ceiling for all Board and Committee meetings attended by them.

### Criteria for Board Nomination

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

### Criteria for appointment in senior management

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

### Performance Evaluation

In terms of the provisions of the Act and the Listing Regulations, the Board carries out an annual performance evaluation of its own performance. The Directors individually including the MD carry out a self as well as a peer evaluation. Individual Committees carry out an evaluation of the working of the Committees. The performance

evaluation of the Independent Directors is carried out by the entire Board. The performance evaluation of non-Independent Directors is carried out by the Independent Directors at their separate meeting held during the year. Chairman of the Board anchors the sessions on self, peer, Committee, and Board effectiveness evaluations. Chairman of the Nomination and Remuneration Committee anchors the session on Chairman evaluation.

The Managing Director's evaluation is carried out based on leadership qualities, strategic planning, communication,

engagement with the Board etc. The Board evaluation process is completely conducted internally in a secured digital mode.

#### Policy on Board diversity

The Nomination and Remuneration Committee has devised a policy on Board diversity which sets out the approach to diversity on the Board of the Company. The policy provides for having a truly diverse Board, comprising of appropriately qualified people with a broad range of experience relevant to the business of the Company.

#### Remuneration of Managing Director

Details of the remuneration of the Managing Director for the year ended 31 March, 2025 are as follows:

₹ in crores

Name of the Director	Salary	Allowance	Incentive (provisional)	Perquisites & Contributions	Total
Mr. Ravindra Kumar Kundu	2.23	1.76	1.84	0.64	6.47

#### Note:

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

**Stock Options:** During the year, no grants were issued to Mr. Ravindra Kumar Kundu, Managing Director. The details of ESOPs granted earlier to him is as below:

Particulars	ESOP Scheme 2007			ESOP Scheme 2016			
	30 July 2007	25 January 2008	27 January 2011	25 January 2017	30 January 2018	7 May 2021	24 September 2022
Options granted	17,600	1,367	17,200	1,21,500	40,800	93,600	1,81,920
Options vested	16,368	1,271	15,824	1,21,500	40,800	65,520	1,13,700
Options cancelled	1,232	96	1,376	-	-	-	-
Options lapsed	3,168	246	-	-	-	-	-
Options exercised	13,200	1,025	15,824	1,21,500	40,800	65,520	15,480
Options outstanding	-	-	-	-	-	28,080	1,66,440
Exercise Price (in ₹)	35.74	35.74	37.52	202.00	261.94	580.30	738.50

#### Remuneration of non-executive directors

Non-executive Directors of the Company were paid sitting fees of ₹ 1,00,000/- for every meeting of Board and ₹ 50,000/- for every meeting of Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee, IT Strategy Committee, Business Committee, Special Committee of the Board for monitoring and follow up of fraud cases and Review Committee during FY 2024-25.

In view of the considerable amount of time spent with the Company management in reviewing the performance of various businesses on a periodic basis, devising the long-term strategy and giving strategic directions to the management, in line with the last three years practice, a differential commission of ₹ 1 crore is proposed to be paid to Mr. Vellayan Subbiah for the financial year ended 31 March, 2025. The commission provided below will be paid subject to approval of the shareholders for the audited accounts for FY 2024-25.

The details of commission provided / sitting fees paid to Non-Executive Directors for the year ended 31 March, 2025 are as follows:

₹ in crores

Name of the director	Commission	Sitting Fees paid	Total
Mr. Vellayan Subbiah	1.000	0.105	1.105
Mr. N. Ramesh Rajan	0.240	0.175	0.415
Ms. Bhama Krishnamurthy	0.200	0.155	0.355
Mr. M.A.M Arunachalam	0.200	0.090	0.290
Mr. Anand Kumar	0.200	0.120	0.320
Mr. M R Kumar	0.184	0.065	0.249
Mr. Ramkumar Ramamoorthy	0.136	0.080	0.216
<b>TOTAL</b>	<b>2.160</b>	<b>0.790</b>	<b>2.950</b>

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



## STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

### Terms of Reference

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

During the year, the Company had received 10 complaints from the shareholders which have been resolved. There were no investor complaints pending as at 31 March, 2025 and no complaints that were not solved to the satisfaction of shareholders. Besides this, 3 customer complaints were wrongly tagged as investor complaints in SCORES, which has also been redressed.

### Composition & Meetings

As at 31 March, 2025, the Committee comprised of Mr. M.A.M. Arunachalam, Non-Executive Director as the Chairman, Ms. Bhama Krishnamurthy and Mr. Ravindra Kumar Kundu as its Members. Ms. P. Sujatha, Company Secretary is the compliance officer. The Committee met twice during the year.

## RISK MANAGEMENT COMMITTEE (RMC)

### Terms of Reference

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

### Composition & Meetings

As at 31 March, 2025, the Committee comprised of Ms. Bhama Krishnamurthy as the Chairperson, Mr. N. Ramesh Rajan, Mr. M R Kumar and Mr. Ravindra Kumar Kundu as its Members. Chief Financial Officer, Company Secretary and Head - Internal Audit of the Company are permanent invitees to the meetings. The Committee met four times during the year ended 31 March, 2025.

## Meetings with Chief Risk Officer

During the year under review, in line with the requirement under RBI Regulations, the Committee had separate one on one meetings every quarter with Chief Risk Officer of the Company without the presence of the Managing Director and the management team.

## IT STRATEGY COMMITTEE (ITSC)

### Terms of Reference

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

### Composition & Meetings

As at 31 March, 2025, the Committee comprised of Mr. Ramkumar Ramamoorthy as Chairman, Mr. N Ramesh Rajan and Mr. Anand Kumar as its Members. The Committee had five meetings during the year ended 31 March, 2025.

## BUSINESS COMMITTEE (BC)

### Terms of Reference

The role of the Committee includes review of the business of the Company, including approval and review of business proposals beyond certain financial limits, approve investments / borrowings, assignment of receivables as per the limits prescribed by the Board and oversee the asset liability management system of the Company.

### Composition & Meetings

As at 31 March, 2025, the Business Committee comprised of Mr. Vellayan Subbiah as the Chairman, Mr. M.A.M. Arunachalam and Mr. Ravindra Kumar Kundu as its Members. The senior management is invited to attend the meetings of the Committee. The Committee had two meetings during the year ended 31 March, 2025.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSRC)

### Terms of Reference

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

### Composition & Meetings

As at 31 March, 2025, the Committee comprised of Mr. Vellayan Subbiah as the Chairman, Ms. Bhama Krishnamurthy and Mr. M.A.M. Arunachalam as its Members. The Committee had three meetings during the year ended 31 March, 2025.

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

### Terms of Reference

During the year, the Board has constituted the "Special Committee of the Board for monitoring and follow-up of cases of frauds" pursuant to Reserve Bank of India (Fraud Risk Management in NBFCs) Directions, 2024, dated July 15, 2024. The role of Committee includes overseeing the effectiveness of the fraud risk management, reviewing and monitoring cases of frauds, including root cause analysis and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds.

### Composition & Meetings

As at 31 March, 2025, the Committee comprised of Ms. Bhama Krishnamurthy as Chairperson, Mr. N Ramesh Rajan and Mr. Ravindra Kumar Kundu as Members. The Committee had two meetings during the year ended 31 March, 2025.

## REVIEW COMMITTEE (RC)

### Terms of Reference

During the year, the Board has constituted the 'Review Committee' pursuant to Reserve Bank of India (Treatment of Wilful Defaulters and Large Defaulters) Directions, 2024, dated July 30, 2024. The role of Committee includes review of the proposals submitted by the Identification Committee, to classify the account as wilful defaulter,

### Particulars of Senior Management

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

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

- Mr. Jeeva Balakrishnan was appointed as the Chief Human Resources Officer with effect from 5 November, 2024 in place of Mr. R Chandrasekar.

- Mr. Aman Sharma was appointed as the Chief Processing Officer with effect from 5 November, 2024 in place of Mr. Mahesh Madhukar Waikar.

## ATTENDANCE AT BOARD, COMMITTEE AND GENERAL MEETINGS

Name of the Director	Board	AC	SRC	NRC	BC	RMC	CSRC	ITSC	SCBMF	RC	Attendance at last AGM
Mr. Vellayan Subbiah	5 (100%)	NA	NA	4 (100%)	2 (100%)	NA	3 (100%)	2 (100%)	NA	NA	Yes
Mr. N. Ramesh Rajan	5 (100%)	9 (100%)	NA	4 (100%)	NA	4 (100%)	NA	5 (100%)	2 (100%)	1 (100%)	Yes
Ms. Bhama Krishnamurthy	5 (100%)	9 (100%)	2 (100%)	NA	NA	4 (100%)	3 (100%)	NA	2 (100%)	1 (100%)	Yes
Mr. M.A.M. Arunachalam	4 (80%)	2 (100%)	2 (100%)	NA	2 (100%)	1 (100%)	3 (100%)	NA	NA	NA	Yes
Mr. Anand Kumar	4 (80%)	8 (89%)	NA	4 (100%)	NA	NA	NA	4 (80%)	NA	NA	Yes
Mr. M R Kumar	3 (75%)	5 (71%)	NA	NA	NA	2 (67%)	NA	NA	NA	NA	Yes
Mr. Ramkumar Ramamoorthy	4 (100%)	5 (100%)	NA	NA	NA	NA	NA	3 (100%)	NA	NA	NA
Mr. Ravindra Kumar Kundu	5 (100%)	NA	2 (100%)	NA	2 (100%)	4 (100%)	NA	NA	2 (100%)	1 (100%)	Yes

Note: Attendance computed based on number of meetings held during tenure of directorship on the Board and membership in the Committees.

provide opportunity for personal hearing to the defaulter, assess the facts or material on record, including written representation, if any, consider the proposal of the Identification Committee and to take a decision on classifying the borrower as defaulter and pass a reasoned order and communicate the same to the defaulter.

### Composition & Meetings

As at 31 March, 2025, the Committee comprised of Mr. Ravindra Kumar Kundu as Chairman, Mr. N Ramesh Rajan and Ms. Bhama Krishnamurthy as Members. The Committee had one meeting during the year ended 31 March, 2025.

## CUSTOMER SERVICE COMMITTEE (CSC)

### Terms of Reference

The Board at its meeting held on 25 April, 2025 had constituted the Customer Service Committee. The role of the Committee includes reviewing periodic reports submitted by Internal Ombudsman (IO), reviewing the cases where decision of the IO was rejected by the Company, reviewing MIS on customer complaints and status of redressal of such complaints, along with root cause analysis, reviewing awareness/sensitisation programmes conducted for staff/vendors and determining the structure of emoluments, facilities and benefits accorded to the IO.

### Composition & Meetings

The Committee comprised of Mr. Ramkumar Ramamurthy as Chairman, Ms. Bhama Krishnamurthy and Mr. Ravindra Kumar Kundu as Members.

## GENERAL BODY MEETINGS

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

Year	Date and Time	Venue
2022	29 July, 2022 at 4.00 p.m.	Video conferencing
2023	1 August, 2023 at 4.00 p.m.	Video conferencing
2024	26 July, 2024 at 3.30 p.m.	Video conferencing

## DETAILS OF SPECIAL RESOLUTIONS PASSED

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

Date of AGM	Details
29 July, 2022	<ul style="list-style-type: none"> <li>- Increase in the borrowing powers of the Company</li> <li>- Payment of commission to Non-Executive Chairman for financial year ended 31 March, 2022</li> <li>- Alteration of memorandum of association for change in the object clause of the Company</li> </ul>
1 August, 2023	<ul style="list-style-type: none"> <li>- Increase in the borrowing powers of the Company</li> <li>- Payment of commission to Non-Executive Chairman for financial year ended 31 March, 2023</li> <li>- Re-appointment of Mr. N Ramesh Rajan as an Independent Director of the Company</li> <li>- Re-appointment of Mr. Rohan Verma as an Independent Director of the Company</li> <li>- Alteration of Articles of Association of the Company</li> </ul>
26 July, 2024	<ul style="list-style-type: none"> <li>- Appointment of Mr. M R Kumar as an Independent Director of the Company</li> <li>- Re-appointment of Ms. Bhama Krishnamurthy as an Independent Director of the Company</li> <li>- Payment of commission to Non-Executive Directors not exceeding 1% of the net profits of the Company</li> </ul>

## POSTAL BALLOT

During the year, the Company passed a special resolution through postal ballot for appointment of Mr. Ramkumar Ramamoorthy as an Independent Director in accordance with the provisions of Companies Act, 2013 and Listing Regulations.

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

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

Special resolution pertaining to appointment of Mr. Ramkumar Ramamoorthy as an Independent Director:

Particulars	No. of ballots / e-voting	No. of shares (votes)	% on total shares (votes) received
Assent	1,566	71,83,22,574	99.53
Dissent	43	33,96,495	0.47
<b>Total</b>	<b>1,609</b>	<b>72,17,19,069</b>	<b>100</b>

Currently, there is no proposal to pass special resolutions through postal ballot except those requiring to be passed pursuant to the Companies Act, 2013 / Listing Regulations which will be done after providing adequate notice to the shareholders.

## COMPLIANCE REPORT

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

## SECRETARIAL AUDIT

For the year ended 31 March, 2025, M/s. R. Sridharan & Associates, Practising Company Secretaries, had conducted secretarial audit. The secretarial audit report is attached to this annual report.

## RECONCILIATION OF SHARE CAPITAL AUDIT

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

## CODE FOR PREVENTION OF INSIDER TRADING

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

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

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

## CEO/CFO CERTIFICATION

Managing Director and Chief Financial Officer have given a compliance certificate to the Board with regard to financial statements and internal control systems as contemplated under Regulation 17(8) of the Listing Regulations.

## SUBSIDIARY COMPANIES

A policy on material subsidiaries has been formulated and the same is posted on the Company's website (*weblink: <https://www.cholamandalam.com/files/subsidiary-companies-2025>*). The financial statements of subsidiary companies are tabled at the Audit Committee and Board meetings every quarter.

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

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

## DISCLOSURES

### Related party transactions

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

The Board has put in place a policy on related party transactions and the same has been uploaded on the Company's website (*weblink: <https://www.cholamandalam.com/files/rpt-policy-2025>*).

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

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

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

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis to Statutory Auditors of the Company and other firms in the network entity of which the statutory auditor is a part, as included in the consolidated financial statements of the Company for the year ended 31 March, 2025 is as follows:

M/s. Price Waterhouse LLP (PwC) and M/s. Sundaram & Srinivasan (S&S), Chartered Accountants (till the conclusion of 46<sup>th</sup> annual general meeting):

₹ in crores

Particulars	PwC	S&S
Fees for audit and related services paid to joint statutory auditors and affiliates firms and to entities of the network of which the statutory auditor is a part*		
- For the Company (in the capacity of Joint Statutory Auditors)	1.53	
- For subsidiaries	-	0.07
Other fees paid to joint statutory auditors & affiliates firms and to entities of the network of which the statutory auditor is a part	-	

\*Includes input tax credit expensed wherever applicable

## M/s. B.K. Khare & Co., Chartered Accountants, and M/s. KKC & Associates LLP, Chartered Accountants (from the conclusion of 46<sup>th</sup> annual general meeting to 31 March, 2025):

₹ in crores

Particulars	Amount
Fees for audit and related services paid to joint statutory auditors and affiliates firms and to entities of the network of which the statutory auditor is a part	0.95
Other fees paid to joint statutory auditors & affiliates firms and to entities of the network of which the statutory auditor is a part	-
<b>Total fees*</b>	<b>0.95</b>

\*Includes input tax credit expensed wherever applicable

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

During the financial year, the Company had received two complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which were enquired and closed during the year. There were no complaints pending as at 31 March, 2025.

## Whistle blower policy / vigil mechanism

The Company has established a whistle blower mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimisation of customers / employees / Directors who avail of the mechanism and constitution of Whistle Blower Committee who will deal with the complaints



received. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct access to the chairperson of the Audit Committee. During the year, no personnel have been denied access to the Audit Committee. The policy is available on the website (weblink: <https://www.cholamandalam.com/files/whistle-blower-policy-2025>).

### Penalties

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

### Other Disclosures

There are no agreements entered into by the shareholders, Promoters, Promoters Group entities, Related Parties, Directors, Key Managerial Personnel, Employees of the Company, its subsidiaries and associate companies which are binding the Company in terms of clause 5A of Para A of Part A of Schedule III of the Listing Regulations.

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

### COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

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

- i) Modified opinion(s) in audit report: the Company's financial statements have unmodified audit opinions.
- ii) Separate posts of Chairperson and the Managing Director: As at 31 March, 2025, Chairperson of the Company was a Non-Executive Director and he is not related to the Managing Director of the Company.

### MEANS OF COMMUNICATION

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

### MANAGEMENT DISCUSSION & ANALYSIS

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

### GENERAL SHAREHOLDER INFORMATION

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

Place: Chennai  
Date: 25 April, 2025

On behalf of the Board  
**Vellayan Subbiah**  
Executive Chairman

## Declaration on Code of Conduct

This is to confirm that the Board has laid down a Code of Conduct for all Board Members and senior management of the Company. The Code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended 31 March, 2025 as envisaged in Schedule V under Regulation 34 (3) of the Listing Regulations.

Place: Chennai  
Date: 25 April, 2025

**Ravindra Kumar Kundu**  
Managing Director

# Certificate from Company Secretary in Practice

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

The Members,

**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**

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

Thiru-Vi-Ka Industrial Estate, Guindy,

Chennai – 600 032

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED (CIN: L65993TN1978PLC007576)** having its Registered Office at Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600 032, (hereinafter referred to as “The Company”) as produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal [www.mca.gov.in](http://www.mca.gov.in)) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such other statutory authority.

S.NO	DIN	NAME OF THE DIRECTOR	DESIGNATION	DATE OF INITIAL APPOINTMENT
1.	01138759	Vellayan Subbiah	Non-Executive – Non-Independent/ Promoter Director/Chairman*	11/11/2020
2.	01628318	N Ramesh Rajan	Non-Executive - Independent Director	30/10/2018
3.	02196839	Bhama Krishnamurthy	Non-Executive - Independent Director	31/07/2019
4.	00202958	M A M Arunachalam	Non-Executive – Promoter Director	29/01/2021
5.	00818724	Anand Kumar	Non-Executive - Independent Director	16/03/2021
6.	03628755	Mangalam Ramasubramanian Kumar	Non-Executive - Independent Director	01/05/2024
7.	07936844	Ramamoorthy Ramkumar	Non-Executive - Independent Director	26/07/2024
8.	07337155	Ravindra Kumar Kundu	Managing Director	23/01/2020

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

Ensuring the eligibility, for the appointment/ continuity, of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

**CS. R. Sridharan**  
CP No. 3239  
FCS No. 4775  
PR NO.6232/2024

UIN:S2003TN063400  
UDIN: F004775G000204150

Place : Chennai  
Date : 25 April, 2025

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

The Members

**CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED**

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

We have examined documents, books, papers, minutes, forms and returns filed and other relevant records maintained by **CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED (CIN: L65993TN1978PLC007576)** (hereinafter referred to as “the Company”) having its Registered Office at Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600 032, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter called “SEBI (LODR) Regulations, 2015”) for the financial year ended 31st March, 2025. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of SEBI (LODR) Regulations, 2015 as amended for the financial year ended 31st March, 2025.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

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

**PR. NO.6232/2024**

**UIN: S2003TN063400**

**UDIN: F004775G000204194**

Place : Chennai  
Date : 25 April, 2025

# General Shareholders Information

## REGISTERED OFFICE

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

## CORPORATE IDENTITY NUMBER (CIN)

L65993TN1978PLC007576

## ANNUAL GENERAL MEETING

Date	Time	Mode
31 July, 2025	3.30 p.m.	The Annual General Meeting (AGM) will be held through video conference in compliance with applicable circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI).

## FINANCIAL YEAR

1 April to 31 March.

## DIVIDEND PAYMENT DATE

The Board at its meeting held on 31 January, 2025 had approved payment of interim dividend on the equity shares for the year ended 31 March, 2025 at the rate of 65% (₹ 1.30/- per equity share of ₹ 2/- each) and fixed the record date as 7 February, 2025. The interim dividend was paid to all the shareholders on 20 February, 2025.

The Board at its meeting held on 25 April, 2025 has further recommended payment of final dividend of 35% (₹ 0.70 per equity share of ₹ 2/- each), for the year ended 31 March, 2025. The same will be paid within 30 days upon declaration by the shareholders at the ensuing annual general meeting.

## LISTING ON STOCK EXCHANGES

### Equity Shares:

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

### Debt Securities:

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

### Payment of Listing fees

The listing fee for FY 2025-26 has been paid to the above stock exchanges.

## REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Limited (KFin) is the Registrar and Share Transfer Agent (RTA). Shareholders are requested to send their share related requests / queries to the RTA.

The contact details of the RTA are as follows:

### KFIN Technologies Limited

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

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

Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) | Website: [www.kfintech.com](http://www.kfintech.com) or <https://ris.kfintech.com/>

Contact person: Mr. S R Ramesh – Deputy Vice President - Corporate Registry



## TRUSTEES FOR THE DEBENTURE HOLDERS

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

The contact details of the Trustees are as follows:

### 1. IDBI Trusteeship Services Limited

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

### 2. Catalyst Trusteeship Limited

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

### 3. SBICAP Trustee Company Limited

4<sup>th</sup> Floor, Mistry Bhavan, 122, Dinshaw Vaccha Road,  
Churchgate, Mumbai - 400020  
Phone : +91 22 4302 5566  
Website : [www.sbicaptrustee.com](http://www.sbicaptrustee.com)  
Email : [corporate@sbicaptrustee.com](mailto:corporate@sbicaptrustee.com); [dt@sbicaptrustee.com](mailto:dt@sbicaptrustee.com)  
Contact person : Shaanya Srivastava, Group Head

## Dematerialisation of shares and liquidity

The Company's shares are tradable in the electronic form only. The Company has established connectivity with National Securities Depository Limited and Central Depository Services (India) Limited. As of 31 March, 2025, 99.93% of the Company's shares were held in dematerialised form. The Company's shares are regularly traded on National Stock Exchange of India Limited and BSE Limited under the ISIN: INE121A01024. Those shareholders who hold shares in physical mode are requested to convert their shareholding to demat mode at the earliest.

### Share Transfer System

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

In continuation of its efforts to enhance ease of dealing in securities market by investors, SEBI vide circular dated 25 January, 2022 has simplified the process for transmission of shares and issue of duplicate share certificates and mandated the listed entities to issue securities only in dematerialised form for the service requests such as issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transpositions.

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

### Updation of KYC details

SEBI vide circulars dated 3 November, 2021 and 16 March, 2023, has made it mandatory for holders of physical securities to furnish their KYC details viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature. Effective 1 January, 2022, any service request or complaint received from the shareholder, will not be processed by RTA till the KYC details are provided to RTA and updated against the folio. The shareholder shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1 April, 2024. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://www.cholamandalam.com/investors/sebi-norms>.

FAQs with respect to investor service requests processed by RTA published by SEBI in its website can be viewed at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doFaq=yes>.

### Nomination facility

As per the SEBI Circular dated 3 November, 2021, facility for registering nomination is available for members in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a shareholder desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form ISR-3 or SH-14 as the case may be to RTA. The said forms can be downloaded from the Company's website <https://www.cholamandalam.com/investors/sebi-norms>. Shareholders holding shares in dematerialised form are requested to submit their nomination form to the concerned Depository Participants.

### Payment of dividend through NACH

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

### Green initiative in Corporate Governance

The Companies Act, 2013 and the underlying rules permit companies to send various documents including the financial statements through electronic mode to the shareholders. In compliance with the circulars issued by MCA and SEBI, electronic copies of the notice of the AGM and annual report for FY 2024-25 will be sent to all the shareholders whose email addresses are registered with the Company / Depository Participants. Shareholders are requested to register their e-mail ID with their Depository Participant, if their holding is in electronic mode. If shares are held in physical mode, the shareholders are requested to furnish their email addresses to RTA for receiving the above documents by electronic mode.

### Details of complaints received and redressed

During the year, ten investor complaints relating to transmission of shares, name change and issue of duplicate share certificates were received and redressed. No investor complaint was pending as at 31 March, 2025. Three customer complaints were tagged as investor complaints on the SCORES platform, which has also been redressed.

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

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

Ms. P. Sujatha, Company Secretary

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

Phone: 044-40907172 (bd.) 40907055 (d)

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

### CREDIT RATING

The credit rating details of the Company as at 31 March, 2025 are as follows:

Rating Agency	Term	Type	Rating as on 31 March, 2025	Revisions during the year	Obtained on
ICRA	LT	NCD / SD / CC / TL	[ICRA]AA+ with Positive Outlook	NA	NCD MLD - June 19, 2024 NCD - March 18, 2025 TL /CC - March 18, 2025
	LT	PD	[ICRA]AA with Positive Outlook	NA	PD - March 18, 2025
	ST	CP / CDL	[ICRA]A1+	NA	CP - March 18, 2025
CRISIL	ST	CP	[CRISIL]A1+	NA	CP - March 27, 2025
CARE	LT	SD	CARE AA+	NA	SD - June 25, 2024
	LT	NCD	CARE AA+	NA	NCD - June 25, 2024
INDIA Ratings and Research Pvt Ltd	LT	NCD / SD	IND AA+ with Stable Outlook	NA	NCD / SD - March 24, 2025
	LT	PD	IND AA with Stable Outlook	NA	PD - March 24, 2025

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

### Payment of unclaimed / unpaid dividend

In respect of unclaimed dividends, the Company sends periodical reminders to the shareholders before transferring the unclaimed dividends to the Investor Education and Protection Fund (IEPF) established by the central government. The dividends that are lying unclaimed / unpaid with the Company for a period of seven consecutive years are transferred from time to time to IEPF. The Company has remitted ₹ 0.10 crores to IEPF during the year.

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

FY to which the dividend relates	Date of declaration	Due date for transfer to IEPF
2018 – Final	26 July, 2018	30 August, 2025
2019 – Interim	30 January, 2019	06 March, 2026
- Final	30 July, 2019	03 September, 2026
2020 - Interim I	12 December, 2019	16 January, 2027
- Interim – II	26 February, 2020	02 April, 2027
2021 – Interim	29 January, 2021	05 March, 2028
- Final	30 July, 2021	03 September, 2028
2022 – Interim	01 February, 2022	08 March, 2029
- Final	29 July, 2022	01 September, 2029
2023 – Interim	31 January, 2023	07 March, 2030
- Final	1 August, 2023	05 September, 2030
2024 – Interim	25 January, 2024	1 March, 2031
- Final	26 July, 2024	4 September, 2031
2025 – Interim	31 January, 2025	07 March, 2032

### Transfer of Equity Shares to IEPF

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

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

During the year, the Company had transferred 34,270 shares pertaining to 98 shareholders to the demat account maintained by IEPF authority. Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any, can be claimed from IEPF authority, as per the procedure prescribed in the rules. No claim shall lie in respect thereof with the Company.

Particulars	No. of shares
Shares lying in the IEPF – Balance as at 1 April, 2024	5,36,405
Transferred to IEPF during FY 2024-25	34,270
Shares refunded from IEPF during FY 2024-25	3,460
Shares lying in the IEPF – Balance as at 31 March, 2025	5,67,215

### Unclaimed Suspense Account

Pursuant to Regulation 34(3) of the Listing Regulations, the Company does not have any shares in the demat suspense account or unclaimed suspense account as on March 31, 2025.

### Distribution of Shareholding as on 31 March, 2025

Sl. No.	Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Equity
1.	1 – 500	1,73,077	93.32	1,16,36,113	1.38
2.	501 – 1000	5,333	2.88	38,55,411	0.46
3.	1001 – 3000	3,976	2.15	68,43,609	0.81
4.	3001 – 10000	1,584	0.86	86,46,477	1.03
5.	10001 – 20000	413	0.22	59,23,609	0.70
6.	20001 – 100000	579	0.31	2,61,41,935	3.11
7.	100001 and above	512	0.28	77,78,93,751	92.50
	<b>Total</b>	<b>1,85,474</b>	<b>100.00</b>	<b>84,09,40,905</b>	<b>100.00</b>

### SHAREHOLDING PATTERN

Category (Shares)	As at 31 March, 2025	
	No. of Shares	% of shareholding
Promoter and promoter group	41,97,93,595	49.92
Foreign Portfolio Investors / Foreign Institutional Investors	23,74,33,844	28.23
Mutual Funds / Trust / Banks / Financial Institutions / AIFs / QIBs	13,02,57,745	15.49
Private Corporate Bodies / NBFCs	51,81,139	0.62
Resident Individuals and others	4,82,74,582	5.74
<b>Total</b>	<b>84,09,40,405</b>	<b>100.00</b>

### OUTSTANDING GDRs/ADRs etc.

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

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

### COMMODITY PRICE RISK / FOREIGN EXCHANGE RISK AND COMMODITY HEDGING ACTIVITIES

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

### LOCATION

The Company's registered office is in Chennai and it operates out of 1,613 branches across the country.

Place : Chennai  
Date : 25 April, 2025

On behalf of the board  
**Vellayam Subbiah**  
Executive Chairman

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1	<b>Corporate Identity Number (CIN) of the Listed Entity</b>	L65993TN1978PLC007576
2	<b>Name of the Listed Entity</b>	Cholamandalam Investment and Finance Company Limited
3	<b>Year of incorporation</b>	17 August, 1978
4	<b>Registered office address</b>	Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai - 600032.
5	<b>Corporate address</b>	Chola Crest, C54-55 & Super B-4, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai - 600032.
6	<b>E-mail</b>	investors@chola.murugappa.com
7	<b>Telephone</b>	044 - 4090 7172
8	<b>Website</b>	<a href="http://www.cholamandalam.com">www.cholamandalam.com</a>
9	<b>Financial year for which reporting is being done</b>	1 April 2024 to 31 March, 2025
10	<b>Name of the Stock Exchange(s) where shares are listed</b>	National Stock Exchange of India Limited (NSE) and BSE Limited
11	<b>Paid-up Capital</b>	₹168.25 crores
12	<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b>	DIN: 07337155 Name: Mr. Ravindra Kumar Kundu Designation: Managing Director Telephone number: 044 - 4090 7172 E-mail id: <a href="mailto:kundur@chola.murugappa.com">kundur@chola.murugappa.com</a>
13	<b>Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).</b>	The disclosures under this report are made on a standalone basis for Cholamandalam Investment and Finance Company Limited.
14	<b>Name of assurance provider</b>	B. Thiagarajan & Co., Chartered Accountants
15	<b>Type of assurance obtained</b>	Reasonable Assurance has been provided for BRSR core indicators for the period 1 April, 2024 to 31 March, 2025

### II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
(i)	Financial Services – Lending	The Company provides Vehicle Finance, Home Loans, Loan Against Property, Secured Business and Personal Loans, Consumer and Small Enterprises Loans and Small and Medium Enterprises Loans.	94.98%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
(i)	Financial Services (Lending) - Vehicle Finance, Home Loans, Loan against Property, Secured Business and Personal Loans, Consumer and Small Enterprises Loans, and Small and Medium Enterprises Loans.	K649	94.98%

### III. Operations

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

Location	Number of plants	Number of offices	Total
<b>National</b>	-	1,613	1,613
<b>International</b>	-	-	-



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

Locations	Number
<b>National (No. of States)</b>	26 States / 7 Union Territories
<b>International (No. of Countries)</b>	-

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

Not Applicable

**c. A brief on types of customers**

The Company offers a wide range of financing solutions tailored to rural and semi-urban customers, primarily targeting retail clients such as first-time borrowers (FTB) and new-to-credit customers (NTCC). It serves customers from various sectors, providing loans for diverse purposes including purchase of vehicles for personal or commercial use, home purchases and loans for other personal or business needs. Chola caters to a diverse range of customers across its various segments and addresses various social commitments including funding to women borrowers, marginalised segments etc., thus enhancing their quality of life. The Company practices and upholds financial inclusion as a core principle of responsible business. Following are the types of customers based on products:

**Vehicle Finance (VF):**

The Company provides financing for purchase of commercial vehicles, passenger vehicles, two-wheelers, tractors, and construction equipment, covering both new and used vehicles through its branches pan- India.

- In its commitment to responsible business practices, the Company has actively started funding electric vehicles across all segments to help reduce environmental pollution.
- Financial inclusion is another key focus for Chola. The Company extends loans to NTCC, thus ensuring financial inclusion.
- Additionally, the Company provides special schemes to women borrowers for purchase of vehicles. This initiative enables them to be more independent and empowered. This also helps in creating more women entrepreneurs.
- By primarily operating in tier III to tier VI cities, the Company ensures that financial inclusion is achieved, by providing underserved communities with access to organised credit. This initiative helps improve the financial standing of individuals in these areas and enhances their standard of living.
- As part of Chola's commitment to responsible lending, we recognise the importance of supporting sustainable agricultural practices. The Company offers loans to agri-customers who lack access to organised finance for purchase of farm equipment, tractors etc. This helps in enhancing farmers' productivity, reduce manual labour, and contribute to the overall growth of the agricultural sector, which is the backbone of the economy.
- Funding to fuel-efficient farm equipment and tractors reduces carbon footprint of farming activities, thereby contributing to environmental sustainability goals.

**b. Loan against Property (LAP):** LAP product provides access to credit for individuals and businesses, thereby promoting financial inclusion and economic empowerment.

- This product segment has an extensive network in tier 2+ cities, where banking penetration is limited, ensuring that the Company's financial services reach the underserved population. The Company's presence in these cities helps promote financial inclusion, economic growth, and social development.
- This financing supports infrastructure projects, including building of roads, construction of warehouses, industrial facilities and commercial buildings for economic growth and urban development.
- The segment provides financial assistance for educational purposes, making quality education more accessible, and thereby promoting social mobility and economic growth.
- The Company's financing solutions help women access the funds they need to start or grow their businesses, promoting economic independence. social mobility thereby aiding women empowerment and gender equality.

**c. Home Loans:** Home Loans business focusses on providing Home Loans under affordable segment with pan India presence:

- The Company offers loans for self-construction, purchase of resale flats/independent houses, purchase of new flats/independent houses, mixed-use properties (residential with a small commercial unit), home extension, and balance transfer of existing loans from other financiers.
- It serves underserved markets, operating in tier 2 to 6 cities and suburbs of tier 1 cities, with 98% of its asset base in these locations.
- Funding is also eligible under the Government's Pradhan Mantri Awas Yojana (PMAY) scheme, benefiting borrowers and supporting the Prime Minister's vision of "Home for All."
- The Company offers loans to young adults aged 21 to 30 who wish to transition to independent living.
- The Company also offers loans to women borrowers. This initiative helps empower women by providing them with the financial resources needed to secure housing.

**d. Secured Business & Personal Loans:** Through this segment, Chola is funding to the underserved self-employed non-professional customers (e.g. grocery shop, dairy owners, unskilled labourers, low salaried/cash salaried workers). This ensures access to capital for small businesses to expand, innovate, and increase their productivity. This, in turn, stimulates economic activity and contributes to overall economic growth. Further, small businesses often operate within local communities. Lending to them helps circulate money within the community, supporting local economies and fostering a sense of community development.

**e. Small & Medium Enterprise Loans:** Loans created exclusively to support Micro, Small and Medium Enterprises (MSME), for them to grow and diversify their business.

- The Company caters to MSMEs, thereby fulfilling the Priority Sector Lending (PSL) norms. By doing so, the Company provides credit to sectors critical for the sustained development of the economy.

- MSME lending also encourages local entrepreneurship by providing the necessary financial support to start and expand small businesses and stimulate local economies.
- MSMEs operate in various sectors such as manufacturing, services, and agriculture. Thus, lending to this segment supports diversification and provides a wide range of job opportunities to the local population.
- Funding to small nursing homes or public health centres to buy medical equipment, thereby improving access to healthcare to rural and semi-urban areas as the Company majorly has presence in tier 2+ cities.
- Also, the Company funds to delivery partners for procurement of electric commercial vehicles addressing the pollution concerns.
- The Company also lends to women entrepreneurs ensuring financial inclusion.
- By providing loans to schools in tier 2+ cities, Chola helps improve access to essential services like education for the local population.

**f. Consumer & Small Enterprise Loans:** The Company offers a range of unsecured loans, including personal, business, and professional loans, to retail customers. This includes loans for NTC (New to Credit) customers based on income assessment, supporting lower-income segments, salaried individuals, self-employed persons, and proprietorships/partnership firms to meet their business or personal needs.

By providing loans to small businesses in rural/semi-urban areas, the Company helps create job opportunities, income generation and improving standard of living. Borrowers also use loans to establish small clinics, pharmacies, enhancing healthcare access in underserved areas. Additionally, the Company supports agri-based entrepreneurs in setting up processing, storage facilities in the agriculture sector.

Furthermore, the Company lends to dealers of e-rickshaws, promoting environmentally friendly transportation solutions.

#### IV. Employees

##### 20. Details as at the end of Financial Year:

##### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	46,678	45,194	97%	1,484	3%
2.	Other than permanent (E)	13	12	92%	1	8%
3.	<b>Total employees (D+E)</b>	46,691	45,206	97%	1,485	3%
Workers						
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	<b>Total workers (F + G)</b>					

##### b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	22	21	95%	1	5%
2.	Other than permanent (E)	-	-	-	-	-
3.	<b>Total differently abled employees (D+E)</b>	22	21	95%	1	5%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Not Applicable				
5.	Other than permanent (G)					
6.	<b>Total differently abled workers (F+G)</b>					

##### 21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors#	8	1	13%
Key Management Personnel	2	1	50%

#includes Managing Director, who is also the KMP of the Company.

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

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	27.43%	19.51%	27.19%	32.87%	23.92%	32.61%	18.30%	16.20%	15.36%
<b>Permanent Workers</b>	Not Applicable								

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

S.No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a Holding / Subsidiary / Associate / or Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Cholamandalam Financial Holdings Limited	Holding®	-	No
2	Cholamandalam Securities Limited#	Subsidiary	100%	No
3	Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	Subsidiary	100%	No
4	Payswiff Technologies Private Limited*	Subsidiary	74.63%	No
5	Vishvakarma Payments Private Limited	Associate	21%	No

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

#92% held directly and balance 8% held through Cholamandalam Leasing Limited.

@Holding Company as per IND AS.

**VI. CSR Details**

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

(ii) Turnover (in ₹) - ₹ 25,745.57 crores (iii) Net worth (in ₹) - ₹ 23,627.40 crores

**VII. Transparency and Disclosures Compliances****25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes <a href="https://www.cholamandalam.com/files/business-responsibility-policy-2025">https://www.cholamandalam.com/files/business-responsibility-policy-2025</a>	-	-	-	-	-	-
Investors (other than shareholders)	Yes <a href="https://www.cholamandalam.com/files/business-responsibility-policy-2025">https://www.cholamandalam.com/files/business-responsibility-policy-2025</a>	-	-	-	-	-	-
Shareholders	Yes <a href="https://www.cholamandalam.com/files/business-responsibility-policy-2025">https://www.cholamandalam.com/files/business-responsibility-policy-2025</a>	10	-	-	4	-	-
Employees and workers	Yes <a href="https://www.cholamandalam.com/files/whistle-blower-policy-2025">https://www.cholamandalam.com/files/whistle-blower-policy-2025</a>	2	-	-	1	-	-
Customers	Yes <a href="https://www.cholamandalam.com/contact-us/grievance-redressal">https://www.cholamandalam.com/contact-us/grievance-redressal</a>	5,113	266	265 complaints had since been resolved in April 2025.	1,308	50	-
Value Chain Partners	Yes <a href="https://www.cholamandalam.com/files/business-responsibility-policy-2025">https://www.cholamandalam.com/files/business-responsibility-policy-2025</a>	-	-	-	-	-	-
Other (please specify)		Not Applicable					

**26. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Financial Inclusion	O	To fulfil the Company's corporate vision to enable customers to 'Enter a better Life'.	-	Positive Implication
2	Corporate Governance (Transparency and Disclosures)	O	Ethical governance is central to the Company's values and way of doing business.	-	Positive Implication
3	Data Privacy and Cyber Security	R	The increasing and huge volume of sensitive data being processed and the growing sophistication of cyber threats in the current advancing technologies.	In order to mitigate these risks, Chola has implemented various information security controls. The Company is also certified for ISO 27001:2022, an international standard that provides a framework for establishing, implementing, maintaining and continually improving an Information Security Management System (ISMS).	Negative Implication – direct financial loss, regulatory fines, data loss, litigation, revenue and reputation loss.
4	Regulatory Compliance	R	Ensures adherence to all applicable regulations and monitoring of upcoming regulations.	The Company follows a robust process for timely dissemination of regulatory updates to all relevant stakeholders and implementation. The Company ensures 100% adherence to regulatory requirements. The Company also adheres with the guidelines of the IFC on ESG based lending to support responsible businesses.	Positive Implication
5	Employee Growth and Development	O	Catalyses employee potential to enable professional and personal development.	-	Positive Implication
6	Employee Wellbeing (Health and Safety)	O	Enables employees to develop health as a personal asset and emphasises the Company as an organisation that prioritises employee wellbeing.	-	Positive Implication



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Customer Support and Satisfaction	O	To be the preferred choice for customers' financial needs.	-	Positive Implication
8	Geographical Expansion	O	Enables greater financial inclusion across the country.	-	Positive Implication
9	Human Rights	O	Ensures respect for individual rights and minimises discrimination on grounds of demographic and social differences.	-	Positive Implication
10	CSR	O	The Company's brand is leveraged as a force for good, to support community development.	-	Positive Implication
11	Branding and Reputation	O	Enhances credibility and trust amongst diverse stakeholders, emphasises the Company's reputation as an ethically managed business.	-	Positive Implication
12	Climate Change (emissions, renewables/ energy efficiency)	R	This has implications considering the impact on the climate and the criticality of transitioning to a carbon neutral business.	The Company has increased its focus on financing of electric vehicles.  The new corporate office building of the Company will necessarily follow sustainable design and architecture principles and be a certified green building.	Negative Implication
13	Operational eco- efficiency and emission Waste	O	Represents responsible operations and management of waste in compliance with regulations.	-	Positive Implication
14	Diversity and Inclusiveness	O	Reiterates the Company's commitment to social inclusion and merit-based engagement of employees, customers, suppliers etc.	-	Positive Implication
15	Local Employment	O	Ensures financial inclusion and enables a sensitive understanding of customers' socio – cultural context and needs.	-	Positive Implication

**Section B: Management and process disclosures**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web link of the Policies, if available	<a href="https://www.cholamandalam.com/investors/company-policy">https://www.cholamandalam.com/investors/company-policy</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.									ISO 9001:2015 Quality Management System ISO 27001:2022 ISMS Certification
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Ensure 0% data breaches in customer data protection	Increase EV loan disbursements by 5% YOY between FY 2023 and FY 2025	To achieve and sustain Zero accident culture through the Company's road safety awareness initiatives and programmes. Implement digitisation solutions for enhanced learning and development purposes.			Achieve green building status for Corporate Office, replace 100% of CFL lighting with LED systems at all operations, reduce water consumption across the Company operations through efficient water flow solutions.			Attain ISMS certification by FY 2025

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	0% breach in data security in FY 2024-25	EV disbursement target of 5% improvement Y-o-Y was over-achieved. ₹ 525.46 crores disbursed in FY 2024-25, while ₹ 298.41 crores was disbursed in FY 2023-24.	E-modules are assigned to all the employees and road safety mailers are circulated periodically.			Green building status for Corporate Office -work in progress, LED systems at all operations - 99% achieved, Water aerators set up – 100%			Obtained ISO/IEC 27001: 2022 (ISMS certification) in September 2024 which is valid for 3 years.

### Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

At Chola, we are committed to fostering a sustainable future by addressing the pressing challenges of climate change, promoting financial inclusion and practising responsible lending. Our dedication to environmental guardianship drives us to implement solutions that reduce our carbon footprint and mitigate the impacts of climate change. Simultaneously, we strive to empower underserved communities by enhancing access to financial services, ensuring that everyone has the opportunity to thrive economically. Through our responsible lending practices, we uphold the highest standards of integrity and transparency, supporting the growth of businesses and individuals in a manner that is both ethical and sustainable.

Our Company prioritises Environmental, Social and Governance (ESG) practices and is committed to achieving all the objectives to make a better and sustainable tomorrow for everyone. Chola is working diligently to meet its ESG objectives by enhancing policies and processes and having a continuous review and monitoring mechanism.

With a wide range of product offerings under different businesses, Chola is also committed to enhancing rural and semi - urban quality of living. Having a pan-India presence with over 1,600 branches, Chola has major presence in tier II+ cities, penetrating small villages and towns and lending to lower and middle-income borrowers. This enables Chola address the financial requirement of underserved customers and micro & small enterprises.

Chola believes in achieving success by having a positive impact for its employees. Chola actively promotes diversity in hiring, career advancements and availing opportunities within the organisation. The Company encourages women employees to take up business / functional roles in the company. During the year, the Company has inaugurated an all women branch in Mawlai, Meghalaya. Chola also emphasises on local hiring thus creating job opportunities locally. With an unwavering commitment to a sustainable growth, Chola has integrated ESG into the core of its operations. This not only enhances the resilience but also contributes in creating a sustainable and equitable society. Chola's journey in achieving ESG goal will be on-going and together we can build a better future.

Sincerely,

Ravindra Kumar Kundu,  
Managing Director

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	1. DIN: 07337155 2. Name Mr. Ravindra Kumar Kundu 3. Designation: Managing Director
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Company has an executive level senior management personnel to monitor various aspects of social, environmental and governance responsibilities of the Company. The Company's business responsibility performance is reviewed by the CSR Committee and Board of Directors on a periodic basis. During the year, the CSR Committee/Board discussed and reviewed the sustainable and responsive business conduct initiatives. In addition, the Risk Management Committee also assesses internal/external risks pertaining to sustainability as identified, periodically.

## 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half-yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The relevant policies covering the above principles are reviewed annually by the Board and any necessary changes suggested to these policies are implemented.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The relevant policies for the above are reviewed annually by the Board / Internal ESG Steering Committee and any necessary changes suggested to these policies are implemented accordingly.																	

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No) If yes, provide name of the agency.	No, the Company has in place an internal task force which evaluates the working of this policy.								

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable**
**Essential Indicators**
**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	5	ESG Strategy awareness (Principle 1-9)	100%
Key Managerial Personnel	5	ESG Strategy awareness (Principle 1-9)	100%
Employees other than BoD and KMPs	68	Employees of the Company undergo various training programmes throughout the year. Trainings undertaken during the year includes induction covering 5 Lights, ESG (Principle 1 & 6), Business Continuity Plan (Principle 2), Mental Health, Defensive driving (Principle 3), POSH (Principle 5), Fair Practices Code, KYC guidelines (Principle 7) and Cyber security (Principle 9)	84%
Workers	Not Applicable		



**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred (Yes/No)
Penalty / Fine	Nil				
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred (Yes/No)
Imprisonment	Nil				
Punishment					

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

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

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

	FY 2024-25	FY 2023-24
Directors	Nil	Nil
KMPs		
Employees		
Workers	Not applicable	

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

	FY 2024-25	FY 2023-24
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs		

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

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

	FY 2024-25	FY 2023-24
Number of days of accounts payables	Not Applicable	Not Applicable

**9. Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	NA	NA
	b. Sales (Sales to related parties / Total Sales)	NA	NA
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.26%	0.24%
	d. Investments (Investments in related parties / Total Investments made)	8.16%	12.61%

**Leadership Indicators****1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with each partner) under the awareness programmes
The Company has conducted periodical trainings for its value chain partners on BRSR principles during the financial year.		

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

The Company has Code of Conduct (CoC) for Board and senior management covering conflict of interest, misuse power of authority etc. The CoC policy in place ensures that the management and Board follow high standards of ethics. The Board and the management shall not act in any way that is against the principles of the Company. The Independent Directors are also required to follow the Code enlisted in Schedule IV of the Companies Act, 2013. Website link of CoC: <https://www.cholamandalam.com/files/code-of-conduct-for-board-and-senior-management-2025>.

**Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe****Essential Indicators****1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	-	-	Not Applicable
Capex	₹ 9.97 crores (5.16%)	₹ 13.72 crores	The Company is committed to environmental sustainability. As part of this commitment, the Company purchases air conditioners with 3-star rating to ensure energy efficiency and reduce the carbon footprint. Energy Saving and reduction of carbon foot print must be weighed carefully, wherever applicable, before making a procurement decision, so we procure electronics based on the star rating.
	₹ 14.53 crores (7.52%)		The Company prioritizes environmental sustainability by using LED lights. These lights are energy-efficient and help reduce the overall carbon footprint, aligning with the Company's commitment to a green future. In a quest to be a technology-led financial services leader, Chola's digital initiatives focus on elimination of friction at process and data level for all participants across the product value chain – customers, employees and ecosystem partners. For customers, this includes digital processes that deliver seamless user experience across personal and financial profile portions of customer journey, offer a paperless flow during onboarding and provide a wide array of digital options for disbursement & payment processing.

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

Given the nature of operations of Chola, the Company does not have a requirement for raw materials. The Company is in the business of providing financial solutions, by addressing the requirements of people in urban and rural areas. However, any requirement that can be sourced locally, Chola endeavours to buy from local suppliers.

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

Considering the fact that the lending related documentation currently is mostly in physical form, the Company uses recycled A4 sheets for all its locations in Chennai. It is proposed to extend the usage of recycled papers across all locations, with a view to sourcing sustainably.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The Company is in the business of lending. We do not manufacture any product which needs to be reclaimed for reusing, recycling and disposing at the end of life. Moreover, the Company recycles all the e-waste generated through an authorised recycler after the end use of life of asset.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not applicable

**Leadership Indicators****1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
There are no products or services offered by the entity that qualify for Life Cycle Perspective / Assessments (LCA).					

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
Not Applicable		

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2024-25			FY 2023-24		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	Not Applicable			Not Applicable		
E-waste						
Hazardous Waste						
Other Waste						

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

### Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

#### Essential Indicators

##### 1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance*		Accident insurance		Maternity benefits*		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	45,194	45,194	100%	29,979	66%	-	-	45,194	100%	4	0.01%
Female	1,484	1,484	100%	1,012	68%	1,484	100%	-	-	15	1.01%
Total	46,678	46,678	100%	30,991	66%	1,484	3%	45,194	97%	19	0.04%
Other than Permanent Employees											
Male	12	12	100%	-	-	-	-	-	-	-	-
Female	1	1	100%	-	-	-	-	-	-	-	-
Total	13	13	100%	-	-	-	-	-	-	-	-

\*Inclusive of ESI coverage

##### b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent Workers											
Male	Not Applicable										
Female											
Total											

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

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the company	0.45%	0.48%

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

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100%	Not Applicable	Yes	100%	Not Applicable	Yes
Gratuity*	100%		Yes	100%		Yes
ESI*	100%		Yes	100%		Yes
Others – please specify	-	-	-	-	-	-

\*Applicable for eligible employees



**3. Accessibility of workplaces:**

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes. As per the requirements of the Rights of Persons with Disabilities (PWD) Act, 2016, the premises / offices of the entity are accessible to differently abled employees and workers with ramps and PWD friendly washrooms wherever possible.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. Chola is an equal opportunity employer and follows the policy as per the Rights of Persons with Disabilities Act, 2016 in letter and spirit. The policy is accessible to all employees through the Company's intra-net portal.

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	89.87%	82.48%	NA	NA
Female	30.00%	77.78%	NA	NA
<b>Total</b>	<b>73.39%</b>	<b>81.15%</b>	<b>NA</b>	<b>NA</b>

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	Not Applicable
Permanent Employees	Yes. The Company has a whistle blower policy which inter-alia lays down the process to be followed for dealing with concerns / complaints raised under vigil mechanism. Weblink of the policy: <a href="https://www.cholamandalam.com/files/whistle-blower-policy-2025">https://www.cholamandalam.com/files/whistle-blower-policy-2025</a>
Other than Permanent Employees	

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

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (C / D)
Total Permanent Employees	Nil					
Male						
Female						
Total Permanent workers	Not Applicable					
Male						
Female						

**8. Details of training given to employees and workers:**

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	45,194	16,886	37%	21,198	47%	37,164	8,626	23%	10,339	28%
Female	1,484	693	47%	550	37%	1,071	442	41%	226	21%
Total	46,678	17,579	38%	21,748	47%	38,235	9,068	24%	10,565	28%
Workers										
Male	Not Applicable									
Female										
Total										

**9. Details of performance and career development reviews of employees and workers:**

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)*	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	45,194	40,854	90%	37,164	11,492	31%
Female	1,484	1,242	84%	1,071	391	37%
<b>Total</b>	<b>46,678</b>	<b>42,096</b>	<b>90%</b>	<b>38,235</b>	<b>11,883</b>	<b>31%</b>
<b>Workers</b>						
Male	Not Applicable					
Female						
<b>Total</b>						

\*100% of eligible employees are covered under performance and career development review.

**10. Health and safety management system:****a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, the Company has implemented safety policies for employees that reduce work place hazards and accidents.

Coverage:

- Conducting emergency response training at head office locations and Central Processing Unit (CPU).
- Performing risk assessments and safety audits for fire and electrical hazards at head office locations.
- Physical and mental wellbeing of the employees is an important aspect of human resource practice. Chola sends periodic internal communication and alerts to employees and conducts various awareness sessions on mental and physical health and safety related aspects.
- Educating employees through mailers on safety protocols emphasizing the importance of wearing helmets and seat belts during travel.
- Holding safety audit and review meetings to implement recommended policies at all locations.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Chola conducts safety audits on a periodic or on a need basis wherein parameters related to fire safety, housekeeping, electrical safety, and emergency preparedness are assessed.

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

Given the nature of business, this is not applicable.

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

Yes

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

Safety Incident/Number	Category*	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	-	-
	Workers	Not Applicable	Not Applicable
No. of fatalities	Employees	-	-
	Workers	Not Applicable	Not Applicable
High consequence work-related injury or ill-health (excluding fatalities, and including permanent disabilities)	Employees	-	-
	Workers	Not Applicable	Not Applicable

\*Including the contract work force

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

Chola guarantees the highest standards of health, safety and well-being, providing a safe and healthy work environment for its employees.

Master health check-up is mandated for all employees (once a year for employees above 40 years of age and once in two years for employees above 35 years).

Ambulances and a doctor on call are available at select locations to respond to any workplace incidents, ensuring immediate medical attention, thus enhancing the safety and well-being of employees. A dedicated ambulance is also housed at the Head Office to cater to critical medical requirements of Chennai locations.

Aside, following measures are taken for employee health and safety:

- Conducting risk assessments at branches to ensure safety standards are met, such as maintaining fire extinguishers in proper working condition and ensuring all exit routes are accessible.
- Strengthening of Safety equipment at branches.
- Conduct fire safety training and mock drill periodically.
- Safety advisories are communicated to employees through comprehensive training programs and well-defined policies.
- Safety measures are taken in the office premises like placing of sign boards on electrical devices, emergency exit marking, and fire extinguishers. The employees are also provided with regular safety awareness programs.
- Regular webinar/talk shows on various health topics including mental health is covered.
- Employees can contact the HR team via a direct helpline number (044-40907408) to report any grievances, whether related to infrastructure, health and hygiene or workplace issues. All matters will be handled with complete confidentiality.
- Chola has introduced the Employee Care Programme – Quick Response Team (ECP-QRT). Complaints received are monitored until resolved. Employees can email their complaints to [employeeecareqrt@chola.murugappa.com](mailto:employeeecareqrt@chola.murugappa.com), ensuring prompt and confidential handling.
- The Company has also installed napkin dispensers and napkin disposal chutes in women washrooms to support women hygiene in certain locations.
- The Company has also engaged a third-party counsellor to enable employees discuss their mental health concerns in anonymity.

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

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

**14. Assessments for the year:**

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

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

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

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**Leadership Indicators**


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

**(A) Employees** - Yes

**(B) Workers** - Not Applicable

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

The Company establishes clear expectations for all its vendors and suppliers to comply with applicable laws and regulations in their respective areas of operations. The organisation also strives to encourage its value chain partners by seeking confirmations of compliance based on the nature of the products or services provided which is included in the engagement agreement. The Company conducts regular audits and any non-compliance is met with strict actions.

**3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	Nil	Nil	Nil	Nil
Workers	Not Applicable			

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

No

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

There has been no risk arising from assessment of value chain partners carried out on health and safety practices and working conditions. Hence, no corrective action has been taken.

**Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders**


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**Essential Indicators**


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**1. Describe the processes for identifying key stakeholder groups of the entity:**

Chola addresses stakeholder concerns, maintains transparency about plans and creates shared value through robust engagement process. By connecting with stakeholders year-round via formal and informal mechanisms, Chola fosters trust-based relationships and gathers input for the materiality assessment process.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Customer Meets for engagement, digital platforms and applications, in-person engagement	Periodic	<ul style="list-style-type: none"> <li>Product customisation and personalisation;</li> <li>Consistently enable better lives for a larger number and diverse segments of people;</li> <li>Ensure protection of personal information;</li> <li>Consistent improvement in customer satisfaction.</li> </ul>
Local Communities	Yes	Corporate social responsibility initiatives	Periodic	<ul style="list-style-type: none"> <li>Improved quality of life via improved health and access to education and skill development;</li> <li>Preservation of natural resources and environment;</li> <li>Disaster relief (as required);</li> <li>Supporting cultural heritage</li> </ul>
NGO partners	No	Corporate social responsibility initiatives	Periodic	<ul style="list-style-type: none"> <li>Managerial support and capacity building</li> </ul>
Investors	No	Press releases and publications; Investor conferences; Annual General Meeting; Stock Exchange announcements; Website disclosures; Correspondences through RTA (Registrar and Share Transfer Agent)	Periodic	<ul style="list-style-type: none"> <li>Financial performance;</li> <li>Business updates;</li> <li>ESG Performance;</li> <li>Close co-ordination with RTA for closure of investor service requests.</li> </ul>
Regulators	No	Mandatory compliance reports; In person meetings	Ongoing	<ul style="list-style-type: none"> <li>Statutory compliance requirements: governance, social, environmental;</li> <li>Filing online returns through FIDC/SICCI/SIHPA (Finance Industry Development Council/ Southern India Chamber Of Commerce And Industries/ South India Hire Purchase Association).</li> </ul>
Lenders	No	In person and online meetings and visits	Quarterly	<ul style="list-style-type: none"> <li>Transparent financial transactions;</li> <li>Timely repayment of debt.</li> </ul>
Employees	No	Internal communication platforms; E-learning platforms and capability development programs; Engagement; Employee connect tool and personalised help desk	Periodic	<ul style="list-style-type: none"> <li>Continuous value creation;</li> <li>Fulfilment of Company's vision, mission and achieving sustainability objectives;</li> <li>Professional capacity building.</li> </ul>



### Leadership Indicators

#### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Chola believes that continuous engagement with the stakeholders is key to overall success. The Company employs a range of formal and informal communication methods to engage with stakeholders and the Board. Any feedback received from the stakeholders are analysed and any change needed is incorporated in the process. The Board also reviews the Environmental, Social and Governance obligations of the Company towards the stakeholders.

#### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity

Yes, we incorporate the feedback received through continued engagement with stakeholders into the Company's policies & practices. Their inputs help us in making strategic and operational decisions for promoting resilience on environmental and social matters. Any material issues identified are prioritised and worked on basis their impact on stakeholders and business.

#### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

The Company offers a highly diversified range of products in diverse rural, semi – urban and urban geographies ensuring financial inclusion of especially those who are disadvantaged, vulnerable and marginalised. The Company believes that affordable and appropriate access to financial services is a key driver of economic growth, poverty alleviation and prosperity. Hence, the Company provides finance for home loans, acquisition of new assets for economic upliftment as well as for working capital/ vehicle maintenance and financing insurance to protect their assets and life.

The Company has set up 91% of its branches in Tier-III, Tier-IV, Tier V and Tier-VI towns ensuring financial inclusion. With reference to Reserve Bank of India circular (RBI-circular no RBI/2016-17/60 dated 1 September, 2016), the Company has 300+branches in the under-banked districts identified by RBI and 82 branches are identified in aspirational districts.

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

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

### Principle 5: Businesses should respect and promote human rights

#### Essential Indicators

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	46,678	39,327	84%	38,235	10,622	28%
Other than permanent	-	-	-	-	-	-
<b>Total</b>	<b>46,678</b>	<b>39327</b>	<b>84%</b>	<b>38,235</b>	<b>10,622</b>	<b>28%</b>
<b>Workers</b>						
Permanent	Not Applicable					
Other than permanent						
<b>Total</b>						

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

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	No. (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	46,678	-	-	46,678	100%	38,235	-	-	38,235	100%
Male	45,194	-	-	45,194	100%	37,164	-	-	37,164	100%
Female	1,484	-	-	1,484	100%	1,071	-	-	1,071	100%
Other than Permanent	13	-	-	13	100%	6	-	-	6	100%
Male	12	-	-	12	100%	5	-	-	5	100%
Female	1	-	-	1	100%	1	-	-	1	100%
Workers										
Permanent	Not Applicable									
Male										
Female										
Other than Permanent										
Male										
Female										

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

a. Median remuneration / wages:

	Number	Male	Female	
		Median remuneration/ salary/ wages of respective category (₹ in crores)	Number	Median remuneration/ salary/ wages of respective category (₹ in crores)
Board of Directors (BoD)	7	0.20	1	0.20
Key Managerial Personnel	1	4.70	1	2.32
Employees other than BoD and KMP	36,483*	0.046	1,167*	0.038
Workers	-	-	-	-

\*Represents those employed throughout the financial year

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

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	3.25%	2.84%

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Yes, for any customer related concern, the Company's customer service head and the grievance redressal officer would be the focal point and would be responsible for addressing any impact or issues and can be reached at [customerservicehead@chola.murugappa.com](mailto:customerservicehead@chola.murugappa.com) or [gro@chola1.murugappa.com](mailto:gro@chola1.murugappa.com). The Whistle Blower Committee constituted under the Whistle Blower Policy of the Company reviews all referrals made to it including human rights impacts. Such referrals are also reviewed by the Audit Committee on a quarterly basis. This policy not just covers the employees, but also extends to all stakeholders including vendors. The Internal Complaints Committee, constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 addresses grievances enlisted in the policy. Besides these, the Human Resources function also facilitates an environment of free unbiased dialogue to discuss any concerns. In line with the Fair Practices Code, the Company also emphasises its commitment towards treating its customers fairly, by maintaining ethical practises and fostering a cordial relationship with its customers

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

Human rights is a core value of the Company and every employee is committed to upholding them. The Company maintains a zero-tolerance policy towards any form of harassment, whether physical, sexual, or verbal. The Whistle Blower Committee & the Internal Complaints Committee constituted under the respective policies provide a forum to handle and address grievances and complaints related to human rights issues and the details are available on the Company's website. The detailed process is explained in the policy that is made available in the link - <https://www.cholamandalam.com/files/whistle-blower-policy-2025>.

The Company also adheres to the Fair Practices Code to ensure that the customers are treated fairly, ethical practises are followed at all points of time while dealing with customers and their grievances are resolved on a timely basis. Customer Complaints addressed to the Customer Services are closely reviewed by a dedicated Customer Services Committee and necessary interventions are made to address their concerns including on human rights.

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

	FY 2024-25		Remarks	FY 2023-24		Remarks
	Filed during the year	Pending resolution at the end of year		Filed during the year	Pending resolution at the end of year	
Sexual Harassment	2	Nil		Nil	Nil	
Discrimination at workplace	Nil					
Child Labour						
Forced Labour/Involuntary Labour						
Wages						
Other human rights related issues						

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

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	Nil
Complaints on POSH as a % of female employees / workers	0.13%	NA
Complaints on POSH upheld	2	NA

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

Concerns raised on discrimination and harassment are dealt with complete confidentiality. The whistle blower policy and policy on prevention of sexual harassment at workplace includes a mechanism that provides for adequate safeguards against victimisation of employees, customers, directors and other stakeholders who avail of the mechanism. The Whistle Blower Committee / Internal Complaints Committee preserves the anonymity of the complainant to avoid any instances of discrimination/ harassment throughout the investigation of the complaint. Any unjustified behaviour against the victim is taken up seriously by the Committee.

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

Yes

**10. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% assessment has been carried out. As a part of Recruitment policy, the Company does not engage child labour in any of its locations. The same is verified by the labour inspectors during audit visits.
Forced/ involuntary labour	100% assessment has been carried out. The Company's disciplinary actions does not have any provision to award punishment / penalty to employees. Also, there has been no situation of involuntary work practises amongst employees.
Sexual harassment	100% assessment has been carried out. The Company has in place a policy on prevention of sexual harassment at the workplace and it is reviewed by the Board on an annual basis. During FY 2024-25, two complaints/referrals were received by the Internal Complaints Committee, which were disposed off during the year.
Discrimination at workplace	100% assessment has been carried out. As a part of Recruitment policy, the Company does not discriminate either on sex or caste or otherwise. If a person fulfils the qualification/knowledge/skill requirement required for the role, the candidate would be considered without any discrimination.
Wages	100% assessment has been carried out. The Company is in compliance with the prescribed wages payable as per the Minimum Wages Act, 1948 and the wages notified by the State Governments. There is a mechanism in place to check on wages paid on a monthly basis. As Company's wage period is monthly as per Payment of Wages Act, 1936, wages to employees are being paid on last working day of the calendar month. This aspect is being inspected by labour authorities periodically.
Others – please specify	Nil

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

There were no significant risks identified from the assessments conducted at the branches, hence not applicable.

### Leadership Indicators

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

None. The Company is of the belief that it has upheld the basic principles of human rights in all its dealings. The Company has implemented a Code of Conduct for all its employees, senior management, and Board of Directors, which is reflected upon in every business process.

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

The assessment was conducted across the business operations for a wide range of human rights issues including forced labour, harassment, discrimination and wage.

#### 3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, in line with the Rights of Persons with Disabilities Act, 2016, the Company has ramp/wheelchair facility in Head Office and Central Processing Unit.

#### 4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others – please specify	-

#### 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

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

### PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

#### Essential Indicators

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

Parameter	FY 2024-25	FY 2023-24
<b>From renewable sources</b>		
Total electricity consumption (A)	193.32	34.2
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>193.32</b>	<b>34.2</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	85,094.25	71,497.37
Total fuel consumption (E)*	4,799.73	5,076.04
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	89,893.98	76,573.41
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>90,087.30</b>	<b>76,607.61</b>
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) G/INR Crores	3.46	3.98

Parameter	FY 2024-25	FY 2023-24
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	77.45	89.26
Energy intensity in terms of physical output	1.61	1.67
Energy intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants.

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

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No

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

Parameter	FY 2024-25	FY 2023-24
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<i>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</i>	-	-
Total volume of water consumption (in kilolitres)*	5,96,223	5,36,904
<b>Water intensity per rupee of turnover (Water consumed KL / turnover)</b>	22.88	27.94
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	512.59	625.86
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants.

\*The water consumption is based on the Central Ground Water Authority (CGWA) estimate for water consumption which determines the water availability and is at 45 litres per head per working day for offices.



**4. Provide the following details related to water discharged:**

Parameter	FY 2024-25	FY 2023-24
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants.

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

No

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

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NO <sub>x</sub>	MT/m <sup>3</sup>	Not Applicable	Not Applicable
SO <sub>x</sub>	MT/m <sup>3</sup>		
Particulate matter (PM)	MT/m <sup>3</sup>		
Persistent organic pollutants (POP)	-		
Volatile organic compounds (VOC)	-		
Hazardous air pollutants (HAP)	-		
Others – please specify	-		

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants.

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

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	356	377
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	16,924	15,690
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Tonne CO <sub>2</sub> per INR crores	0.66	0.84
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Tonne CO <sub>2</sub> per INR crores	14.86	18.73
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.31	0.35
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		Not Applicable	Not Applicable

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants

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

Yes. The Company continues to finance electric vehicle loans as a step towards creating a green and clean future. As a forward-thinking financial services company, Chola is committed to continuously monitoring technological advancements aimed at reducing vehicle emissions. The Company will proactively develop and introduce innovative financing solutions to support these eco-friendly technologies, ensuring that customers have access to the latest sustainable options.

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

Parameter	FY 2024-25	FY 2023-24
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	Not Applicable	Not Applicable
E-waste (B)	7.12	11.77
Bio-medical waste (C)	Not Applicable	Not Applicable
Construction and demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	Not Applicable	Not Applicable
Radioactive waste (F)	Not Applicable	Not Applicable
Other Hazardous waste. Please specify, if any. (G)	Not Applicable	Not Applicable
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	-	9.45 (Carton, White Paper, Colour Paper, Newspaper, Tissues, Paper Cups, Mixed Paper, Metal Waste)
<b>Total (A+B + C + D + E + F + G+ H)</b>	7.12	21.23

Parameter	FY 2024-25	FY 2023-24
<b>Total Waste generated (in metric tonnes)</b> (Contd.)		
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00027	0.0011
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0061	0.0247
Waste intensity in terms of physical output	0.0001	0.0005
Waste intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	-	9.46
(ii) Re-used	-	-
(iii) Other recovery operations	7.12	11.77
<b>Total</b>	<b>7.12</b>	<b>21.23</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

A reasonable assurance on the BRSR Core principles has been provided by B Thiagarajan & Co., Chartered Accountants.

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Being in the financial services sector, the Company's processes are inherently non-hazardous and safe as they do not involve usage of any toxic or hazardous chemicals. The following practices have been adopted in the Company's businesses and support functions:

Information Technology: The Company is cognizant of the environmental impact of improper management of e-waste and has adopted a strong e-waste management practice to minimise adverse outcomes. It strives to make sure that e-waste is disposed off in the most scientific way, that the recycling organisation has a valid permit and follows the required protocols laid down by regulatory bodies. The Company has also adopted a tool that monitors print usage by users. This helps to reach high volume users and educate the users on sensitiveness of usage of paper.

Infra and Admin:

- With a view to conserve paper, the Company is transitioning its paper – related processes digitally in a phased manner.
- The implementation of new LOS software across businesses has resulted in significant monthly savings on prints.
- The Company has been promoting the use of recycled paper since FY 2022-23 and has taken several steps across the organisation that allow for more efficient paper usage.
- The measures adopted include a transition to double printing mode.
- To conserve energy, the Company has installed LED lights and sensor-based lighting in the corporate office.
- The Company has also advised employees to use stainless steel / ceramic cups of their own, in order to reinforce the Company's efforts and manage waste.
- Further, the coffee cups used are also eco-friendly and bio-degradable.
- As part of its environment responsibility initiatives, the Company has installed water sensor taps in its offices to promote water conservation and sustainability.
- The Company has installed solar panels in its corporate office which is utilised for its internal consumption.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable as there are no operations near above-mentioned zones.			

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the head office and all its branches are in compliance with applicable laws.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
-	-	-	-	-

#### Leadership Indicators

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

**For each facility / plant located in areas of water stress, provide the following information:**

(i) Name of the area

(ii) Nature of operations

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

Parameter	FY 2024-25	FY 2023-24
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres)</b>	-	-

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

Parameter	FY 2023-24	FY 2022-23
<b>Total volume of water consumption (in kilolitres)</b>	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - Not applicable

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2024-25	FY 2023-24
<b>Total Scope 3 emissions</b>	Metric tonnes of CO2 equivalent	33,680.62	29,502.05
<b>Total Scope 3 emissions per rupee of turnover</b>	Tonne CO2 per INR crores	1.29	1.54
<b>Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity</b>	-	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable



**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Sustainable Financing	The Company's efforts are on sustainable financing with a target to support the cause of a greener environment through initiating electric vehicle financing and attempting to increase loan disbursements to electrical vehicles. <a href="https://www.cholamandalam.com/esg/presentation-and-reports">https://www.cholamandalam.com/esg/presentation-and-reports</a>	For the details of the outcome achieved, please refer Section B in 5 <sup>th</sup> and 6 <sup>th</sup> questions.

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

Yes, the Company has established a robust Disaster Recovery as well as Business Continuity Plans (BCP) which has enabled the Company to run critical functions efficiently. The BCP outlines critical processes, downtime tolerance and requisite plans to carry out the operations without any disruptions. The business continuity team is responsible for overseeing the activity. The required training programmes are conducted as a measure for the employees to be prepared in times of emergency / crisis.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Given the nature of the business, there has been no adverse impact to the environment.

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

Nil

**8. How many Green Credits have been generated or procured: None**

a. By the Company: Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners: Nil

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

#### Essential Indicators

**1. a. Number of affiliations with trade and industry chambers/ associations.**

The Company has affiliations with 4 associations.

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry	National
2	Finance Industry Development Council	National
3	Finance Companies' Association (India)	National
4	South India Hire Purchase Association	National

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
No adverse orders were received from regulatory authorities		

### Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
-	-	-	-	-	-

### PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

#### Essential Indicators

#### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

#### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

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

The Company carries out an impact assessment through an external independent agency after the project has been implemented. The grievances of the community is received through this review process. The Company undertakes suitable action to address the concerns of the community at the end of the assessment.

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

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	5%	5%
Directly from within India	100%	100%

Note: Capital expenditures and operating expenses considered for MSMEs.

#### 5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024-25	FY 2023-24
Rural	19%	20%
Semi-urban	54%	55%
Urban	3%	3%
Metropolitan	24%	22%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

## Leadership Indicators

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

S. No.	State	Aspirational District/Block	Amount spent (In INR)
1	Assam	1. Hailakandi	25,84,440.00
2	Bihar	2. Aurangabad	49,98,861.83
		3. Kaimur	
3	Chhattisgarh	4. Durg/Bhilai	28,00,927.66
		5. Raigarh	
4	Gujarat	6. Kutch	14,00,463.83
5	Haryana	7. Palwal	88,26,666.67
6	Jharkhand	8. Saraikela	18,88,845.00
		9. Hazaribagh	
		10. Gumla	
		11. Koderma	
		12. Dumka	
7	Kerala	13. Thrissur	48,20,000.00
8	Madhya Pradesh	14. Satna	28,00,926.00
		15. Jhabua	
9	Maharashtra	16. Nasik	45,36,000.00
		17. Yawatmal	
10	Odisha	18. Ganjam	54,76,389.00
		19. Denkanal	
		20. Angul	
		21. Khorda	
11	Tamil Nadu	22. Dharmapuri	27,50,000.00
		23. Krishnagiri	
		24. Ramanathapuram	
		25. Villupuram	
12	Uttar Pradesh	26. Kanpur Nagar	42,01,389.00
		27. Prayagraj	
		28. Gorakhpur	
13	West Bengal	29. Jalpaiguri	14,00,463.83

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

No

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

Not Applicable

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

Not Applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

**6. Details of beneficiaries of CSR Projects:**

S.No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	SHRUTI- Early Intervention of Children and Adult with Hearing Loss: Phase II-A project aimed at early intervention for children and adults with hearing loss to improve their quality of life.	10,666	100%
2.	Chola-Eureka Homes: Providing housing solutions.	14 families	100%
3.	Facility towards training of Young Sports Players: Infrastructure and facilities for training young sports players.	27	100%
4.	Support towards training of Table Tennis Players.	15	100%
5.	Promoting Quality Healthcare and Education: A large-scale project to promote healthcare and education for marginalised sections.	2,87,235	100%
6.	Scholarship for Higher Education-Chennai	44	100%
7.	Restoring Confidence - Wigs of Hope: Providing wigs to restore confidence in individuals who have lost hair due to medical conditions.	100	100%
8.	Training of Amateur Chess Player: Training programs for amateur chess players.	105	100%
9.	Training of Professional Chess Player: Training programs for professional chess players.	2	100%
10.	Training of Chess Player Aravindh Chithambaram: Specialised training for the chess player Aravindh Chithambaram.	1	100%
11.	Renovation Work for Heritage Structure.	5,500	100%
12.	Training of Female Swimmer: Training program for a female swimmer.	1	100%
13.	The Mahila Shakti-Auto Driving Training Program: Auto driving training program for women.	176	100%
14.	Holistic Initiative to improve quality of life of Commercial Vehicle Crew Members in Assam-Phase-II: Initiative to improve the quality of life for commercial vehicle crew members in Assam.	3,000	100%
15.	Project Balanethra - providing laser treatment for Retinopathy for Prematurity	50	100%
16.	CHOLA- Yoga: A project to educate youngsters through an immersive course on Yoga	1,000	100%
17.	CHOLA- Samskriti: Cultural project aimed at promoting traditional arts and culture.	208	100%
18.	Preventive Health Care and Sanitation initiatives.	16,89,000	100%
19.	Promoting Wellness Through Yoga Programs & Mental Wellness for Youth.	50,000	100%
20.	Refurbishment of Veda Patasala at Chromepet, Chennai: Refurbishment of a traditional Vedic school in Chromepet.	60	100%
21.	Programs to bring joy and laughter to hospital patients.	1,000	100%
22.	Construction of Centenary Building and Scholarship to Underprivileged Students.	31	100%
23.	Chola-Dakshina Chitra: Arts & Museum Internship Project: Internship project in arts and museum management.	10	100%
24.	Providing infrastructural support for HIV positive and underprivileged children.	2,000	100%
25.	Training of International Wheelchair Tennis Player: Training program for an international wheelchair tennis player.	1	100%

**6. Details of beneficiaries of CSR Projects: (Contd.)**

S.No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
26.	Research and Development on sustainable agricultural practices, for rural farmers, nutritional supplementation and other technologies for daily life of rural communities and studies on biodiversity.	6,500	100%
27.	Training programme for a badminton player.	1	100%
28.	Training programme for golf players.	8	100%
29.	Scholarships for higher education in Chennai.	37	100%
30.	Providing corrective surgeries for birth-disabled persons.	50	100%
31.	Installation of a reverse osmosis plant with a cooler in Gaya.	3,000	100%
32.	Jankalyan Thalassemia Centre: Support for a Thalassemia center.	18	100%
33.	RAAHI-Truckers Eye Health Project and Rural Eye Health Care in Hailakandi and Aurangabad: Eye health project for truckers and rural eye healthcare.	2,13,698	100%
34.	Clean Water Initiative in Gortha village of Gondia.	2,700	100%
35.	Holistic Educational support for the rural students and tribal communities in Karjat, Maharashtra.	274	100%
36.	Thalassemia Cure - Children Undergoing Transfusion Process for Bone Marrow Transplant.	9	100%
37.	Cholamandalam - The gift of life	98	100%
38.	Cholamandalam-Strengthening the Maternal Health	660	100%
39.	Rural Care on Bike Ambulance	121	100%
40.	Financial Assistance towards Cancer Treatment for Children from Low Economic Background	85	100%
41.	Ramping up the hospital infrastructure	5,00,000	100%
42.	Pragati- Skill and Training (BEST) program in an Ashram School in Aghai	1,824	100%
43.	TRRAINHer Ascent: Training and support program for women.	75	100%
44.	Mangala Isai Vizha - Nadaswaram and Thavil Festival	600	100%
45.	Swachha Odisha Gram Vikas	247	100%
46.	My Dream Scholarship Program	536	100%
47.	Scholarship for Higher Education in Namakkal district	5	100%
48.	Renovation of Day Activity Centre for Intellectually Challenged Children	30	100%
49.	Rehabilitation and Inclusion of Differently Abled and People with Special Needs	51	100%
50.	Sailing Training of Underprivileged Students by Royal Madras Yacht Club	17	100%
51.	Urban Eye Health	11,337	
52.	Adopt a Monument Program at Kancheepuram	Conservation of heritage	
53.	Well Rejuvenation in Selaiyur, Madambakkam	Environmental Project	
54.	Indigenous State-of-the-art Ultrasound Scanner for Maternal and Foetal Healthcare	Research & Development	
55.	Holistic Analysis and Research on Multidimensional Observations Nurturing Transformative Yogic Impacts	Research & Development	
56.	Enhancing Hygiene & safe drinking water access in schools of Jharkhand- Construction project to enhance hygiene and safe drinking water in Jharkhand schools.	Construction Project	



S.No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
57.	Securing shared space: Technology driven solutions for human elephant coexistence. Securing livelihoods to foster co-existence of people and wildlife in Upper Spiti landscape	Environmental Project	
58.	R&D project on neuro-hemodynamic changes due to meditation: Neuro-hemodynamic changes before and after 8-day advanced meditation Samyama program in healthy volunteers	Research & Development	
59.	Infrastructure support at Roja Muthiah Research Library	Infrastructure	
60.	WASH project in Guindy women Police Station	Infrastructure	
61.	Infrastructure project to expand hospital facilities.	Infrastructure	
62.	Infrastructure project for comprehensive respiratory healthcare for children.	Infrastructure	

### PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

#### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Customer grievance redressal and customer feedback are vital for any business as it retains customers, builds trust, enhances reputation and provides valuable feedback for improvement. The Company has a multi-level grievance redressal system to address any disputes, grievances or concerns raised by customers. This system adheres to the requirements of the RBI's Ombudsman Scheme.

The mechanism is as follows:

Level 1: Submit written requests from registered email IDs. If the grievance is not satisfactorily resolved, the grievance can be escalated to Head – Customer Service.

Level 2: Contact the Head - Customer Service via telephone or in writing. If redressal is unsatisfactory even at this level, the grievance can be escalated to Grievance Redressal Officer.

Level 3: Approach the Principal Nodal Officer/Grievance Redressal Officer, by e-mail or telecal. If the grievance is not resolved within one month of registering the complaint, the regional office of DNBS - RBI in Chennai may be approached.

Level 4: If the grievance is not resolved to the customer's satisfaction within one month of registering the complaint, the RBI Ombudsman may also be approached.

The Company takes the ownership and responds to all customer complaints within turnaround time with applicable resolution.

#### 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

#### 3. Number of consumer complaints in respect of the following:

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other (Product related)	5,113	266*	-	1,308	50	-

\*265 complaints had since been resolved in April, 2025.

#### 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, the Company's IT policy and related framework for data privacy and security are formulated to minimise risks associated with customers' privacy and cyber security. Weblink: <https://www.cholamandalam.com/privacy-policy>

Chola follows the Reserve Bank of India's Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices. The Company is also certified for ISO 27001:2022 – Information Security Management systems. The Company has also put in place processes and systems to ensure compliance with the Digital Personal Data Protection Act, 2023 and the draft rules defined. Some of the policies defined and managed at the organisation level are:

- |   |   |
|---|---|
| 1. Access Management Controls                   | 12. Endpoint Protection Policy                    |
| 2. Network Management Controls                  | 13. Physical Equipment and Access Control Policy  |
| 3. Cloud Security Controls                      | 14. Software Usage Policy                         |
| 4. API Security Controls                        | 15. Data Backup and Retention Policy              |
| 5. Various Acceptable Usage Policies            | 16. Password Management Policy                    |
| 6. Internet Acceptable Usage Policy             | 17. Employee Awareness Policy                     |
| 7. Email Usage Policy                           | 18. Incident Management Policy                    |
| 8. Technical Risk Management And Control Policy | 19. Disposal of it Asset Policy                   |
| 9. Third Party Risk Management                  | 20. Monitoring and Detection (SOC Control) Policy |
| 10. Business Continuity Management              | 21. Governance, Audit and Compliance              |
| 11. Malware Protection Policy                   |   |

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Not applicable. However, the Company's Cyber & Brand threats are being monitored real time. Threat indicators are being live monitored and reviewed. True positive alerts will undergo legal and take-down actions.

**7. Provide the following information relating to data breaches:**

- Number of instances of data breaches - Nil
- Percentage of data breaches involving personally identifiable information of customers – Not applicable
- Impact, if any, of the data breaches – Not applicable

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**Leadership Indicators**


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**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The information on the products can be accessed on the Company website, the Chola App, and other associated brand website like the Company's customer facing application and Gaadi Bazaar platform. <https://www.cholamandalam.com/>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The customers are made aware about the product usage through a list of Do's and Don'ts which is given on the Company's website <https://www.cholamandalam.com/contact-us/dos-and-donts>. The list specifies the steps that a customer should take in situations when there is a malpractice or a fraud. They are also made aware of the process on how a customer can know about their loan period, the EMI amount and the ways in which they can repay it. Feedback through SMS is also requested from customers on the service provided to them by the Company. The Company strives to practice responsible lending and informs its customers about the same through various modes of formal and informal communication channels.

The customer awareness initiatives were undertaken in this financial year using means direct meetings, camps, workshops and digital platforms (Facebook, Instagram, LinkedIn, YouTube, WhatsApp, SMS and E-mail). Topics like safeguards against frauds (including digital frauds), awareness about grievance redressal mechanism and financial literacy for the family of customers were covered through these initiatives.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The customers are informed about any disruption/discontinuation of essential services like server maintenance of the Company's website.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief.**

Not applicable

**Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, the Company carries out survey with regard to consumer satisfaction. Customer satisfaction trend (CSAT) is monitored basis inflow and query to complaint percentages. Further, we also monitor the transactional CSAT for customer calls that land on the inbound tollfree number basis a SMS that goes out at the conclusion of the call asking for satisfaction levels.

# Independent Practitioner's Reasonable Assurance Report on Identified Sustainability Information In Cholamandalam Investment And Finance Company Limited ("BRSR")

## To the Board of Directors of Cholamandalam Investment and Finance Company Limited

We have undertaken to perform a reasonable assurance engagement, for Cholamandalam Investment and Finance Company Limited ("the company") vide agreement letter dated February 12, 2025, in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information") in accordance with the criteria stated below. This Sustainability Information is as included in the BRSR of the Company for the year ended March 31, 2025.

### Identified Sustainability Information

The Identified Sustainability Information as specified in Annexure 1 to SEBI Circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, for the year ended March 31, 2025 is summarized below:

Sr. No	Attribute	Measurement	Reference to BRSR
1	Green-house gas (GHG) footprint	Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Principle 6, Question 7 of Essential Indicators
2	Total Scope 2 emissions (Break-up of the GHG (CO <sub>2</sub> e) into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	GHG (CO <sub>2</sub> e) Emission in Mn MT/KT /MT Indirect emissions from the generation of energy that is purchased from a utility provider	Principle 6, Question 7 of Essential Indicators
3	GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (MT) /Total Revenue from Operations adjusted for PPP	Principle 6, Question 7 of Essential Indicators
	GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services	Principle 6, Question 7 of Essential Indicators
4	Water footprint	Total water consumption in Mn Lt or KL	Principle 6, Question 3 of Essential Indicators
5	Water footprint	Water consumption intensity	Principle 6, Question 3 of Essential Indicators
6	Water footprint	Water Discharge by destination and levels of Treatment	Principle 6, Question 4 of Essential Indicators
7	Energy footprint	Total energy consumed % of energy consumed from renewable sources	Principle 6, Question 1 of Essential Indicators
		Energy intensity	Principle 6, Question 1 of Essential Indicators
8	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	Principle 6, Question 9 of Essential Indicators
		E-waste (B)	Principle 6, Question 9 of Essential Indicators
		Bio-medical waste (C)	Principle 6, Question 9 of Essential Indicators
		Construction and demolition waste (D)	Principle 6, Question 9 of Essential Indicators
		Battery waste (E)	Principle 6, Question 9 of Essential Indicators
		Radioactive waste (F)	Principle 6, Question 9 of Essential Indicators

Sr. No	Attribute	Measurement	Reference to BRSR
		Other Hazardous waste. Please specify, if any. (G)	Principle 6, Question 9 of Essential Indicators
		Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Principle 6, Question 9 of Essential Indicators
		Total waste generated ((A+B + C + D + E + F + G + H)	Principle 6, Question 9 of Essential Indicators
		Waste intensity	Principle 6, Question 9 of Essential Indicators
		Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	Principle 6, Question 9 of Essential Indicators
		For each category of waste generated, total waste disposed by nature of disposal method	Principle 6, Question 9 of Essential Indicators
9	Enhancing Employee Wellbeing and Safety	Spending on measures towards well- being of employees and workers – cost incurred as a % of total revenue of the company	Principle 3, Question 1(c) of Essential Indicators
		Details of safety related incidents for employees and workers (including contract-workforce e.g workers in the company's construction sites)	Principle 3, Question 11 of Essential Indicators
10	Enabling Gender Diversity in Business	Gross wages paid to females as % of total wages paid by the company	Principle 5, Question 3(b) of Essential Indicators
		Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	Principle 5, Question 7 of Essential Indicators
11	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India	Principle 8, Question 4 of Essential Indicators
		Job creation in smaller towns -Wages paid to persons employed in smaller towns (permanent or non- permanent /on contract) as % of total wage cost	Principle 8, Question 5 of Essential Indicators
12	Fairness in Engaging with Customers and Suppliers	Instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events	Principle 9, Question 7 of Essential Indicators
		Number of days of accounts payable	Principle 1, Question 8 of Essential Indicators
13	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	Principle 1, Question 9 of Essential Indicators

Our reasonable assurance engagement was with respect to the year ended March 31, 2025 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

### Criteria

The criteria used by the company to prepare the Identified Sustainability Information is based on the BRSR-Core Reporting Standard issued by SEBI, International Framework, Global Reporting Initiative ("GRI") Standards, Greenhouse Gas (GHG) protocol and National Guidelines on Responsible Business Conduct("NGRBC"). In addition, Business Responsibility and Sustainability Reporting (BRSR) as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was also considered while developing this Report.

**Reporting Period: April 1, 2024, to March 31, 2025**

**Boundary**

Boundary of the report covers the Company's operations in India.

**Management's Responsibility**

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

**Inherent limitations**

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

**Our Independence and Quality Control**

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and have the required competencies and experience to conduct this assurance engagement.

The firm applies Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

**Our Responsibility**

Our responsibility is to express a reasonable assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

1. Reviewed the approach to stakeholder engagement and materiality determination process and its outcomes as brought out in the Report.
2. Conducted interviews with selected representatives responsible for management of sustainability issues and implementation of the NGRBC Principles and carried out reviews of selected evidence to support topics and claims disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver Company's overall sustainability objectives.
3. Carried out Onsite verification of sustainability performance data and sample evidence related to the sampled offices of the company to review the processes and systems for aggregating site-level sustainability information, as well as overall aggregation and consolidation of data from sites by the sustainability team at the Corporate Office at Chennai in Tamilnadu.
4. Reviewed the process of reporting on BRSR requirements including Section A: General Disclosures, Section B: Management and Process Disclosures, and Section C: Principle-wise Performance Disclosures.
5. Carried out an assessment of the processes for gathering and consolidating performance data related to the NGRBC Principles and, for a sample, checked the processes of data consolidation to assess the Reliability and Accuracy of performance disclosures reported based on BRSR requirements.



6. An independent assessment of the reports non-financial information against the requirements of BRSR and the guidance notes. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our reasonable assurance conclusions.

**Exclusions:**

Our assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Operations of the Company other than those mentioned in the “Scope of Assurance”
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data outside the operations specified in the assurance boundary.
- Data and information outside the defined reporting period i.e. March 31, 2025.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company. Additionally, assertions related to Intellectual Property Rights and other competitive issues.
- Review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.
- Review of the Company's strategy or other related linkages expressed in the Report.
- Mapping of the Report with reporting frameworks other than those mentioned in Criteria above.

**Opinion**

Based on the procedures performed as above, the evidences obtained, and the information and explanations given to us along with the representation provided by the management and subject to inherent limitations outlined elsewhere in this report, in our opinion the Identified Sustainability Information for the year ended March 31, 2025 (as stated under “Identified Sustainability Information”) are prepared in all material respects, in accordance with the criteria.

**Restriction on use**

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of the company at the request of the company solely, to assist the company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

**For B Thiagarajan & Co.**  
Chartered Accountants  
Firm Regn. No. 004371S

**Ram Srinivasan**  
Partner  
Membership No. : 220112  
UDIN : 25220112BMOGDN2565

Date : April 25, 2025  
Place : Chennai

# Independent Auditor's Report

## To the Members of Cholamandalam Investment and Finance Company Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

1. We have audited the accompanying Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2025, and the Standalone Statement of Profit And Loss (including Other Comprehensive Income/loss), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements, including a summary of material accounting policy information and other explanatory information ('the Standalone Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2025, and its Profit and Other Comprehensive Income/loss, Changes in Equity and its Cash Flows for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

#### Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How the matter was addressed in our audit
<p><b>Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 9 of the standalone financial statements)</b></p> <p>The loan balances towards vehicle finance, home loans, loans against property, and other loans aggregating to ₹ 1,85,340.34 crores and the associated impairment allowances aggregating to ₹ 3,410.44 crores are significant to the standalone financial statements and involves judgement around the determination of the impairment allowance in line with the requirements of the Ind AS 109 "Financial Instruments". Impairment allowances represent management's estimate of the losses incurred within the loan portfolios at the balance sheet date and are inherently judgmental. Impairment, based on ECL model, is calculated using main variables, viz. 'Staging', 'Exposure at Default', 'Probability of Default' and 'Loss Given Default' as specified under Ind AS 109. Quantitative factors like days past due, behaviour of the portfolio, historical losses incurred on defaults and macro-economic data points identified by the Management's expert and qualitative factors like nature of the underlying loan, deterioration in credit quality, correlation of macro-economic variables to determine expected losses, uncertainty over realisability of security, judgement in relation to management overlays and related Reserve Bank of India (RBI) guidelines, to</p>	<p>The audit procedures performed by us to assess appropriateness of the impairment allowance based on ECL on loans included the following:</p> <ul style="list-style-type: none"> <li>• We understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over: <ul style="list-style-type: none"> <li>i. the assumptions used in the calculation of ECL and its various aspects such as determination of Probability of Default, Loss Given Default, Exposure at Default, Staging of Loans, etc.</li> <li>ii. the completeness and accuracy of source data used by the Management in the ECL computation; and</li> <li>iii. ECL computations for their reasonableness</li> </ul> </li> <li>• We, along with the assistance of the auditor's IT expert, verified the appropriateness of methodology and models used by the Company and reasonableness of the assumptions used within the computation process to estimate the impairment provision.</li> <li>• We test-checked the completeness and accuracy of source data used.</li> <li>• We recomputed the impairment provision for a sample of loans across the loan portfolio to verify the arithmetical accuracy and compliance with the requirements of Ind AS 109.</li> </ul>

## Independent Auditor's Report (Contd.)

Key audit matters	How the matter was addressed in our audit
<p>the extent applicable, etc. have been taken into account in the ECL computation. Given the inherent judgmental nature and the complexity of model involved, we determined this to be a Key Audit Matter.</p>	<ul style="list-style-type: none"> <li>• We evaluated the reasonableness of the judgement involved in management overlays that form part of the impairment provision, and the related approvals.</li> <li>• We evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the standalone financial statements</li> </ul>
<p><b>Audit in an Information Technology (IT) enabled environment – including considerations on exceptions identified in IT Environment.</b></p> <p>The IT environment of the entity involves a few independent and inter-dependent IT systems used in the operations of the entity for processing and recording of the business transactions.</p> <p>As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the entity. Appropriate IT general controls and IT application controls are required to ensure that such IT systems can process the data as required, completely, accurately, and consistently for reliable financial reporting.</p> <p>We have identified certain key IT applications and the related IT infrastructure (herein after referred to as “In-scope IT systems”), which have an impact on the financial reporting process and the related controls as a key audit matter because of the increased level of automation; a few systems being used by the entity for processing financial transactions; the complexity of the IT architecture; and its impact on the financial records and financial reporting process of the entity</p>	<p>Our audit procedures with respect to this matter included the following:</p> <p>In assessing the controls over the IT systems, we have involved our Technology Assurance specialists to obtain an understanding of the IT environment, IT infrastructure and IT systems.</p> <ul style="list-style-type: none"> <li>• With respect to the “In-scope IT systems” identified as relevant to the audit of the standalone financial statements and financial reporting process of the entity, we have evaluated and tested relevant IT general controls or relied upon service auditor's report, where applicable.</li> <li>• On such “In-scope IT systems”, we have covered the key IT general controls with respect to the following domains:</li> <li>• Program change management, which includes that program changes are moved to the production environment as per defined procedures and relevant segregation of environment is ensured.</li> <li>• User access management, which includes user access provisioning, de-provisioning, access review, password management, sensitive access rights and segregation of duties to ensure that privileged access to applications, operating system and databases in the production environment were granted only to authorized personnel.</li> <li>• Other areas that were assessed under the IT control environment included backup management, business continuity and disaster recovery, incident management, batch processing and monitoring, cybersecurity controls, end user computing and physical security and datacentre controls.</li> <li>• We have also evaluated the design and tested the operating effectiveness of key IT application controls within key business processes, which included testing automated calculations, automated accounting procedures, system interfaces, system reconciliation controls and key system generated reports, as applicable.</li> <li>• Where control deficiencies have been identified, we have tested a combination of compensating controls, remediated controls and/ or performed alternative audit procedures, where necessary</li> </ul>

### Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report
6. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit

## Independent Auditor's Report (Contd.)

or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the State of Affairs, profit and Other Comprehensive Income/loss, Changes in Equity and Cash Flows of the Company in) conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the Standalone Financial Statements**

10. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - 10.1. Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - 10.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
  - 10.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
  - 10.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

## Independent Auditor's Report (Contd.)

- 10.5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

14. The Financial Statements of the Company for the year ended 31 March 2024 were audited by erstwhile Statutory auditors whose reports dated 30 April 2024 expressed an unmodified opinion on those Financial Statements. Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

15. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. As required by Section 143(3) of the Act, we report that:
  - 16.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - 16.2. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 17.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - 16.3. The standalone balance sheet, the standalone statement of profit and loss including Other Comprehensive Income, the Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - 16.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.
  - 16.5. On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - 16.6. The modification relating to the maintenance of books of accounts and other matters connected therewith are as stated in the paragraph 16.3 above on reporting under Section 143(3)(b) and paragraph 17.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - 16.7. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
  - 16.8. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.



## Independent Auditor's Report (Contd.)

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

- 17.1. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its Standalone Financial Statements – Refer Note 38 to the Standalone Financial Statements;
- 17.2. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 7 to the Standalone Financial Statements;
- 17.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 17.4. The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 17.5. The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 17.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under para 17.4 and 17.5 contain any material misstatement.
- 17.7. In our opinion and according to the information and explanations given to us, the dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- 17.8. Based on our examination which included test checks, except for the instance mentioned in the paragraph below, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software. Audit trail was operational throughout the year in eleven application systems. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For six systems, the company adopted a holistic approach of enabling audit trail through change data capture (CDC) approach in a separate database to overcome the limitations in the respective applications.

As explained in Note 2.3 to the standalone financial statements, one of the system without an audit trail functionality was discontinued during the year and was replaced with another system. Audit trails in the application systems and database was not disabled during the year. Adequate internal controls are in place to protect audit trail from any modification.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For B.K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number- 105102W

**Padmini Khare Kaicker**  
Partner  
ICAI Membership Number: 44784  
UDIN: 25044784BNQMGK3693

Place : Chennai  
Date : April 25, 2025

**For KKC & Associates LLP**  
Chartered Accountants (formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W100621

**Devang Doshi**  
Partner  
ICAI Membership Number: 140056  
UDIN: 25140056BMLIIX3081

Place : Chennai  
Date : April 25, 2025

## Annexure A to Independent Auditor's Report

### Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2025

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').  
The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner over a period of 3 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company does not have any inventory, hence physical verification of inventory and reporting under paragraph 3(ii)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from various banks on the basis of security of current assets. The difference between the quarterly returns or statements filed by the Company with such banks or financial institutions and the books of account of the Company is not material in nature.
- iii. (a) The Company is registered with Reserve Bank of India (RBI) under section 45-IA as a non-banking financial company, and its principal business is to give loans. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in loans and guarantees provided are not prejudicial to the Company's interest.
- (c&d) The company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 9, 9.2 and Note 53 to the Standalone Ind AS Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations as also details of reasonable steps taken by the Company for recovery thereof.
- (e) This Company is registered with the Reserve Bank of India (RBI) under section 45-IA as a non-banking financial company, and its principal business is to give loans. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act with respect to the loans given, investments made, guarantees given and security provided.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and hence reporting under paragraph 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities.

## Annexure A to Independent Auditor's Report (Contd.)

### Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2025

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

- (b) In our opinion and according to the information and explanations given to us, we confirm that the following dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, have not been deposited to/with the appropriate authority on account of any dispute.

Name of the statute	Nature of dues	Amount (in ₹ crores)#	Period to which the amounts relates	Forum where the dispute is pending
Income Tax Act, 1961	Tax and interest	0.21	2005-06	Assessing Officer
Income Tax Act, 1961	Tax and interest	*	2008-09	High Court
Income Tax Act, 1961	Tax and interest	0.28	1990-91 and 1991-92	Income Tax Appellate Tribunal
Income Tax Act, 1961	Tax and interest	0.58	2015-16	Assessing Officer (International Taxation)
Bihar Finance Act, 1981	Sales tax	0.02	1992-93 and 1993-94	Sales Tax Appellate Tribunal, Jamshedpur
Delhi Sales Tax Act, 1975	Sales tax	0.08	1991-92	Deputy Commissioner of Sales Tax, Appeals
Gujarat Sales Tax Act, 1969	Sales tax	0.02	1997-98	Sales Tax Appellate Tribunal, Baroda
Odisha Value Added Tax Act, 2004	Sales tax	3.03	2007-08 to 2013-14	Odisha Sales Tax Appellate Tribunal
Rajasthan Sales Tax Act	Sales tax	1.02	2006-07 to 2014-15	Supreme Court
Rajasthan Sales Tax Act	Sales tax	*	2012-13, 2016-17 and 2017-18	Assessing Officer
Tamilnadu General Sales Tax Act, 1959	TNGST and CST	9.99	1995-96	High Court
Tamilnadu Value Added Tax Act, 2006	Sales tax	9.71	2006-07 to 2013-14	High Court
Finance Act, 1994	Service tax	64.58	2005-06 to 2017-18	CESTAT
Goods and Services Tax Act, 2018	Goods and Services Tax	4.43	2017-18 to 2019-20	Commissioner of GST (Appeals)

\*Represents amount less than rounding off norm adopted by the company

#Above amounts are net of amount paid under protest/refunds adjusted by the authorities.

- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, other than temporary parking in Cash credit account for a few days during the year, pending utilization towards the purpose for which the same are obtained.

## Annexure A to Independent Auditor's Report

### **Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2025**

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies.
- x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 42 and 62 of the Act in connection with the funds raised through preferential allotment/ private placement of shares/ fully/partially/optionally convertible debentures and the same have been utilised for the purposes for which they were raised.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 under sub-section (12) of section 143 of the Act, for one instance of suspected fraud, will be filed with Central Government within stipulated time.
- (c) Our review of the whistle blower complaints received during the year by the Company did not reveal any material observations.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3 of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration
- (b) The Company has conducted Non-Banking Financial or Housing Finance activities and has obtained a valid Certificate of Registration ('CoR') from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India.
- (d) There are 2 CICs with the group.
- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable / paragraph 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing

## Annexure A to Independent Auditor's Report (Contd.)

### Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2025

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable.

**For B.K. Khare & Co.**  
Chartered Accountants  
Firm Registration Number- 105102W

**Padmini Khare Kaicker**  
Partner  
ICAI Membership Number: 44784  
UDIN: 25044784BNQMKG3693

Place : Chennai  
Date : April 25, 2025

**For KKC & Associates LLP**  
Chartered Accountants (formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W100621

**Devang Doshi**  
Partner  
ICAI Membership Number: 140056  
UDIN: 25140056BMLIIX3081

Place : Chennai  
Date : April 25, 2025



## Annexure B to Independent Auditor's Report

**Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2025**

**(Referred to in paragraph '16.7' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').**

### **Opinion**

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited ('the Company') as at 31 March 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

### **Management's responsibility for Internal Financial Controls**

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's responsibility**

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

### **Meaning of Internal Financial Controls with reference to the Standalone Financial Statements**

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

## Annexure B to Independent Auditor's Report (Contd.)

### Annexure 'B' to the Independent Auditor's Report on the Standalone Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2025

(Referred to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For B.K. Khare & Co.**

Chartered Accountants  
Firm Registration Number- 105102W

**Padmini Khare Kaicker**

Partner  
ICAI Membership Number: 44784  
UDIN: 25044784BNQMGK3693

Place : Chennai

Date : April 25, 2025

**For KKC & Associates LLP**

Chartered Accountants (formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W100621

**Devang Doshi**

Partner  
ICAI Membership Number: 140056  
UDIN: 25140056BMLIIX3081

Place : Chennai

Date : April 25, 2025

## Standalone Balance Sheet As at March 31, 2025

		₹ in crores	
	Note No.	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and Cash Equivalents	5	5,278.19	841.97
Bank Balances other than Cash and Cash Equivalents	6	4,122.49	3,478.18
Derivative financial instruments	7	203.32	247.82
Receivables	8		
i) Trade Receivables		187.58	199.00
ii) Other Receivables		116.64	200.46
Loans	9	1,81,929.90	1,44,424.29
Investments	10	6,390.39	4,100.23
Other Financial Assets	11	349.74	241.25
		<b>1,98,578.25</b>	<b>1,53,733.20</b>
<b>Non- Financial Assets</b>			
Current Tax Assets(Net)		216.45	357.09
Deferred Tax Assets (Net)	12	946.72	654.15
Investment Property	13	0.13	0.13
Property, Plant and Equipment	14	1,746.85	1,534.00
Capital Work in Progress	49	3.69	-
Intangible Assets Under Development	49	7.22	12.45
Other Intangible Assets	15	24.96	23.01
Other Non-Financial Assets	16	123.32	99.65
		<b>3,069.34</b>	<b>2,680.48</b>
<b>Asset held for sale - Investment</b>	<b>10</b>	<b>-</b>	<b>37.09</b>
<b>TOTAL ASSETS</b>		<b>2,01,647.59</b>	<b>1,56,450.77</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Financial Liabilities</b>			
Derivative financial instruments	7	284.60	186.70
Payables			
(i) Trade Payables	49		
i) Total outstanding dues of micro and small enterprises	33	14.33	7.65
ii) Total outstanding dues of creditors other than micro and small enterprises		134.90	107.72
(ii) Other Payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		1,573.28	1,338.05
Debt Securities	17	30,133.99	24,812.76
Borrowings(Other than Debt Securities)	18	1,33,791.98	1,04,511.13
Subordinated Liabilities	19	11,020.14	5,149.69
Other Financial Liabilities	20	738.73	505.63
		<b>1,77,691.95</b>	<b>1,36,619.33</b>
<b>Non-Financial Liabilities</b>			
Provisions	21	233.62	192.70
Other Non-Financial Liabilities	22	94.62	82.23
		<b>328.24</b>	<b>274.93</b>
<b>Equity</b>			
Equity Share Capital	23A	168.25	168.06
Other Equity	23B	23,459.15	19,388.45
		<b>23,627.40</b>	<b>19,556.51</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,01,647.59</b>	<b>1,56,450.77</b>

The accompanying notes are integral part of the Standalone financial statements

As per our report of even date

For KKC & Associates LLP

Chartered Accountants

ICAI Firm Regn No. 105146W/WI00621

Devang Doshi

Partner

Membership No: 140056

Date : April 25, 2025

Place : Chennai

For B.K. Khare & Co

Chartered Accountants

ICAI Firm Regn No. 105102W

Padmini Khare Kaicker

Partner

Membership No: 044784

For and on behalf of the Board of Directors

Ravindra Kumar Kundu

Managing Director

P. Sujatha  
Company Secretary

Vellayan Subbiah

Executive Chairman

D. Arul Selvan  
Chief Financial Officer

## Standalone Statement of Profit and Loss for the year ended March 31, 2025

	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
<b>₹ in crores</b>			
<b>Revenue from Operations</b>			
Interest Income	24A	23,719.96	17,613.68
Net gain on derecognition of financial instruments under amortised cost category	32.1B	159.04	-
Fee & commission income	24B	1,666.49	1,046.58
Net gain on fair value change on financial instruments	24C	196.57	160.55
Sale of Services	24D	3.51	24.41
<b>Total Revenue from operations (I)</b>		<b>25,745.57</b>	<b>18,845.22</b>
<b>Other Income (II)</b>	25	309.19	371.06
<b>Total Income (III) = (I) + (II)</b>		<b>26,054.76</b>	<b>19,216.28</b>
<b>Expenses</b>			
Finance costs	26	12,484.85	9,230.61
Impairment of financial instruments (Net)	27	2,494.26	1,321.80
Employee benefits expense	28	3,280.51	2,330.55
Depreciation and amortisation expense	13, 14 & 15	242.12	195.77
Other expenses	29	1,816.15	1,555.45
<b>Total Expenses (IV)</b>		<b>20,317.89</b>	<b>14,634.18</b>
<b>Profit before tax (V) = (III) - (IV)</b>		<b>5,736.87</b>	<b>4,582.10</b>
<b>Tax expense/(benefit)</b>			
- Current tax		1,713.10	1,198.28
- Adjustment of tax relating to earlier year		10.22	(13.51)
- Deferred tax	12	(244.98)	(25.43)
<b>Net tax expense (VI)</b>		<b>1,478.34</b>	<b>1,159.34</b>
<b>Profit for the year - A = (V) - (VI)</b>		<b>4,258.53</b>	<b>3,422.76</b>
<b>Other Comprehensive income:</b>			
<b>i) Items that will not be reclassified to profit or loss:</b>			
Re-measurement gain / (loss) of Post employment benefit Obligations (net)	35	(14.13)	(8.14)
Income tax impact		3.56	2.05
<b>ii) Items that will be reclassified to profit or loss:</b>			
Net gain /(loss) On Cashflow Hedge Reserve	42.2.2.4(a)	(174.92)	(72.19)
Income tax impact		44.03	18.17
<b>Other comprehensive income/(loss) net of tax for the year (B)</b>		<b>(141.46)</b>	<b>(60.11)</b>
<b>Total comprehensive income net of tax for the year (A + B)</b>		<b>4,117.07</b>	<b>3,362.65</b>
Earnings per equity share of ₹ 2 each	30		
Basic (₹)		50.67	41.20
Diluted (₹)		50.55	41.09
<b>The accompanying notes are integral part of the Standalone financial statements</b>			

**As per our report of even date**  
**For KKC & Associates LLP**  
Chartered Accountants  
ICAI Firm Regn No. 105146W/WI00621

**Devang Doshi**  
Partner  
Membership No: 140056

Date : April 25, 2025  
Place : Chennai

**For B.K. Khare & Co**  
Chartered Accountants  
ICAI Firm Regn No. 105102W

**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**For and on behalf of the Board of Directors**

**Ravindra Kumar Kundu**  
Managing Director

**P. Sujatha**  
Company Secretary

**Vellayan Subbiah**  
Executive Chairman

**D. Arul Selvan**  
Chief Financial Officer

# Standalone Statement of Changes in Equity for the year ended March 31, 2025

## 1) Current reporting period

A) Equity Share Capital (Refer Note 23A)										
Balance as at March 31, 2024	Changes in Equity Share capital due to prior period errors	Restated Balance at the beginning of the current reporting year	Changes in Equity share capital during the current year				₹ in crores			
168.06	-	168.06	0.19	168.25						
B) Other Equity (Refer Note 23B)										
Particulars	Share application Money Pending for allotment	Capital Reserve	Securities Premium	Capital Redemption Reserve	Reserve and Surplus				Total	
					General Reserve	Retained earnings	Statutory Reserve	Share based Payments Reserve		Debt instruments through Comprehensive Income
Balance as at March 31, 2024	1.59	0.04	4,916.97	33.00	5,739.13	5,314.24	3,250.46	138.79	(4.48)	19,388.45
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the current reporting year	1.59	0.04	4,916.97	33.00	5,739.13	5,314.24	3,250.46	138.79	(4.48)	19,388.45
Profit for the year	-	-	-	-	-	4,258.53	-	-	-	4,258.53
Remeasurement of defined benefit plans	-	-	-	-	-	(10.59)	-	-	-	(10.59)
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	(130.89)	(130.89)
Dividends	-	-	-	-	-	(168.13)	-	-	-	(168.13)
Share Premium received on allotment of equity shares under ESOP	-	-	46.94	-	-	-	-	-	-	46.94
Share Premium received on allotment of equity shares under QIP (net of issue expenses)	-	-	-	-	-	-	-	-	-	-
Recognition of Share based Payments	-	-	-	-	-	-	-	74.45	-	74.45
Changes during the year	0.39	-	-	-	-	-	-	-	-	0.39
Transfer to reserves from Retained earnings during the year	-	-	-	-	-	(860.00)	860.00	-	-	-
Balance as at March 31, 2025	1.98	0.04	4,963.91	33.00	5,739.13	8,534.05	4,110.46	213.24	(1.29)	23,459.15



# Standalone Statement of Changes in Equity for the year ended March 31, 2025 (Contd.)

## Standalone Statement of Changes in Equity for the year ended March 31, 2025

### 2) Previous reporting period

#### A) Equity Share Capital (Refer Note 23A)

	Balance as on March 31, 2023	Changes in Equity Share capital due to prior period errors	Restated Balance at the beginning of the current reporting year	Changes in Equity share capital during the current year	Balance as on March 31, 2024
	164.48	-	164.48	3.58	168.06

#### B) Other Equity (Refer Note 23B)

Particulars	Reserve and Surplus										Effective portion of cashflow hedge	Total
	Share application Money Pending for allotment	Capital Reserve	Securities Premium	Redemption Reserve	Capital Reserve	General Reserve	Retained earnings	Statutory Reserve	Share based Payments Reserve	Debt instruments Comprehensive Income	Equity instruments through Other Comprehensive Income	
<b>Balance as at March 31, 2023</b>	-	0.04	2,912.99	33.00	5,739.13	2,754.31	2,560.46	83.39	-	(1.29)	49.54	14,131.57
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
<b>Restated Balance at the beginning of the current reporting year</b>	-	0.04	2,912.99	33.00	5,739.13	2,754.31	2,560.46	83.39	-	(1.29)	49.54	14,131.57
Profit for the year	-	-	-	-	-	-	3,422.76	-	-	-	-	3,422.76
Remeasurement of defined benefit plans	-	-	-	-	-	(6.11)	-	-	-	-	-	(6.11)
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	-	(54.02)	(54.02)
Dividends	-	-	-	-	-	(166.72)	-	-	-	-	-	(166.72)
Share Premium received on allotment of equity shares under ESOP	-	-	35.34	-	-	-	-	-	-	-	-	35.34
Share Premium received on allotment of equity shares under QIP	-	-	1,968.64	-	-	-	-	-	-	-	-	1,968.64
(net of issue expenses of Rs 27.97 Cr)	-	-	-	-	-	-	-	-	-	-	-	-
Recognition of Share based Payments	1.59	-	-	-	-	-	-	55.40	-	-	-	55.40
Changes during the year	-	-	-	-	-	-	(690.00)	-	-	-	-	1.59
Transfer to reserves from Retained earnings during the year	-	-	-	-	-	(690.00)	690.00	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	1.59	0.04	4,916.97	33.00	5,739.13	5,314.24	3,250.46	138.79	-	(1.29)	(4.48)	19,388.45

The accompanying notes are integral part of the Standalone financial statements

#### As per our report of even date

#### For KKC & Associates LLP

Chartered Accountants  
ICAI Firm Regn No. 105146W/WI00621

#### Devang Doshi

Partner  
Membership No: 140056

Date : April 25, 2025  
Place : Chennai

#### For B.K. Khare & Co

Chartered Accountants  
ICAI Firm Regn No. 105102W

#### Padmini Khare Kaicker

Partner  
Membership Number: 044784

#### For and on behalf of the Board of Directors

**Ravindra Kumar Kundu**  
Managing Director

**Vellayan Subbiah**  
Executive Chairman

**P. Sujatha**  
Company Secretary

**D. Arul Selvan**  
Chief Financial Officer

## Standalone Cash Flow Statement for the year ended March 31, 2025

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Cash Flow from Operating Activities</b>		
<b>Profit Before Tax</b>	<b>5,736.87</b>	<b>4,582.10</b>
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation and amortisation expense	242.12	195.77
Impairment of financial instruments	2,494.26	1,321.80
Finance Costs	12,484.85	9,230.61
Net gain on derecognition of financial instruments under amortised cost category	(159.04)	-
Loss on Sale of Property plant and equipment (Net)	1.89	1.00
Intangible Assets Under Development -Expensed off	1.79	19.23
Net gain on fair value change in Mutual Funds-realised	(184.79)	(142.39)
Net gain on sale of equity shares-realised	(8.63)	(32.23)
Net (gain)/loss on fair value change in equity shares -Un-realised	(3.15)	3.15
Net loss on fair value change in convertible note -Un-realised	-	10.92
Interest Income on bank deposits and other investments	(639.01)	(452.60)
Dividend Income	(5.94)	(114.65)
Interest on Income Tax Refund	(40.82)	-
Share based payment expense	70.53	52.53
	14,254.06	10,093.14
<b>Operating Profit Before Working Capital Changes</b>	<b>19,990.93</b>	<b>14,675.24</b>
Adjustments for :-		
(Increase)/Decrease in operating Assets		
Loans	(42,001.23)	(40,988.02)
Trade receivables	95.24	(208.40)
Other Financial Assets	51.69	32.53
Other Non Financial Assets	(23.67)	(6.89)
	(41,877.97)	(41,170.78)
Proceeds from de-recognition of financial assets recognised at amortised cost	2,000.21	-
Increase/(Decrease) in operating liabilities and provisions		
Payables	255.29	260.13
Other Financial liabilities	48.26	(53.03)
Provisions	40.92	51.82
Other Non Financial liabilities	12.39	36.11
	356.86	295.03
<b>Cash Flow used in Operations</b>	<b>(19,529.97)</b>	<b>(26,200.51)</b>
Finance Costs paid	(11,964.61)	(8,735.97)
Interest Received on Bank Deposits and other investments	628.64	441.71
	(11,335.97)	(8,294.26)
	(30,865.94)	(34,494.77)
Income tax paid (Net of refunds)	(1,538.30)	(1,272.75)
<b>Net Cash Used in Operating Activities (A)</b>	<b>(32,404.24)</b>	<b>(35,767.52)</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Property, plant and equipment, Intangible assets, Capital work-in-progress and Intangible assets under development	(194.48)	(1,048.55)
Proceeds from Sale of Property, plant and equipment	12.39	5.43
Purchase of Mutual Funds Units	(1,97,645.12)	(1,95,690.22)

## Standalone Cash Flow Statement for the year ended March 31, 2025

		₹ in crores
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Redemption of Mutual Funds Units	1,97,829.91	1,95,832.60
Dividend Received	5.94	114.65
Proceeds/(Investment) in Treasury Bill (Net)	(281.24)	96.10
Proceeds/(Investment) in STRIPS	(172.66)	(599.25)
Proceeds/(Investment) in Government Securities	(1,836.24)	-
Sale of Investments - Asset held for sale	48.86	-
Contribution to Corpus Fund-CSR Trust	(0.01)	-
Investment in Bank Fixed Deposits (net of withdrawals)	(633.92)	(1,416.23)
<b>Net Cash Used in Investing Activities (B)</b>	<b>(2,866.57)</b>	<b>(2,705.47)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from issue of Share Capital (Including Securities Premium)	47.52	2,009.15
Proceeds from issue of Compulsorily Convertible Debentures	-	2,000.00
Payment of Lease liabilities	(133.09)	(89.38)
Proceeds from issue of Debt securities	23,576.56	24,793.05
Redemption of Debt securities	(18,544.12)	(21,948.45)
Proceeds from Borrowing other than debt securities	1,31,326.24	1,16,098.06
Repayment of Borrowings other than debt securities	(1,02,045.57)	(84,888.47)
Proceeds from issue of subordinated liabilities	5,760.00	1,155.10
Repayment of subordinated liabilities	(112.40)	(557.61)
	39,960.71	34,651.68
Dividends Paid	(168.11)	(166.78)
<b>Net Cash generated from Financing Activities (C)</b>	<b>39,707.03</b>	<b>38,404.67</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>4,436.22</b>	<b>(68.32)</b>
Cash and Cash Equivalents at the Beginning of the year	841.97	910.29
Cash and Cash Equivalents at the End of the year	5,278.19	841.97
<b>Non-cash financing and investing activities</b>		
Acquisition of right -of-use of assets	313.31	299.28

Refer Note 5 for the components of cash and cash equivalents

The above Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'

**The accompanying notes are integral part of the Standalone financial statements**

**As per our report of even date**

**For KKC & Associates LLP**  
Chartered Accountants  
ICAI Firm Regn No. 105146W/WI00621

**For B.K. Khare & Co**  
Chartered Accountants  
ICAI Firm Regn No. 105102W

**For and on behalf of the Board of Directors**

**Devang Doshi**  
Partner  
Membership No: 140056

**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Ravindra Kumar Kundu**  
Managing Director

**Vellayan Subbiah**  
Executive Chairman

Date : April 25, 2025  
Place : Chennai

**P. Sujatha**  
Company Secretary

**D. Arul Selvan**  
Chief Financial Officer

# Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

## 1. Corporate information

**Cholamandalam Investment and Finance Company Limited** ("the Company") (CIN L65993TN1978PLC007576) is a public limited Company domiciled in India. The Company is listed on Bombay Stock Exchange and National Stock Exchange. The Company is registered with Reserve Bank of India as an NBFC- Investment and Credit Company and is classified as an NBFC in Upper Layer (NBFC-UL) under the Scale Based Regulatory Framework for NBFCs. The Company is one of the premier diversified non-banking finance companies in India, engaged in providing Vehicle Finance, Home Loans, Loan against Property, SME loans and Unsecured Loans.

### 2.1 Basis of preparation

#### Compliance with Ind AS

The standalone financial statements of the Company have been prepared and comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other relevant provisions of the Act.

#### Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets, liabilities (including derivative instruments) and share based payments - measured at fair value
- assets held for sale – measured at lower of cost or fair value less cost to sell
- defined benefit plans – plan assets measured at fair value

In the preparation of the financial statements, Management makes estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these estimates, judgements and assumptions could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The standalone financial statements are presented in Indian Rupees (₹) (functional currency) and all values are rounded to the nearest crores, except when otherwise indicated.

The regulatory disclosures as required by Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued by the RBI ('RBI Master Directions') and other relevant circulars/directions issued till the date of Balance Sheet to be included as a part of the Notes to Accounts to the Ind AS financial statements.

### 2.2 Presentation of financial statements

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all the following circumstances:

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

### 2.3 Audit Trail

The company is using multiple application systems (accounting software) for various facets of its business operations. Audit trail was operational throughout the year in eleven application systems. For six systems, the company adopted a holistic approach of enabling audit trail through change data capture (CDC) approach in a separate database to overcome the limitations in the respective applications. One of the system without an audit trail functionality was discontinued during the year and was replaced with another system. Audit trails in the application systems and database was not disabled during the year. Adequate internal controls are in place to protect audit trail from any modification. The company has appropriate internal controls for its various process and the non-availability of audit trail in some application systems for some part of the year has no impact on the overall internal control environment.

## 3 Material accounting policies

### 3.1 Loans – Recognition and Measurement

#### 3.1.1 Date of recognition

Loans are recognised when fund transfers are initiated to the customers' account or cheques for disbursement have been prepared by the Company (as per the terms of the agreement with the borrowers) or when the Company assumes unconditional obligations to release the disbursement amount to third party on the direction of the borrower, whichever is earlier.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### 3.1.2 Initial measurement of Loans

The classification of Loans at initial recognition depends on their contractual terms and the business model for managing them. They are initially measured at their fair value. Transaction costs/fees which are directly attributable to acquisition of loans are added to, or subtracted from this amount.

#### 3.1.3 Measurement categories of Loans

The Company classifies all its Loans at Amortised cost as the business model is to hold them to collect contractual cash flows and the contractual terms of the loans give rise on specified dates to cash flows that are solely repayments of principal and interest.

#### 3.1.4 Modification of Loans

Modification of a loan occurs when the contractual terms governing its cash flows are renegotiated or otherwise modified between the initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Modification of loan terms is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment). When a loan is modified the company assesses whether this modification results in derecognition. In accordance with the company's policy, a modification results in derecognition when it gives rise to substantially different terms. Where a modification does not lead to derecognition, the company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance).

#### 3.1.5 Derecognition of Loans

Loan (or, where applicable, a part of a loan or part of a group of similar loans) is derecognised when the rights to receive cash flows from the loan has expired. The Company also derecognises the loan if it has both transferred the loan and the transfer qualifies for derecognition.

Loan is transferred only if, either:

- the Company has transferred its contractual rights to receive cash flows from the loan, Or;
- has retained the rights to the cash flows but has assumed an obligation to pay the received cash flows

in full without material delay to a third party under a 'pass-through' arrangement.

A transfer qualifies for derecognition if either:

- the Company has transferred substantially all the risks and rewards of the loan, Or;
- has neither transferred nor retained substantially all the risks and rewards of the loan but has transferred control of the loan.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the loan in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

In case of loan transfers which qualify for derecognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on de-recognition of such loan previously carried under amortised cost category. The resulting interest only strip initially is recognised at Fair Value Through Profit or Loss and re-assessed at the end of every reporting period.

In case of loan transfers which do not qualify for derecognition, the loan continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred loan and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred loan is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

#### 3.1.6 Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet. The nominal values of these commitments are disclosed in notes.

#### 3.1.7 Loan write-offs

Loans are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is recorded as an expense in the period of write off.



## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

### 3.2 Impairment of Loans

#### 3.2.1 Expected Credit Loss (ECL)

The Company records allowance ECL for all loans measured at amortised cost, together with loan commitments. ECL is the expected cash shortfall discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.  $(ECL = PD * EAD * LGD)$

**PD:** The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously derecognised and is still in the portfolio.

**EAD:** The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default first occurred.

**LGD:** The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a loan that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on a collective basis, for each category of loan.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a loan's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

**Stage 1:** When loans are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 loans

also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

**Stage 2:** When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

**Stage 3:** Loans considered credit impaired. The Company records an allowance for the LTECLs.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

#### 3.2.2 Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

#### 3.2.3 Forward looking information

The Company considers a broad range of forward-looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macro-economic factors on the Company's ECL estimates.

The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

#### 3.2.4 Collateral repossessed

The Company generally does not use the assets repossessed for the internal operations. The underlying loans in respect of which collaterals have been repossessed with an intention to realize by way of sale are considered as Stage 3 assets and the ECL allowance is determined based on the estimated net realisable value of the repossessed asset. Any surplus funds are returned to the borrower and accordingly collateral repossessed are not recorded on the balance sheet and not treated as non-current assets held for sale.

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

### 3.2.5 Restructured, rescheduled, and modified loans

The Company sometimes makes concessions or modifications to the original terms of loans such as changing the instalment value or changing the tenor of the loan, as a response to the borrower's request.

When the loan has been renegotiated or modified but not derecognised, the Company also reassesses whether there has been a significant increase in credit risk. The Company also considers whether the assets should be classified as Stage 3. Once an asset has been classified as restructured, it will remain restructured for a period of year from the date on which it has been restructured.

Loans which have been renegotiated or modified in accordance with RBI Notifications (including extensions granted) - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21- Resolution Framework for COVID-19 related Stress and RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21- Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances, have been classified as Stage 2 due to significant increase in credit risk.

### 3.3 Loans – Revenue recognition

Interest income on loans measured at amortised cost is recorded using the effective interest rate ('EIR') method. The EIR is the rate that discounts estimated future cash receipts through the expected life of the loan to the gross carrying amount of the loan. For credit-impaired loans, interest income is calculated by applying the EIR to the amortised cost. (i.e. the gross carrying amount less the allowance for expected credit losses).

The EIR is calculated by taking into account the fees and costs that are an integral part of the EIR of the loan such as origination fees received for acquisition of the loan and sourcing cost incurred for closing the transaction.

Fees, charges and reimbursements due from borrowers as per the contractual terms of the loan are recognised on realisation.

Any recovery from written off loan is recognised in the statement of profit and loss.

## 3.4 Borrowings

### 3.4.1 Debt securities and other borrowings

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

Debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

### 3.4.2 Foreign Currency Borrowings

Borrowings in foreign currencies are initially recorded at the respective functional currency spot rates at the date the transaction first qualifies for recognition. They are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on restatement are recognized under OCI in the statement of profit and loss as an adjustment to borrowing cost.

### 3.4.3 Derivative and Hedge accounting

The company enters into derivative transactions only for economic hedging purposes and not as speculative investments. Derivative instruments are used to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedges that meet the strict criteria for hedge accounting are accounted for as cash flow hedge.

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in Other Comprehensive Income (OCI) within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as net gain/loss on fair value changes in the statement of profit and loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### 3.4.4 Finance cost on Borrowing

Finance cost on borrowings measured at amortised cost is recorded using the effective interest rate ('EIR') method. The EIR is the rate that discounts estimated future payments through the expected life of the borrowing to its gross carrying amount. The EIR is calculated taking in to account any discount or premium on issue funds, and costs that are an integral part of the EIR.

## 4 Other accounting policies

### 4.1 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 4.2 Bank balances other cash and cash equivalents

These are measured at amortised cost as they are held for collecting contractual cash flows that are solely payments of principal and interest on principal outstanding.

### 4.3 Receivables and other financial assets

Receivables and other financial assets are measured at amortised cost. The Company follows a 'simplified approach' for recognition of impairment loss allowance on these assets. The application of simplified approach does not require the Company to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

### 4.4 Investments

Investments are initially recognised on the trade date, i.e., the date that the company becomes a party to the contractual provisions of the instrument.

#### 4.4.1 Equity instruments

Equity Investment in Subsidiaries and Joint Ventures are carried at Cost.

The Company subsequently measures all equity investments other than investment in subsidiaries and associates, at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments not held for trading as equity instruments at Fair value through OCI (FVOCI). Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the

instrument, in which case, such gains are recorded in OCI (Other Comprehensive Income). Equity instruments at FVOCI are not subject to an impairment assessment.

#### 4.4.2 Other Instruments

Investment in other instruments is measured at amortised cost if they are held for collecting contractual cash flows that are solely payments of principal and interest on principal outstanding. The Company follows 'simplified approach' for recognition of impairment loss allowance on these assets. The application of simplified approach does not require the Company to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Investments which do not meet the SPPI test are measured at fair value through profit or loss.

### 4.5 Taxes

#### 4.5.1 Current tax

Current tax comprises amount of tax payable in respect to the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to tax payable or receivable in respect of prior years.

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### 4.5.2 Deferred Tax

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

#### 4.6 Investment Property

Investment property represents property held to earn rentals or for capital appreciation or both.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Company's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Sch II to the Companies Act 2013.

#### 4.7 Property, plant and equipment

Property plant and equipment is stated at cost (net of tax/duty credits availed) excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Cost includes professional fees/charges related to acquisition of property plant and equipment. Changes in the expected useful life are accounted for by changing the amortisation period or

methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure incurred, is capitalised only if it results in economic useful life beyond the original estimate.

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated.

Useful life of assets as per schedule II:

Asset Description	Estimated Useful Life
Buildings	60/30/5 years
Computer Equipment	3 years
Other Equipment	5 years
Leasehold improvements	Lease period or 5 years whichever is lower
Plant and Machinery	15 years
Servers	6 years with effect from April 1, 2024 (3 years upto 31 <sup>st</sup> March 2024)

Useful life of assets based on Management's estimation, and which are different from those specified in schedule II:

Asset description	Estimated useful life
Furniture and Fixtures	5 years
Vehicles	5 years

The above estimated useful life is based on respective asset usage policy or pattern of the Company.

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

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item.

#### 4.8 Leases

The Company's lease asset consists of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Company recognises a right-to-use asset and a corresponding lease

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-to-use asset is initially recognised at cost which comprises of the initial amount of lease liability adjusted for lease payments made or prior to commencement date plus any direct cost i.e. lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment loss if any.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-to-Use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term. Right to use assets are evaluated for recoverability whenever events or changes in the circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates in the country of domicile of the leases. The Company has used single discount rate to a portfolio of leases with similar characteristics. Lease liabilities are remeasured with a corresponding adjustment to the related right to use asset if the Company changes its assessment as to whether it will exercise an extension or a termination option.

The Company has opted to present the Right to use as a part of the block of asset to which the lease pertains to and consequently, the Right to use asset has been presented as a part of Property, plant and equipment under the Buildings block, whereas the lease liability is presented under Other Financial Liabilities in the Balance Sheet. Lease payments made by the Company are classified as financing cash flows.

#### 4.9 Intangible assets

The Company's intangible assets mainly include the value of computer software.

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, they are carried at cost less accumulated amortisation and impairment losses

if any, and are amortised over their estimated useful life on the straight-line basis over a 3-year period or the license period whichever is lower.

The carrying amount of the assets is reviewed at each Balance sheet date to ascertain impairment based on internal or external factors. Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an assets net selling price and the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

#### 4.10 Input Tax Credit (Goods and Service Tax)

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted to the extent permitted as per the applicable regulatory laws and when there is no uncertainty in availing / utilising the same. The ineligible input credit is charged off to the respective expense or capitalised as part of asset cost as applicable.

#### 4.11 Provisions and Contingent liabilities

Provisions are recognised only when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liability is disclosed in case of present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligations and the present obligation arising from past events, when no reliable estimate is possible.

#### 4.12 Share Based Payments

Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) of the Company are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.



## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

This cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or Credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. On cancellation or lapse of options granted to employees, the compensation charged earlier will be moved from sharebased payment reserve with corresponding credit in retained earnings.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

#### 4.13 Dividend on ordinary shares

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013 in India, a distribution of final dividend is authorised when it is approved by the shareholders and interim dividend approved by the Board. A corresponding amount is then recognised directly in equity. In case of interim dividend, it is recognised on payment basis as they are revocable till actually paid.

#### 4.14 Revenue recognition - other than financial assets

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is recognised at fair value of the consideration received or receivable when the company satisfies the performance obligation under the contract with the customer.

#### 4.15 Dividend Income

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

#### 4.16 Employee benefits

##### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as employee benefit obligations in the balance sheet.

##### (ii) Post-employment obligations

The company operates the following post-employment schemes:

- (a) defined contribution plans such as provident fund, superannuation and Employee's state insurance scheme
- (b) defined benefit plans such as gratuity

##### a) Defined Contribution Scheme

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

**Employees' State Insurance:** The Company contributes to Employees State Insurance Scheme and recognizes such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

**Superannuation:** The Company contributes a sum equivalent to 15% of eligible employees' salary to a Superannuation Fund administered by trustees and managed by Life Insurance Corporation of India ("LIC"). The Company has no liability for future Superannuation Fund benefits other than its contribution and recognizes such contributions as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

##### b) Defined Benefit Scheme

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

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

and the return on plan assets are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- ▶ Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ▶ Net interest expense or income

c) **Compensated Absences:** The Company treats its liability for compensated absences based on actuarial valuation as at the Balance Sheet date, determined by an independent actuary using the Projected Unit Credit method.

Actuarial gains and losses are recognised under OCI in the statement of Profit and Loss in the year in which they occur and not deferred.

#### 4.17 Earnings Per Share

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

Earnings considered for Earnings per share is the net profit for the year after deducting preference dividend, if any, and attributable tax thereto for the year.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

#### 4.18 Cash Flow Statement

Cash flows are reported using the indirect method, where by profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents as defined above, net of outstanding bank overdrafts as they are considered an integral part of cash management of the Company.

#### 4.19 Segment Information

An operating segment is a component of the Company that engages in the business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by Company's Chief operating decision maker.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocable".

Assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the Segment. Assets and liabilities, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocable".

#### 4A. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future period

In the process of applying the Company's accounting policies, management has made the following judgements/ estimates, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### i. Business Model Assessment

The Company from time to time enters into direct bilateral assignment deals, which qualify for de-recognition under

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

Ind AS 109. Accordingly, the assessment of the Company's business model for managing its financial assets becomes a critical judgment.

Further, the Company also made an investment in the Government securities in order to comply the liquidity ratio compliance as required by RBI pursuant to its master directions. The Company intends to hold these assets till maturity expects that any sale if any necessitated by requirements are likely to be infrequent and immaterial. Accordingly, the related assessment becomes a critical judgement to determine the business model for such financial assets under Ind AS.

#### ii. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

#### iii. Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment

- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward-looking information as economic inputs

It has been the company policy to regularly review its models in the context of actual loss experience and adjust when necessary.

#### iv. Leases

##### a. Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

##### b. Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to for its borrowings.

#### v. Provisions and other contingent liabilities

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 5 CASH AND CASH EQUIVALENTS</b>		
Cash on hand	11.91	10.44
Balances with banks		
- In Current Accounts	525.80	276.19
- In Deposit Accounts - Original maturity of 3 months or less	4,732.05	540.41
Cheques, drafts on hand	8.43	14.93
<b>Total</b>	<b>5,278.19</b>	<b>841.97</b>

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 6 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
- In Deposit Accounts - Original maturity more than 3 months	1,175.60	1,189.98
- In earmarked accounts		
- In Unpaid Dividend Accounts	0.72	0.70
- In Unclaimed Debenture Account	0.59	0.44
- Balances with banks to the extent held as Margin Money or Security against the borrowings, guarantees, other commitments		
- Margin account for derivatives	88.01	67.16
- Deposits with Banks as collateral towards securitisation loan	2,857.49	2,219.82
- Other deposit Account on amalgamation of Cholamandalam Factoring Limited	0.08	0.08
<b>Total</b>	<b>4,122.49</b>	<b>3,478.18</b>

Particulars	As at March 31, 2025			As at March 31, 2024		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilities	Notional amounts	Fair Value -Assets	Fair Value -Liabilities
<b>Note : 7 DERIVATIVE FINANCIAL INSTRUMENTS</b>						
<b>Part I</b>						
<b>Currency derivatives</b>						
(i) Cross Currency Interest Rate Swap	12,230.47	155.62	53.09	4,349.18	161.33	15.06
<b>Interest rate derivatives</b>						
(i) Interest rate Swaps	8,320.22	-	100.78	3,998.39	-	20.74
(ii) Forward Contracts	701.43	47.70	130.73	917.25	86.49	150.90
<b>Total Derivative financial Instruments</b>	<b>21,252.12</b>	<b>203.32</b>	<b>284.60</b>	<b>9,264.82</b>	<b>247.82</b>	<b>186.70</b>
<b>Part II</b>						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
<b>Cash flow hedging:</b>						
<b>Currency derivatives</b>						
(i) Cross Currency Interest Rate Swap	12,230.47	155.62	53.09	4,349.18	161.33	15.06
<b>Interest rate derivatives</b>						
(i) Interest rate Swaps	8,320.22	-	100.78	3,998.39	-	20.74
(ii) Forward Contracts	701.43	47.70	130.73	917.25	86.49	150.90
<b>Total Derivative financial Instruments</b>	<b>21,252.12</b>	<b>203.32</b>	<b>284.60</b>	<b>9,264.82</b>	<b>247.82</b>	<b>186.70</b>

The Company has a Board approved policy for entering into derivative transactions. Derivative transaction comprises of Currency, Interest Rate Swaps and forward contracts. The Company undertakes such transactions for hedging interest/foreign exchange risk on borrowing. The Asset Liability Management Committee and Business Committee periodically monitors and reviews the risks involved. Also, refer note 42.2.2.4(a). The notional amount for interest rate swap represents borrowings on which Company has entered to hedge the variable interest rate. The company has not participated in currency futures and options during the current period and previous year.

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 8 RECEIVABLES (Unsecured)</b>		
(i) Trade Receivables		
Considered Good*	188.93	201.89
Less: Impairment Allowance	(1.35)	(2.89)
<b>Total</b>	<b>187.58</b>	<b>199.00</b>
(ii) Other Receivables		
Considered Good*	117.29	200.71
Less: Impairment Allowance	(0.65)	(0.25)
<b>Total</b>	<b>116.64</b>	<b>200.46</b>

\*Includes dues from related parties-Refer Note 37.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

### Trade Receivables ageing schedule for the year ended March 31, 2025

Particulars	₹ in crores					
	Outstanding for following periods from due date of transaction					
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good*	188.17	0.51	0.22	0.02	0.01	<b>188.93</b>
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Gross Total</b>	<b>188.17</b>	<b>0.51</b>	<b>0.22</b>	<b>0.02</b>	<b>0.01</b>	<b>188.93</b>
Less: Impairment allowance						<b>(1.35)</b>
<b>Total</b>						<b>187.58</b>

### Trade Receivables ageing schedule for the year ended March 31, 2024

Particulars	₹ in crores					
	Outstanding for following periods from due date of transaction					
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good*	198.86	0.60	2.43	-	-	201.89
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Gross Total</b>	<b>198.86</b>	<b>0.60</b>	<b>2.43</b>	<b>-</b>	<b>-</b>	<b>201.89</b>
Less: Impairment allowance						<b>(2.89)</b>
<b>Total</b>						<b>199.00</b>

\*Includes unbilled revenue of ₹ 95.52 crores for the year ended March 31, 2025 (₹ 98.05 crores for the year ended March 31, 2024)



## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 9 LOANS (At amortised cost)</b>		
(A)		
(i) Bills Discounted	464.33	753.77
(ii) Leasing - Finance Lease	22.29	-
(iii) Term loans	1,84,853.72	1,46,191.23
<b>Total (A) Gross</b>	<b>1,85,340.34</b>	<b>1,46,945.00</b>
Less: Impairment Allowance for (i), (ii) & (iii)	(3,410.44)	(2,520.71)
<b>Total (A) Net</b>	<b>1,81,929.90</b>	<b>1,44,424.29</b>
(B)		
(i) Secured by tangible assets	1,69,023.16	1,33,655.72
(ii) Unsecured	16,317.18	13,289.28
<b>Total (B) - Gross</b>	<b>1,85,340.34</b>	<b>1,46,945.00</b>
Less: Impairment Allowance for (i), (ii)	(3,410.44)	(2,520.71)
<b>Total (B) - Net</b>	<b>1,81,929.90</b>	<b>1,44,424.29</b>
(C)		
Loans In India		
(i) Public Sector	-	-
(ii) Others	1,85,340.34	1,46,945.00
Less: Impairment Allowance	(3,410.44)	(2,520.71)
<b>Total (C) - Net</b>	<b>1,81,929.90</b>	<b>1,44,424.29</b>

Secured indicates loans secured, wholly or partly, by way of hypothecation of vehicles, tractors, construction equipments, other equipments and / or pledge of securities and / or equitable mortgage of property. It also includes loans where security creation is in process.

The Company has not extended any loans where collateral is an intangible asset such as charge over the rights, licenses, etc. The unsecured advances disclosed above are without any collateral or security.

Term loans include unsecured short term loans to a subsidiary and Joint venture and secured long term loan to a related party. These loans have been classified under Stage 1 Category at the various reporting periods and related impairment provision as per the Company's accounting policy has been created. The details of the same are disclosed below:

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Loan - Outstanding Value</b>		
Cholamandalam Securities Limited - Subsidiary	-	74.52
Payswiff Technology Private Limited - Joint Venture	17.65	-
EID Parry (India) Limited - Promoter	2.34	-
<b>Impairment Allowance</b>		
Cholamandalam Securities Limited - Subsidiary	-	0.15
Payswiff Technology Private Limited - Joint Venture	0.07	-
EID Parry (India) Limited - Promoter	0.01	-

### Note : 9.1 LOANS

An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Bills discounted</b>								
Opening as on April 1, 2024	736.85	4.98	11.94	753.77	5.91	0.48	10.14	16.53
New assets originated / Increase in existing assets (Net)	450.67	1.88	2.92	455.47	1.85	0.19	2.62	4.66
Exposure de-recognised / matured / repaid	(731.00)	(1.00)	(3.01)	(735.01)	(5.88)	(0.10)	(0.80)	(6.78)
Transfer to Stage 1	0.09	-	(0.09)	-	0.03	-	(0.03)	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(6.02)	(3.90)	9.92	-	(0.05)	(0.39)	0.44	-
Impact on account of exposures transferred during the period between stages	-	-	0.03	0.03	-	-	8.05	8.05

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 9.1 LOANS (Contd.)

An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans

₹ in crores

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impact of changes on items within the same stage	-	-	-	-	-	-	0.03	0.03
Write off	-	-	(9.93)	(9.93)	-	-	(9.93)	(9.93)
<b>Closing as on March 31, 2025</b>	<b>450.59</b>	<b>1.96</b>	<b>11.78</b>	<b>464.33</b>	<b>1.86</b>	<b>0.18</b>	<b>10.52</b>	<b>12.56</b>
<b>Term loans</b>								
Opening as on April 1, 2024	1,39,341.55	3,216.81	3,632.87	1,46,191.23	535.47	285.78	1,682.93	2,504.18
New assets originated / Increase in existing assets (Net)	86,715.71	504.04	448.55	87,668.30	312.34	58.95	1,273.35	1,644.64
Exposure de-recognised / matured / repaid	(44,161.49)	(1,683.91)	(2,546.02)	(48,391.42)	(243.42)	(71.12)	(220.51)	(535.05)
Transfer to Stage 1	607.04	(523.29)	(83.75)	-	59.81	(39.35)	(20.46)	-
Transfer to Stage 2	(4,473.17)	4,508.12	(34.95)	-	(24.18)	32.92	(8.74)	-
Transfer to Stage 3	(3,859.15)	(1,341.22)	5,200.37	-	(21.30)	(133.58)	154.89	-
Impact on account of exposures transferred during the period between stages	0.11	14.40	63.95	78.46	-	281.58	717.14	998.72
Impact of changes on items within the same stage	786.87	0.07	111.91	898.85	12.74	1.63	362.63	377.00
Write off*	-	-	(1,591.70)	(1,591.70)	-	-	(1,591.70)	(1,591.70)
<b>Closing as on March 31, 2025</b>	<b>1,74,957.47</b>	<b>4,695.02</b>	<b>5,201.23</b>	<b>1,84,853.72</b>	<b>631.46</b>	<b>416.81</b>	<b>2,349.53</b>	<b>3,397.79</b>
<b>Leasing - Finance Lease</b>								
Opening as on April 1, 2024	-	-	-	-	-	-	-	-
New assets originated / Increase in existing assets (Net)	22.29	-	-	22.29	0.09	-	-	0.09
Exposure de-recognised / matured / repaid	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	-	-
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off*	-	-	-	-	-	-	-	-
<b>Closing as on March 31, 2025</b>	<b>22.29</b>	<b>-</b>	<b>-</b>	<b>22.29</b>	<b>0.09</b>	<b>-</b>	<b>-</b>	<b>0.09</b>
<b>Bills Discounted</b>								
Opening as on April 1, 2023	915.68	3.98	7.19	926.85	7.49	0.39	5.35	13.23
New assets originated / Increase in existing assets (Net)	736.93	4.90	1.57	743.40	5.90	0.49	1.20	7.59
Exposure de-recognised / matured / repaid	(912.18)	(1.00)	(2.54)	(915.72)	(7.46)	(0.11)	(0.71)	(8.28)
Transfer to Stage 1	0.11	(0.11)	-	-	0.01	(0.01)	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(3.69)	(2.79)	6.48	-	(0.03)	(0.28)	0.31	-
Impact on account of exposures transferred during the period between stages	-	-	0.02	0.02	-	-	4.77	4.77
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off*	-	-	(0.78)	(0.78)	-	-	(0.78)	(0.78)
<b>Closing as on March 31, 2024</b>	<b>736.85</b>	<b>4.98</b>	<b>11.94</b>	<b>753.77</b>	<b>5.91</b>	<b>0.48</b>	<b>10.14</b>	<b>16.53</b>
<b>Term loans</b>								
Opening as on April 1, 2023	98,996.88	3,939.10	3,214.41	1,06,150.39	437.19	401.84	1,476.66	2,315.69
New assets originated/ Increase in existing assets (Net)	75,394.30	399.71	435.75	76,229.76	275.03	43.82	824.80	1,143.65
Exposure de-recognised / matured / repaid	(32,046.13)	(1,574.39)	(2,179.47)	(35,799.99)	(295.94)	(109.04)	(269.51)	(674.49)
Transfer to Stage 1	1,360.86	(1,289.85)	(71.01)	-	137.91	(117.69)	(20.22)	-
Transfer to Stage 2	(2,732.97)	2,765.64	(32.67)	-	(14.99)	23.7	(8.71)	-
Transfer to Stage 3	(2,232.61)	(1,029.67)	3,262.28	-	(13.16)	(115.54)	128.70	-
Impact on account of exposures transferred during the period between stages	1.29	5.37	35.26	41.92	0.17	157.20	378.88	536.25
Impact of changes on items within the same stage	599.93	0.90	87.32	688.15	9.26	1.49	291.33	302.08
Write off*	-	-	(1,119.00)	(1,119.00)	-	-	(1,119.00)	(1,119.00)
<b>Closing as on March 31, 2024</b>	<b>1,39,341.55</b>	<b>3,216.81</b>	<b>3,632.87</b>	<b>1,46,191.23</b>	<b>535.47</b>	<b>285.78</b>	<b>1,682.93</b>	<b>2,504.18</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 9.1 LOANS (Contd.)

ECL across stages have been computed on collective basis.

The Company uses days past due of the customer to determine the credit quality of loans

\*write off includes Loss on disposal of collateral

#### Note : 9.2 OVERDUE GREATER THAN 90 DAYS

No. of loan accounts		Overdue Instalments*	Principal outstanding (not yet due)
		₹ in crores	
As on March 31, 2025			
1,96,893		2,172.27	3,167.50
As on March 31, 2024			
1,44,017		1,562.24	2,228.11

\*Overdue instalments include principal and interest overdue

#### Note : 10 INVESTMENTS

As at March 31, 2025								As at March 31, 2024							₹ in crores	
Investments	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total		
		Through Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss					Through Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss					
Government Securities	3,375.31	-	-	-	-	-	3,375.31	1,539.07	-	-	-	-	-	-	1,539.07	
Treasury Bill	1,721.41	-	-	-	-	-	1,721.41	1,440.17	-	-	-	-	-	-	1,440.17	
STRIPS	771.91	-	-	-	-	-	771.91	599.25	-	-	-	-	-	-	599.25	
Debt Securities- Convertible Note (Fair value on acquisition - ₹ 10 crores)	-	-	0	-	0	-	0	-	-	0	-	0	-	-	0	
Others	-	-	-	-	-	0.01	0.01	-	-	-	-	-	-	-	-	
<b>Equity Instruments</b>																
Subsidiaries	-	-	-	-	-	64.90	64.90	-	-	-	-	-	-	64.90	64.90	
Associates	-	-	-	-	-	9.75	9.75	-	-	-	-	-	-	9.75	9.75	
Joint Ventures	-	-	-	-	-	456.82	456.82	-	-	-	-	-	-	456.82	456.82	
Other equity investments	-	1.32	-	-	1.32	-	1.32	-	1.31	-	-	1.31	-	1.31		
<b>Total Gross (A)</b>	<b>5,868.63</b>	<b>1.32</b>	<b>0</b>	<b>-</b>	<b>1.32</b>	<b>531.48</b>	<b>6,401.43</b>	<b>3,578.49</b>	<b>1.31</b>	<b>0</b>	<b>-</b>	<b>1.31</b>	<b>531.47</b>	<b>4,111.27</b>		
<b>Investments outside India</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Investments In India</b>	<b>5,868.63</b>	<b>1.32</b>	<b>0</b>	<b>-</b>	<b>1.32</b>	<b>531.48</b>	<b>6,401.43</b>	<b>3,578.49</b>	<b>1.31</b>	<b>0</b>	<b>-</b>	<b>1.31</b>	<b>531.47</b>	<b>4,111.27</b>		
<b>Total (B)</b>	<b>5,868.63</b>	<b>1.32</b>	<b>0</b>	<b>-</b>	<b>1.32</b>	<b>531.48</b>	<b>6,401.43</b>	<b>3,578.49</b>	<b>1.31</b>	<b>0</b>	<b>-</b>	<b>1.31</b>	<b>531.47</b>	<b>4,111.27</b>		
<b>Allowance for Impairment (C)</b>	<b>-</b>	<b>1.29</b>	<b>-</b>	<b>-</b>	<b>1.29</b>	<b>9.75</b>	<b>11.04</b>	<b>-</b>	<b>1.29</b>	<b>-</b>	<b>-</b>	<b>1.29</b>	<b>9.75</b>	<b>11.04</b>		
<b>Total Net (D) = (A)-(C)</b>	<b>5,868.63</b>	<b>0.03</b>	<b>0</b>	<b>-</b>	<b>0.03</b>	<b>521.73</b>	<b>6,390.39</b>	<b>3,578.49</b>	<b>0.02</b>	<b>0</b>	<b>-</b>	<b>0.02</b>	<b>521.72</b>	<b>4,100.23</b>		

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 10 INVESTMENTS (Contd.)

All Instruments except Government Securities, Treasury Bill and STRIPS are Unquoted

Paytail Commerce Private Limited ceased to be an associate with effect from March 21, 2024. The carrying amount (net of impairment) is part of other equity instruments.

			₹ in crores
Asset held for sale - Investment-Equity Instruments			
	As at March 31, 2025	As at March 31, 2024	
TVS Supply chain Solutions Limited 24,01,359 Equity of shares ₹ 1 each fully paid up - Quoted	-	37.09	
<b>Total</b>	<b>0.00</b>	<b>37.09</b>	

#### Note 1

The company has made an investment of ₹ 456 Crores in the Joint venture, engaged in the business of omni-channel payment transaction processing services. Based on an independent valuation and in the opinion of the management, considering the future business potential, no impairment provision is required for this investment.

#### Note 2

The Company entered into a share swap agreement on March 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India Private Limited (WDSI) and other shareholders of WDSI for the transfer of the entire equity shares held by the Company in WDSI to TVSSCSL. As consideration for transfer of WDSI shares, TVSSCSL has allotted 22,35,265 Compulsory Convertible Preference Shares (CCPS) of TVSSCSL to the company on April 20, 2023. Subsequently on August 23, 2023 the Compulsory Convertible Preference Shares (CCPS) was converted into 24,01,359 equity shares of TVSSCSL. Since the Company intends to sell the equity shares, the above mentioned investment has been classified as asset held for sale as at March 31, 2024 in accordance with IND AS 105 Non Current asset held for sale and discontinued operations. During the current year the company has sold the entire shares of TVSSCSL.

#### Note 3

During the year the company has provided the provision for investment in Vishvakarma Payments Private Limited (Associate).

Particulars			₹ in crores
	As at March 31, 2025	As at March 31, 2024	
<b>Note : 11 OTHER FINANCIAL ASSETS</b>			
<b>Unsecured - considered good</b>			
<b>At amortised cost</b>			
Security deposits	46.68	42.85	
Other advances*	16.51	51.63	
Interest only strip receivable	286.63	146.85	
<b>Gross Total</b>	<b>349.82</b>	<b>241.33</b>	
Less: Impairment Allowance	(0.08)	(0.08)	
<b>Net Total</b>	<b>349.74</b>	<b>241.25</b>	

\*Amount for which services are yet to be received.

Particulars			₹ in crores
	As at March 31, 2025	As at March 31, 2024	
<b>Note : 12 DEFERRED TAX</b>			
<b>Deferred Tax Assets</b>			
Impairment allowance for financial instruments	808.91	603.46	
Provision for Contingencies and Undrawn commitments	13.58	12.56	
Provision for Compensated Absences and Gratuity	47.80	30.06	
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961	24.97	18.89	
Cash flow hedge	45.53	1.50	
Others	35.03	19.50	
<b>(A)</b>	<b>975.82</b>	<b>685.97</b>	
<b>Deferred Tax Liability</b>			
Impact of Effective interest rate adjustment on Financial Liabilities	0.92	0.93	
Impact of Effective interest rate adjustment on Financial Assets	28.18	30.89	
<b>(B)</b>	<b>29.10</b>	<b>31.82</b>	
<b>Net Deferred Tax Assets (A) - (B)</b>	<b>946.72</b>	<b>654.15</b>	

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**Note : 12 DEFERRED TAX**

₹ in crores

Particular	Year ended March 31, 2025 Income Statement	OCI	Year ended March 31, 2024 Income Statement	OCI
<b>Deferred Tax Assets</b>				
Impairment allowance for financial instruments	(205.45)	-	(37.21)	-
Provision for Contingencies and Undrawn commitments	(1.02)	-	0.36	-
Provision for Compensated Absences and Gratuity	(14.18)	(3.56)	(5.35)	(2.05)
Impact of Effective interest rate adjustment on Financial Assets	-	-	4.76	-
Difference between Depreciation as per Books of Account and the Income Tax Act, 1961	(6.08)	-	(4.04)	-
Others	(15.53)	-	(14.61)	-
<b>(A)</b>	<b>(242.26)</b>	<b>(3.56)</b>	<b>(56.09)</b>	<b>(2.05)</b>
<b>Deferred Tax Liability</b>				
Impact of Effective interest rate adjustment on Financial Liabilities	0.01	-	0.23	-
Impact of Effective interest rate adjustment on Financial Assets	2.71	-	(30.89)	-
Cash flow hedge	-	44.03	-	18.17
<b>(B)</b>	<b>2.72</b>	<b>44.03</b>	<b>(30.66)</b>	<b>18.17</b>
<b>Net deferred tax charge/(reversal) (A) - (B)</b>	<b>(244.98)</b>	<b>(47.59)</b>	<b>(25.43)</b>	<b>(20.22)</b>

**Note : 13 INVESTMENT PROPERTY**

₹ in crores

Particular	
<b>Gross carrying amount as at April 01, 2023</b>	<b>0.14</b>
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2024</b>	<b>0.14</b>
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2025</b>	<b>0.14</b>
<b>Accumulated depreciation and impairment</b>	
<b>Balance as at April 1, 2023</b>	<b>0.01</b>
Depreciation for the year*	-
Depreciation on disposals	-
<b>Balance as at March 31, 2024</b>	<b>0.01</b>
Depreciation for the year*	-
Depreciation on disposals	-
<b>Balance as at March 31, 2025</b>	<b>0.01</b>
<b>Net Carrying amount</b>	
<b>As at March 31, 2024</b>	<b>0.13</b>
<b>As at March 31, 2025</b>	<b>0.13</b>
Useful Life of the asset (In Years)	60
Method of depreciation	Straight line method

\*represents amount less than ₹ 1 lakh

The Company's investment property consists of 4 properties and includes one let out property as at March 31, 2025.



## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### i) Income earned and expense incurred in connection with investment property

₹ in crores

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental Income	0.05	0.05
Direct Operating expense from property that generated rental income	0.01	0.01
Direct Operating expense from property that did not generate the rental income	0.01	0.02

#### ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property.

#### iii) Leasing Arrangements

Certain investment properties are leased out to tenants under cancellable operating lease arrangements.

#### iv) Fair Value

₹ in crores

	As at March 31, 2025	As at March 31, 2024
Investment Property (₹ in crores)	3.21	3.30

#### v) Sensitivity analysis

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair value (₹ in crores)	Sensitivity (₹ in crores)
Investment Property As at March 31, 2025	Professional valuer	Price per Sq. feet	₹ 8,500 - ₹ 15,000 per Sq. feet	5%	3.21	0.16
Investment Property As at March 31, 2024	Professional valuer	Price per Sq. feet	₹ 8,500 - ₹ 16,000 per Sq. feet	5%	3.30	0.17

#### vi) The Title Deeds of the Immovable Properties mentioned above are in the name of the company

#### Note : 14 PROPERTY, PLANT AND EQUIPMENT

₹ in crores

Particulars	Freehold Land	Plant and Machinery	Computer Equipment	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicles	Buildings (Refer Note below)		Total
								Owned Assets	Right of Use Assets	
Gross carrying amount as at April 1, 2023	39.56	-	172.91	34.27	26.59	59.69	83.29	23.05	334.13	773.49
Additions	803.19	3.66	49.25	25.48	34.65	59.78	56.38	29.59	299.28	1,361.26
Disposals	-	-	17.64	3.63	3.97	6.78	10.06	-	15.88	57.96
Gross carrying amount as at March 31, 2024	842.75	3.66	204.52	56.12	57.27	112.69	129.61	52.64	617.53	2,076.79
Additions	0.07	-	52.02	18.77	6.34	50.91	46.35	0.11	313.31	487.88
Disposals	-	-	59.23	8.45	6.51	12.11	20.06	-	221.87	328.23
Gross carrying amount as at March 31, 2025	842.82	3.66	197.31	66.44	57.10	151.49	155.90	52.75	708.97	2,236.44
Accumulated depreciation / amortisation and impairment										
Balance as at April 1, 2023	-	-	107.72	26.03	23.80	44.78	9.55	2.50	186.94	401.32
Depreciation for the year	-	0.14	41.48	7.53	9.84	18.41	22.94	0.80	75.98	177.12
Depreciation on disposals	-	-	17.20	3.43	3.96	6.76	4.30	-	-	35.65
Balance as at March 31, 2024	-	0.14	132.00	30.13	29.68	56.43	28.19	3.30	262.92	542.79
Depreciation for the year	-	0.24	50.33	9.15	7.38	20.87	28.69	1.08	107.06	224.80
Depreciation on disposals	-	-	59.05	8.09	6.49	11.15	7.69	-	185.53	278.00
Balance as at March 31, 2025	-	0.38	123.28	31.19	30.57	66.15	49.19	4.38	184.45	489.59
Net Carrying amount										
As at March 31, 2024	842.75	3.52	72.52	25.99	27.59	56.26	101.42	49.34	354.61	1,534.00
As at March 31, 2025	842.82	3.28	74.03	35.25	26.53	85.34	106.71	48.37	524.52	1,746.85
Useful Life of the asset (In Years)		15	3/6	5	5	upto 5	5	60/30/5	upto 9	-
Method of depreciation	Straight-line method									

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

- Details of Immovable properties of land and buildings (Owned Assets), whose title deeds have been pledged in favour of Trustees for the benefit of debenture holders as security, has been explained in Note 17.1
- The Company has elected to include ROU assets pertaining to lease of buildings as part of the Property, plant and equipment as permitted under paragraph 47 of Ind AS 116.
- The Title Deeds of the Immovable Properties mentioned above are in the name of the company.
- Company has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2025 and year ended March 31, 2024.

Particulars	₹ in crores
	Computer Software
<b>Note : 15 INTANGIBLE ASSETS</b>	
<b>Gross carrying amount as at April 1, 2023</b>	<b>107.28</b>
Additions	15.23
Deletions	10.71
<b>Gross carrying amount as at March 31, 2024</b>	<b>111.80</b>
Additions	19.66
Deletions	0.83
<b>Gross carrying amount as at March 31, 2025</b>	<b>130.63</b>
<b>Accumulated Amortization and impairment</b>	
<b>Balance as at April 1, 2023</b>	<b>80.85</b>
Amortization for the year	18.65
Amortization on deletions	10.71
<b>Balance as at March 31, 2024</b>	<b>88.79</b>
Amortization for the year	17.32
Amortization on deletions	0.44
<b>Balance as at March 31, 2025</b>	<b>105.67</b>
<b>Net Carrying amount</b>	
<b>As at March 31, 2024</b>	<b>23.01</b>
<b>As at March 31, 2025</b>	<b>24.96</b>
Useful Life of the asset (In Years)	3
Method of depreciation	Straight line method

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 16 OTHER NON FINANCIAL ASSETS</b>		
Prepaid expenses	60.16	37.15
Capital advances	3.63	7.19
GST Input Credit	13.03	18.33
Others*	46.50	36.98
<b>Total</b>	<b>123.32</b>	<b>99.65</b>

\*Includes amount paid towards disputed legal/tax matters and Stamps

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 17 DEBT SECURITIES (at Amortised cost)</b>		
Redeemable Non-Convertible Debentures		
Medium-Term - Secured	24,088.19	19,435.62
Compulsorily Convertible Debentures-Unsecured	2,074.06	2,071.45
Commercial Papers - Unsecured	3,971.74	3,305.69
<b>Total</b>	<b>30,133.99</b>	<b>24,812.76</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**Note : 17 DEBT SECURITIES** (at amortised cost) (Contd.)

#### All debt securities have been contracted in India

##### 17.1 Security

(i) **Redeemable Non-Convertible Debentures** - Medium-term is secured by way of specific charge on assets under hypothecation relating to Vehicle Finance, Loan against Property, and other loans.

##### ii) **TERMS OF THE COMPULSORILY CONVERTIBLE DEBENTURES (CCD)**

Each CCD has a face value of ₹ 100,000 and shall constitute an unsecured and unsubordinated (as between other unsecured creditors) obligation of the Company. The Allotment of CCDs has been made in dematerialized form.

##### Maturity Date

Unless converted earlier in accordance with the terms hereof, the maturity date for compulsory conversion of each CCD shall be September 30, 2026.

##### Conversion

##### Early Conversion Option

Each CCD holder shall be entitled to convert their CCD into Equity Shares on or after September 30, 2025 ("Entitlement Date"). Each CCD of face value of ₹ 100,000 shall be converted into such number of Equity Shares fully paid of face value of ₹ 2 as per the Conversion Price (defined below). CCD holders can apply for conversion of CCDs within the first 7 calendar days after the Entitlement Date or after the end of every calendar quarter after the Entitlement Date, except the last quarter before maturity, when it will compulsorily convert on the last maturity date i.e., September 30, 2026, provided if September 30, 2026 falls on a trading holiday, then the trading day immediately preceding such date shall be considered by the Company for the purpose of conversion Maturity Date.

##### Compulsory Conversion

If any or all of the CCDs have not been converted till Maturity Date, then all of the CCDs held on the Maturity Date shall be compulsorily and automatically converted into Equity Shares as per the Conversion Price (defined below).

The fractional amount after conversion of the CCDs tendered for conversion by the CCD holder shall be paid in cash to the CCD holders within seven working days from the date of conversion of CCDs.

##### Conversion Price

Subject to Regulation 176 of the SEBI Regulations and applicable law, each CCD shall be converted into such number of Equity Shares based on the conversion price arrived as per the below formula. Conversion price shall be higher of the following:

If Conversion Volume Weighted Average Price (VWAP) is higher than ₹ 1,650.00 per Equity Share then the aggregate face value of the CCDs proposed to be converted into Equity Shares at a discount of 16.50% to the Conversion VWAP, if lower than or equal to ₹ 1,650.00 per Equity Share, then the aggregate face value of the CCDs shall be converted into Equity Shares at a discount of 15.00% to the Conversion VWAP.

For the purpose of the above, Conversion Volume Weighted Average Price (VWAP) shall be calculated as seven trading days volume weighted average price of Equity Shares of the Company traded on the NSE, preceding the first date after the end of quarter, prior to Conversion Notice or Maturity Date for compulsory conversion of the balance CCDs held; whichever is earlier; OR the Floor Price of Equity Shares being ₹ 1,200.51 subject to discount of upto 5%, as may be decided by the Board of Directors of a duly authorized committee of the Board.

##### Interest on CCDs

Each CCD will bear interest at the rate of 7.50% per annum calculated on the face value of the CCD commencing from the date of Allotment and until the Conversion Date. The Interest shall be paid by the Company to the CCD holders in half yearly instalments.

In the event the CCD holder has exercised its right to convert the CCD, then any Interest accrued but unpaid shall be paid within seven working days from the Conversion Date.

An additional interest at the rate of 2.00% per annum over and above the rate of interest of 7.50% per annum shall be applicable in case of delay in payment of interest by the Company for the delayed period.

##### iii) **The Company has not defaulted in the repayment of dues to its lenders.**

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**Note : 17 DEBT SECURITIES** (at amortised cost) (Contd.)

#### 17.2 Details of Debentures - Contractual principal repayment value

##### (i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put / call option

No. of Debentures	Face Value ₹	Balance as at ₹ in crores		Due date of redemption	Rate of interest %
		March 31, 2025	March 31, 2024		
11,500	10,00,000	0.00	1,150.00	Apr-24	8.6179
16,000	10,00,000	0.00	1,600.00	Jul-24	7.38 to 8.66
4,000	10,00,000	0.00	400.00	Aug-24	7.67 to 7.69
3,500	10,00,000	0.00	350.00	Oct-24	6.80
13,600	10,00,000	0.00	1,360.00	Dec-24	6.63 to 8.81
2,000	10,00,000	0.00	200.00	Feb-25	9.11
33,49,951	1,000	0.00	335.00	Mar-25	8.25
4,974	10,00,000	0.00	497.40	Mar-25	7.08
32,85,035	1,000	328.50	328.50	Jun-25	8.25
5,000	10,00,000	500.00	500.00	Jul-25	7.92
5,000	10,00,000	500.00	500.00	Nov-25	8.45
17,34,226	1,000	173.42	173.42	Dec-25	8.40
6,050	10,00,000	605.00	605.00	Dec-25	8.30
11,35,778	1,000	113.58	113.58	Jan-26	8.45
8,000	10,00,000	800.00	800.00	Jan-26	7.9217
60,200	1,00,000	602.00	602.00	Mar-26	8.50
7,000	10,00,000	700.00	700.00	Apr-26	7.32
70,000	1,00,000	700.00	700.00	May-26	8.25
18,72,062	1,000	187.21	187.21	Jun-26	8.30
20,18,847	1,000	201.88	201.88	Sep-26	8.30
250	10,00,000	25.00	25.00	Nov-26	8.55
22,81,860	1,000	228.19	228.19	Dec-26	8.50
1,00,000	1,00,000	1,000.00	0.00	Dec-26	8.19
51,82,140	1,000	518.21	518.21	Jan-27	8.50
5,000	1,00,000	50.00	50.00	Jan-27	8.40
2,700	10,00,000	270.00	270.00	Mar-27	7.30
1,17,500	1,00,000	1,175.00	0.00	Mar-27	8.19
2,750	10,00,000	275.00	275.00	Apr-27	7.50
4,550	10,00,000	455.00	455.00	May-27	7.95
50,000	1,00,000	500.00	0.00	May-27	8.58
50,000	1,00,000	500.00	0.00	Jul-27	8.50
1,50,000	1,00,000	1,500.00	0.00	Sep-27	8.40
65,000	1,00,000	650.00	0.00	Feb-28	8.20
44,02,938	1,000	440.29	440.29	May-28	8.40
89,63,940	1,000	896.39	896.39	Aug-28	8.40
44,73,708	1,000	447.37	447.37	Dec-28	8.60
78,57,218	1,000	785.72	785.72	Jan-29	8.60
1,00,000	1,00,000	1,000.00	1,000.00	Feb-29	8.65
94,100	1,00,000	941.00	941.00	Mar-29	8.60
1,00,900	1,00,000	1,009.00	0.00	Apr-29	8.54 to 8.59
1,38,650	1,00,000	1,386.50	0.00	May-29	8.65
51,520	1,00,000	515.20	0.00	Jun-29	8.64
50,000	1,00,000	500.00	0.00	Jul-29	8.64
50,000	1,00,000	500.00	0.00	Oct-29	8.25
1,10,000	1,00,000	1,100.00	0.00	Nov-34	8.50
		<b>22,079.46</b>	<b>17,636.16</b>		

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

### 17.2 Details of Debentures - Contractual principal repayment value (Contd.)

#### (ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put / call option

No. of Debentures	Face Value ₹	Balance as at ₹ in crores		Due date of redemption	Redemption price ₹	Premium ₹
		March 31, 2025	March 31, 2024			
350	10,00,000	0.00	35.00	Oct-24	13,01,025.00	3,01,025.00
250	10,00,000	0.00	25.00	Dec-24	12,93,960.00	2,93,960.00
1,67,213	1,000	0.00	16.72	Mar-25	1,156.64	156.64
74,466	1,000	7.45	7.45	Jun-25	1,156.64	156.64
5,000	10,00,000	500.00	500.00	Jun-25	12,56,740.00	2,56,740.00
850	10,00,000	85.00	85.00	Jul-25	13,53,045.00	3,53,045.00
1,250	10,00,000	125.00	125.00	Jul-25	14,61,481.00	4,61,481.00
1,26,294	1,000	12.63	12.63	Dec-25	1,175.32	175.32
1,00,942	1,000	10.09	10.09	Jan-26	1,176.40	176.40
83,500	1,000	8.35	8.35	Jun-26	1,279.15	279.15
1,12,926	1,000	11.29	11.29	Sep-26	1,279.15	279.15
1,12,696	1,000	11.27	11.27	Dec-26	1,277.58	277.58
48,858	1,000	4.89	4.89	Jan-27	1,277.29	277.29
1,000	10,00,000	100.00	100.00	Mar-27	14,22,599.00	4,22,599.00
1,24,336	1,000	12.43	12.43	May-28	1,497.40	497.40
96,548	1,000	9.65	9.65	Aug-28	1,497.41	497.41
89,123	1,000	8.91	8.91	Dec-28	1,511.28	511.28
25,903	1,000	2.59	2.59	Jan-29	1,511.28	511.28
		<b>909.55</b>	<b>986.27</b>			

#### (iii) Compulsorily Convertible Debentures

No. of Debentures	Face Value ₹	Balance as at ₹ in crores		Due date of redemption	Put option date	Rate of interest %
		March 31, 2025	March 31, 2024			
2,00,000	1,00,000	2,000.00	2,000.00	NA	NA	7.50%
		<b>2,000.00</b>	<b>2,000.00</b>			



## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 18 BORROWINGS (Other than Debt Securities) at amortised cost</b>		
A) Term Loans		
i) From Banks - Secured		
- Rupee Loans	76,466.27	62,118.31
- External Commercial Borrowings	12,349.08	4,467.39
ii) From Other Parties - Secured		
- Financial Institutions		
- Rupee Loans	12,564.31	9,324.77
- External Commercial Borrowings	877.28	1,089.47
- Securitisation - Rupee Loans	26,666.52	23,781.83
B) Loan repayable on demand - Secured	4,868.52	3,729.36
From Banks - Rupee Loans		
<b>Total</b>	<b>1,33,791.98</b>	<b>1,04,511.13</b>
<b>Borrowings within India</b>	1,20,565.62	98,954.27
<b>Borrowings Outside India</b>	13,226.36	5,556.86
	<b>1,33,791.98</b>	<b>1,04,511.13</b>

- 18.1** (i) Secured term loans from banks and financial institution are secured by way of specific /pari passu charge on assets under hypothecation relating to Vehicle Finance and Loans against Immovable Property and Home Loans.
- (ii) Securitisation rupee loan represents the net outstanding value (Net of Investment in Pass-through Certificates) of the proceeds received by the Company from securitisation trust in respect of loan assets transferred by the Company pursuant to Deed of Assignment. The Company has provided Credit enhancement to the trust by way of cash collateral and Bank guarantee. Also, refer Note 6.
- (iii) Loan repayable on demand is in the nature of Cash Credit and working capital demand loans from banks and is secured by way of floating charge on assets under hypothecation and other assets.
- (iv) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 18.2 based on the Contractual terms.
- (v) The Company has not defaulted in the repayment of dues to its lenders.
- (vi) The company has utilised the borrowings for the purpose for which it was obtained.
- (vii) The quarterly statements or returns of current assets filed by the company with banks are in agreement with books of accounts.

### 18.2 Details of term loans/working capital demand loan - Contractual principal repayment value

Rate of Interest	Maturity	Instalments	₹ in crores	
			Amount outstanding March 31, 2025	March 31, 2024
Base Rate / MCLR	< 1year	1	50.00	50.00
		2	1,400.00	-
		3	225.00	75.00
		4	2,998.89	2,615.56
		12	-	200.00
	1 - 2 years	1	500.00	237.50
		2	1,400.00	-
		4	2,598.89	1,565.56
		9	-	150.00
	2 - 3 years	1	500.00	-
		2	1,450.00	-

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

### 18.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2025	March 31, 2024
		3	241.67	-
		4	2,176.67	954.44
	3 - 4 years	2	1,400.00	50.00
		3	232.50	241.67
		4	1,644.44	532.22
	4 - 5 years	1	450.00	-
		2	600.00	-
		3	-	45.00
		4	300.00	200.00
Base Rate/ MCLR + spread (0.05 to 0.20%)	< 1year	1	1,000.00	1,000.00
		2	-	-
		3	-	375.00
		4	2,652.14	2,373.81
	1 - 2 years	1	-	1,000.00
		2	428.57	-
		3	686.25	-
		4	2,652.14	2,373.81
	2 - 3 years	4	880.00	2,107.14
	3 - 4 years	2	-	428.57
		3	300.00	637.50
		4	495.00	400.00
	4 - 5 years	1	45.00	-
		3	-	300.00
		4	65.00	-
	> 5 Years	1	16.25	-
Rate based on T Bill	> 1year	4	20.00	20.00
	1-2 years	4	20.00	20.00
	2-3 years	4	20.00	20.00
	3-4 years	4	15.00	20.00
	4-5 years	3	-	15.00
Rate based on T Bill + Spread (0.25% to 1.75%)	< 1 year	1	4460.00	3,255.00
		2	2,238.21	1,200.00
		3	45.00	137.96
		4	7,470.36	5,801.79
	1 - 2 years	1	1,817.14	2,560.00
		2	2,739.29	1,575.71
		3	321.43	45.00
		4	5,468.22	5,470.36
	2 - 3 years	1	1,553.57	2,417.14
		2	2,394.64	1,639.29
		3	750.00	321.43
		4	1,400.36	3,143.22
	3 - 4 years	1	1,100.00	1,553.57
		2	721.50	1,732.14

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

### 18.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2025	March 31, 2024
		4	358.75	400.36
	4 - 5 years	1	250.00	1,100.00
		2	36.40	221.50
		4	-	358.75
	>5 Years	1	-	36.40
Fixed Rate (5.15% to 8.45%)	< 1year	1	1,684.00	1,516.33
		2	1,032.22	1,012.22
		3	-	102.20
		4	2,119.80	890.80
		12	166.67	166.67
		1	1,350.00	1,684.00
		2	932.22	1,032.22
		4	2,024.80	890.80
		7	97.22	-
		12	-	166.67
	2 - 3 years	1	1,007.78	1,350.00
		2	50.00	932.22
		3	420.00	-
		4	1,472.80	890.80
		7	-	97.22
	3 - 4 years	1	113.77	277.78
		2	801.00	710.00
		3	68.32	-
		4	1,143.60	890.80
	4 - 5 years	1	41.10	443.77
		2	-	141.00
		3	435.00	68.32
		4	400.00	163.60
	>5 years	1	-	41.10
		2	200.00	-
Repo rate	< 1year	1	-	176.19
		2	450.00	121.00
		3	37.50	251.79
		4	3,114.05	1,872.38
		2	460.00	150.00
		3	-	18.75
		4	3,119.05	1,186.67
		1	50.00	-
		2	661.11	160.00
		3	450.00	-
	2 - 3 years	4	1,876.83	1,166.67
	3 - 4 years	1	64.88	50.00
		2	743.65	361.11
		3	468.75	-

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

### 18.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2025	March 31, 2024
		4	975.00	524.44
	4 - 5 years	1	75.00	12.50
		2	300.00	372.22
		4	600.00	-
	> 5 Years	1	-	75.00
Overnight MIBOR + Spread (0.89% to 1.55%)	< 1 year	2	111.11	111.12
		4	352.52	285.83
	1 - 2 years	1	43.75	-
		2	111.11	111.11
		4	194.08	285.83
	2 - 3 years	1	55.56	43.75
		2	-	111.11
		3	62.44	110.84
	3 - 4 years	1	55.56	-
		2	-	111.11
		4	83.25	-
	4 - 5 years	2	41.63	-
USD 3M SOFR + Spread	< 1 year	4	243.52	237.37
	1-2 years	4	243.52	237.37
	2-3 years	1	3,636.30	-
		4	243.52	237.37
	3 - 4 years	1	60.88	-
		4	-	237.37
	4 - 5 years	1	-	59.34
USD 6M SOFR + Spread	< 1year	1	855.60	767.28
	1-2 years	1	2,994.60	834.00
	2 - 3 years	1	2,883.37	2,919.00
EURO 3M EURIBOR +Spread	2-3 years	1	2,082.15	-
<b>Total</b>			<b>1,03,948.87</b>	<b>77,644.44</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### 18.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

##### Details of Securitised loan

₹ in crores

Rate of Interest	Maturity	Amount outstanding	
		March 31, 2025	March 31, 2024
Fixed (4% to 8.65%)	< 1 year	11,113.27	9,448.78
	1-2 year	8,121.35	7,184.46
	2-3 year	4,833.49	4,526.29
	3-4 year	1,870.72	1,959.39
	4-5 year	458.84	345.33
	> 5 years	115.99	85.16
<b>Total</b>		<b>26,513.66</b>	<b>23,549.41</b>
Floating	< 1 year	19.89	29.75
Base Rate/ MCLR - spread (0.75% to 1.30%)	1-2 year	17.14	27.01
	2-3 year	14.56	26.55
	3-4 year	11.12	22.47
	4-5 year	9.07	18.66
	> 5 years	36.99	78.94
<b>Total</b>		<b>108.77</b>	<b>203.38</b>

#### 18.3 No borrowings are guaranteed by directors and /or others.

₹ in crores

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Note : 19 SUBORDINATED LIABILITIES (at amortised cost)</b>		
Perpetual Debt - Unsecured	2,593.20	1,612.89
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	408.32	408.18
b) Other Subordinated Debts	8,018.62	3,128.62
<b>Total</b>	<b>11,020.14</b>	<b>5,149.69</b>

- All Subordinated liabilities have been contracted in India except for Rupee denominated bonds.
- The Company has not defaulted in the repayment of dues to its lenders.

#### 19.1 Details of Subordinated Liabilities - Contractual principal repayment value

##### (i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put / call option

No. of Debentures	Face Value ₹	Balance as at ₹ in crore		Due date of redemption	Rate of interest %
		March 31, 2025	March 31, 2024		
250	10,00,000	0.00	25.00	Apr-24	11.00
50	10,00,000	0.00	5.00	May-24	11.00
150	10,00,000	0.00	15.00	Jun-24	11.00
100	10,00,000	10.00	10.00	Nov-26	9.20
2500	10,00,000	250.00	250.00	Jun-27	8.78 to 8.80
1500	10,00,000	150.00	150.00	Aug-27	8.53
5300	10,00,000	530.00	530.00	Mar-28	9.05
3000	10,00,000	300.00	300.00	Aug-28	9.75



## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

### 19.1 Details of Subordinated Liabilities - Contractual principal repayment value

#### (i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put / call option (Contd.)

No. of Debentures	Face Value ₹	Balance as at ₹ in crore		Due date of redemption	Rate of interest %
		March 31, 2025	March 31, 2024		
20000	1,00,000	200.00	200.00	Oct-29	9.00
400	1,00,00,000	400.00	400.00	Jan-30	9.75
30000	1,00,000	300.00	300.00	May-30	8.75
11000	1,00,000	110.00	-	Apr-31	9.00
200000	1,00,000	2,000.00	-	Jun-31	9.10
200	1,00,00,000	200.00	200.00	Oct-31	7.90
150	1,00,00,000	150.00	150.00	Feb-32	8.10
100000	1,00,000	1,000.00	-	Mar-32	9.05
290	1,00,00,000	290.00	290.00	Dec-32	8.65
20,500	1,00,000	205.00	205.00	Oct-33	8.85
20,000	1,00,000	200.00	200.00	Nov-33	8.85
20010	1,00,000	200.10	200.10	Mar-34	8.85
15000	1,00,000	150.00	-	Jun-34	9.00
100000	1,00,000	1,000.00	-	Dec-34	8.92
50000	1,00,000	500.00	-	Jan-35	9.00
		8,145.10	3,430.10		

#### (ii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at ₹ in crore		Call Option Date#	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31, 2025	March 31, 2024		
500	5,00,000	-	25.00	Oct-23	12.90
174	10,00,000	-	17.40	Oct-23	12.60
500	5,00,000	-	25.00	Dec-23	12.50 to 12.60
5000	5,00,000	250.00	250.00	Jan-24	12.6
1120	5,00,000	56.00	56.00	Feb-24	12.9
1000	5,00,000	50.00	50.00	Jun-24	12.90
900	5,00,000	45.00	45.00	Jul-24	12.90
2000	5,00,000	100.00	100.00	Aug-24	12.80
2000	5,00,000	100.00	100.00	Feb-29	10.88
800	5,00,000	40.00	40.00	Mar-29	10.83
30	1,00,00,000	30.00	30.00	Dec-29	10.75
25	1,00,00,000	25.00	25.00	Nov-30	9.30
45	1,00,00,000	45.00	45.00	Mar-31	9.25
1,200	5,00,000	60.00	60.00	May-31	9.20
480	5,00,000	24.00	24.00	Jul-31	9.05
21	1,00,00,000	21.00	21.00	Sep-31	8.98
400	5,00,000	20.00	20.00	Mar-32	9.10
400	5,00,000	20.00	20.00	May-32	9.20
6000	5,00,000	300.00	300.00	Aug-32	9.15

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### 19.1 Details of Subordinated Liabilities - Contractual principal repayment value (Contd.)

##### (ii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at ₹ in crore		Call Option Date#	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31, 2025	March 31, 2024		
460	5,00,000	23.00	23.00	Sep-32	9.15
340	5,00,000	17.00	17.00	Oct-32	9.15
600	5,00,000	30.00	30.00	Dec-32	9.15
200	1,00,00,000	200.00	200.00	Jan-33	9.15
400	5,00,000	20.00	20.00	Mar-33	9.45
1000	1,00,00,000	1000.00	-	Mar-33	9.40
		<b>2,476.00</b>	<b>1,543.40</b>		

#Company can redeem using call option date with prior approval of RBI.

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 20 OTHER FINANCIAL LIABILITIES</b>		
Unpaid dividend	0.72	0.70
Advance from customers	41.40	41.05
Security deposits received	7.71	5.83
Collections towards derecognised assets pending remittance	90.10	47.31
Lease liability (Refer note 48)	556.32	371.50
Other liabilities*	42.48	39.24
<b>Total</b>	<b>738.73</b>	<b>505.63</b>

\*represents amount payable to insurance partners

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 21 PROVISIONS</b>		
<b>Provision for Employee Benefits</b>		
- Compensated absences	179.66	142.79
	<b>179.66</b>	<b>142.79</b>
<b>Other Provisions</b>		
Provision for contingencies and disputed claims (Refer note 39)	39.54	39.54
Provision for expected credit loss towards undrawn commitments (Refer Note 39)	14.42	10.37
	<b>53.96</b>	<b>49.91</b>
<b>Total</b>	<b>233.62</b>	<b>192.70</b>

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 22 OTHER NON FINANCIAL LIABILITIES</b>		
Income received in advance	5.41	5.14
Statutory liabilities	87.78	74.37
Others	1.43	2.72
<b>Total</b>	<b>94.62</b>	<b>82.23</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
<b>Note : 23 A) EQUITY SHARE CAPITAL</b>				
<b>AUTHORISED</b>				
Equity Shares of ₹ 2 each with voting rights	1,20,00,00,000	240.00	1,20,00,00,000	240.00
Preference Shares of ₹ 100 each	5,00,00,000	500.00	5,00,00,000	500.00
		<b>740.00</b>		<b>740.00</b>
<b>ISSUED</b>				
Equity Shares of ₹ 2 each with voting rights	84,16,24,675	168.32	84,06,52,732	168.13
		<b>168.32</b>		<b>168.13</b>
<b>SUBSCRIBED AND FULLY PAID UP</b>				
Equity Shares of ₹ 2 each with voting rights	84,09,40,905	168.18	83,99,68,962	167.99
Add : Forfeited Shares	6,54,500	0.07	6,54,500	0.07
		<b>168.25</b>		<b>168.06</b>

**a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:**

	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
<b>Equity Shares</b>				
At the beginning of the year (₹2/- each)	83,99,68,962	167.99	82,20,40,356	164.41
Issued during the year				
a) Qualified institutional Placement	-	-	1,69,49,152	3.39
b) Employees Stock Option (ESOP) Scheme	9,71,943	0.19	9,79,454	0.19
<b>Outstanding at the end of the period/year - ₹2/- each</b>	<b>84,09,40,905</b>	<b>168.18</b>	<b>83,99,68,962</b>	<b>167.99</b>
<b>Forfeited shares</b>				
Equity Shares - Amount originally paid up	6,54,500	0.07	6,54,500	0.07

**i) Terms/rights attached to Equity shares**

The Company has only one class of equity shares having a par value of ₹ 2 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

The Company had issued 1,69,49,152 equity shares of ₹ 2 each on October 10, 2023 at a issue price of ₹ 1,180 per share (including premium of ₹ 1,178 per share) through Qualified Institutional Placement.

**b) Equity Shares held by Holding Company**

	As at March 31, 2025	As at March 31, 2024
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	37,28,85,889

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

##### c) Details of shareholding more than 5% shares in the Company

Equity Shares	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding in the class	Nos.	% holding in the class
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	44.34	37,28,85,889	44.39

##### d) Shares held by Promoters/Promoter Group

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the below shareholding represents both legal and beneficial ownership of shares.

#### Details of Shareholding of promoters and promoter Group as on March 31, 2025

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
Valli Annamalai	Promoter Group	12,500	-	12,500	-	-
M Vellachi	Promoter Group	-	-	11,60,427	0.14	0.14
M A M Arunachalam	Promoter	1,65,752	0.02	1,65,752	0.02	-
Arun Alagappan	Promoter	8,65,000	0.10	9,50,000	0.11	0.01
M.A.Alagappan	Promoter	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	Promoter Group	1,32,625	0.02	1,32,625	0.02	-
A Vellayan	Promoter	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	Promoter Group	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	Promoter Group	50,255	0.01	50,255	0.01	-
M M Murugappan	Promoter	21,035	-	21,035	-	-
A M Meyyammai	Promoter Group	25,188	-	25,188	-	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	Promoter	10,000	-	10,000	-	-
Meenakshi Murugappan	Promoter Group	245	-	245	-	-
Valli Alagappan	Promoter Group	5,200	-	5,200	-	-
A Venkatachalam	Promoter	2,09,605	0.02	2,09,605	0.02	-
V Narayanan	Promoter	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	Promoter	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	Promoter	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	Promoter Group	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	Promoter Group	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	Promoter Group	15,960	-	15,960	-	-
M V AR Meenakshi	Promoter Group	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	Promoter Group	1,08,881	0.01	1,08,881	0.01	-
Sigapi Arunachalam	Promoter Group	74,255	0.01	74,255	0.01	-
Uma Ramanathan	Promoter Group	23,500	-	23,500	-	-
V Vasantha	Promoter Group	1,250	-	1,250	-	-
Dhruv M Arunachalam	Promoter Group	50,000	0.01	50,000	0.01	-
Kanika Subbiah	Promoter Group	67,000	0.01	67,000	0.01	-
Pranav Alagappan	Promoter Group	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	Promoter	-	-	11,90,583	0.14	0.14
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	Promoter	7,000	-	7,000	-	-
A A Alagammai	Promoter Group	2,894	-	2,894	-	-
Umayal R	Promoter Group	49,455	0.01	49,455	0.01	-

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

##### Details of Shareholding of promoters and promoter Group as on March 31, 2025

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
Valliammai Murugappan	Promoter Group	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	Promoter	2,91,380	0.03	2,91,380	0.03	-
A M M Vellayan Sons P Ltd	Promoter Group	26,785	-	26,725	-	-
Carborundum Universal Limited	Promoter	500	-	500	-	-
E.I.D. Parry (India) Ltd.	Promoter	1,965	-	1,965	-	-
M. M. Muthiah Research Foundation	Promoter Group	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited	Promoter	3,37,21,870	4.01	3,37,21,870	4.01	-
Parry Enterprises India Ltd	Promoter Group	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited	Promoter	37,28,85,889	44.34	37,28,85,889	44.39	0.05
AR Lakshmi Achi Trust	Promoter Group	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	Promoter Group	1,12,700	0.01	1,12,700	0.01	-
Murugappa Educational and Medical Foundation	Promoter Group	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	Promoter Group	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	Promoter Group	5,50,630	0.07	5,50,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees)	Promoter Group	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (Subbiah Vellayan & M.V. Subbiah, Trustees holds shares for Trust)	Promoter Group	1,99,278	0.02	1,99,278	0.02	-
V S Bhairavi Trust (M V Subbiah & Subbiah Vellayan, Trustees holds shares for Trust)	Promoter Group	1,92,246	0.02	1,92,246	0.02	-
Arun Murugappan Children Trust (MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	Promoter Group	1,41,160	0.02	1,41,160	0.02	-
MA Alagappan Grand Children Trust (Arun Alagappan & AA Alagammai, Trustees holds shares for Trust)	Promoter Group	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	1,58,765	0.02	1,58,765	0.02	-
M V Seetha Subbiah Benefit Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	2,64,000	0.03	2,64,000	0.03	-
M.A. Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	Promoter	3,55,850	0.04	3,55,850	0.04	-
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	Promoter Group	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	4,74,130	0.06	0.03



## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

##### Details of Shareholding of promoters and promoter Group as on March 31, 2025

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	4,74,130	0.06	0.03
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	1,33,000	0.02	3,33,000	0.04	0.02
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	Promoter Group	25,000	-	25,000	-	-
M M Venkatachalam Family Trust (M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	Promoter Group	-	-	1,22,550	0.01	0.01
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	Promoter Group	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	14,74,534	0.18	15,24,534	0.18	-
M A M Arunachalam HUF (M A M Arunachalam is the Karta of HUF)	Promoter	38	-	38	-	-
		<b>41,97,93,595</b>	<b>49.92</b>	<b>42,29,62,095</b>	<b>50.35</b>	<b>0.43</b>

##### Details of Shareholding of promoters and promoter Group as on March 31, 2024

Promoters Name	Category	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
Valli Annamalai	Promoter Group	12,500	-	12,500	-	-
M Vellachi	Promoter Group	11,60,427	0.14	11,60,427	0.14	-
M A M Arunachalam	Promoter	1,65,752	0.02	65,000	0.01	-0.01
Arun Alagappan	Promoter	9,50,000	0.11	9,50,000	0.12	-
M.A.Alagappan	Promoter	24,88,760	0.30	24,88,760	0.30	0.01
Lakshmi Chockalingam	Promoter Group	1,32,625	0.02	6,685	-	-0.01
A Vellayan	Promoter	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	Promoter Group	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	Promoter Group	50,255	0.01	50,255	0.01	-
M M Murugappan	Promoter	21,035	-	21,035	-	-
A M Meyyammai	Promoter Group	25,188	-	2,51,880	0.03	0.03
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	Promoter	10,000	-	10,000	-	-
Meenakshi Murugappan	Promoter Group	245	-	245	-	-
Valli Alagappan	Promoter Group	5,200	-	5,200	-	-
A Venkatachalam	Promoter	2,09,605	0.02	2,09,605	0.03	-
V Narayanan	Promoter	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	Promoter	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	Promoter	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	Promoter Group	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	Promoter Group	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	Promoter Group	15,960	-	15,960	-	-
M V AR Meenakshi	Promoter Group	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	Promoter Group	1,08,881	0.01	2,27,440	0.03	0.02
Sigapi Arunachalam	Promoter Group	74,255	0.01	74,255	0.01	-

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

##### Details of Shareholding of promoters and promoter Group as on March 31, 2024

Promoters Name	Category	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
Uma Ramanathan	Promoter Group	23,500	-	23,500	-	-
V Vasantha	Promoter Group	1,250	-	1,250	-	-
Dhruv M Arunachalam	Promoter Group	50,000	0.01	50,000	0.01	-
Kanika Subbiah	Promoter Group	67,000	0.01	67,000	0.01	-
Pranav Alagappan	Promoter Group	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	Promoter	11,90,583	0.14	11,90,583	0.14	-
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	Promoter	7,000	-	7,000	-	-
A A Alagammai	Promoter Group	2,894	-	2,894	-	-
Umayal R	Promoter Group	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	Promoter Group	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	Promoter	2,91,380	0.03	2,91,380	0.04	0.01
A M M Vellayan Sons P Ltd	Promoter Group	26,725	-	26,725	-	-
Carborundum Universal Limited	Promoter	500	-	500	-	-
E.I.D. Parry (India) Ltd.	Promoter	1,965	-	1,965	-	-
M. M. Muthiah Research Foundation	Promoter Group	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited	Promoter	3,37,21,870	4.01	3,37,21,870	4.10	0.09
Parry Enterprises India Ltd	Promoter Group	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited	Promoter	37,28,85,889	44.39	37,28,85,889	45.36	0.97
AR Lakshmi Achi Trust	Promoter Group	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	Promoter Group	1,12,700	0.01	1,70,700	0.02	0.01
Murugappa Educational and Medical Foundation	Promoter Group	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	Promoter Group	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	Promoter Group	5,50,630	0.07	5,50,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, M A M Arunachalam, A M Meyammai are Trustees)	Promoter Group	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (Subbiah Vellayan & M. V. Subbiah, Trustees holds shares for Trust)	Promoter Group	1,99,278	0.02	1,93,375	0.02	--
V S Bhairavi Trust (M V Subbiah & Subbiah Vellayan, Trustees holds shares for Trust)	Promoter Group	1,92,246	0.02	1,88,875	0.02	-
Arun Murugappan Children Trust (M A M Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust )	Promoter Group	1,41,160	0.02	1,41,160	0.02	-
M A. Alagappan Grand Children Trust (Arun Alagappan & A A Alagammai, Trustees holds shares for Trust)	Promoter Group	1,57,250	0.02	1,57,250	0.02	-

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 23 A) EQUITY SHARE CAPITAL (Contd.)

##### Details of Shareholding of promoters and promoter Group as on March 31, 2024

Promoters Name	Category	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	1,58,765	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	2,64,000	0.03	2,64,000	0.03	-
M.A.Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	Promoter	3,55,850	0.04	3,55,850	0.04	-
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	Promoter Group	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	Promoter Group	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	Promoter Group	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	Promoter Group	25,000	-	25,000	-	-
M M Venkatachalam Family Trust (M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	Promoter Group	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	Promoter Group	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	15,24,534	0.18	15,24,534	0.19	0.01
M A M Arunachalam HUF (M A M Arunachalam is the Karta of HUF)	Promoter	38	-	-	-	--
		<b>42,29,62,095</b>	<b>50.35</b>	<b>42,31,26,532</b>	<b>51.48</b>	<b>1.13</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Note : 23 B) OTHER EQUITY

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Statutory Reserve (Refer Note a)</b>		
Balance at the beginning of the year	3,250.46	2,560.46
Add: Amount transferred from retained earnings	860.00	690.00
<b>Closing balance at the end of the year</b>	<b>4,110.46</b>	<b>3,250.46</b>
<b>Capital Reserve (Refer Note b)</b>		
Balance at the beginning of the year	0.04	0.04
Add: Changes during the year	-	-
<b>Closing balance at the end of the year</b>	<b>0.04</b>	<b>0.04</b>
<b>Capital Redemption Reserve (Refer Note c)</b>		
Balance at the beginning of the year	33.00	33.00
Add: Changes during the year	-	-
<b>Closing balance at the end of the year</b>	<b>33.00</b>	<b>33.00</b>
<b>Securities Premium Account (Refer Note d)</b>		
Balance at the beginning of the year	4,916.97	2,912.99
Add: Premium on issue of shares on Qualified Institutional Placement (QIP) (Refer note 23A (a))	-	1,996.61
Add: Premium on ESOPs exercised	46.94	35.34
Less: Share issue expenses (Refer Note 32)	-	(27.97)
<b>Closing balance at the end of the year</b>	<b>4,963.91</b>	<b>4,916.97</b>
<b>General Reserve (Refer Note e)</b>		
Balance at the beginning of the year	5,739.13	5,739.13
Add: Amount transferred from retained earnings	-	-
<b>Closing balance at the end of the year</b>	<b>5,739.13</b>	<b>5,739.13</b>
<b>Share Based Payments Reserve (Refer Note f)</b>		
Balance at the beginning of the year	138.79	83.39
Addition during the year	74.45	55.40
<b>Closing balance at the end of the year</b>	<b>213.24</b>	<b>138.79</b>
<b>Retained Earnings (Refer Note g)</b>		
Balance at the beginning of the year	5,314.24	2,754.31
Profit for the year	4,258.53	3,422.75
Less:		
Dividend		
Equity - Final (₹ 0.70 per share - March 31, 2024, ₹ 0.70 per share - March 31, 2023)	(57.56)	(57.56)
Equity - Interim (₹ 1.30 per share - March 31, 2025, ₹ 1.30 per share - March 31, 2024)	(110.57)	(109.16)
Transfer to Statutory Reserve	(860.00)	(690.00)
Re-measurement Gain / (Loss) on Defined Benefit Obligations (Net) transferred to Retained Earnings	(10.59)	(6.10)
<b>Closing balance at the end of the year</b>	<b>8,534.05</b>	<b>5,314.24</b>
<b>Cash flow hedge reserve (Refer Note h)</b>		
Balance at the beginning of the year	(4.48)	49.54
Adjustments during the year	(130.89)	(54.02)
<b>Closing balance at the end of the year</b>	<b>(135.37)</b>	<b>(4.48)</b>
<b>FVOCI Reserve (Refer Note i)</b>		
Balance at the beginning of the year	(1.29)	(1.29)
<b>Closing balance at the end of the year</b>	<b>(1.29)</b>	<b>(1.29)</b>
<b>Share Application Money pending Allotment at the end of the year (Refer Note j)</b>		
Balance at the beginning of the year	1.59	-
Add: Changes during the year	0.39	1.59
<b>Closing balance at the end of the year</b>	<b>1.98</b>	<b>1.59</b>
<b>Total Other Equity</b>	<b>23,459.15</b>	<b>19,388.45</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 23 B) OTHER EQUITY (Contd.)

- a) Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit annually as disclosed in the Statement of Profit and Loss account, before any dividend is declared.
- b) Capital reserve represents the reserve created on account of amalgamation of Chola Factoring Limited in the year 2013-14.
- c) Capital redemption reserve represents the amount equal to the nominal value of shares that were redeemed during the prior years. The reserve can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013
- d) Securities premium reserve is used to record the premium on issue of shares. The premium received during the year represents the premium received towards allotment of equity shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the provisions of the Companies Act, 2013.
- e) The general reserve is a free reserve, retained from Company's profits and can be utilized upon fulfilling certain conditions in accordance with specific requirement of Companies Act, 2013.
- f) Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service. Share based payment reserve represents the amount of reserve created for recognition of employee compensation cost at grant date and fair value of options vested and but not exercised by the employees and unvested options are recognised in statement of profit and loss account.
- g) The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial position of the Company and also considering the requirements of the Companies Act, 2013 and relevant RBI Regulation. Thus, the amounts reported in retained earnings are not distributable in entirety.
- h) Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.
- i) FVOCI Reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income. There has been no draw down from reserve during the year ended March 31, 2025 and year ended March 31, 2024
- j) Share application money pending allotment represents amount received towards equity shares of the Company pursuant to ESOP scheme and have been subsequently allotted.

#### Proposed dividend

The Board of Directors of the Company have recommended a final dividend of 35% being ₹ 0.70 per share on the equity shares of the Company, for the year ended March 31, 2025 (₹ 0.70 per share - March 31, 2024) which is subject to approval of shareholders. Consequently the proposed dividend has not been recognised in the books in accordance with IND AS 10.



## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

₹ in crores		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>REVENUE FROM OPERATIONS</b>		
<b>Note : 24A</b>		
<b>(i) Interest Income - on financial assets measured at amortised cost</b>		
(a) Loans		
- Bills Discounting	101.43	98.02
- Term loans	22,978.26	17,063.06
- Leasing -Finance Lease	1.26	0
(b) Term Deposits With Banks		
- under lien	175.58	104.62
- free of lien	134.59	126.55
(C) Others -Gsec/T-bill/STRIPS	328.84	221.43
<b>Total (A)</b>	<b>23,719.96</b>	<b>17,613.68</b>
<b>Note : 24B</b>		
<b>i) Fee &amp; Commission income *</b>		
- Loans	771.12	667.21
- Insurance Commission	895.24	379.35
- Others	0.13	0.02
<b>Total (B)</b>	<b>1,666.49</b>	<b>1,046.58</b>
*Services are rendered at a point in time		
<b>Note : 24C</b>		
<b>Net gain on fair value changes on FVTPL - Realised</b>		
Mutual fund units	184.79	142.39
Gain on conversion of equity shares	-	32.23
Gain on Sale of equity shares	8.63	-
<b>Net gain/loss on fair value changes on FVTPL - Un-realised</b>		
Equity Shares	3.15	(3.15)
Convertible Note	-	(10.92)
<b>Total (C)</b>	<b>196.57</b>	<b>160.55</b>
<b>Note : 24D (Refer note below)</b>		
<b>(i) Sale of Services</b>		
(a) Servicing and Collection fee on Assignment	3.51	2.24
(b) Other Service Income	-	22.17
<b>Total (D)</b>	<b>3.51</b>	<b>24.41</b>
<b>Note: Timing of revenue recognition</b>		
Services rendered at a point in time	3.51	24.41
Services rendered over a time	-	-
<b>Total</b>	<b>3.51</b>	<b>24.41</b>

₹ in crores		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 25 OTHER INCOME</b>		
Recovery of Bad debts	253.70	254.26
Interest on Tax Refund	40.82	-
Dividend Income	5.94	114.65
Rent	1.00	0.69
Miscellaneous Income	7.73	1.46
<b>Total</b>	<b>309.19</b>	<b>371.06</b>

Dividend income represents dividend received from subsidiaries.

₹ in crores		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 26 FINANCE COST</b>		
Interest on financial liabilities measured at amortised cost		
- Debt securities	2,330.37	1,868.60
- Borrowings other than debt securities	9,401.90	6,863.54
- Subordinated liabilities	692.26	458.00
Others		
- Bank charges	19.05	17.21
- Interest on lease liability (Refer note 48)	40.94	23.26
- Interest on income tax	0.33	-
<b>Total</b>	<b>12,484.85</b>	<b>9,230.61</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 27 IMPAIRMENT OF FINANCIAL INSTRUMENTS (Net)</b>		
Impairment provision		
- Loans - measured at amortised cost	2,495.41	1,310.16
- Receivable and other Financial assets - measured at amortised cost	(1.15)	1.89
- Investment in Associate/Joint Venture - measured at cost	-	9.75
<b>Total</b>	<b>2,494.26</b>	<b>1,321.80</b>

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 28 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, bonus and commission	2,992.80	2,110.12
Contribution to provident and other funds		
- Employers' provident fund	134.31	98.22
- Superannuation fund	7.84	5.88
Share based payment Expense	70.53	52.53
Gratuity expense (Refer note 35)	33.64	26.99
Staff welfare expenses	41.39	36.81
<b>Total</b>	<b>3,280.51</b>	<b>2,330.55</b>

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 29 OTHER EXPENSES</b>		
Rent and facility charges	31.94	23.72
Rates and taxes	50.46	44.46
Energy cost	27.43	20.91
Repairs and maintenance	9.80	10.40
Communication costs	45.21	42.90
Printing and stationery	30.04	25.89
Advertisement and publicity expenses	23.23	24.06
Directors fees, allowances and expenses	3.20	2.89
Auditors' remuneration (Refer note 32)	1.34	1.15
Legal and professional charges	205.82	158.91
Insurance	69.64	55.26
Travelling and conveyance	186.64	138.69
Information technology expenses	94.19	102.21
Loss on sale of property, plant and equipment(Net)	1.89	1.00
Recovery charges	440.88	397.99
Corporate social responsibility expenditure (Refer note 29.1)	73.24	56.98
Outsource cost	513.32	392.21
Miscellaneous expenses (Refer note 29.2)	13.04	58.15
	1,821.31	1,557.78
Less : Expenses recovered	(5.16)	(2.33)
<b>Total</b>	<b>1,816.15</b>	<b>1,555.45</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 29 OTHER EXPENSES (Contd.)

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>29.1 Details of CSR expenditure</b>		
Gross Amount required to be spent towards CSR u/s 135 (5) of Companies Act, 2013 (A)	73.18	56.86
Amount spent during the year (B)		
(a) Construction/ acquisition of asset	-	-
(b) Others	73.24	56.98
Excess/(shortfall) (A-B)	0.06	0.12

None of the CSR projects undertaken by the Company has been fall under definition of "On-going Projects"

There is no amount required to be contributed to specified fund u/s 135(6)

#### 29.2 Contribution to Electoral Trust

- 50.00

#### Note : 30

##### a) Earnings per share

Particulars	₹ in Crore	
	Year ended March 31, 2025	Year ended March 31, 2024
Profit After Tax Attributable to Equity Shareholders (₹ in Crore)	4,258.53	3,422.76
Weighted Average Number of Equity Shares (Basic)	84,04,70,631	83,07,69,683
Add: Dilutive effect relating to ESOP(No's)	19,03,879	21,45,695
Weighted Average Number of Equity Shares (Diluted)	84,23,74,510	83,29,15,378
Earnings per Share - Basic (₹)	50.67	41.20
Earnings per Share - Diluted (₹)	50.55	41.09
Face Value Per Share (₹)	2.00	2.00

##### b) Income tax reconciliation

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. Reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March, 2025 and 2024 is, as follows:

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax from continuing operations	5,736.87	4,582.10
Income tax amount - 25.168% of above	1,443.86	1,153.31
Effects of:		
Impact of difference in tax base for Donations and CSR Expense	18.43	27.05
Share based payment expense - No deduction claimed under tax	17.75	13.22
Impact of Deduction u/s 80JJAA and 80M	(1.90)	(29.00)
Impact of sale transactions taxable at differential rates (net)	(0.93)	(1.41)
Other Adjustments	0.31	2.27
Adjustments in respect of prior years	0.82	(6.10)
Income tax expense reported in statement of profit and loss	1,478.34	1,159.34
Effective income tax rate	25.77%	25.30%

#### Note : 31 TRANSFER OF FINANCIAL ASSETS

##### 31.1 Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

##### A) Securitisation

The Company has Securitised certain loans (measured at amortised cost) without transferring substantially all risks and rewards. Hence these assets have not been de-recognised in its entirety.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 31 TRANSFER OF FINANCIAL ASSETS (Contd.)

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Securitisations</b>		
Carrying amount of transferred assets measured at amortised cost	27,870.58	24,652.21
Carrying amount of associated liabilities (Borrowings other than Debt securities - measured at amortised cost)	28,490.72	25,335.89
Fair value of assets	27,480.89	24,196.47
Fair value of associated liabilities	26,577.68	23,561.48
Net position at Fair Value	903.20	634.99

#### B) Direct bilateral assignment

The Company has, transferred certain loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's balance sheet. The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Assignment</b>		
Carrying amount of de-recognised financial asset	2,816.48	1,221.85
Carrying amount of Retained Assets at amortised cost	317.24	141.14

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Assignment</b>		
Gain on de-recognition of financial asset	159.04	-

**31.2** The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

#### Note : 32 AUDITORS' REMUNERATION

Particulars	₹ in crores		
	Year Ended March 31, 2025		Year Ended March 31, 2024
	Current Auditor	Previous Auditor	
Statutory Audit	0.65	-	0.65
Limited Review	0.24	0.12	0.32
Other Services	0.01	0.07	0.05
Reimbursement of Expenses (including input tax credit expensed)	0.05	0.2	0.13
<b>Total (Refer Note 29)</b>	<b>0.95</b>	<b>0.39</b>	<b>1.15</b>
Payment towards Certification fees for QIP (including input tax credit expensed) debited to Securities Premium			
Price Waterhouse LLP	-	-	0.79
Sundaram & Srinivasan	-	-	0.85
Reimbursement of Expenses	-	-	0.15
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1.79</b>
Payment towards Certification fees for non-Convertible debentures public issue (including input tax credit expensed) is part of the amortised cost of borrowing			
Price Waterhouse LLP	-	0.35	1.18
Sundaram & Srinivasan	-	0.79	2.23
Reimbursement of Expenses	-	-	0.31
<b>Total</b>	<b>-</b>	<b>1.14</b>	<b>3.72</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 33 MICRO, SMALL & MEDIUM ENTERPRISES

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below:

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
Principal amount due to suppliers under MSMED Act, as at the year end	14.33	7.65
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

#### Note: 34 a) EXPENDITURE IN FOREIGN CURRENCIES

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest on financial liabilities measured at amortized cost - Borrowings other than debt securities	623.91	177.77
Legal and professional charges	10.92	11.37

#### b) REMITTANCES IN FOREIGN CURRENCIES

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
Borrowing origination costs	70.74	13.99
Travelling and conveyance	5.37	0.39
Advance paid to travel vendor	5.00	20.41
Repayment of Borrowing	850.57	255.54
Design consultancy charges for new building	1.52	-

#### c) There is no dividend paid in foreign currency.

#### Note : 35 RETIREMENT BENEFIT

##### A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Company recognised ₹ 134.31 crore (Previous Year - ₹ 98.22 crore) to Provident Fund under Defined Contribution Plan, ₹ 7.84 crore (Previous Year - ₹ 5.88 crore) for Contributions to Superannuation Fund and ₹ 6.42 crore (Previous Year - ₹ 6.10 crore) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

##### B) Defined Benefit Plan

###### 1. Gratuity

The Company's defined benefit gratuity plan requires contributions to be made to a separately administered fund. The gratuity plan is funded with Life Insurance Corporation of India (LIC). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss, and the funded status and amounts recognised in the balance sheet for the respective plans:

##### Change in Defined Benefit Obligation and Fair value of Plan assets:

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Defined Benefit Obligation at the beginning of the year</b>	<b>154.38</b>	<b>97.94</b>
Current Service Cost	32.77	23.89
Interest Cost	11.03	8.47
Remeasurement Losses/(Gains)		
a) Effect of changes in demographic assumptions	(0.99)	0.13
b) Effect of changes in financial assumptions	7.33	(0.48)
c) Effect of experience adjustments	6.32	7.07
Benefits Paid	(9.45)	(6.94)
Transfer In/(out)	-	24.30
<b>Defined Benefit Obligation at the end of the year</b>	<b>201.39</b>	<b>154.38</b>



## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 35 RETIREMENT BENEFIT (Contd.)

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Change in Fair value of Plan Assets</b>		
Fair Value of Plan Assets at the Beginning of the Year	119.35	93.31
Investment Income	10.16	7.23
Employer's Contribution	0.54	4.69
Benefits Paid	(9.45)	(6.95)
Return on plan assets (excluding amount recognized in net interest expense)	(1.46)	(1.42)
Transfer inIn/(out)	0.09	22.49
<b>Fair Value of Plan Assets at the end of the year</b>	<b>119.23</b>	<b>119.35</b>
<b>Amount Recognised in the Balance Sheet</b>		
Fair Value of Plan Assets as at the End of the Year	119.23	119.35
Defined benefit obligation at the End of the Year	(201.39)	(154.38)
<b>Amount Recognised in the Balance Sheet under Other Payables</b>	<b>(82.16)</b>	<b>(35.03)</b>
<b>Cost of the Defined Benefit Plan for the Year</b>		
Current Service Cost (Net of transfer)	32.77	25.75
Net interest Expense	11.03	8.47
Expected Return on Plan Assets	(10.16)	(7.23)
<b>Net Cost recognized in the statement of Profit and Loss*</b>	<b>33.64</b>	<b>26.99</b>
<b>Remeasurement Losses/(Gains)</b>		
a) Effect of changes in demographic assumptions	(0.99)	0.13
b) Effect of changes in financial assumptions	7.34	(0.48)
c) Effect of experience adjustments	6.32	7.07
d) Return on plan assets (excluding amount recognized in net interest expense)	1.46	1.42
<b>Net cost recognized in Other Comprehensive Income</b>	<b>14.13</b>	<b>8.14</b>
<b>Assumptions</b>		
Discount Rate	6.50% p.a.	7.15% p.a.
Future salary increases		
- CFF Grade	7.50% p.a.	7.50% p.a.
- Other Grade	7.25% p.a.	7.25% p.a.
Attrition Rate		
- CFF Grade	7.25% p.a.	25% p.a.
- Other Grades	13% p.a.	13% p.a.
Expected rate of return on Plan Assets	7.00% p.a.	7.50% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
<b>Maturity profile of Defined Benefit Obligations</b>		
Weighted average duration (Based on discounted cash flows)	6 years	6 years
<b>Expected Cash flows over the next (valued on undiscounted basis)</b>		
Within the next 12 months (next annual reporting period)	30.3	23.40
Between 2 and 5 years	102.82	82.18
Between 6 and 10 years	90.81	72.05
Beyond 10 Years	86.84	70.17
<b>Total Expected Cash flows</b>	<b>310.77</b>	<b>247.80</b>

\*Recognised under Employee Benefit Expenses (Refer Note 28)

#### Sensitivity Analysis of defined benefit obligation:

Particulars	₹ in crores			
	March 31, 2025		March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount Rate (+/- 1%)	190.42	213.53	146.14	163.48
Salary Growth Rate (+/- 1%)	212.08	191.38	162.43	146.83
Attrition Rate (+/- 50% of attrition rates)	193.31	212.60	150.30	159.21
Mortality Rate (+/- 10% of mortality rates)	201.40	201.39	154.39	154.37

#### Notes:

- The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
- The Company's best estimate of contribution during the next year is ₹ 118.52 crores.
- Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.
- The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 35 RETIREMENT BENEFIT (Contd.)

##### Notes:

- The above sensitivity analysis are based on change in an assumption which is holding all the other assumptions constant. In practice, this is unlikely to occur, and changes in some assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant actuarial assumptions the same method of present value of defined benefit obligations calculated with Projected unit cost method at the end of the reporting period has been applied while calculating defined benefit liability recognised in the balance sheet.
- The method and type of assumptions used in preparing the sensitivity analysis does not change as compared to the prior period

##### Description of Risk exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

**(a) Interest Rate risk:** The plan exposes the company to the risk of fall in interest rates . A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**(b) Liquidity Risk:** This is the risk that the company is not able to meet the short-term gratuity pay-outs. This may arise due to non-availability of enough cash/cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

**(c) Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**(d) Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**(e) Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs.

**(f) Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

**(g) Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on a particular investment.

#### 2. Compensated Absences

Assumptions	March 31, 2025	March 31, 2024
Discount Rate	6.50%	7.15%
Future salary increases		
- CFF Grade	7.50%	7.50%
- Other Grade	7.25%	7.25%
Attrition Rate		
- CFF Grade	25.00%	25.00%
- Other Grade	13.00%	13.00%
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

##### Notes:

- The Company has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2025.
- The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
- Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

#### Note : 36 SEGMENT INFORMATION

The Company is primarily engaged in the business of financing. All the activities of the Company revolve around the main business. Further, the Company does not have any separate geographic segments other than India

During year ending March 31, 2025, for management purposes, the Company has been organised into the following operating segments based on products and services.

Vehicle Finance Loans - Loans to customers against purchase of new/used vehicles, tractors, construction equipment and loan to automobile dealers.

Loan against property - Loans to customer against immovable property

Home Loans - Loans given for acquisition/construction of residential property and loan against residential property

Other Loans – Other loans consist of consumer and small enterprise loans, secured business and personal loan and SME loans

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the financial statements. However, income taxes are managed on an entity as a whole basis and are not allocated to operating segments.

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Note : 36 SEGMENT INFORMATION (Contd.)

₹ in crores

Particulars	Year ended March 31, 2025					Total
	Vehicle Finance	Loan against Property	Home Loans	Others	Unallocable	
<b>Revenue from Operations</b>						
- Interest Income	12,879.22	4,136.19	2,317.01	3,746.74	640.80	<b>23,719.96</b>
- Net gain on derecognition of financial instruments under amortised cost category	-	159.04	-	-	-	<b>159.04</b>
- Fee and commission Income	1,057.59	268.81	184.05	156.04	-	<b>1,666.49</b>
- Net gain on Fair value change on financial instrument	-	-	-	-	196.57	<b>196.57</b>
- Sale of Services	1.84	1.42	0.25			<b>3.51</b>
<b>Segment revenue from Operations (I)</b>	<b>13,938.65</b>	<b>4,565.46</b>	<b>2,501.31</b>	<b>3,902.78</b>	<b>837.37</b>	<b>25,745.57</b>
Other Income (II)	167.88	7.87	0.29	82.27	50.88	<b>309.19</b>
<b>Total Segment Income - (I) + (II)</b>	<b>14,106.53</b>	<b>4,573.33</b>	<b>2,501.60</b>	<b>3,985.05</b>	<b>888.25</b>	<b>26,054.76</b>
<b>Expenses</b>						
- Finance costs	6,723.05	2,470.33	1,152.26	1,614.30	524.91	<b>12,484.85</b>
- Impairment of Financial Instruments	1,523.66	53.38	63.15	864.00	(9.93)	<b>2,494.26</b>
- Employee benefits expense	1,971.44	429.30	336.21	477.16	66.40	<b>3,280.51</b>
- Depreciation and amortisation expense	146.52	33.57	25.31	36.57	0.15	<b>242.12</b>
- Other expenses	917.65	190.32	231.55	415.25	61.38	<b>1,816.15</b>
<b>Segment Expenses</b>	<b>11,282.32</b>	<b>3,176.90</b>	<b>1,808.48</b>	<b>3,407.28</b>	<b>642.91</b>	<b>20,317.89</b>
<b>Segment Profit / (loss) before taxation</b>	<b>2,824.21</b>	<b>1,396.43</b>	<b>693.12</b>	<b>577.77</b>	<b>245.34</b>	<b>5,736.87</b>
Tax expense						<b>1,478.34</b>
<b>Profit for the year</b>						<b>4,258.53</b>

₹ in crores

Particulars	Year ended March 31, 2024					Total
	Vehicle Finance	Loan against Property	Home Loans	Others	Unallocable	
<b>Revenue from Operations</b>						
- Interest Income	10,376.09	2,901.14	1,586.69	2,292.70	457.06	<b>17,613.68</b>
- Fee and commission Income	717.24	150.40	104.41	74.40	0.13	<b>1,046.58</b>
- Net gain on Fair value change on financial instrument	-	-	-	-	160.55	<b>160.55</b>
- Sale of Services	19.62	2.56	0.31	1.92	-	<b>24.41</b>
<b>Segment revenue from Operations (I)</b>	<b>11,112.95</b>	<b>3,054.10</b>	<b>1,691.41</b>	<b>2,369.02</b>	<b>617.74</b>	<b>18,845.22</b>
Other Income (II)	143.05	15.36	10.84	85.03	116.78	<b>371.06</b>
<b>Total Segment Income - (I) + (II)</b>	<b>11,256.00</b>	<b>3,069.46</b>	<b>1,702.25</b>	<b>2,454.05</b>	<b>734.52</b>	<b>19,216.28</b>
<b>Expenses</b>						
- Finance costs	5,426.01	1,722.08	770.18	1,056.25	256.09	<b>9,230.61</b>
- Impairment of Financial Instruments	905.88	(39.65)	17.68	392.66	45.23	<b>1,321.80</b>
- Employee benefits expense	1,434.62	293.68	238.49	344.69	19.07	<b>2,330.55</b>
- Depreciation and amortisation expense	134.80	21.89	17.50	21.45	0.13	<b>195.77</b>
- Other expenses	831.65	148.05	188.50	276.99	110.26	<b>1,555.45</b>
<b>Segment Expenses</b>	<b>8,732.96</b>	<b>2,146.05</b>	<b>1,232.36</b>	<b>2,092.03</b>	<b>430.77</b>	<b>14,634.18</b>
<b>Segment Profit / (loss) before taxation</b>	<b>2,523.04</b>	<b>923.41</b>	<b>469.89</b>	<b>362.02</b>	<b>303.75</b>	<b>4,582.10</b>
Tax expense						<b>1,159.34</b>
<b>Profit for the year</b>						<b>3,422.76</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

**Note : 36 SEGMENT INFORMATION** (Contd.)

Particulars						₹ in crores
	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
<b>As on March 31, 2025</b>						
Segment Assets	1,01,247.83	38,927.46	18,131.26	23,623.35		1,81,929.90
Unallocable Assets					19,717.69	19,717.69
<b>Total Assets</b>						<b>2,01,647.59</b>
Segment Liabilities	89,384.45	34,366.26	16,006.79	20,855.36		1,60,612.86
Unallocable Liabilities					17,407.33	17,407.33
<b>Total Liabilities</b>						<b>1,78,020.19</b>
<b>As on March 31, 2024</b>						
Segment Assets	84,455.70	29,036.23	13,047.52	17,810.46		1,44,349.91
Unallocable Assets					12,100.86	12,100.86
<b>Total Assets</b>						<b>1,56,450.77</b>
Segment Liabilities	73,898.65	25,406.67	11,416.57	15,584.13		1,26,306.02
Unallocable Liabilities					10,588.24	10,588.24
<b>Total Liabilities</b>						<b>1,36,894.26</b>

In computing the segment information, certain estimates and assumptions have been made by the management and is consistent with the accounting policies that are used in preparation of the financial statements

As the assets are allocated to segment based on certain assumptions, hence Property, plant and equipment have not been disclosed separately for each specific segment.

There are no revenue from transactions with a single external customer or counter party which amounted to 10% or more of the Company's total revenue in the Current year and Previous year.

All Assets located are in India

### **Note : 37 RELATED PARTY DISCLOSURES**

#### List of Related Parties:

- **Holding Company:** Cholamandalam Financial holdings limited
- **Entity having significant influence over holding Company:** Ambadi Investments Limited
- **Subsidiaries of the entity which has significant influence over holding Company:** Parry Enterprises India Limited and Parry Agro Industries Limited.
- **Fellow Subsidiaries:** Cholamandalam MS General Insurance Company Limited
- **Joint Venture of Holding Company:** Cholamandalam MS Risk services Limited
- **Subsidiaries:** Cholamandalam Securities Limited, Cholamandalam Home Finance Limited
- **Joint Venture:** Payswiff Technologies Private Limited
- **Associate:** Vishvakarma Payments Private Limited, Paytail Commerce Private Limited (upto 21<sup>st</sup> March, 2024)
- **Promoter#:** Coromandel International Limited, EID Parry (India) Limited, Tube Investments of India Limited
- **Promoter Group#:** Chola Business Services Limited, Coromandel Engineering Company Limited (upto 28th December 2023), Murugappa Morgan Thermal Ceramics Limited, Net Access India Limited, Murugappa Management Services Private Limited, AR Lakshmi Achi Trust, M A Murugappan Holdings LLP, AMM Foundation, TI Clean Mobility Private Limited, CG Power and Industrial Solutions Limited, Chola Foundation, Mavco Investments Private Limited
- **Private companies in which a director or manager or his relative is a member or director##:** Zetwerk Manufacturing Business Private Limited, Finance Industry Development Council, Medall Healthcare Private Limited(upto 23<sup>rd</sup> September 2024), Mavnu Investments Private Limited, CE Info Systems Private Limited (upto 24 March 2024)
- **Firm, in which a director, manager or his relative is a partner##:** Kadamane Estates Co
- **Key Managerial Personnel (KMP):**
  - a. Mr. Ravindra Kumar Kundu, Managing Director
  - b. Mr. D. Arulselvan, Chief Financial Officer
  - c. Ms. P. Sujatha, Company Secretary
- **Non-Executive Directors**
  - a) Mr. N Ramesh Rajan
  - b) Mr. Rohan Verma (upto 24<sup>th</sup> March 2024)
  - c) Ms. Bhama Krishnamurthy
  - d) Mr. Vellayan Subbiah
  - e) Mr. M A M Arunachalam
  - f) Mr. Anand Kumar
  - g) Mr. M R Kumar (w.e.f. 1<sup>st</sup> May, 2024)
  - h) Mr. Ramkumar Ramamoorthy (w.e.f 26<sup>th</sup> July 2024)

# Represents entities/parties identified as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Represents entities/parties included as per Companies Act, 2013.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 37 RELATED PARTY DISCLOSURES (Contd.)

##### a) Transactions during the year

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Dividend Payments (Equity Shares)</b>		
a) Cholamandalam Financial Holdings Limited	74.58	74.58
b) Ambadi Investments Limited	6.74	6.74
c) Parry Enterprises India Limited	*	*
d) AR Lakshmi Achi Trust	0.10	0.10
e) M A Murugappan Holdings LLP	0.02	0.02
f) Kadamane Estates Co	0.07	0.07
g) Relatives of KMP & Directors	0.09	0.11
h) Promoter and Promoter Group	2.57	3.00
<b>Dividend Received</b>		
a) Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	5.94	47.49
b) Cholamandalam Securities Limited	-	67.16
<b>Amount received towards Reimbursement of expenses</b>		
a) Cholamandalam Financial Holdings Limited	1.77	1.58
b) Cholamandalam Securities Limited	16.25	10.02
c) Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	0.92	136.45
d) Cholamandalam MS General Insurance Company Limited	0.05	0.06
e) Murugappa Morgan Thermal Ceramics Limited	0.03	0.03
f) Payswiff Technologies Private Limited	1.66	0.09
g) Tube Investments of India Limited	0.31	0.15
h) Chola Business Services Limited	*	-
i) Mavco Investments Private Limited	0.09	-
j) Mavnu Investments Private Limited	0.19	-
<b>Expenses – Reimbursed</b>		
a) Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	1.19	1.42
b) Cholamandalam MS General Insurance Company Limited	0.11	0.13
c) Parry Enterprises India Limited	0.02	-
<b>Expense Recovery-Employee Benefit Expense</b>		
a) CG Power and Industrial Solutions Limited	0.14	-
b) Chola Business Services Limited	7.00	-
<b>Services Received</b>		
a) Cholamandalam Securities Limited	0.36	1.07
b) Parry Enterprises India Limited	28.16	8.69
c) Cholamandalam MS General Insurance Company Limited	55.64	4.94
d) Cholamandalam MS Risk Services Limited	0.01	-
e) Chola Business Services Limited	642.40	611.88
f) Coromandel Engineering Company Limited	-	1.98
g) Murugappa Management services Private Limited	0.34	0.28
h) Net access India Limited	15.12	14.71
i) Payswiff Technologies Private limited	1.32	0.46
j) Paytail Commerce Private Limited	-	2.10
k) Tube Investments of India Limited	-	0.09
l) CE Info Systems Private Limited	-	0.06
m) Medall Healthcare Private Limited	-	*
<b>Rental Income</b>		
a) Cholamandalam Securities Limited	0.24	0.13
b) Coromandel International Limited	-	0.20
c) Tube Investments of India Limited	0.72	0.35
<b>Loans given</b>		
a) Cholamandalam Securities Limited	446.50	351.15
b) Payswiff Technologies Private limited	30.00	1.00



## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Note : 37 RELATED PARTY DISCLOSURES (Contd.)

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
c) Zetwerk Manufacturing Business Private Limited	9.95	1.27
d) EID Parry (India) Limited	2.86	-
<b>Loans recovered</b>		
a) Cholamandalam Securities Limited	521.00	289.15
b) Payswiff Technologies Private limited	12.50	1.00
c) Zetwerk Manufacturing Business Private Limited	9.95	1.27
d) Medall Healthcare Private Limited	3.20	6.40
e) EID Parry (India) Limited	0.05	-
<b>Insurance Claims received</b>		
a) Cholamandalam MS General Insurance Company Limited	0.09	0.69
<b>Insurance Commission Income</b>		
a) Cholamandalam MS General Insurance Company Limited	370.84	162.59
<b>Interest Income Received</b>		
a) Cholamandalam Securities Limited	1.78	4.40
b) Payswiff Technologies Private Limited	1.78	*
<b>Interest Expense - Debentures</b>		
a) Cholamandalam MS General Insurance Company Limited	60.20	36.17
b) Promotors/Promotor group	27.42	22.76
<b>Subscriptions/Advertisement Expenses</b>		
a) Finance Industry Development Council	0.02	0.01
<b>Services Rendered</b>		
a) Chola Business Services Limited	-	26.15
b) Payswiff Technologies Private Limited	0.01	-
<b>Contribution to CSR activity</b>		
a) AMM Foundation	26.19	19.16
<b>Contribution to initial Corpus</b>		
a) Chola Foundation	0.01	-
<b>Interest earned on Loan</b>		
a) Zetwerk Manufacturing Businesses Private Limited	0.29	0.04
b) Medall Healthcare Private Limited	0.49	1.52
c) EID Parry (India) Limited	0.16	-
<b>Invocation of performance security on delinquent loans</b>		
a) Paytail Commerce Private Limited	-	1.93
<b>Purchase of Goods</b>		
a) Parry Agro Industries Limited	0.48	*
<b>Advances Paid</b>		
a) Parry enterprises India Limited	8.26	4.58
<b>Advances Settled</b>		
a) Parry enterprises India Limited	10.47	-
<b>Rental Deposits received</b>		
a) Tube Investments of India Limited	-	0.15
b) EID Parry (India) Limited	0.40	-
<b>Loss sharing Arrangement - Recovery</b>		
a) TI Clean Mobility Private Limited	0.38	-
<b>Rent &amp; Maintenance</b>		
a) EID Parry (India) Limited	0.23	2.63
<b>Purchase of Property, plant and equipment</b>		
a) CG Power and Industrial Solutions Limited	0.44	-
<b>Sale of Property, plant and equipment</b>		
a) Cholamandalam MS General Insurance Company Limited	-	0.42
b) Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	0.01	-
<b>Commission and Sitting fees to non-executive Directors</b>	<b>2.95</b>	<b>2.68</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 37 RELATED PARTY DISCLOSURES (Contd.)

##### b) Balances Outstanding at the year end.

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Loans - Receivable</b>		
a) Cholamandalam Securities Limited	-	74.52
b) Medall Healthcare Private Limited	-	8.05
c) Payswiff Technologies Private limited	17.65	-
d) EID Parry (India) Limited	2.34	-
<b>Debt Securities – Payable</b>		
a) Cholamandalam MS General Insurance Company Limited	(772.34)	(563.66)
b) Debentures held by promoter and promoter group	(323.92)	(277.81)
<b>Other Receivable / (Payable)</b>		
a) Cholamandalam Securities Limited	1.34	1.34
b) Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	(0.01)	(0.11)
c) Cholamandalam MS General Insurance Company Limited	54.52	62.75
d) Tube Investments of India Limited	0.09	0.15
e) Parry Enterprises India Limited	(1.04)	(1.00)
f) Murugappa Morgan Thermal Ceramics Limited	*	*
g) Chola Business Services Limited	(54.49)	(49.54)
h) Payswiff Technologies Private Limited	0.04	(0.08)
i) Murugappa Management services Private Limited	-	(0.08)
j) EID Parry (India) Limited	(0.01)	(0.02)
k) Net access India Limited	(2.93)	(4.59)
l) TI Clean Mobility Private Limited	0.38	-
m) Parry Agro Industries Limited	(0.27)	-

##### c) Remuneration & other transactions with Key Managerial Personnel (KMP)

Nature of Transaction	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
Gross Salary Including Perquisites	12.10	8.70
Other – Contribution to funds	1.38	1.02
Dividend Payments	0.10	0.07
Share based payments	5.94	4.37

##### d) Remuneration paid to Promoter and Promoter Group

Nature of Transaction	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
Gross Salary Including Perquisites	1.81	0.40
Other – Contribution to funds	0.10	0.03

\*Represents amounts less than ₹ 1 lakh.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 37 RELATED PARTY DISCLOSURES (Contd.)

Disclosure pursuant to Schedule V of Clause A.2 and 2A of Regulation 34 (3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### i) Disclosures relating Loans and Advances /Investments

₹ in crores

SI	Loans and Advances in the nature of Loans	2024-2025		2023-2024	
		Outstanding at the year end	Maximum Amount Outstanding during year March 2025	Outstanding at the year end	Maximum Amount Outstanding during year March 2024
(A)	To Subsidiaries				
	- Cholamandalam Securities Limited	-	220.00	74.52	122.50
(B)	To Associates				
	To Joint Venture				
	- Payswiff Technologies Private Limited and its subsidiaries	17.65	20.00	-	1.00
(C)	To Firms/Companies in which Directors are Interested (other than (A) and (B) above)	-	-	8.05	14.22
(D)	Investments by the loanee in the shares of parent company and subsidiary company	-	-	-	-

ii) Cholamandalam Financial Holdings Limited (CFHL), promoter-group company holds 44.34% of equity shares of the company. Disclosure relating to transactions with CFHL is given above.

#### Note : 38 CONTINGENT LIABILITIES AND COMMITMENTS

##### (a) Contested Claims not provided for:

₹ in crores

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Income tax and Interest on Tax issues where the Company has gone on appeal	26.85	47.31
Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	0.28	0.28
Sales Tax issues pending before Appellate Authorities in respect of which the Company is on appeal.	27.41	27.41
Decided in the Company's favour by Appellate Authorities and for which the Department is on further appeal with respect to Sales Tax	1.02	1.02
Service Tax & GST issues pending before Appellate Authorities in respect of which the Company is on appeal.	76.49	65.16
Disputed claims against the Company lodged by various parties under litigation (to the extent quantifiable)	164.48	118.90

- The Company is of the opinion that for the above demands, based on the management estimate no significant liabilities are expected to arise.
- It is not practicable for the Company to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings.
- The Company does not expect any reimbursement in respect of the above contingent liabilities.
- Future Cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

##### (b) Commitments

₹ in crores

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Capital commitments	58.95	15.96
Disbursements – Undrawn lines	4,383.66	4,001.56

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 39 CHANGES IN PROVISIONS

₹ in crores				
Particulars	As at March 31, 2024	Additional Provision	Utilisation/ Reversal	As at March 31, 2025
Provision for Contingencies and disputed claims	39.54	-	-	39.54
Provision for Undrawn commitments	10.37	9.23	(5.18)	14.42

₹ in crores				
Particulars	As at March 31, 2023	Additional Provision	Utilisation/ Reversal	As at March 31, 2024
Provision for Contingencies and disputed claims	39.54	-	-	39.54
Provision for Undrawn commitments	11.79	6.15	(7.57)	10.37

Undrawn loan commitments are commitments under which the Company is required to provide a loan under pre-sanctioned terms to the customer.

The undrawn commitments provided by the Company represents limits provided for automobile dealers, bill discounting customers and partly disbursed loans for other loans.

The Company creates expected credit loss provision on the undrawn commitments outstanding as at the end of the reporting year.

#### Note : 40 ESOP DISCLOSURE

##### ESOP 2007

The Board at its meeting held on June 22, 2007, approved an issue of Stock Options up to a maximum of 5% of the issued Equity Capital of the Company (before Rights Issue) aggregating to 1,904,162 Equity Shares (prior to share split) in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines. There are no options outstanding under this scheme.

##### ESOP 2016

The Board at its meeting held on October 27, 2016, approved to create, and grant from time to time, in one or more tranches, not exceeding 1,56,25,510 Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the company including some of subsidiaries, managing director and whole time director, (other than promoter/promoter group of the company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the company), as may be decided by the board, exercisable into not more than 1,56,25,510 equity shares of face value of ₹ 2/- each fully paid-up, on such terms and in such manner as the board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

In this regard, the Company has recognised an expense for the employees services received amounting to ₹ 70.53 crores during the year ended March 31, 2025 (₹ 52.53 crores during the year ended March 31, 2024), shown under Employee Benefit Expenses (Refer Note 28).

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 40 ESOP DISCLOSURE (Contd.)

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

#### Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2024-25			Options outstanding	Options vested but not exercised	Options unvested		Exercise Price ₹	Weighted Average Remaining Contractual Life
		As at 31.03.2024	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2025	As at 31.03.2025	As at 31.03.2025			
GT25 JAN 2017	25-Jan-17	2,12,525	-	-	-	1,28,655	83,870	69,170	14,700	202.00		
GT30 JAN 2018	30-Jan-18	28,230	-	-	-	12,900	15,330	15,330	-	261.94	-	
GT30 JAN 2018 A	30-Jan-18	7,800	-	-	-	7,800	-	-	-	261.94	-	
GT23 APR 2018	23-Apr-18	-	-	-	-	-	-	-	-	312.47	-	
GT26 JUL 2018	26-Jul-18	40,880	-	-	-	10,220	30,660	30,660	-	299.46	-	
GT26 JUL 2018 A	26-Jul-18	-	-	-	-	-	-	-	-	299.46	-	
GT30 OCT 2018	30-Oct-18	1,14,680	-	-	-	76,920	37,760	37,760	-	253.70	-	
GT19 MAR 2019	19-Mar-19	2,30,574	-	-	-	1,44,644	85,930	85,930	-	278.01	-	
GT30 JUL 2019	30-Jul-19	-	-	-	-	-	-	-	-	248.20	-	
GT05 NOV 2019	05-Nov-19	1,10,140	-	-	-	26,200	83,940	82,940	1,000	316.00	-	
GT23 JAN 2020	23-Jan-20	-	-	-	-	-	-	-	-	317.50	-	
GT03 JUNE 2020	03-Jun-20	20,820	-	-	-	13,900	6,920	6,920	-	157.90	-	
GT03 JUNE 2020 A	03-Jun-20	-	-	-	-	-	-	-	-	157.90	-	
GT07 MAY 2021	07-May-21	8,81,120	-	-	-	1,89,500	6,91,620	3,76,580	3,15,040	580.30	0.10	
GT30 JULY 2021	30-Jul-21	24,700	-	-	-	8,500	16,200	8,790	7,410	487.15	0.33	
GT29 OCT 2021	29-Oct-21	6,22,909	-	-	8,200	95,434	5,19,275	3,01,295	2,17,980	609.00	0.58	
GT29 OCT 2021 A	29-Oct-21	2,520	-	-	-	2,520	-	-	-	609.00	0.58	
GT01 FEB 2022	01-Feb-22	98,260	-	-	-	18,630	79,630	39,450	40,180	629.50	0.84	
GT05 MAY 2022	05-May-22	45,200	-	-	-	8,200	37,000	9,880	27,120	712.15	0.60	
GT29 JUL 2022	29-Jul-22	50,700	-	-	-	8,790	41,910	20,700	21,210	690.10	0.83	
GT29 JUL 2022 A	29-Jul-22	48,300	-	-	-	7,000	41,300	12,320	28,980	690.10	0.33	
GT29 JUL 2022 B	29-Jul-22	-	-	-	-	-	-	-	-	690.10	-	
GT24 SEP 2022	24-Sep-22	20,600	-	-	-	4,940	15,660	840	14,820	738.50	0.98	
GT24 SEP 2022 A	24-Sep-22	2,17,000	-	-	-	21,300	1,95,700	1,12,870	82,830	738.50	0.48	

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 40 ESOP DISCLOSURE (Contd.)

##### Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2024-25			Options outstanding	Options vested but not exercised	Options unvested		Weighted Average Remaining Contractual Life
		As at 31.03.2024	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2025	As at 31.03.2025	As at 31.03.2025	Exercise Price ₹	
GT24 SEP 2022 B	24-Sep-22	6,300	-	-	-	2,520	3,780	3,780	-	738.50	-
GT01 NOV 2022	01-Nov-22	24,700	-	-	-	-	24,700	9,880	14,820	709.35	1.09
GT31 JAN 2023	31-Jan-23	14,52,243	-	-	74,400	1,52,810	12,25,033	3,64,743	8,60,290	710.75	1.34
GT01 AUG 2023	01-Aug-23	6,94,940	-	-	32,500	30,560	6,31,880	1,29,250	5,02,630	1,132.00	0.88
GT02 NOV 2023	02-Nov-23	3,360	-	-	-	-	3,360	840	2,520	1,149.00	1.72
GT02 NOV 2023 A	02-Nov-23	20,500	-	-	-	-	20,500	4,100	16,400	1,149.00	1.09
GT25 JAN 2024	25-Jan-24	3,44,900	-	-	10,100	-	3,34,800	63,680	2,71,120	1,245.08	1.95
GT29 APR 2024	29-Apr-24	-	-	2,68,380	6,000	-	2,62,380	-	2,62,380	1171.70	0.62
GT26 JUL 2024	26-Jul-24	-	-	5,28,800	12,000	-	5,16,800	6,000	5,10,800	1,363.65	2.02
GT26 JUL 2024 A	26-Jul-24	-	-	1,50,720	-	-	1,50,720	-	1,50,720	1,363.65	1.45
GT26 JUL 2024 B	26-Jul-24	-	-	2,15,460	-	-	2,15,460	-	2,15,460	1,363.65	0.82
GT31 JAN 2025	31-Jan-25	-	-	5,16,500	-	-	5,16,500	-	5,16,500	1,279.40	2.54
GT03 MAR 2025	03-Mar-25	-	-	44,100	-	-	44,100	-	44,100	1,400.75	2.62
<b>Total</b>		<b>53,23,901</b>	<b>-</b>	<b>17,23,960</b>	<b>1,43,200</b>	<b>9,71,943</b>	<b>59,32,718</b>	<b>17,93,708</b>	<b>41,39,010</b>		

Note: Outstanding Options includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2025 -280,630 options.

##### Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2023-24			Options outstanding	Options vested but not exercised	Options unvested		
		As at 31.03.2023	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2024	As at 31.03.2024	As at 31.03.2024	Exercise Price ₹	Weighted Average Remaining Contractual Life
GT25 JAN 2017	25-Jan-17	5,41,835	-	-	-	3,29,310	2,12,525	2,12,525	-	202.00	-
GT30 JAN 2018	30-Jan-18	1,38,410	-	-	-	1,10,180	28,230	28,230	-	261.94	-
GT30 JAN 2018 A	30-Jan-18	13,470	-	-	-	5,670	7,800	7,800	-	261.94	-
GT23 APR 2018	23-Apr-18	-	-	-	-	-	-	-	-	312.47	-
GT26 JUL 2018	26-Jul-18	47,360	-	-	-	6,480	40,880	40,880	-	299.46	-



## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 40 ESOP DISCLOSURE (Contd.)

##### Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2023-24			Options outstanding	Options vested but not exercised	Options unvested		Exercise Price ₹	Weighted Average Remaining Contractual Life
		As at 31.03.2023	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2024	As at 31.03.2024	As at 31.03.2024			
GT26 JUL 2018 A	26-Jul-18	-	-	-	-	-	-	-	-	299.46		
GT30 OCT 2018	30-Oct-18	1,71,950	-	-	-	57,270	1,14,680	1,14,680	-	253.70		-
GT19 MAR 2019	19-Mar-19	2,90,600	-	-	-	60,026	2,30,574	2,30,574	-	278.01		-
GT30 JUL 2019	30-Jul-19	-	-	-	-	-	-	-	-	248.20		-
GT05 NOV 2019	05-Nov-19	1,78,080	-	-	-	67,940	1,10,140	1,10,140	-	316.00		-
GT23 JAN 2020	23-Jan-20	-	-	-	-	-	-	-	-	317.50		-
GT03 JUNE 2020	03-Jun-20	41,640	-	-	-	20,820	20,820	-	20,820	157.90	0.18	
GT03 JUNE 2020 A	03-Jun-20	-	-	-	-	-	-	-	-	157.90		-
GT07 MAY 2021	07-May-21	9,92,500	-	-	-	1,11,380	8,81,120	2,85,620	5,95,500	580.30	0.60	
GT30 JULY 2021	30-Jul-21	24,700	-	-	-	-	24,700	9,880	14,820	487.15	0.83	
GT29 OCT 2021	29-Oct-21	7,38,050	-	-	4,100	1,11,041	6,22,909	1,77,129	4,45,780	609.00	1.08	
GT29 OCT 2021 A	29-Oct-21	2,520	-	-	-	-	2,520	2,520	-	609.00	1.08	
GT01 FEB 2022	01-Feb-22	1,26,100	-	-	-	27,840	98,260	22,600	75,660	629.50	1.34	
GT05 MAY 2022	05-May-22	45,200	-	-	-	-	45,200	9,040	36,160	712.15	1.22	
GT29 JUL 2022	29-Jul-22	56,560	-	-	-	5,860	50,700	8,280	42,420	690.10	1.45	
GT29 JUL 2022 A	29-Jul-22	92,400	-	-	44,100	-	48,300	2,660	45,640	690.10	0.83	
GT29 JUL 2022 B	29-Jul-22	5,340	-	-	-	5,340	-	-	-	690.10	-	
GT24 SEP 2022	24-Sep-22	24,700	-	-	-	4,100	20,600	840	19,760	738.50	1.61	
GT24 SEP 2022 A	24-Sep-22	2,20,880	-	-	-	3,880	2,17,000	51,340	1,65,660	738.50	0.98	
GT24 SEP 2022 B	24-Sep-22	7,560	-	-	-	1,260	6,300	6,300	-	738.50	-	
GT01 NOV 2022	01-Nov-22	45,200	-	-	16,400	4,100	24,700	4,940	19,760	709.35	1.71	
GT31 JAN 2023	31-Jan-23	15,98,400	-	-	99,200	46,957	14,52,243	2,24,523	12,27,720	710.75	1.96	
GT01 AUG 2023	01-Aug-23	-	-	7,21,440	26,500	-	6,94,940	-	6,94,940	1,132.00	2.04	
GT02 NOV 2023	02-Nov-23	-	-	3,360	-	-	3,360	-	3,360	1,149.00	2.29	
GT02 NOV 2023 A	02-Nov-23	-	-	20,500	-	-	20,500	-	20,500	1,149.00	1.72	
GT25 JAN 2024	25-Jan-24	-	-	3,44,900	-	-	3,44,900	-	3,44,900	1,245.08	2.52	
Total		54.03.455	-	10.90.200	1.90.300	9.79.454	53.23.901	15.50.501	37.73.400			

Note: Outstanding Options includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2024 - 171,500 options.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 40 ESOP DISCLOSURE (Contd.)

The following tables list the inputs to the Black Scholes model used for the plans for the year ended March 31, 2024:

#### ESOP 2016

Date of Grant	Risk Free Interest Rate	Expected Life	Variables		Price of the underlying Share in the Market at the time of the Option Grant (₹)	Fair Value of the Option (₹)
			Expected Volatility	Dividend Yield		
25-Jan-17	6.36% - 6.67%	3.5 - 6.51 years	33.39% - 34.47%	0.54%	1,010.00	401.29*
30-Jan-18	7.11% - 7.45%	3.5 - 5.50 years	30.16% - 31.46%	0.42%	1,309.70	496.82*
30-Jan-18	7.11% - 7.45%	3.5 - 5.50 years	30.16% - 31.46%	0.42%	1,309.70	531.84*
23-Apr-18	7.45% - 7.81%	3.51 - 6.51 years	30.33% - 32.38%	0.42%	1,562.35	646.08*
26-Jul-18	7.71% - 7.92%	3.51 - 5.51 years	30.56% - 31.83%	0.43%	1,497.30	586.32*
30-Oct-18	7.61% - 7.85%	3.51 - 6.51 years	32.34% - 32.70%	0.51%	1,268.50	531.36*
19-Mar-19	6.91% - 7.25%	3.51 - 6.51 years	32.19% - 32.59%	0.47%	1,390.05	564.13*
30-Jul-19	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	248.20	83.66
05-Nov-19	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	316.00	112.09
23-Jan-20	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	317.00	109.51
03-Jun-20	5.00%	3.50 years	47.50%	1.33%	157.90	58.27
07-May-21	5.12% - 6.02%	3.5 - 6.5 years	52.06% - 43.62%	0.34%	580.30	276.84
30-Jul-21	5.25% - 6.20%	3.50 - 6.51 years	52.06% - 43.65%	0.41%	487.15	232.48
29-Oct-21	5.22% - 6.17%	3.50 - 6.51 years	53.2% - 43.93%	0.33%	609.00	293.95
01-Feb-22	5.49% - 6.50%	3.50 - 6.51 years	53.81% - 44.42%	0.32%	629.50	309.23
05-May-22	6.20% - 7.09%	2.5 - 5.51 years	59.10% - 47.09%	0.28%	712.15	336.08
29-Jul-22	6.84% - 7.18%	3.51 - 6.51 years	53.74% - 45.29%	0.29%	690.10	351.99
29-Jul-22	6.84% - 7.1%	3.51 - 5.51 years	53.74% - 47.07%	0.29%	690.10	339.76
29-Jul-22	6.84%	3.51 years	53.74%	0.29%	690.10	311.94
24-Sep-22	7.13% - 7.31%	3.51 - 6.51 years	53.79% - 45.27%	0.27%	738.50	379.33
24-Sep-22	7.13% - 7.28%	3.51 - 5.51 years	53.79% - 47.07%	0.27%	738.50	366.36
24-Sep-22	7.13%	3.51 years	53.79%	0.27%	738.50	336.74
01-Nov-22	7.15% - 7.37%	3.51 - 6.51 years	53.81% - 45.25%	0.28%	709.35	364.52
31-Jan-23	7.15% - 7.30%	3.51 - 6.51 years	53.58% - 45.23%	0.28%	710.75	364.41
01-Aug-23	7.00% - 7.05%	3.51 - 6.51 years	52.49% - 44.63%	0.18%	1,132.10	577.29
01-Aug-23	7.00% - 7.04%	3.51 - 5.51 years	52.49% - 47.18%	0.18%	1,132.10	556.82
01-Aug-23	7.00%	3.51 Years	52.49%	0.18%	1,132.10	509.03
01-Aug-23	7.00% - 7.02%	3.51 - 4.51 years	52.49% - 49.11%	0.18%	1,132.10	530.43
01-Aug-23	7.00% - 7.05%	3.51 - 6.51 years	52.49% - 44.63%	0.18%	1,132.10	577.29
02-Nov-23	7.22% - 7.28%	3.51 - 5.51 years	42.45% - 47.08%	0.17%	1,149.00	552.30
02-Nov-23	7.22% - 7.29%	3.51 - 6.51 years	42.45% - 44.54%	0.17%	1,149.00	576.73
25-Jan-24	7.01% - 7.06%	3.51 - 6.51 years	37.85% - 44.51%	0.16%	1,245.80	614.02
29-Apr-24	7.09% - 7.12%	3.5 - 6.51 years	36.34% - 44.58%	0.11%	1,171.70	576.27
26-Jul-24	6.75% - 6.81%	3.5 - 6.51 years	36.34% - 44.99%	0.15%	1,363.65	662.20
26-Jul-24	6.75% - 6.79%	3.5 - 5.51 years	35.49% - 46.25%	0.15%	1,363.65	628.27
26-Jul-24	6.75% - 6.77%	3.5 - 4.50 years	35.49% - 48.46%	0.15%	1,363.65	564.97
31-Jan-25	6.50% - 6.59%	3.5 - 6.50 years	33.68% - 45.07%	0.16%	1,279.40	595.17
03-Mar-25	6.52% - 6.63%	3.5 - 6.50 years	33.64% - 45.24%	0.14%	1,400.75	652.14

\*Fair value option of equity shares issued under this grant is before share split with a face value of ₹ 10/- each

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 41 SHARING OF COSTS

The Company shares certain costs / service charges with other companies. These costs have been allocated on reasonable basis between the Companies.

#### Note : 42.1 CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business, meeting the capital adequacy requirements of Reserve Bank of India (RBI), maintain strong credit rating and healthy capital ratios in order to support business and maximise shareholder value. The adequacy of the Company's capital is monitored by the Board using, among other measures, the regulations issued by RBI.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

The Company has complied in full with the capital requirements prescribed by RBI over the reported period. The Capital adequacy ratio as of March 31, 2025 is 19.75% (March 31, 2024- 18.57%) as against the regulatory requirement of 15%.

#### Note : 42.2 FINANCIAL RISK MANAGEMENT

The key financial risks faced by the company are credit and market risks comprising liquidity risk, interest rate risk and foreign currency risks.

##### Note : 42.2.1 CREDIT RISK

Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

##### 42.2.1.1 ASSESSMENT METHODOLOGY

The company has comprehensive and well-defined credit policies across various businesses, products and segments, which encompass credit approval process for all businesses along with guidelines for mitigating the risks associated with them. The appraisal process includes detailed risk assessment of the borrowers, physical verifications and field visits. The company has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals. This enables it to implement necessary changes to the credit policy, whenever the need arises. Also, being in asset financing business, most of the company's lending is covered by adequate collaterals from the borrowers. The company has a robust online application and underwriting model to assess the credit worthiness of the borrower for underwriting decisions for its Vehicle Finance, Loan Against Property, Home loan, Secured business and Personal loan, Consumer durables, Small and medium enterprise loans, Consumer small enterprise loan business. The company also has a well- developed model for the Vehicle Finance Portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio.

##### 42.2.1.2 RISK MANAGEMENT AND PORTFOLIO REVIEW

The company has a robust portfolio review mechanism. Key metrics like early delinquency, default rates are tracked, monitored and reviewed daily. Business teams review key trends in these Key Risk Indicators and location level strategies are adopted.

##### 42.2.1.3 ECL METHODOLOGY

The Company records allowance for expected credit losses for all financial assets including loan commitments, other than those measured at FVTPL. Equity instruments carried at cost are not subject to impairment under the ECL methodology and tested for impairment as per Ind AS 36.

##### 42.2.1.4 ASSUMPTIONS AND ESTIMATION TECHNIQUES

The Company calculates ECLs to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. ECL is computed on collective basis. The portfolio is segmented based on shared risk characteristics for the computation of ECL.

The key elements of the ECL are summarised below:

##### 42.2.1.4(A) PD

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. While computing probability of default, significant outlier events are suitably handled to ensure it does not skew the outcomes.

A 12M marginal PD is computed by creating cohorts of accounts starting in Stage 1 at the beginning of the year and subsequently moving to Stage 3 at any point in time during the year.

A conditional average probability of default is computed by taking cohort of which were in Stage 2 at the beginning of the year and subsequently moved to Stage 3 anytime in each subsequent year.

##### 42.2.1.4(B) EAD

The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 42 CAPITAL MANAGEMENT (Contd.)

##### 42.2.1.4(C) LGD

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The recoveries are discounted back to the default date using customer IRR. This present value of recovery is used for LGD computation. A recovery rate (RR) computed as the ratio of present value of recovery to the EAD  $(1 - RR)$ , gives the LGD.

##### 42.2.1.5 MECHANICS OF THE ECL METHOD

###### Stage 1:

All loans (other than purchased credit impaired asset) are categorised as Stage 1 on initial recognition. The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

###### Stage 2:

Loans which are past due for more than 30 days are categorised as Stage 2. When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

###### Stage 3:

Loans which are past due for more than 90 days are categorised as Stage 3. For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%

Restructured loans are categorised as Stage 3 on the date of restructuring and remain so for a period of one year. Post this, regular staging criteria applies.

Loans which have been renegotiated or modified in accordance with RBI Notifications for COVID-19 related stress, has been classified as Stage 2 due to significant increase in credit risk.

The Post Implementation Staging of Loans restructured under Covid Resolution framework shall follow the Days Past Due of respective loan agreements.

In respect of new lending products, where historical information is not available, the company follows simplified matrix approach for determining impairment allowance based on industry practise. These loans constitute around 13% of the total loan book.

Loan Movement across stages during the year is given in a note 9.1

###### Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

###### Other Financial assets:

The Company follows 'simplified approach' for recognition of impairment loss allowance on other financial assets. The application of simplified approach does not require the Company to track changes in credit risk and calculated on case-by-case approach, taking into consideration different recovery scenarios.

##### 42.2.1.6 INCORPORATION OF FORWARD-LOOKING STATEMENTS IN ECL MODEL

The Company considers a broad range of forward-looking information with reference to external forecasts of economic parameters such as GDP growth, Inflation, Government Expenditure etc., as considered relevant so as to determine the impact of macro-economic factors on the Company's ECL estimates.

The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Annual data from 2018 to 2028 (including forecasts for 4 years) were obtained from World Economic Outlook, October 2023 published by International Monetary Fund (IMF). IMF provides historical and forecasted data for important economic indicators country-wise. The data provided for India is used for the analysis. Macro variables that were compared against default rates at segment level to determine the key variables having correlation with the default rates using appropriate statistical techniques. Vasicek model has been incorporated to find the Point in Time (PIT) PD. The company has formulated the methodology for creation of macro-economic scenarios under the premise of economic baseline, upside and downside condition. A final PIT PD is arrived as the scenario weighted PIT PD under different macroeconomic scenarios.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 42 CAPITAL MANAGEMENT (Contd.)

##### 42.2.1.7 Macro economic variables

Segment	Macro-Economic Variables correlated for each segment	
Two Wheeler	Gross domestic product per capita, current prices	Volume of imports of goods and services
Three Wheeler	Total investment	Gross domestic product, current prices
Construction Equipment - New	Gross domestic product per capita, current prices	Total investment
Construction Equipment - Used	Gross domestic product, current prices	Inflation, end of period consumer prices
Commercial Vehicle Shubh	Gross domestic product per capita, current prices	Volume of imports of goods and services
Commercial Vehicle - Used	General government gross debt Gov Debt	Gross domestic product per capita, current prices
Heavy Commercial Vehicle - New	Gross domestic product, current prices	Inflation, average consumer prices
Home Loan	Total investment	Gross domestic product, current prices
Loan Against Property	Total investment	Gross domestic product, current prices
Light Commercial Vehicle - New	Gross domestic product per capita, current prices	Volume of exports of goods and services
Mini Light Commercial Vehicle - New	Inflation, end of period consumer prices	Gross domestic product per capita, current prices
Passenger Vehicle New (Car/MUV)	Gross domestic product per capita, current prices	Volume of imports of goods and services
Passenger Vehicle Shubh (Car/ MUV)	Total investment	Gross domestic product, current prices
Passenger Vehicle Used (Car/ MUV)	Gross domestic product, current prices	Inflation, average consumer prices
Tractor - New	Gross domestic product per capita, current prices	Volume of exports of goods and services
Tractor - Used	Gross domestic product, current prices	Volume of exports of goods and services

Since the company has used Gross Domestic Product (GDP) as a predominant macro-economic variable the sensitivity around the same is given below:

₹ in crores

Year ended	Increase/ (Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31, 2025	Decrease by 5%	(9.72)
March 31, 2025	Increase by 5%	39.01
Year ended	Increase/ (Decrease) of GDP	Impact on Expected Credit Losses (ECL)-Increase/(Decrease)
March 31, 2024	Decrease by 5%	(20.23)
March 31, 2024	Increase by 5%	29.53

##### 42.2.1.8 Concentration of credit risk and Collateral and Credit Enhancements

###### 42.2.1.8(a) Concentration of credit risk

Concentration of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in same geographical area or industry sector so that collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions. The Company is in retail lending business on pan India basis targeting primarily customers who either do not get credit or sufficient credit from the traditional banking sector.

Vehicle Finance (consisting of new and used Commercial Vehicles, Passenger Vehicles, Tractors, Construction Equipment and Loan to Automobile dealers) is lending against security (other than for trade advance) of Vehicle/ Tractor / Equipment and contributes to 55% of the loan book of the Company as of March 31, 2025 (58% as of March 31, 2024). Hypothecation endorsement is made in favour of the Company in the Registration Certificate in respect of all registerable collateral. Portfolio is reasonably well diversified across South, North, East and Western parts of the country. Similarly, sub segments within Vehicle Finance like Heavy Commercial Vehicles, Light Commercial Vehicles, Car and Multi Utility Vehicles, three wheeler and Small Commercial Vehicles, Refinance against existing vehicles, older vehicles (first time buyers), Tractors and Construction Equipment leading to well diversified sub product mix. New Tractors and New Construction Equipment have portfolio share of 6% each.

Loan Against Property is mortgage loan against security of existing immovable property (primarily self-occupied residential property) to self-employed non-professional category of borrowers and contributes to 21 % of the lending book of the Company as of March 31, 2025 (20% as of March 31, 2024). Portfolio is concentrated in South 44%, followed by North 29% and West 21% and with small presence in East 6% of the overall exposure of this segment.

Home Loan is loan provided to buy or construct new/existing homes and contributes 9 % of the lending book of the Company as of March 31, 2025 (9% as of March 31, 2024). Portfolio is concentrated in South 66% followed by East at 12% , North and West at 11% each of the overall exposure of this segment.

The Concentration of risk is managed by Company for each product by its region and its sub-segments. Company did not overly depend on few regions or sub-segments as of March 31, 2025.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 42 CAPITAL MANAGEMENT (Contd.)

##### 42.2.1.8(b) Collateral and Credit enhancements

Although collateral can be an important mitigation of credit risk, it is the Company's practice to lend on the basis of the customer's ability to meet the obligations out of cash flow resources other than placing primary reliance on collateral and other credit risk enhancements.

The Company obtains first and exclusive charge on all collateral that it obtains for the loans given. Vehicle Finance and Loan Against Property loans are secured by collateral at the time of origination. In case of Vehicle loans, Company values the vehicle either through proforma invoice (for new vehicles) or using registered valuer for used vehicles. In case of Loan against Property, the value of the property at the time of origination will be arrived by obtaining two valuation reports from Company's empanelled valuers.

Hypothecation endorsement is obtained in favour of the Company in the Registration Certificate of the Vehicle/ Tractor / Equipment funded under the vehicle finance category.

Immovable Property is the collateral for Loan Against Property. Security Interest in favour of the Company is created by Mortgage through deposit of title deed which is registered wherever required by law.

In respect of Other loans, Home loans follow the same process as Loan Against Property and pledge is created in favour for the Company for loan against securities. 91% of the Company's term loan are secured by way of tangible Collateral.

In respect of some unsecured lending, the company obtains First Loss Default Guarantee or similar arrangement from external service providers as partial cover against potential credit default.

#### Fair value of collateral held against credit impaired assets - March 31, 2025

					₹ in crores
Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
5,213.01	3,358.23	1,452.02	864.28	(461.52)	2,360.05

#### Fair value of collateral held against credit impaired assets - March 31, 2024

					₹ in crores
Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
3,644.81	2,793.62	1,605.03	280.70	(1,034.54)	1,693.07

Note: Column (b), (c), (d) of the above table, represents fair value of collateral

#### Valuation of Collateral:

- Vehicles including construction equipment and tractors are valued at original cost less 20% depreciation per year on WDV
- Immovable property is valued based on the amount as per the valuation report at the time of sanctioning of loan
- Other loans are valued based on book debts at cost or securities at market value

##### 42.2.2 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates. The company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The company is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The company continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the company's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee. In addition, the company has put in an Asset Liability Management (ALM) support group which meets frequently to review the liquidity position of the company.

##### 42.2.2.1 Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Company



## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 42 CAPITAL MANAGEMENT (Contd.)

has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The Company also has lines of credit that it can access to meet liquidity needs. These are reviewed by the Asset Liability Committee (ALCO) on a monthly basis. The ALCO provides strategic direction and guidance on liquidity risk management. A sub-committee of the ALCO, comprising members from the Treasury and Risk functions, monitor liquidity risks on a weekly basis and decisions are taken on the funding plan and levels of investible surplus, from the ALM perspective. This sets the boundaries for daily cash flow management.

Analysis of Financial liabilities by remaining contractual maturities given in note -47.

#### 42.2.2 Interest Rate Risk

The Company being in the business of lending raises money from diversified sources like market borrowings, term Loan from banks and financial institutions, foreign currency borrowings etc. Financial assets and liabilities constitute significant portion, changes in market interest rates can adversely affect the financial condition. The fluctuations in interest rates can be due to internal and external factors. Internal factors include the composition of assets and liabilities across maturities, existing rates and re-pricing of various sources of borrowings. External factors include macro-economic developments, competitive pressures, regulatory developments and global factors. The movement in interest rates (upward / downward) will impact the Net Interest Income depending upon rate sensitivity of the asset or liability. The company uses traditional gap analysis report to determine the vulnerability to movements in interest rates. The Gap is the difference between Rate Sensitive Assets (RSA) and Rate Sensitive Liabilities (RSL) for each time bucket. A positive gap indicates that the company can benefit from rising interest rates while a negative gap indicates that the company can benefit from declining interest rates. Based on market conditions, the company enters into interest rate swap to mitigate interest rate risk.

₹ in crores

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31,2025	Increase by 100 bps	64.49
March 31,2025	Decrease by 100 bps	(64.49)

₹ in crores

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31,2024	Increase by 100 bps	(120.51)
March 31,2024	Decrease by 100 bps	120.51

#### 42.2.2.3 Foreign Currency Risk

Foreign currency risk for the Company arise majorly on account of foreign currency borrowings. The Company manages this foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure.

The Company holds derivative financial instruments such as Cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate.

The Counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

#### 42.2.2.4 Hedging Policy

The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment and hence the hedge ratio is 1:1.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 42 CAPITAL MANAGEMENT (Contd.)

##### 42.2.2.4(a) Disclosure of Effects of Hedge Accounting

As at March 31, 2025

Foreign Exchange Risk	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crores)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crores)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crores)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cash Flow Hedge								
Cross Currency Interest rate swap	6	3	155.62	53.09	July 19, 2022 to March 27, 2028	(102.53)	221.55	Borrowings (other than debt securities)
Interest rate Swaps	0	13	-	100.78	March 10, 2023 to September 10, 2029	100.78	-	Borrowings (other than debt securities)
Forward contracts	1	1	47.70	130.72	July 01, 2020 to June 20, 2028	83.02	90.02	Borrowings (other than debt securities)
Fair Value Hedge								
Interest rate Swaps	-	-	-	-	-	-	-	NA

	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crores)	Hedge Effectiveness recognised in profit and loss (₹ in crores)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in crores)	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	(174.92)	-	-	NA

As at March 31, 2024

Foreign Exchange Risk	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crores)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crores)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crores)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
Cash Flow Hedge								
Cross Currency Interest rate swap	2	2	161.33	15.06	June 03, 2019 to Feb 22, 2027	(146.27)	171.10	Borrowings (other than debt securities)
Interest rate Swaps	-	7	-	20.74	March 10, 2023 to December 29, 2028	20.74	-	Borrowings (other than debt securities)
Forward contracts	1	1	86.49	150.90	June 01, 2020 to June 20, 2028	64.40	91.59	Borrowings (other than debt securities)
Fair Value Hedge								
Interest rate Swaps	-	-	-	-	-	-	-	NA

	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crores)	Hedge Effectiveness recognised in profit and loss (₹ in crores)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in crores)	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	(72.19)	-	-	NA

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 43 EVENTS AFTER REPORTING DATE

There have been no other events after the reporting date apart from above that require disclosure in the financial statements.

#### Note : 44

#### 44.1 - Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the balance sheet. This table does not include the fair values of non-financial assets and non-financial liabilities.

	March 31, 2025		March 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>₹ in crores</b>				
<b>Financial Assets</b>				
Cash and Cash Equivalents	5,278.19	5,278.19	841.97	841.97
Bank balances Other than Cash and Cash Equivalents	4,122.49	4,122.49	3,478.18	3,478.18
Receivables				
i) Trade Receivables	187.58	187.58	199.00	199.00
ii) Other Receivables	116.64	116.64	200.46	200.46
Loans	1,81,929.90	1,84,433.25	1,44,424.29	1,46,227.75
Investments in Government Securities	3,375.31	3,289.21	1,539.07	1,431.03
Investment in Treasury Bills	1,721.41	1,719.53	1,440.17	1,411.35
Investment in STRIPS	771.91	782.01	599.25	605.43
Other Financial Assets	349.74	349.74	241.25	241.25
<b>Total Financial Assets</b>	<b>1,97,853.17</b>	<b>2,00,278.64</b>	<b>1,52,963.64</b>	<b>1,54,636.42</b>
<b>Financial Liabilities</b>				
Payables				
i) Trade Payables - Due to MSME	14.33	14.33	7.65	7.65
ii) Trade Payables - Other than MSME	134.90	134.90	107.72	107.72
iii) Other Payables	1,573.28	1,573.28	1,338.05	1,338.05
Debt Securities	30,133.99	30,432.07	24,812.76	24,884.85
Borrowings(Other than Debt Securities)	1,33,791.98	1,30,191.78	1,04,511.13	1,04,800.38
Subordinated Liabilities	11,020.14	11,049.01	5,149.69	5,216.23
Other Financial Liabilities	738.73	738.73	505.63	505.63
<b>Total Financial Liabilities</b>	<b>1,77,407.35</b>	<b>1,74,134.10</b>	<b>1,36,432.63</b>	<b>1,36,860.51</b>

The Management assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments.

#### Note 44.2 - Fair value hierarchy

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values of financial assets or liabilities disclosed under level 2 category.

- The fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.
- The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have been estimated by discounting expected future cash flows using discounting rate equal to the rate near to reporting date based on comparable rate / market observable data.
- Derivatives are fair valued using observable inputs / rates.
- The fair value of investments in Government securities/STRIPS/ Treasury Bills are derived from rate equal to the rate near to the reporting date of the comparable product.
- Fair value of investment property is calculated based on valuation given by external independent valuer and also refer note 13 for sensitivity analysis.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 44 Fair value hierarchy (Contd.)

##### Note 44.2 - Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosure of fair value measurement hierarchy of assets as at March 31, 2025

₹ in crores

	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at Fair value</b>				
Derivative financial instruments	203.32	-	203.32	-
<b>Assets for which fair values are disclosed</b>				
Loans	1,81,929.90	-	-	1,84,433.25
Investments in Government securities	3,375.31	3,289.21	-	-
Investment in Treasury Bills	1,721.41	1,719.53	-	-
Investment in STRIPS	771.91	782.01	-	-
Investment Properties	0.13	-	-	3.21

There have been no transfers between different levels during the year.

Quantitative disclosure of fair value measurement hierarchy of Liabilities as at March 31, 2025

₹ in crores

	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Liabilities measured at Fair value</b>				
Derivative financial instruments	284.60	-	284.60	-
<b>Liabilities for which fair values are disclosed</b>				
Debt Securities	30,133.99	-	30,432.07	-
Borrowings (Other than Debt Securities)	1,33,791.98	-	1,30,191.78	-
Subordinated Liabilities	11,020.14	-	11,049.01	-

There have been no transfers between different levels during the year.

Quantitative disclosure of fair value measurement hierarchy of assets as at March 31, 2024

₹ in crores

	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at Fair value</b>				
Derivative financial instruments	247.82	-	247.82	-
<b>Assets for which fair values are disclosed</b>				
Loans	1,44,424.29	-	-	1,46,227.75
Investments in Government securities	1,539.07	1,431.03	-	-
Investment in Treasury Bills	1,440.17	1,411.35	-	-
Investment in STRIPS	599.25	605.43	-	-
Investment Properties	0.13	-	-	3.30

There have been no transfers between different levels during the year.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 44.2 - Fair value hierarchy (Contd.)

Quantitative disclosure of fair value measurement hierarchy of liabilities as at March 31, 2024

₹ in crores

	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Liabilities measured at Fair value</b>				
Derivative financial instruments	186.70	-	186.70	-
<b>Liabilities for which fair values are disclosed</b>				
Debt Securities	24,812.76	-	24,884.85	-
Borrowings (Other than Debt Securities)	1,04,511.13	-	1,04,800.38	-
Subordinated Liabilities	5,149.69	-	5,216.23	-

There have been no transfers between different levels during the year.

#### 44.3 Summary of Financial assets and liabilities which are recognised at amortised cost

₹ in crores

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Financial Assets</b>		
Cash and Cash Equivalents	5,278.19	841.97
Bank balances other than Cash and Cash Equivalents	4,122.49	3,478.18
Loans	1,81,929.90	1,44,424.29
Investments in Government Securities	3,375.31	1,539.07
Investment in Treasury Bills	1,721.41	1,440.17
Investment in STRIPS	771.91	599.25
Other Financial Assets	349.74	241.25
<b>Financial Liabilities</b>		
Debt Securities	30,133.99	24,812.76
Borrowings (Other than Debt Securities)	1,33,791.98	1,04,511.13
Subordinated Liabilities	11,020.14	5,149.69
Other Financial liabilities	738.73	505.63

#### Note : 45 MATURITY ANALYSIS

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

₹ in crores

	Amount	Maturity Within 12 months	After 12 months
As on March 31, 2025			
Financial Assets			
Cash and Cash Equivalents	5,278.19	5,278.19	-
Bank balances Other than Cash and Cash Equivalents	4,122.49	1,747.52	2,374.97
Derivative financial instruments	203.32	53.84	149.48
Receivables			-
i) Trade Receivables	187.58	187.58	-
ii) Other Receivables	116.64	116.64	-
Loans	1,81,929.90	44,414.25	1,37,515.65
Investments	6,390.39	3,365.97	3,024.42
Other Financial Assets	349.74	29.52	320.22
Total Financial Assets	1,98,578.25	55,193.51	1,43,384.74

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Note : 45 MATURITY ANALYSIS (Contd.)

	₹ in crores		
	Amount	Maturity Within 12 months	After 12 months
<b>Non- Financial Assets</b>			
Current tax assets (Net)	216.45	-	216.45
Deferred tax assets (Net)	946.72	-	946.72
Investment Property	0.13	-	0.13
Property, Plant and Equipment	1,746.85	-	1,746.85
Capital Work in Progress	3.69	-	3.69
Intangible assets under development	7.22	-	7.22
Other Intangible assets	24.96	-	24.96
Other Non-Financial Assets	123.32	13.03	110.29
<b>Total Non- Financial Assets</b>	<b>3,069.34</b>	<b>13.03</b>	<b>3,056.31</b>
<b>Asset held for sale - Investment</b>	-	-	-
<b>Financial Liabilities</b>			
Derivative financial instruments	284.60	34.75	249.85
Payables			
i) Trade Payables - Due to MSME	14.33	14.33	-
ii) Trade Payables - Other than MSME	134.90	134.90	-
iii) Other Payables	1,573.28	1,573.28	-
Debt Securities	30,133.99	9,507.14	20,626.85
Borrowings(Other than Debt Securities)	1,33,791.98	47,163.65	86,628.33
Subordinated Liabilities	11,020.14	436.13	10,584.01
Other Financial Liabilities	738.73	242.43	496.30
<b>Total Financial Liabilities</b>	<b>1,77,691.95</b>	<b>59,106.61</b>	<b>1,18,585.34</b>
<b>Non-Financial Liabilities</b>			
Provisions	233.62	-	233.62
Other Non-Financial Liabilities	94.62	87.78	6.84
<b>Total Non-Financial Liabilities</b>	<b>328.24</b>	<b>87.78</b>	<b>240.46</b>

	₹ in crores		
	Amount	Maturity Within 12 months	After 12 months
<b>As on March 31, 2024</b>			
<b>Financial Assets</b>			
Cash and Cash Equivalents	841.97	841.97	-
Bank balances Other than Cash and Cash Equivalents	3,478.18	1,338.24	2,139.94
Derivative financial instruments	247.82	126.24	121.58
Receivables			
i) Trade Receivables	199.00	199.00	-
ii) Other Receivables	200.46	200.46	-
Loans	1,44,424.29	36,850.25	1,07,574.04
Investments	4,100.23	1,449.18	2,651.05
Other Financial Assets	241.25	37.47	203.78
<b>Total Financial Assets</b>	<b>1,53,733.20</b>	<b>41,042.81</b>	<b>1,12,690.39</b>



## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Note : 45 MATURITY ANALYSIS (Contd.)

Note : 45 MATURITY ANALYSIS (Contd.)			₹ in crores
	Amount	Maturity Within 12 months	After 12 months
Non- Financial Assets			
Current tax assets (Net)	357.09	-	357.09
Deferred tax assets (Net)	654.15	-	654.15
Investment Property	0.13	-	0.13
Property, Plant and Equipment	1,534.00	-	1,534.00
Capital Work in Progress	-	-	-
Intangible assets under development	12.45	-	12.45
Other Intangible assets	23.01	-	23.01
Other Non-Financial Assets	99.65	18.33	81.32
Total Non- Financial Assets	2,680.48	18.33	2,662.15
Asset held for sale - Investment	37.09	37.09	-
Financial Liabilities			
Derivative financial instruments	186.70	28.36	158.34
Payables			
i) Trade Payables - Due to MSME	7.65	7.65	-
ii) Trade Payables - Other than MSME	107.72	107.72	-
iii) Other Payables	1,338.05	1,319.88	18.17
Debt Securities	24,812.76	10,057.28	14,755.48
Borrowings (Other than Debt Securities)	1,04,511.13	37,144.27	67,366.86
Subordinated Liabilities	5,149.69	312.86	4,836.83
Other Financial Liabilities	505.63	176.29	329.34
Total Financial Liabilities	1,36,619.33	49,154.31	87,465.02
Non-Financial Liabilities			
Provisions	192.70	-	192.70
Other Non-Financial Liabilities	82.23	74.37	7.86
Total Non-Financial Liabilities	274.93	74.37	200.56

Note : 46 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	April 01, 2024	Cash flows	Exchange Difference	Others	₹ in crores
					March 31, 2025
Debt Securities	24,812.76	5,032.44	-	288.79	30,133.99
Borrowings other than debt securities	1,04,511.13	29,280.67	(48.88)	49.06	1,33,791.98
Subordinated liabilities	5,149.69	5,647.60	-	222.85	11,020.14
<b>Total</b>	<b>1,34,473.58</b>	<b>39,960.71</b>	<b>(48.88)</b>	<b>560.70</b>	<b>1,74,946.11</b>

Particulars	April 01, 2023	Cash flows	Exchange Difference	Others	₹ in crores
					March 31, 2024
Debt Securities	19,682.41	4,844.60	-	285.75	24,812.76
Borrowings other than debt securities	73,186.19	31,209.59	(2.75)	118.10	1,04,511.13
Subordinated liabilities	4,487.46	597.49	-	64.74	5,149.69
<b>Total</b>	<b>97,356.06</b>	<b>36,651.68</b>	<b>(2.75)</b>	<b>468.59</b>	<b>1,34,473.58</b>

(i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of transaction cost.

(ii) Liabilities represents of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities

(iii) Change in liabilities arising from lease liabilities has been disclosed in Note 48

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 47 ANALYSIS OF FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

As at March 31, 2025								₹ in crores
Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
<b>Financial Liabilities</b>								
Derivative financial instruments	-	8.07	8.50	18.17	145.45	104.41	-	<b>284.60</b>
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	14.33	-	-	-	-	-	-	<b>14.33</b>
ii) Total outstanding dues of creditors other than micro and small enterprises	134.90	-	-	-	-	-	-	<b>134.90</b>
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	1,573.28	-	-	-	-	-	-	<b>1,573.28</b>
Debt Securities	1,123.12	4,068.35	1,216.25	4,230.70	13,882.02	9,715.33	1,567.50	<b>35,803.27</b>
Borrowings (Other than Debt Securities)	5,418.85	10,140.70	14,851.91	23,151.44	76,123.60	17,386.37	204.85	<b>1,47,277.72</b>
Subordinated Liabilities	52.91	81.52	360.68	528.21	2,879.61	2,959.46	10,787.03	<b>17,649.42</b>
Other Financial Liabilities	193.32	22.12	32.82	64.96	218.78	194.02	163.83	<b>889.85</b>
<b>Total Undiscounted financial liabilities</b>	<b>8,510.71</b>	<b>14,320.76</b>	<b>16,470.16</b>	<b>27,993.48</b>	<b>93,249.46</b>	<b>30,359.59</b>	<b>12,723.21</b>	<b>2,03,627.37</b>

As at March 31, 2024								₹ in crores
Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
<b>Financial Liabilities</b>								
Derivative financial instruments	-	6.39	-	21.97	89.21	69.13	-	<b>186.70</b>
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	7.65	-	-	-	-	-	-	<b>7.65</b>
ii) Total outstanding dues of creditors other than micro and small enterprises	107.72	-	-	-	-	-	-	<b>107.72</b>
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	1,338.05	-	-	-	-	-	-	<b>1,338.05</b>
Debt Securities	2,511.23	1,220.93	2,366.36	4,824.41	11,520.17	6,119.54	-	<b>28,562.64</b>
Borrowings (Other than Debt Securities)	5,409.92	8,169.37	10,963.17	19,163.47	58,768.55	16,257.56	340.92	<b>1,19,072.96</b>
Subordinated Liabilities	27.84	123.15	115.09	266.39	839.97	2,281.13	11,973.21	<b>15,626.78</b>
Other Financial Liabilities	142.72	16.86	24.20	46.11	155.94	98.76	111.80	<b>596.39</b>
<b>Total Undiscounted financial liabilities</b>	<b>9,545.13</b>	<b>9,536.70</b>	<b>13,468.82</b>	<b>24,322.35</b>	<b>71,373.84</b>	<b>24,826.12</b>	<b>12,425.93</b>	<b>1,65,498.89</b>

#### Note : 48 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES

The Company has taken office premises on lease for its operations.

The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

The Company had certain leases with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of lease liabilities included under financial liabilities and right to use asset included in Property, Plant and Equipment and the movements during the year.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**Note : 48 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES (Contd.)**

#### (i) Movement in the carrying value of the Right to Use Asset

₹ in crores

Particulars	As on March 31, 2025	As on March 31, 2024
Opening Balance	354.61	147.19
Depreciation charge for the year	(107.06)	(75.98)
Additions during the year	313.31	299.28
Adjustment/Deletion	(36.34)	(15.88)
<b>Closing Balance</b>	<b>524.52</b>	<b>354.61</b>

#### (ii) Classification of current and non current liabilities of the lease liabilities

₹ in crores

Particulars	As on March 31, 2025	As on March 31, 2024
Current liabilities	91.68	71.34
Non Current Liabilities	464.64	300.16
<b>Total Lease liabilities</b>	<b>556.32</b>	<b>371.50</b>

#### (iii) Movement in the carrying value of the Lease Liability

₹ in crores

Particulars	As on March 31, 2025	As on March 31, 2024
Opening Balance	371.50	166.89
Interest Expense	40.94	23.26
Lease Payments [Total Cash Outflow]	(133.09)	(89.38)
Additions during the year	313.31	286.61
Adjustment/Deletion	(36.34)	(15.88)
<b>Closing Balance</b>	<b>556.32</b>	<b>371.50</b>

#### (iv) Contractual Maturities of Lease liability outstanding

₹ in crores

Particulars	As on March 31, 2025	As on March 31, 2024
Less than one year	130.82	95.76
One to five Years	412.80	254.70
More than Five years	163.83	111.80
<b>Total</b>	<b>707.45</b>	<b>462.26</b>

#### (v) The following are the amount recognised in the Statement of Profit or Loss

₹ in crores

Particulars	As on March 31, 2025	For the year ended As on March 31, 2024
Depreciation expense of right-of-use assets	107.06	75.98
Interest expense on lease liabilities	40.94	23.26
Expense relating to short-term leases (included in other expenses)	-	0.64
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
<b>Total amount recognised in Statement of Profit or Loss</b>	<b>148.00</b>	<b>99.88</b>

Lease expenses relating to short term leases aggregated to ₹ Nil crores (₹ 0.64 crores - March 31, 2024) during the year ended March 31, 2025.

Lease liabilities are recognised at weighted average incremental borrowing rate of 8.60% during the year ended March 31, 2025.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to the lease liabilities as and when they fall due.

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

The company has not defaulted in its lease obligations.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

Note : 49

#### Part 1 - Ageing Analysis

##### A. Trade Payables ageing schedule for the year ended March 31, 2025

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					Total
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years		
(i) MSME	14.33	-	-	-	14.33	
(ii) Others	126.18	7.43	1.26	0.03	134.90	
(iii) Disputed dues - MSME	-	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	-	
<b>Total</b>	<b>140.51</b>	<b>7.43</b>	<b>1.26</b>	<b>0.03</b>	<b>149.23</b>	

##### B. Trade Payables ageing schedule for the year ended March 31, 2024

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					Total
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years		
(i) MSME	7.65	-	-	-	7.65	
(ii) Others	102.07	1.83	1.46	2.36	107.72	
(iii) Disputed dues - MSME	-	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	-	
<b>Total</b>	<b>109.72</b>	<b>1.83</b>	<b>1.46</b>	<b>2.36</b>	<b>115.37</b>	

There are no balances not due or unbilled for the year ended March 31, 2025 and March 31, 2024

##### C. Capital work in progress ageing schedule for the year ended March 31, 2025

₹ in crores

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
Projects in Progress	3.69	-	-	-	3.69
Projects Temporarily Suspended	-	-	-	-	

##### D. Capital work in progress ageing schedule for the year ended March 31, 2024

₹ in crores

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-

##### E. Intangible assets under development ageing schedule for the year ended March 31, 2025

₹ in crores

Particulars	Amount in Intangible assets under development for a period of					Total
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years		
Projects in Progress	6.45	0.77				7.22
Projects Temporarily Suspended	-	-	-	-		

##### F. Intangible assets under development ageing schedule for the year ended March 31, 2024

₹ in crores

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in Progress	2.37	0.05	10.03	-	12.45
Projects Temporarily Suspended	-	-	-	-	-

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

### Part - II - Other Disclosures

1. No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
2. Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
3. The company does not have any outstanding amount arising out of transactions with struck off companies during the year.
4. There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
5. Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries)
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
6. Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
7. Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2025
8. The company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017
9. The company has not entered into any scheme of arrangements which has an accounting impact on current/previous financial year
10. There is no income surrendered/disclosed as income during the current/previous year in the tax assessments under Income Tax Act, 1961, that has not been recorded in the books of accounts

### RBI Disclosures

The regulatory disclosures provided in these financial statements are in accordance with the requirements of the RBI's Directions, 2021 dated September 24, 2021 (wherever applicable).

#### Note : 50 A i) DISCLOSURE RELATING TO SECURITIZATION PURSUANT TO RESERVE BANK OF INDIA DATED SEPTEMBER 24, 2021

₹ in crores

Sl. No.	Particulars	As at	As at
		March 31, 2025	March 31, 2024
1.	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	62	50
2.	Total amount of securitised assets as per books of the SPEs	28,490.72	25,335.89
3.	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	2,019.49	1,348.11
	• Others (Second loss)	821.58	858.39
	• Others (PTC Investment)	1,868.30	1583.10
4.	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
5.	Sale consideration received for the securitised assets	52,872.98	37,714.20
	Gain/loss on sale on account of securitisation	Nil	Nil

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

Note : 50 A i) DISCLOSURE RELATING TO SECURITIZATION PURSUANT TO RESERVE BANK OF INDIA DATED SEPTEMBER 24, 2021 (Contd.)

		₹ in crores	
Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Nil	Nil
	First Loss Credit Facility – Bank Fixed Deposit	2,019.48	1,348.11
	Second Loss Credit Facility – Bank Fixed Deposit	821.58	858.39
	Second Loss Credit Facility – Bank Guarantee provided by external party	186.49	215.45
7.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	First Loss Credit Facility – Bank Fixed Deposit		
	(a) Amount paid (utilised)	4.21 (0.21%)	8.69 (0.64%)
	(b) Repayment received (replenishment)	4.21 (0.21%)	8.69 (0.64%)
	(c) Outstanding amount	0 (0.00%)	0 (0.00%)
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Vehicle loans - 1.60% Loan against Property - 0.4%	Vehicle loans - 1.60% Loan against Property - 0.5%
9.	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		
	Vehicle Loans		
	No. of Additional / Top up loan	35,904	25,847
	Amount of Loan	666.76	510.38
	Loan Against Property		
	No. of Additional / Top up loan	495	326
	Amount of Loan	99.15	67.58
10.	Investor complaints		
	(a) Directly/Indirectly received and;	Nil	Nil
	(b) Complaints outstanding	Nil	Nil

### ii) Details of Loans not in default transferred through Assignment.

		₹ in crores	
Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Count of loans accounts assigned		4,514	NIL
Amount of loan accounts assigned (₹ in crores)		2,222.00	NIL
Weighted average maturity (in months)		146	NIL
Weighted average holding period (in months)		21	NIL
Retention of beneficial economic interest (%)		10%	NIL
Coverage of tangible security		100%	NIL
Rating wise distribution of rated loans		Not rated	NIL

### iii) Details of Stressed loans transferred during the year pursuant to Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 As at 31-March -2025

		₹ in crores		
Particulars		To ARC's	To permitted transferees	To other transferees (please specify)
No of accounts		NIL	NIL	NIL
Aggregate principal outstanding of loans transferred (₹ in crores)		NIL	NIL	NIL
Weighted average residual tenor of the loans transferred (in months)		NIL	NIL	NIL
Net book value of loans transferred (at the time of transfer) (₹ in crores)		NIL	NIL	NIL
Aggregate consideration (₹ in crores)		NIL	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years (₹ in crores)		NIL	NIL	NIL

### As at 31-March -2024

		₹ in crores		
Particulars		To ARC's	To permitted transferees	To other transferees (please specify)
No of accounts		109	NIL	NIL
Aggregate principal outstanding of loans transferred (₹ in crores)		24.58	NIL	NIL
Weighted average residual tenor of the loans transferred (in months)		171 Months	NIL	NIL
Net book value of loans transferred (at the time of transfer) (₹ in crores)		15.33	NIL	NIL
Aggregate consideration (₹ in crores)		9.71	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years (₹ in crores)		NIL	NIL	NIL



## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATIONS) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME)**

**i) Provision as per IRAC norms and ECL for the year ended March 31, 2025**

₹ in crores

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS <sup>(2)</sup>	Loss allowance (provision) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	1,75,039.88	618.55	1,74,421.33	564.78	53.77
Standard	Stage 2	2,942.84	247.43	2,695.41	13.56	233.87
<b>Subtotal for Performing assets</b>		1,77,982.72	865.98	1,77,116.74	578.34	287.64
<b>Non Performing Assets (NPA)</b>						
Substandard	Stage 1	359.80	13.61	346.19	29.52	(15.92)
Doubtful - upto 1 year	Stage 1	23.29	0.85	22.44	4.07	(3.22)
1 - 3 years	Stage 1	7.40	0.38	7.02	2.17	(1.79)
Substandard	Stage 2	1,586.68	152.28	1,434.40	126.72	25.56
Doubtful - upto 1 year	Stage 2	119.52	12.05	107.47	21.18	(9.13)
1 - 3 years	Stage 2	47.81	5.23	42.58	13.89	(8.66)
More than 3 years	Stage 2	0.10	0.01	0.09	0.05	(0.04)
Substandard	Stage 3	2,673.99	844.74	1,829.25	235.23	609.51
Doubtful - upto 1 year	Stage 3	990.41	362.76	627.65	169.82	192.94
1 - 3 years	Stage 3	1,070.42	711.45	358.97	271.33	440.12
More than 3 years	Stage 3	461.82	424.70	37.12	184.11	240.59
Loss	Stage 3	16.37	16.42	(0.05)	16.41	0.01
<b>Subtotal for NPA</b>		<b>7,357.61</b>	<b>2,544.48</b>	<b>4,813.13</b>	<b>1,074.50</b>	<b>1,469.98</b>
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	4,383.66	14.42	4,369.25	-	14.42
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal for other items</b>		<b>4,383.66</b>	<b>14.42</b>	<b>4,369.25</b>	<b>-</b>	<b>14.42</b>
Total	Stage 1	1,79,814.03	647.81	1,79,166.23	600.54	47.27
	Stage 2	4,696.95	417.00	4,279.95	175.40	241.60
	Stage 3	5,213.01	2,360.07	2,852.94	876.90	1,483.17
<b>Total</b>		<b>1,89,723.99</b>	<b>3,424.88</b>	<b>1,86,299.12</b>	<b>1,652.84</b>	<b>1,772.04</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME)** (Contd.)

#### i) Provision as per IRAC norms and ECL for the year ended March 31, 2024

₹ in crores

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS <sup>(2)</sup>	Loss allowance (provision) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	1,39,769.40	529.13	1,39,240.27	480.22	48.91
Standard	Stage 2	1,971.02	160.55	1810.48	15.11	145.44
<b>Subtotal for Performing assets</b>		1,41,740.42	689.68	1,41,050.75	495.33	194.35
<b>Non Performing Assets (NPA)</b>						
Substandard	Stage 1	276.56	10.40	266.16	23.76	(13.36)
Doubtful - upto 1 year	Stage 1	23.22	1.19	22.03	4.47	(3.28)
1 - 3 years	Stage 1	9.23	0.63	8.60	2.72	(2.09)
Substandard	Stage 2	1006.55	99.02	907.53	87.85	11.17
Doubtful - upto 1 year	Stage 2	169.51	18.46	151.05	32.54	(14.08)
1 - 3 years	Stage 2	74.70	8.26	66.44	21.70	(13.45)
Substandard	Stage 3	1,552.85	472.65	1,080.20	145.95	326.70
Doubtful - upto 1 year	Stage 3	811.15	303.30	507.85	146.35	156.95
1 - 3 years	Stage 3	962.26	624.75	337.50	247.07	377.69
More than 3 years	Stage 3	305.64	279.39	26.26	119.22	160.17
Loss	Stage 3	12.91	12.98	(0.07)	12.97	0.01
<b>Subtotal for NPA</b>		<b>5,204.58</b>	<b>1,831.03</b>	<b>3,373.55</b>	<b>844.60</b>	<b>986.43</b>
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	4,001.56	10.37	3,991.19	-	10.37
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal for other items</b>		<b>4,001.56</b>	<b>10.37</b>	<b>3,991.19</b>	<b>-</b>	<b>10.37</b>
Total	Stage 1	1,44,079.97	551.72	1,43,528.25	511.17	40.55
	Stage 2	3,221.78	286.29	2,935.50	157.21	129.08
	Stage 3	3,644.81	1,693.07	1,951.74	671.56	1,021.52
<b>Total</b>		<b>1,50,946.56</b>	<b>2,531.08</b>	<b>1,48,415.49</b>	<b>1339.94</b>	<b>1,191.15</b>

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME)** (Contd.)

- 1) As required by the RBI Notification dated March 13, 2020, the Company has complied with the requirements of Ind AS and the Guidelines and Policies approved by the Board in recognition of impairment of financial instruments. The overall impairment provision made under Ind AS (including the provision requirement specified in the notification above. Refer note 9) is higher than the prudential floor prescribed by RBI
- 2) Gross carrying amount as per Ind AS represents gross exposures inclusive of securitisation balances transferred by the Company but will not qualify for de-recognition and interest income on Stage III assets which will not form part of Provisions required as per IRACP norms

#### ii) Disclosure on Restructured Accounts

₹ in crores

Type of Restructuring asset classification details		Others			
		Standard Advances	Sub-standard Advances	Doubtful Advances	Loss Advances
Restructured loans as on April 1, 2024	Number of borrowers	7,704	2,275	6,827	2
	Amount Outstanding	664.83	217.74	438.51	0.26
	Provision thereon	64.36	40.47	169.41	0.28
Fresh Restructured during the year (based on asset classification at the time of restructuring)	Number of borrowers	12	3	-	-
	Amount Outstanding	1.00	0.24	-	-
	Provision thereon	0.10	0.02	-	-
Upgradations to restructured category during the year	Number of borrowers	1,923	62	6	-
	Amount Outstanding	36.27	2.67	0.22	-
	Provision thereon	3.44	0.50	0.04	-
Restructured loans ceases to attract higher provision or additional risk weight at the end of year *	Number of borrowers	503	-	-	-
	Amount Outstanding	33.73	-	-	-
	Provision thereon	2.66	-	-	-
Downgrade of restructured accounts during the year	Number of borrowers	-	938	2,904	-
	Amount Outstanding	-	57.52	194.83	-
	Provision thereon	-	9.51	81.81	-
Write-off of restructured accounts during the year	Number of borrowers	233	379	1,375	1
	Amount Outstanding	17.09	29.97	103.30	0.25
	Provision thereon	1.72	7.82	47.07	0.26
Restructured loans as on March 31, 2025	Number of borrowers	4,704	1,200	5,133	1
	Amount Outstanding	420.79	105.84	342.41	0.02
	Provision thereon	41.09	16.19	199.58	0.02

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME)** (Contd.)

#### ii) Disclosure on Restructured Accounts (Contd.)

₹ in crores

Type of Restructuring asset classification details		Others			
		Standard Advances	Sub-standard Advances	Doubtful Advances	Loss Advances
Restructured loans as on April 1, 2023	Number of borrowers	14,113	6,455	6,186	7
	Amount Outstanding	1,221.02	547.23	399.03	1.80
	Provision thereon	110.06	113.55	127.41	1.80
Fresh Restructured during the year (based on asset classification at the time of restructuring)	Number of borrowers	18	12	9	-
	Amount Outstanding	5.02	1.81	0.17	-
	Provision thereon	0.37	0.18	0.02	-
Upgradations to restructured category during the year	Number of borrowers	2,905	52	-	-
	Amount Outstanding	77.09	1.72	-	-
	Provision thereon	8.08	0.30	-	-
Restructured loans ceases to attract higher provision or additional risk weight at the end of year *	Number of borrowers	2,862	-	-	-
	Amount Outstanding	193.19	-	-	-
	Provision thereon	12.79	-	-	-
Downgrade of restructured accounts during the year	Number of borrowers	-	1,981	6,774	-
	Amount Outstanding	-	154.52	454.37	-
	Provision thereon	-	27.86	174.87	-
Write-off of restructured accounts during the year	Number of borrowers	640	1,345	1,242	5
	Amount Outstanding	49.86	110.57	87.76	1.53
	Provision thereon	4.66	29.67	34.35	1.55
Restructured loans as on March 31, 2024	Number of borrowers	7,704	2,275	6,827	2
	Amount Outstanding	664.83	217.74	438.51	0.26
	Provision thereon	64.36	40.47	169.41	0.28

\*Pursuant to RBI Notification DOR.No.BP.BC/3/21.04.048/2020-21

**Note:** Includes accounts restructured under Covid resolution framework 1.0 and 2.0

#### iii) Liquidity Risk

##### Public disclosure on liquidity risk -March 31, 2025

##### (i) Funding concentration based on significant counterparty (both deposits and borrowings)

₹ in crores

Sr. No.	No. of Significant Counterparties	Amount (₹ In Cr)	% of Total Deposits	% of Total Liabilities
1	16	1,13,946.57	NA	64.01%

##### (ii) Top 20 large deposits (amount in ₹ Crore and % of total deposits)

Not Applicable

## Notes forming part of the Standalone Financial Statements (Contd.)

**For the year ended March 31, 2025**

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)**

### iii) Liquidity Risk (Contd.)

(iii) Top 10 borrowings (amount in ₹ Crore and % of total borrowings)

Amount (₹ In crore)	% of Total Borrowings
29,837.44	17.23%

(iv) Funding concentration based on significant instrument / product

Sr. No.	Name of the instrument / product	Amount (₹ In crore)	% of Total Liabilities
1	Rupee Term Loans	93,673.92	52.62%
2	NCDs (including PDI & Sub Debt)	33,210.13	18.66%
3	CPs	4,025.00	2.26%
4	ECB Loans	13,243.45	7.44%
5	Securitisation	26,622.42	14.95%
6	Rupee Denominated Bonds	400.00	0.22%
7	Compulsory Convertible Debentures	2,000.00	1.12%
<b>TOTAL</b>		<b>1,73,174.92</b>	<b>97.28%</b>

(v) Stock Ratios:

(a) Commercial papers as a % of total public funds, total liabilities and total assets :

Commercial Papers as a % of total public funds	2.32%
Commercial Papers as a % of total liabilities	2.26%
Commercial Papers as a % of total assets	2.00%

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets –  
Not Applicable. Non-convertible debentures of original maturity of less than one year have not been issued

(c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets :

Other Short-term liabilities as a % of total public funds	1.21%
Other Short-term liabilities as a % of total liabilities	1.17%
Other Short-term liabilities as a % of total assets	1.04%

(d) Short term Liabilities to Long term assets - 40.45%

(e) Long term assets to total assets - 72.57%

(vi) Institutional set-up for liquidity risk management:

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The Company also has lines of credit that it can access to meet liquidity needs. These are reviewed by the Asset Liability Committee (ALCO) on a monthly basis. The ALCO provides strategic direction and guidance on liquidity risk management. A sub-committee of the ALCO, comprising members from the Treasury and Risk functions, monitor liquidity risks on a weekly basis and decisions are taken on the funding plan and levels of investible surplus, from the ALM perspective. This sets the boundaries for daily cash flow management.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)**

#### iii) Liquidity Risk (Contd.)

##### Notes:

- 1) A "Significant Counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of NBFC-NDSI's total liabilities.
  - 2) A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's total liabilities.
  - 3) Total Borrowing has been computed as principal portion of Gross Total Debt basis extant regulatory ALM guidelines.
  - 4) Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.
  - 5) Commercial Paper for stock ratio is the principal portion of Gross outstanding (i.e.Maturity amount).
  - 6) Other Short-term Liabilities has been computed as Total Short-term Liabilities less debt securities, Borrowings (other than debt securities) and subordinated liabilities (Original maturity of less than one year), basis extant regulatory ALM guidelines.
  - 7) Public Funds = Total Borrowings as computed above.
- Refer Note No 47 for the summary of maturity profile of undiscounted cash flows of the Company's financial liabilities as at reporting year.

#### iv) Exposure to real estate sector

₹ in crores		
Category	March 31, 2025	March 31, 2024
i) Direct exposure		
a) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	47,858.09	34,982.46
b) Commercial Real Estate* - Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	107.97	62.71
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures -		
a) Residential	-	-
b) Commercial Real Estate	-	-
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>47,966.06</b>	<b>35,045.17</b>

\*As defined in para 108.4 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.



## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME)** (Contd.)

### v) Exposure to Capital Markets

₹ in crores

Particulars	March 31, 2025	March 31, 2024
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	4.55	20.13
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	182.46	172.49
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
vii) Bridge loans to companies against expected equity flows / issues	-	-
viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix) Financing to stockbrokers for margin trading	-	74.52
x) All exposures to Alternative Investment Funds:		
Category I	-	-
Category II	-	-
Category III	-	-
Pending Disbursements (Undrawn commitments)	234.04	159.15
<b>Total exposure to capital market</b>	<b>421.05</b>	<b>426.28</b>

### vi) Sectoral Exposure

₹ in crores

Sectors	As on March 31, 2025			As on March 31, 2024		
	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector
<b>Domestic Operations</b>						
<b>I. Gross Advances (II + III)</b>	1,85,340.34	7,357.62	3.97%	1,46,945.00	5,204.58	3.54%
<b>II. Food Credit</b>	-	-	-	-	-	-
<b>III. Non-Food Credit ( 1 to 5)</b>	1,85,340.34	7,357.62	3.97%	1,46,945.00	5,204.58	3.54%
<b>1. Agriculture and Allied Activities</b>	12,092.23	767.01	6.34%	10,766.90	626.71	5.82%
<b>2. Industry (2.1 to 2.4)</b>	22,784.16	609.83	2.68%	18,482.73	398.95	2.16%

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)**

### vi) Sectoral Exposure (Contd.)

₹ in crores

Sectors	As on March 31, 2025			As on March 31, 2024		
	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector
2.1 Micro and Small	17,071.40	394.94	2.31%	12,904.89	178.30	1.38%
2.2 Medium	467.16	10.69	2.29%	520.12	4.63	0.89%
2.3 Large	-	-	-	-	-	-
2.4 Others	5,245.60	204.20	3.89%	5,057.72	216.02	4.27%
<b>3. Services (3.1 to 3.10 equals 3.a to 3.d)</b>	<b>96,071.33</b>	<b>4,125.44</b>	<b>4.29%</b>	<b>75,901.55</b>	<b>3,070.49</b>	<b>4.05%</b>
3.1 Transport Operators	47,208.26	2,737.48	5.80%	40,178.10	2,036.08	5.07%
3.2 Computer Software	95.16	3.11	3.27%	83.08	1.87	2.25%
3.3 Tourism, Hotel and Restaurants	1,302.45	16.38	1.26%	1,037.67	13.67	1.32%
3.4 Shipping	-	-	-	-	-	-
3.5 Professional Services	1,998.20	43.78	2.19%	1,834.18	32.36	1.76%
3.6 Trade	18,954.96	715.09	3.77%	14,198.49	562.65	3.96%
3.6.1 Wholesale Trade (other than Food Procurement)	185.75	7.75	4.17%	211.08	5.21	2.47%
3.6.2 Retail Trade	18,769.21	707.34	3.77%	13,987.41	557.44	3.99%
3.7 Commercial Real Estate	107.97	2.32	2.15%	62.71	-	-
3.8 NBFCs	152.48	8.25	5.41%	379.29	-	-
3.9 Aviation	-	-	-	-	-	-
3.10 Other Services	26,251.85	599.03	2.28%	18,128.03	423.86	2.34%
<b>Total 3.a to 3.d</b>	<b>96,071.34</b>	<b>4,125.44</b>	<b>4.29%</b>	<b>75,901.55</b>	<b>3,070.48</b>	<b>4.05%</b>
3.a Micro and Small	71,876.81	2,800.36	3.90%	55,076.84	1,586.72	2.88%
3.b Medium	727.96	41.57	5.71%	656.07	20.35	3.10%
3.c Large	-	-	-	-	-	-
3.d Others	23,466.57	1,283.51	5.47%	20,168.64	1,463.41	7.26%
<b>4. Retail Loans (4.1 to 4.10)</b>	<b>54,392.62</b>	<b>1,855.34</b>	<b>3.41%</b>	<b>41,793.82</b>	<b>1,108.43</b>	<b>2.65%</b>
4.1 Housing Loans (incl. priority sector Housing)	11,795.82	313.97	2.66%	9,154.26	173.17	1.89%
4.2 Consumer Durables	682.94	24.37	3.57%	102.36	0.11	0.11%
4.3 Credit Card Receivables	-	-	-	-	-	-
4.4 Vehicle/Auto Loans	36,140.38	1,381.95	3.82%	28,310.43	850.96	3.01%
4.5 Education Loans	-	-	-	-	-	-
4.6 Advances against Fixed Deposits (incl. FCNR(B), etc.)	-	-	-	-	-	-

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)**

#### vi) Sectoral Exposure (Contd.)

₹ in crores

Sectors	As on March 31, 2025			As on March 31, 2024		
	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector	Total exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPA to total exposure in that sector
4.7 Advances to Individuals against Shares, Bonds	139.84	-	-	115.17	-	-
4.8 Advances to Individuals against Gold	-	-	-	-	-	-
4.9 Micro finance loan/SHG Loan	-	-	-	-	-	-
4.10 Other Retail loans	5,633.64	135.05	2.40%	4,111.60	84.19	2.05%
<b>5. Other Non-food Credit</b>	-	-	-	-	-	-

#### vii) Intra-group exposures

Particulars	March 31, 2025	March 31, 2024
Total amount of intra-group exposures (₹ in crores)	794.21	729.81
Total amount of top 20 intra-group exposures	794.21	729.81
Percentage of intra-group exposures to total exposure of the NBFC on borrowers / customers (Gross loans and gross undrawn commitment)	0.42%	0.48%

Exposure includes gross loans, gross undrawn commitments and investment in equity and other instrument.

viii) Unhedged foreign currency exposure - Nil

ix) Breach of covenant of loan availed or debt securities issued - Nil

x) Divergence in Asset Classification and Provisioning - Nil

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

#### xi) Related party Disclosure

₹ in crores

Related Party	Parent		Subsidiaries		Associates /Joint venture		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Particulars	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
<b>Borrowings</b>														
- Availed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Repaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Deposits</b>														
Placements of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances(Loans)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Given	-	-	446.50	351.15	30.00	1.00	-	-	-	12.81	1.27	489.31	353.42	-
- Recovered	-	-	521.00	289.15	12.50	1.00	-	-	-	13.20	7.67	546.70	297.82	-
Investments made during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Fixed assets or other assets	-	-	-	-	-	-	-	-	-	0.44	-	0.44	-	-
Sale of Fixed assets or other assets	-	-	0.01	-	-	-	-	-	-	0.42	-	0.01	0.42	-
Interest Paid-Expense	-	-	-	-	-	-	-	-	-	87.62	58.93	87.62	58.93	-
Interest received-Income	-	-	1.78	4.40	1.78	-	-	-	-	0.94	1.56	4.50	5.96	-
Amount received towards Reimbursement of expenses	1.77	1.58	17.17	146.47	1.66	0.09	-	-	-	0.67	0.24	21.27	148.38	-
<b>Dividend Payments</b>	74.58	74.58	-	-	-	-	0.10	0.07	0.09	0.11	9.50	84.27	84.69	-
Dividend Received	-	-	5.94	114.65	-	-	-	-	-	-	-	5.94	114.65	-
Services Received	-	-	0.36	1.07	1.32	2.56	-	-	-	741.67	642.63	743.35	646.26	-
Services Rendered	-	-	-	-	0.01	-	-	-	-	-	26.15	0.01	26.15	-
Insurance Commission	-	-	-	-	-	-	-	-	-	370.84	162.59	370.84	162.59	-
Advances Paid	-	-	-	-	-	-	-	-	-	8.26	4.58	8.26	4.58	-
Advances Settled	-	-	-	-	-	-	-	-	-	10.47	-	10.47	-	-
Rental Deposits received	-	-	-	-	-	-	-	-	-	0.40	0.15	0.40	0.15	-
<b>Others</b>														
- Expense	-	-	1.19	1.42	-	-	-	14.09	-	-	51.34	24.60	52.53	40.11
- Income	-	-	0.24	0.13	-	1.93	-	-	-	8.33	1.24	8.57	3.30	-

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

#### xi) Related party Disclosure (Contd.)

Related Party	₹ in crores									
	Parent		Subsidiaries		Associates /Joint venture		Key Management Personnel		Relatives of Key Management Personnel	
Particulars	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
<b>Borrowings</b>										
- Amount outstanding as at year-end	-	-	-	-	-	-	-	-	841.47	-
- Maximum amount outstanding during the year	-	-	-	-	-	-	-	-	841.47	-
<b>Advances (Loans)</b>										
- Amount outstanding as at year-end	-	-	-	74.52	17.65	-	-	-	2.33	19.98
- Maximum amount outstanding during the year	-	-	220.00	122.50	20.00	1.00	-	-	12.81	252.81
<b>Investments</b>										
- Amount outstanding as at year-end	-	-	64.90	64.90	456.82	456.82	-	-	-	521.72
- Maximum amount outstanding during the year	-	-	64.90	64.90	456.82	466.57	-	-	-	521.72
										531.47

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)**

#### xii) Customer Complaints

Sr. No	Particulars	March 31, 2025	March 31, 2024
	Complaints received by the NBFC from its customers		
1.	Number of complaints pending at beginning of the year	50	-
2.	Number of complaints received during the year	5,113	1,308
3.	Number of complaints disposed during the year	4,897	1,258
3.1	Of which, number of complaints rejected by the NBFC	753	378
4.	Number of complaints pending at the end of the year	266	50
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5.	Number of maintainable complaints received by the NBFC from Office of Ombudsman	648	579
5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	648	579
5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	10	8
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

*Top five grounds of complaints received by the NBFCs from customers*

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
<b>March 31, 2025</b>					
Payment Follow-Up Dispute	0	1,309	452%	53	1
Credit Reporting Dispute	0	610	601%	26	0
Disbursement related complaints	0	564	810%	49	2
Delay/priority of FC Letter and LOD	0	517	174%	35	0
Loan closure and NOC/NDC related	0	262	103%	17	0
Others	0	1,851	243%	86	5
<b>Total</b>	<b>0</b>	<b>5,113</b>		<b>266</b>	<b>8</b>
<b>March 31, 2024</b>					
Staff Interaction related/Collection Related	-	237	91%	16	-
Foreclosure Related	-	189	41%	-	-
Closure & NOC related	-	129	84%	1	-
Banking related*	-	115	-	-	-
Repossession of collateral & Sale Related	-	99	4%	1	-
Moratorium related	-	44	29.41%	-	-
Others	-	495	86%	32	-
<b>Total</b>	<b>-</b>	<b>1,308</b>	<b>-</b>	<b>50</b>	<b>-</b>



## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)**

### xiii) Other Notes

		₹ in crores	
Sl. No.	Particulars	Amount Outstanding As at March 31, 2025	Amount Overdue
<b>Liabilities:</b>			
<b>(1) Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:</b>			
(a)	Debentures		
	- Secured	24,088.19	-
	- Unsecured (other than falling within the meaning of public deposits)	10,501.00	-
	- Perpetual Debt Instrument	2,593.20	-
(b)	Deferred Credits	-	-
(c)	Term Loans	1,28,923.46	-
(d)	Inter-Corporate Loans and Borrowings	-	-
(e)	Commercial Papers	3,971.74	-
(f)	Public Deposits	-	-
(g)	Other Loans	4,868.52	-
	(Other Loans Represents Working Capital Demand Loans and Cash Credit from Banks along with Interest Accrued but Not Due on above)		

		₹ in crores	
Sl. No.	Particulars	Amount Outstanding As at March 31, 2024	Amount Overdue
<b>Liabilities:</b>			
<b>(1) Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:</b>			
(a)	Debentures		
	- Secured	19,435.62	-
	- Unsecured (other than falling within the meaning of public deposits)	5,608.25	-
	- Perpetual Debt Instrument	1,612.89	-
(b)	Deferred Credits	-	-
(c)	Term Loans	1,00,781.77	-
(d)	Inter-Corporate Loans and Borrowings	-	-
(e)	Commercial Papers	3,305.69	-
(f)	Other Loans	3,729.36	-
	(Other Loans Represents Working Capital Demand Loans & Cash Credit from Banks along with Interest Accrued but Not Due on above)		

Sl. No.	Particulars	Amount Outstanding As at March 31, 2025	Amount Outstanding As at March 31, 2024
<b>(2) Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below]: (including interest accrued)</b>			
(a)	Secured	65,604.07	47,708.92
(b)	Unsecured	15,962.16	13,092.95
<b>(3) Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities</b>			
(i)	Lease Assets including Lease Rentals under sundry debtors	-	-
	(a) Financial Lease (at amortized cost)	22.21	-
	(b) Operating Lease	-	-
(ii)	Stock on Hire including Hire Charges under Sundry Debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
(iii)	Other Loans counting towards AFC Activities		
	(a) Loans where assets have been repossessed(Net)	-	-
	(b) Loans other than (a) above	1,00,341.46	83,622.42

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)**

		₹ in crores	
Sl. No.	Particulars	Amount Outstanding As at March 31, 2025	Amount Outstanding As at March 31, 2024
<b>(4) Break-up of Investments (net of provision for diminution in value):</b>			
<b>Current Investments:</b>			
<b>I Quoted:</b>			
(i) Shares:			
(a) Equity		-	-
(b) Preference		-	--
(ii) Debentures and Bonds		-	--
(iii) Units of Mutual Funds		-	--
(iv) Government Securities (Net of amortisation)		-	-
(v) Others		-	-
<b>II Unquoted:</b>		-	
(i) Shares:			
(a) Equity		-	-
(b) Preference		-	--
(ii) Debentures and Bonds		-	--
(iii) Units of Mutual Funds		-	--
(iv) Government Securities		-	--
<b>Long-term Investments:</b>			
<b>I Quoted:</b>			
(i) Shares:			
(a) Equity		-	-
(b) Preference		-	--
(ii) Debentures and Bonds		-	--
(iii) Units of Mutual Funds		-	--
(iv) Investment in Government securities		3,375.31	1,539.07
(v) Investment in Treasury Bill		1,721.41	1,440.17
(vi) Investment in STRIPS		771.91	599.25
<b>II Unquoted:</b>			
(i) Shares:			
(a) Equity (Net of Provision for Diminution in Value of Investment)		521.74	558.83
(b) Preference		-	--
(ii) Debentures and Bonds		-	--
(iii) Units of Mutual Funds		-	--
(iv) Investment in Government Securities		-	--
(v) Investment in Treasury Bill		-	-
(vi) Investment in convertible note		-	-
(vii) Others			
- Investment in Pass Through Certificates		-	-
- Investment property		0.13	0.13
- Public Trust – Corpus		0.01	-

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME)** (Contd.)

**(5) Borrower Group-wise Classification of Assets Financed as in (2) and (3) above**

₹ in crores

Category	Amount (Net of provision)		Total
	Secured	Unsecured	
As at March 31, 2025			
1. Related Parties *			
(a) Subsidiaries	-	-	-
(b) Companies in the same Group	-	17.58	17.58
(c) Other Related Parties	2.33	-	2.33
Other than Related Parties	1,65,965.41	15,944.58	1,81,909.99
Total	1,65,967.74	15,962.16	1,81,929.90
As at March 31, 2024			
1. Related Parties *			
(a) Subsidiaries	-	74.52	74.52
(b) Companies in the same Group	-	-	-
(c) Other Related Parties	-	8.05	8.05
2. Other than Related Parties	1,31,331.35	13,010.37	1,44,341.72
Total	1,31,331.35	13,092.94	1,44,424.29

**(6) Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted) :**

₹ in crores

Category	Market value / Break - up Value or Fair Value or Net Asset Value	Book Value (Net of Provisioning)
As at March 31, 2025		
1. Related Parties*		
(a) Subsidiaries	64.90	64.90
(b) Joint Ventures	456.82	456.82
(c) Companies in the Same Group	-	-
(d) Other Related Parties	0.01	0.01
2. Other than Related Parties	5,790.77	5,868.66
Total	6,312.50	6,390.39
As at March 31, 2024		
1. Related Parties*		
(a) Subsidiaries	64.90	64.90
(b) Joint Ventures	456.82	456.82
(c) Companies in the Same Group	-	-
(d) Other Related Parties	-	-
2. Other than Related Parties	3,447.83	3,578.51
Total	3,969.55	4,100.23

₹ in crores

(7) Other Information	Amount Outstanding as at	
	March 31, 2025	March 31, 2024
(i) Gross Non-Performing Assets		
a) With Related Parties *	-	-
b) With Others	7,357.61	5,204.58
(ii) Net Non-Performing Assets		
a) With Related Parties *	-	-
b) With Others	4,813.14	3,373.55
(iii) Assets Acquired in Satisfaction of Debt		
a) With Related Parties *	-	-
b) With Others	-	-

\*Refer Note 37 for details of related parties.

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME)** (Contd.)

### xiv) Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR) is a key compliance requirement for a resilient and stable financial sector. Its objective is the promotion of short-term resilience of the liquidity risk profile of financial institutions by ensuring that it has sufficient High Quality Liquid Assets (HQLA) to survive a significant stress scenario lasting for one month. The Liquidity Coverage Ratio is expected to improve the financial sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy.

Liquidity Management of the company is supervised by the Asset Liability Committee. The management is of the view that the company has in place robust processes to monitor and manage liquidity risks and sufficient liquidity cover to meet its likely future short-term requirements.

The company has a diversified mix of borrowings with respect to the source, type of instrument, tenor and nature of security. The Asset Liability Committee constantly reviews and monitors the funding mix and ensures the optimum mix of funds based on the cash flow requirements, market conditions and keeping the interest rate view in consideration. Additionally, the Company has lines of credit that it can access to meet liquidity needs.

These are reviewed by the Asset Liability Committee (ALCO) on a monthly basis. The Asset Liability Committee provides strategic direction and guidance on liquidity risk management. A sub-committee of the Asset Liability Committee, comprising members from the Treasury and Risk functions, monitor liquidity risks on a weekly basis and decisions are taken on the funding plan and levels of investible surplus, from the Asset Liability Management perspective. This sets the boundaries for daily cash flow management.

In line with RBI regulations, the cash outflows and inflows have been stressed by 115% and 75% of their respective original values for computing LCR. The key drivers on the inflow side are the expected collections from the performing assets of the company and on the outflow side the scheduled maturities. The High-Quality Liquid Assets are entirely held in Government Securities which are classified as Level 1 assets with no haircut.

The LCR has been consistently maintained well over the regulatory threshold throughout the year. The company has Board approved internal risk thresholds for LCR which is higher than the regulatory requirement.

All foreign currency borrowings are fully hedged both for principal and interest at the time of drawal of each loan and hence do not run the risk of currency mismatch.

₹ in crores

Particulars	Liquidity Coverage Ratio							
	April -June-2024		July -September-2024		October -December-2024		January -March-2025	
	Total Unweighted value (average)	Total Weighted value (average)	Total Unweighted value (average)	Total Weighted value (average)	Total Unweighted value (average)	Total Weighted value (average)	Total Unweighted value (average)	Total Weighted value (average)
High Quality Liquid Assets								
<b>Total High Quality Liquid Assets (HQLA) *</b>	<b>3,653.78</b>	<b>3,653.78</b>	<b>5,215.07</b>	<b>5,215.07</b>	<b>5,729.96</b>	<b>5,729.96</b>	<b>5,790.75</b>	<b>5,790.75</b>
<b>Cash Outflow</b>								
Deposits	-	-	-	-	-	-	-	-
Unsecured wholesale funding	966.87	1,111.90	1,020.72	1,173.83	843.48	970.00	1,081.39	1,243.60
Secured wholesale funding	3,656.71	4,205.21	4,526.42	5,205.38	4,865.12	5,594.89	5,000.08	5,750.09
<b>Additional Requirements, of which</b>								
(i) Outflows related to derivatives exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and Liquidity facilities	-	-	-	-	-	-	-	-
Other Contractual funding obligations	3,341.06	3,842.21	3,310.29	3,806.84	3,455.77	3,974.14	3,731.44	4,291.16
Other Contingent funding obligations	121.57	139.8	134.41	154.58	140.10	161.11	160.39	184.44
<b>Total Cash Outflows</b>	<b>8,086.21</b>	<b>9,299.12</b>	<b>8,991.84</b>	<b>10,340.63</b>	<b>9,304.47</b>	<b>10,700.14</b>	<b>9,973.30</b>	<b>11,469.29</b>
<b>Cash Inflows</b>								
Secured Lending	-	-	-	-	-	-	-	-
Inflows from fully performing exposures	6,294.53	4,720.89	6,437.82	4,828.36	6,900.19	5,175.15	7,440.61	5,580.46

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)**

Particulars	Liquidity Coverage Ratio							
	April -June-2024		July -September-2024		October -December-2024		January -March-2025	
	Total Unweighted value (average)	Total Weighted value (average)	Total Unweighted value (average)	Total Weighted value (average)	Total Unweighted value (average)	Total Weighted value (average)	Total Unweighted value (average)	Total Weighted value (average)
Other cash inflows	3,783.83	2,837.87	4,594.20	3,445.65	6,160.28	4,620.21	5,513.63	4,135.22
<b>Total Cash Inflows</b>	<b>10,078.36</b>	<b>7,558.76</b>	<b>11,032.02</b>	<b>8,274.01</b>	<b>13,060.47</b>	<b>9,795.36</b>	<b>12,954.24</b>	<b>9,715.68</b>
Total HQLA	3,653.78	3,653.78	5,215.07	5,215.07	5,729.96	5,729.96	5,790.75	5,790.75
Total Net Cash Flows		2,324.78		2,585.16		2,675.04		2,867.32
<b>Liquidity Coverage Ratio (%)</b>		<b>157.17%</b>		<b>201.73%</b>		<b>214.20%</b>		<b>201.96%</b>
<b>*Components of HQLA</b>								
Government Securities		1,433.90		2,474.66		3,276.45		3,289.21
Treasury Bills		1,602.84		2,107.09		1,688.81		1,719.53
STRIPS		617.04		633.32		764.70		782.01
<b>Total</b>		<b>3,653.78</b>		<b>5,215.07</b>		<b>5,729.96</b>		<b>5,790.75</b>

### xv) Capital Adequacy Ratio

₹ in crores

Particulars	As at March 31, 2025	As at March 31, 2024
Tier I Capital	23,439.10	19,071.71
Tier II Capital	8,677.91	4,383.60
<b>Total Capital</b>	<b>32,117.01</b>	<b>23,455.31</b>
Total Risk Weighted Assets	1,62,651.93	1,26,298.79
<b>Capital Ratios</b>		
Tier I Capital as a Percentage of Total Risk Weighted Assets (%)	14.41%	15.10%
Tier II Capital as a Percentage of Total Risk Weighted Assets (%)	5.34%	3.47%
<b>Total (%)</b>	<b>19.75%</b>	<b>18.57%</b>
<b>Amount of Subordinated Debt raised as Tier – II capital during the year</b>	<b>4,760.00</b>	<b>905.10</b>
<b>Amount raised by issue of Perpetual Debt instruments during the year</b>	<b>1,000.00</b>	<b>250.00</b>

### xvi) Investments (including assets held for sale)

₹ in crores

Particulars	As at March 31, 2025	As at March 31, 2024
(1) <b>Value of Investments</b>		
(i) Gross Value of Investments		
(a) In India	6,411.43	4,159.28
(b) Outside India		
(ii) Provisions for Depreciation (including fair value change)		
(a) In India	(21.04)	(21.96)
(b) Outside India		
(iii) Net Value of Investments		
(a) In India	6,390.39	4,137.32
(b) Outside India.		
(2) <b>Movement of provisions held towards depreciation on investments (including fair value change)</b>		
(i) Opening balance	21.96	1.29
(ii) Add: Provisions made during the year	0*	20.67
(iii) Less: Reversal of provision during the year	-	-
(iv) Closing balance	21.96	21.96

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)**

#### xvii) Forward Rate Agreement/Interest Rate Swap

₹ in crores

Particulars	As at March 31, 2025	As at March 31, 2024
i) The notional principal of swap agreements	21,252.12	9,264.82
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book (net assets/Liabilities)	(81.28)	61.12

#### xviii) Risk Exposure in derivative

**Qualitative Disclosures – Refer note 42.2.2.4, 3.4.3**

**Quantitative Disclosures – Refer Note 7**

#### As at March 31, 2025

₹ in crores

S.no	Particulars	Currency derivatives	Interest rate derivatives
(i)	Derivatives (Notional Principal Amount)	12,931.90	8,320.22
	For Hedging	12,931.90	8,320.22
(ii)	Marked to Market Positions		
	(a) Assets (+)	203.32	-
	(b) Liability (-)	155.62	47.70
(iii)	Credit Exposure	-	-
(iv)	Unhedged Exposures	-	-

#### As at March 31, 2024

₹ in crores

S.no	Particulars	Currency derivatives	Interest rate derivatives
(i)	Derivatives (Notional Principal Amount)	5,266.43	3,998.39
	For Hedging	5,266.43	3,998.39
(ii)	Marked to Market Positions		
	(a) Assets (+)	247.82	-
	(b) Liability (-)	165.96	20.74
(iii)	Credit Exposure	-	-
(iv)	Unhedged Exposures	-	-

Currency derivatives includes cross currency interest swap amounting to ₹ 12,230.47 crores (March 31, 2024 - ₹ 4,349.18 crores).



# Notes forming part of the Standalone Financial Statements (Contd.)

## For the year ended March 31, 2025

NOTE : 50 - B DISCLOSURE PURSUANT TO MASTER DIRECTION - RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY - SCALE BASED REGULATION) DIRECTIONS, 2023 (AS UPDATED FROM TIME TO TIME) (Contd.)

### xix) Asset Liability Management

#### Maturity pattern of certain items of assets and liabilities

As at March 31, 2025

Particulars	1-7 days	8-14 days	15-30 days	1 to 2 months	2 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 Years	Total
₹ in crores											
<b>Liabilities</b>											
Borrowing from Banks*	3,291.45	128.64	1,567.10	3,113.98	5,816.75	13,020.48	20,225.25	69,913.11	16,063.23	340.44	<b>1,33,480.43</b>
Market Borrowings	122.78	41.83	976.72	3,033.36	1,037.38	1,236.95	3,494.25	12,040.60	9,715.56	9,454.70	<b>41,154.13</b>
<b>Total</b>	<b>3,414.23</b>	<b>170.47</b>	<b>2,543.82</b>	<b>6,147.34</b>	<b>6,854.13</b>	<b>14,257.43</b>	<b>23,719.50</b>	<b>81,953.71</b>	<b>25,778.79</b>	<b>9,795.14</b>	<b>1,74,634.56</b>
<b>Assets</b>											
Advances (Net of Impairment allowance)	2,232.38	547.52	1,771.46	3,856.23	3,359.31	12,223.08	20,504.70	61,466.17	28,806.90	47,162.15	<b>1,81,929.90</b>
Investment (Net of Provision for Diminution in Value of Investments)	-	-	-	49.48	108.06	512.29	2,696.14	822.99	152.14	2,049.29	<b>6,390.39</b>
<b>Total</b>	<b>2,232.38</b>	<b>547.52</b>	<b>1,771.46</b>	<b>3,905.71</b>	<b>3,467.37</b>	<b>12,735.37</b>	<b>23,200.84</b>	<b>62,289.16</b>	<b>28,959.04</b>	<b>49,211.44</b>	<b>1,88,320.29</b>

#### As at March 31, 2024

Particulars	1-7 days	8-14 days	15-30 days	1 to 2 months	2 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 Years	Total
₹ in crores											
<b>Liabilities</b>											
Borrowing from Banks*	3,026.21	144.73	1,942.85	2,702.36	4,185.17	9,122.12	16,020.83	51,892.01	14,939.76	272.41	<b>1,04,248.45</b>
Market Borrowings	691.81	1,819.93	94.13	1,243.78	63.70	2,296.74	4,160.05	9,546.09	6,755.40	3,290.82	<b>29,962.45</b>
<b>Total</b>	<b>3,718.02</b>	<b>1,964.66</b>	<b>2,036.98</b>	<b>3,946.14</b>	<b>4,248.87</b>	<b>11,418.86</b>	<b>20,180.88</b>	<b>61,438.10</b>	<b>21,695.16</b>	<b>3,563.23</b>	<b>1,34,210.90</b>
<b>Assets</b>											
Advances (Net of Impairment allowance)	1,551.93	498.70	1,747.85	3,416.08	2,930.89	10,266.98	16,437.82	49,592.52	21,664.12	36317.4**	<b>1,44,424.29</b>
Investment (Net of Provision for Diminution in Value of Investments)	-	-	-	-	5.92	40.18	1,440.17	234.15	365.10	2,051.80	<b>4,137.32</b>
<b>Total</b>	<b>1,551.93</b>	<b>498.70</b>	<b>1,747.85</b>	<b>3,416.08</b>	<b>2,936.81</b>	<b>10,307.16</b>	<b>17,877.99</b>	<b>49,826.67</b>	<b>22,029.22</b>	<b>25,843.87</b>	<b>1,48,561.61</b>

\*Borrowing from banks includes all non market borrowings and fully hedged foreign currency borrowings are stated at hedged value

\*\* Net of Stage 1 impairment allowance.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

#### NOTE : 51. ADDITIONAL DISCLOSURES

##### i) Provisions and Contingencies

₹ in crores

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Provisions for depreciation on Investment (including fair value change)	0*	21.96
Provision towards NPA**	713.43	158.67
Provision made towards Income tax***	1,478.34	1,159.34
Other Provision for undrawn commitments	4.05	(1.42)
Provision for Standard Assets****	176.30	33.14
Provision for contingencies and service tax claims	-	-

\*Represents amount less than ₹ 1 lakh.

\*\*Provision for stage 3 assets

\*\*\*Provision made towards income tax comprises of current tax and tax adjustment for earlier years.

\*\*\*\*Provision for standard assets represents provision made towards impairment of financial instruments other than stage 3 assets

ii) **Draw Down from Reserves:** There has been no draw down from reserve during the year ended March 31, 2025 and March 31, 2024

##### iii) Concentration of Advances (Loans)

₹ in crores

Particulars	As at March 31, 2025	As at March 31, 2024
Total Advances to twenty largest borrowers	473.68	514.90
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.26%	0.35%

##### iv) Concentration of Exposures

₹ in crores

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to twenty largest borrowers/customers	718.95	625.16
Percentage of Exposures to twenty largest borrowers /Customers to Total Exposure of the NBFC on borrowers/customers.	0.38%	0.41%

##### v) Concentration of NPAs

₹ in crores

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to top four NPA accounts	47.76	50.70

##### vi) Sector-wise NPAs : Refer Note 50vi

## Notes forming part of the Standalone Financial Statements (Contd.)

For the year ended March 31, 2025

### vii) Movement of NPAs

₹ in crores

Particulars	March 31, 2025	March 31, 2024
(i) Net NPAs to Net Advances(%)	2.63%	2.32%
(ii) Movement of Gross NPA		
(a) Opening balance	5,204.58	4,952.91
(b) Additions during the year	5,394.81	3,444.77
(c) Reductions during the year	3,241.77	3,193.10
(d) Closing balance	7,357.62	5,204.58
(iii) Movement of Net NPA		
(a) Opening balance	3,373.55	3,280.55
(b) Additions during the year	3,997.70	2,556.62
(c) Reductions during the year	2,558.09	2,463.62
(d) Closing balance	4,813.16	3,373.55
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	1,831.03	1,672.36
(b) Provisions made during the year	1,397.11	888.15
(c) Write-off / write-back of excess provisions	683.67	729.48
(d) Closing balance	2,544.47	1,831.03

### viii) Other Regulator Registration

S.No	Regulator	Registration no
1	Ministry of Company Affairs	CIN: L65993TN1978PLC007576
2	Insurance Regulatory and Development Authority of India	CA0874

### ix) Penalties levied by the above Regulators – Nil

### x) Ratings assigned by Credit Rating Agencies

	As at March 31, 2025	As at March 31, 2024
Commercial paper & Non- convertible Debentures – Short Term	ICRA A1+, CRISIL A1+	ICRA A1+, CRISIL A1+
Working Capital Demand Loans	ICRA A1+	ICRA A1+
Cash Credit	ICRA AA+	ICRA AA+
Bank Term Loans	ICRA AA+	ICRA AA+
Non-Convertible Debentures – Long term	ICRA AA+, IND AA+, CARE AA+	ICRA AA+, IND AA+, CARE AA+
Subordinated Debt	ICRA AA+, CARE AA+, IND AA+	ICRA AA+, CARE AA+, IND AA+
Perpetual Debt	ICRA AA, IND AA	ICRA AA, CARE AA, IND AA

**NOTE : 52. DISCLOSURE OF FRAUDS REPORTED DURING THE YEAR ENDED VIDE DNBS. PD. CC NO. 256/ 03.10.042/ 2011-12 DATED MARCH 02, 2012**

There were 18 cases (March 31, 2024 - 85 cases) of frauds amounting to ₹ 5.45 crores (March 31, 2024 - ₹ 5.94 crores) reported during the year. The Company has recovered an amount of ₹ 0.16 crores (March 31, 2024 - ₹ 0.72 crores). The un-recovered amounts are either pending settlement with the insurance companies or have been fully provided/ written off.

## Notes forming part of the Standalone Financial Statements (Contd.)

### For the year ended March 31, 2025

**NOTE : 53. DISCLOSURE ON MORATORIUM – COVID 19 REGULATORY PACKAGE – ASSET CLASSIFICATION AND PROVISIONING FOR THE YEAR ENDED MARCH 31, 2022 IN PURSUANT TO THE NOTIFICATION VIDE: DOR.NO.BP.BC.63/21.04.048/2019-20 DATED APRIL 17, 2020.**

Particulars	March 31, 2025	March 31, 2024
Amount in SMA/overdue categories as of February 29, 2020	Nil	Nil
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 (as of February 29, 2020)	Nil	Nil
Respective amount where asset classification benefits is extended (net of accounts which have moved out of SMA/overdue category during the moratorium period)*	Nil	Nil
Provisions made during the period (As per ara 4, Applicable to NBFC's covered under Ind AS)**	Nil	Nil
Provisions adjusted against slippages in terms of paragraph 6 of the circular	Nil	Nil
Residual provision	Nil	Nil

\*There are nil accounts where asset classification benefit has been extended as on March 31, 2021. Post the moratorium period, the movement of aging has been at actuals.

**NOTE : 54. DISCLOSURES PURSUANT TO RBI NOTIFICATION - RBI/2020-21116 DOR NO.BP.13C/3121 .C4,048/2020-21 DATED 6 AUGUST 2020 AND NOTIFICATION RBI/2021-2022/31 DATED MAY 5, 2021**

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at September 30, 2024 (A)	Of (A) aggregate debt that slipped during the half year	Of (A) amount written off during the half year	Of (A) amount paid by the borrowers during the half year**	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at March 31, 2025
Personal Loans	152.74	9.61	0.34	11.56	131.24
Corporate persons					
#					
Of which MSME	-	-	-	-	-
Others*	501.08	20.38	0.58	139.32	340.79
<b>Total</b>	<b>653.82</b>	<b>29.99</b>	<b>0.92</b>	<b>150.88</b>	<b>472.03</b>

# As defined in section 3(7) of the Insolvency and Bankruptcy Code 2016

\*Others consists of Vehicle finance and loan against immovable property

\*\*represents amount of balances between September 30, 2024 and March 31, 2025

55. The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to the current year presentation.

#### As per our report of even date

For **KKC & Associates LLP**

Chartered Accountants

ICAI Firm Regn No. **105146W/WI00621**

**Devang Doshi**

Partner

Membership No. : 140056

For **B. K. Khare & Co**

Chartered Accountants

ICAI Firm Regn No. : **105102W**

**Padmini Khare Kaicker**

Partner

Membership No. : 044784

#### For and on behalf of the Board of Directors

**Ravindra Kumar Kundu**

Managing Director

**Vellayan Subbiah**

Executive Chairman

**P. Sujatha**  
Company Secretary

**D. Arul Selvan**  
Chief Financial Officer

Date : April 25, 2025

Place : Chennai

# Independent Auditor's Report

## To the Members of Cholamandalam Investment and Finance Company Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

1. We have audited the accompanying Consolidated Financial Statements of Cholamandalam Investment and Finance Company Limited ('the Holding Company' or 'the Parent' or 'the Company') and its subsidiaries (the parent and its subsidiaries together referred to as 'the Group'), its associates and joint ventures (including jointly controlled entity) which comprise the Consolidated Balance Sheet as at 31 March 2025 and the Consolidated Statement of Profit (including Other Comprehensive Income/loss), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of material accounting policy information and other explanatory information ('the Consolidated Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by the other auditors, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group, its associates and joint ventures as at 31 March 2025, and its Consolidated Profit And Other Comprehensive Income/loss, Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained along with the consideration of audit reports of the other auditors referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

#### Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
<p><b>Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 11 of the Consolidated financial statements)</b></p> <p>Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 11 of the Consolidated financial statements) The loan balances towards vehicle finance, home loans, loans against property, and other loans aggregating to ₹ 1,85,448.52 crores and the associated impairment allowances aggregating to ₹ 3,410.88 crores are significant to the consolidated financial statements and involves judgement around the determination of the impairment allowance in line with the requirements of the Ind AS 109 "Financial Instruments". Impairment allowances represent management's estimate of the losses incurred within the loan portfolios at the balance sheet date and are inherently judgmental. Impairment, based on ECL model, is calculated using main variables, viz. 'Staging', 'Exposure at Default', 'Probability of Default' and 'Loss Given Default' as specified under Ind AS 109. Quantitative factors like days past due, behaviour of the portfolio, historical losses incurred on defaults and macro- economic data points identified by the Management's expert and qualitative factors like nature of the underlying loan, deterioration in credit quality, correlation of macro-economic variables to determine expected losses,</p>	<p>The audit procedures performed by us to assess appropriateness of the impairment allowance based on ECL on loans included the following:</p> <ul style="list-style-type: none"> <li>• We understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over: <ul style="list-style-type: none"> <li>i. the assumptions used in the calculation of ECL and its various aspects such as determination of Probability of Default, Loss Given Default, Exposure at Default, Staging of Loans, etc.</li> <li>ii. the completeness and accuracy of source data used by the Management in the ECL computation; and</li> <li>iii. ECL computations for their reasonableness</li> </ul> </li> <li>• We, along with the assistance of the auditor's IT expert, verified the appropriateness of methodology and models used by the Company and reasonableness of the assumptions used within the computation process to estimate the impairment provision.</li> <li>• We test-checked the completeness and accuracy of source data used.</li> <li>• We recomputed the impairment provision for a sample of loans across the loan portfolio to verify the arithmetical accuracy and compliance with the requirements of Ind AS 109.</li> <li>• We evaluated the reasonableness of the judgement involved in management overlays that form part of the impairment provision, and the related approvals.</li> </ul>

## Independent Auditor's Report (Contd.)

Key audit matter	How the matter was addressed in our audit
<p>uncertainty over realisability of security, judgement in relation to management overlays and related Reserve Bank of India (RBI) guidelines, to the extent applicable, etc. have been taken into account in the ECL computation. Given the inherent judgmental nature and the complexity of model involved, we determined this to be a Key Audit Matter.</p>	<ul style="list-style-type: none"> <li>We evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the consolidated financial statements</li> </ul>
<p><b>Audit in an Information Technology (IT) enabled environment – including considerations on exceptions identified in IT Environment.</b></p> <p>The IT environment of the entity involves a few independent and inter-dependent IT systems used in the operations of the entity for processing and recording of the business transactions.</p> <p>As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the entity. Appropriate IT general controls and IT application controls are required to ensure that such IT systems can process the data as required, completely, accurately, and consistently for reliable financial reporting.</p> <p>We have identified certain key IT applications and the related IT infrastructure (herein after referred to as “In-scope IT systems”), which have an impact on the financial reporting process and the related controls as a key audit matter because of the increased level of automation; a few systems being used by the entity for processing financial transactions; the complexity of the IT architecture; and its impact on the financial records and financial reporting process of the entity</p>	<p>Our audit procedures with respect to this matter included the following:</p> <p>In assessing the controls over the IT systems, we have involved our Technology Assurance specialists to obtain an understanding of the IT environment, IT infrastructure and IT systems.</p> <p>With respect to the “In-scope IT systems” identified as relevant to the audit of the consolidated financial statements and financial reporting process of the entity, we have evaluated and tested relevant IT general controls or relied upon service auditor's report, where applicable.</p> <p>On such “In-scope IT systems”, we have covered the key IT general controls with respect to the following domains:</p> <p>Program change management, which includes that program changes are moved to the production environment as per defined procedures and relevant segregation of environment is ensured.</p> <p>User access management, which includes user access provisioning, de-provisioning, access review, password management, sensitive access rights and segregation of duties to ensure that privileged access to applications, operating system and databases in the production environment were granted only to authorized personnel.</p> <p>Other areas that were assessed under the IT control environment included backup management, business continuity and disaster recovery, incident management, batch processing and monitoring, cybersecurity controls, end user computing and physical security and datacentre controls.</p> <p>We have also evaluated the design and tested the operating effectiveness of key IT application controls within key business processes, which included testing automated calculations, automated accounting procedures, system interfaces, system reconciliation controls and key system generated reports, as applicable.</p> <p>Where control deficiencies have been identified, we have tested a combination of compensating controls, remediated controls and/or performed alternative audit procedures, where necessary</p>



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### Other Information

5. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the Consolidated Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
6. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact.
8. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

9. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the Consolidated State of Affairs, Consolidated Profit and Other Comprehensive Income/loss, Consolidated Changes in Equity and Consolidated Cash Flows of the Group including its associates and joint ventures is in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.
10. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
11. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

### Auditor's responsibilities for the audit of the Consolidated Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

## Independent Auditor's Report (Contd.)

- 13.1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 13.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.
- 13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 13.4. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint venture entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- 13.5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 13.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
14. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

17. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 327.52 crores as at 31 March 2025, total revenues of ₹ 107.89 crores and net cash outflows amounting to ₹ 2.20 crores for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit of ₹ 2.71 crores for the year ended 31 March 2025, as considered in the Consolidated Financial Statements, in respect of two joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to

## Independent Auditor's Report (Contd.)

us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of the other auditors.

18. The Consolidated Financial Statements also include the Group's share of net profit of ₹\* (below rounding off norm adopted by the Parent) for the year ended 31 March 2025, as considered in the Consolidated Financial Statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of section 143(3) of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.
19. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

### Other matter

20. The Financial Statements of the Company for the year ended 31 March 2024 were audited by erstwhile Statutory auditors whose reports dated 30 April 2024 expressed an unmodified opinion on those Financial Statements. Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

21. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports of the other auditors on separate financial statements of such subsidiaries, associates and joint venture as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - 21.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - 21.2. In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 22.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - 21.3. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - 21.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.
  - 21.5. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2025, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture incorporated in India, none of the directors of the Group companies, its associate companies and joint venture incorporated in India are disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - 21.6. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 17(b) above on reporting under Section 143(3)(b) and paragraph 22.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - 21.7. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Holding Company, its subsidiary companies, associate companies and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.

## Independent Auditor's Report (Contd.)

- 21.8. In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint venture incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, associate companies and joint venture incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, associate companies and joint venture incorporated in India is not in excess of the limit laid down under Section 197 of the Act.
22. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports of the other auditors on separate financial statements of such subsidiaries, associates and joint venture as noted in the 'Other Matters' paragraph:
- 22.1. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group, its associates and joint venture – Refer Note 40(a) to the consolidated financial statements.
- 22.2. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 9 and 11 to the Consolidated Financial Statements in respect of such items as it relates to the Group, its associates and joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts.
- 22.3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and/or its subsidiary companies, associate companies and joint venture incorporated in India during the year ended 31 March 2025.
- 22.4. The respective managements of the Holding Company, its subsidiaries, associates and joint ventures incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associates and joint ventures to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, associates and joint ventures ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 22.5. The respective managements of the Holding Company, its subsidiaries, associates and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively, to best of their knowledge and belief, that no funds have been received by the Holding Company or any of such subsidiaries, associates and joint venture from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and joint venture shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 22.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us and those performed by auditors of the subsidiaries and associates incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or other auditors to believe that the representation under para 22.4 and 22.5 contain any material misstatement.
- 22.7. In our opinion and according to the information and explanations given to us, the dividend declared and paid during the year by the Group is in compliance with Section 123 of the Act. No dividend has been declared during the year by the associate companies or joint venture during the year.
- 22.8. Based on our examination which included test checks and that performed by respective auditors of the subsidiaries, associates and joint ventures which are the companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below in respect of the Group and a Joint venture Company, the group

## Independent Auditor's Report (Contd.)

is using multiple application systems (accounting software) for various facets of its business operations. Audit trail was operational throughout the year in twelve application systems. For six systems, the company adopted a holistic approach of enabling audit trail through change data capture (CDC) approach in a separate database to overcome the limitations in the respective applications. One of the system without an audit trail functionality was discontinued during the year and was replaced with another system. In case of one accounting software used by Joint Venture audit trail has been enabled during the year. Audit trails in the application systems and database was not disabled during the year. Adequate internal controls are in place to protect audit trail from any modification. Also refer to management assessment of audit trail in note 2.2 of the consolidated financial statements

Additionally, the audit trail has been preserved by the Company and above referred subsidiaries, associates and joint venture as per the statutory requirements for record retention.

22.9 The Group, and joint venture have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

23. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by respective auditors of the companies included in consolidated financial statements, we report that there are no qualifications or adverse remarks in these CARO reports.

### For B.K. Khare & Co.

Chartered Accountants  
Firm Registration Number- 105102W

### Padmini Khare Kaicker

Partner  
ICAI Membership Number: 44784  
UDIN: 25044784BNQMGL3712

Place : Chennai  
Date : April 25, 2025

### For KKC & Associates LLP

Chartered Accountants (formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W100621

### Devang Doshi

Partner  
ICAI Membership Number: 140056  
UDIN: 25140056BMLIY9861

Place : Chennai  
Date : April 25, 2025

## Annexure A to Independent Auditor's Report

### **Annexure 'A' to the Independent Auditors' report on the Consolidated Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2025**

(Referred to in paragraph '21.7' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

#### **Opinion**

1. In conjunction with our audit of the Consolidated Financial Statements of Cholamandalam Investment and Finance Company Limited as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Cholamandalam Investment and Finance Company Limited ('the Holding Company') and its subsidiary companies and its joint venture companies, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to associate namely Vishvakarma Payments Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.
2. In our opinion, the Holding Company, and its subsidiary companies and its joint venture companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

#### **Management's responsibility for Internal Financial Controls**

3. The respective Board of Directors of the Holding Company, its subsidiary companies, and its joint venture companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's responsibility**

4. Our responsibility is to express an opinion on the Holding Company, its subsidiaries, and joint ventures, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA '), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

#### **Meaning of Internal Financial controls with reference to the Consolidated Financial Statements**

7. A company's internal financial controls with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management



## Annexure A to Independent Auditor's Report

### Annexure 'A' to the Independent Auditors' report on the Consolidated Financial Statements of Cholamandalam Investment and Finance Company Limited for the year ended 31 March 2025

(Referred to in paragraph '21.7' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls with reference to the consolidated

##### Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

##### Other Matters

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to two subsidiary companies, and one joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint ventures incorporated in India.

#### For B.K. Khare & Co.

Chartered Accountants  
Firm Registration Number- 105102W

#### Padmini Khare Kaicker

Partner  
ICAI Membership Number: 44784  
UDIN: 25044784BNQMGL3712

Place : Chennai

Date : April 25, 2025

#### For KKC & Associates LLP

Chartered Accountants (formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W100621

#### Devang Doshi

Partner  
ICAI Membership Number: 140056  
UDIN: 25140056BMLIY9861

Place : Chennai

Date : April 25, 2025

# Consolidated Balance Sheet

As at March 31, 2025

₹ in crores

	Note No.	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	7	5,279.65	845.64
Bank balances other than cash and cash equivalents	8	4,221.10	3,548.09
Derivative financial instruments	9	203.32	247.82
Receivables	10		
i) Trade receivables		204.19	213.46
ii) Other receivables		116.33	199.01
Loans	11	1,82,037.64	1,44,462.65
Investments			
i) Associate	12	-	-
ii) Joint Venture	12	458.76	455.63
iii) Others	12	5,908.65	3,580.12
Other financial assets	13	369.72	399.71
		<b>1,98,799.36</b>	<b>1,53,952.13</b>
<b>Non- Financial Assets</b>			
Current tax assets (Net)		218.08	359.04
Deferred tax assets (Net)	14	948.60	655.85
Investment property	15	0.13	0.13
Property, plant and equipment	16	1,754.00	1,539.45
Capital Work in Progress	51	3.69	-
Intangible assets under development	51	7.22	12.67
Other intangible assets	17	25.72	23.77
Other non-financial assets	18	129.96	106.28
		<b>3,087.40</b>	<b>2,697.19</b>
<b>Asset held for sale - Investment</b>	<b>12</b>	<b>-</b>	<b>37.09</b>
<b>TOTAL ASSETS</b>		<b>2,01,886.76</b>	<b>1,56,686.41</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Financial Liabilities</b>			
Derivative financial instruments	9	284.60	186.70
Payables			
(I) Trade payables	51		
i) Total outstanding dues of micro and small enterprises		14.33	7.65
ii) Total outstanding dues of creditors other than micro and small enterprises		222.61	288.04
(II) Other payables			
i) Total outstanding dues of micro and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro and small enterprises		1,573.77	1,338.26
Debt securities	19	30,222.70	24,812.76
Borrowings (Other than Debt Securities)	20	1,33,791.98	1,04,511.13
Subordinated liabilities	21	11,021.32	5,150.99
Other financial liabilities	22	754.04	519.07
		<b>1,77,885.35</b>	<b>1,36,814.60</b>
<b>Non-Financial Liabilities</b>			
Provisions	23	235.55	193.97
Other non-financial liabilities	24	97.17	84.60
		<b>332.72</b>	<b>278.57</b>
<b>Equity</b>			
Equity share capital	25	168.25	168.06
Other equity	26	23,500.44	19,425.18
		<b>23,668.69</b>	<b>19,593.24</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,01,886.76</b>	<b>1,56,686.41</b>

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

For KKC &amp; Associates LLP

Chartered Accountants  
ICAI Firm Regn No. 105146W/WI00621

For B.K. Khare &amp; Co

Chartered Accountants  
ICAI Firm Regn No. 105102W

For and on behalf of the Board of Directors

Devang Doshi

Partner  
Membership No: 140056

Padmini Khare Kaicker

Partner  
Membership No: 044784

Ravindra Kumar Kundu

Managing Director

Vellayan Subbiah

Executive Chairman

Date : April 25, 2025

Place : Chennai

P. Sujatha  
Company SecretaryD. Arul Selvan  
Chief Financial Officer

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

		₹ in crores	
	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
<b>Revenue from Operations</b>			
Interest income	27A	23,747.74	17,627.11
Net gain on derecognition of financial instruments under amortised cost category	35.1B	159.04	-
Fee & commission income	27B	1,739.12	1,342.12
Net gain on fair value change on financial instrument	27C	196.57	145.98
Sale of services	27D	3.51	24.41
<b>Total Revenue from operations (I)</b>		<b>25,845.98</b>	<b>19,139.62</b>
<b>Other income (II)</b>	<b>28</b>	<b>306.78</b>	<b>280.25</b>
<b>Total Income (III) = (I) + (II)</b>		<b>26,152.76</b>	<b>19,419.87</b>
<b>Expenses</b>			
Finance costs	29	12,494.53	9,230.75
Impairment of financial instruments	30	2,494.31	1,317.60
Employee benefits expense	31	3,327.75	2,478.60
Depreciation and amortisation expense	15, 16 & 17	244.83	198.06
Other expenses	32	1,849.89	1,589.55
<b>Total Expenses (IV)</b>		<b>20,411.31</b>	<b>14,814.56</b>
<b>Profit before tax (V) = (III) - (IV)</b>		<b>5,741.45</b>	<b>4,605.31</b>
<b>Tax expense/(benefit)</b>			
Current tax			
Pertaining to profit for the current year		1,716.38	1,235.02
Adjustment of tax relating to earlier year		10.22	(13.51)
Deferred tax	14	(245.15)	(26.94)
<b>Net tax expense (VI)</b>		<b>1,481.45</b>	<b>1,194.57</b>
<b>Profit for the year (A) = (V) - (VI)</b>		<b>4,260.00</b>	<b>3,410.74</b>
Share of Profit/(loss) from Associates (net of tax)		-	(2.97)
Share of Profit/(loss) from Joint Venture (net of tax)		2.70	12.29
<b>Profit for the year</b>		<b>4,262.70</b>	<b>3,420.06</b>
<b>Other Comprehensive income:</b>			
<b>i) Items that will not be reclassified to profit or loss:</b>			
Re-measurement gain / (loss) of Post employment benefit Obligations (net)		(13.63)	(8.17)
Income tax impact		3.43	2.06
Net gain / (Loss) on equity instruments designated at FVOCI for the year		-	(10.90)
Income tax impact		-	0.29
<b>ii) Items that will be reclassified to profit or loss:</b>			
Net gain / (loss) on Cashflow Hedge Reserve		(174.92)	(72.19)
Income tax impact		44.03	18.17
<b>Other comprehensive income/(loss) net of tax for the year (B)</b>		<b>(141.09)</b>	<b>(70.74)</b>
<b>Total Comprehensive Income net of tax (A) + (B)</b>		<b>4,121.61</b>	<b>3,349.32</b>
<b>Profit for the year attributable to :</b>			
Equity holders of the Parent Company		4,262.70	3,420.06
Non-Controlling Interest		-	-
<b>Other Comprehensive Income (net of tax) for the year attributable to :</b>			
Equity holders of the Parent Company		(141.09)	(70.74)
Non-Controlling Interest		-	-
<b>Total Comprehensive Income for the year attributable to :</b>			
Equity holders of the Parent Company		4,121.61	3,349.32
Non-Controlling Interest		-	-
Earnings per equity share of ₹ 2 each	33		
Basic (₹)		50.72	41.17
Diluted (₹)		50.60	41.06

The accompanying notes are an integral part of the Consolidated financial statements

**As per our report of even date**

**For KKC & Associates LLP**  
Chartered Accountants  
ICAI Firm Regn No. 105146W/WI00621

**For B.K. Khare & Co**  
Chartered Accountants  
ICAI Firm Regn No. 105102W

**For and on behalf of the Board of Directors**

**Devang Doshi**  
Partner  
Membership No: 140056

**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Ravindra Kumar Kundu**  
Managing Director

**Vellayan Subbiah**  
Executive Chairman

Date : April 25, 2025  
Place : Chennai

**P. Sujatha**  
Company Secretary

**D. Arul Selvan**  
Chief Financial Officer

# Consolidated Statement of Changes in Equity for the year ended March 31, 2025

## 1. Current reporting period

₹ in crores

### A) Equity Share Capital (Refer Note 25)

Balance as on March 31, 2024	Changes in Equity Share capital due to prior year errors	Restated Balance at the beginning of the current reporting year	Changes in Equity share capital during the current year	Balance as on March 31, 2025
168.06	-	168.06	0.19	168.25

### B) Other Equity (Refer Note 26)

₹ in crores

Particulars	Share application money pending allotment	Reserve and Surplus							Equity instruments through other comprehensive income	Effective portion of cashflow hedge	Total
		Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share Based Payments reserve			
<b>Balance as on March 31, 2024</b>	<b>1.59</b>	<b>0.04</b>	<b>4,916.97</b>	<b>33.00</b>	<b>5,761.03</b>	<b>5,329.09</b>	<b>3,250.46</b>	<b>138.78</b>	<b>-</b>	<b>(1.48)</b>	<b>19,425.18</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-
<b>Restated Balance at the beginning of the current reporting year</b>	<b>1.59</b>	<b>0.04</b>	<b>4,916.97</b>	<b>33.00</b>	<b>5,761.03</b>	<b>5,329.09</b>	<b>3,250.46</b>	<b>138.78</b>	<b>-</b>	<b>(1.48)</b>	<b>19,425.18</b>
Profit for the year	-	-	-	-	-	4,262.70	-	-	-	-	4,262.70
Remeasurement of defined benefit plans	-	-	-	-	-	(10.20)	-	-	-	-	(10.20)
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	(130.89)	(130.89)
Dividend	-	-	-	-	-	(168.13)	-	-	-	-	(168.13)
Transfer to retained earnings from FVOCI Reserves	-	-	-	-	-	-	-	-	-	-	-
Share Premium received on allotment of equity shares under QIP	-	-	-	-	-	-	-	-	-	-	-
Share premium received on allotment of equity shares under ESOP	-	-	46.94	-	-	-	-	-	-	-	46.94
Recognition of share based payments	-	-	-	-	-	-	-	74.45	-	-	74.45
Changes during the year	0.39	-	-	-	-	-	-	-	-	-	0.39
Transfer to Reserves from retained earnings during the year	-	-	-	-	-	(860.00)	860.00	-	-	-	-
<b>Balance as on March 31, 2025</b>	<b>1.98</b>	<b>0.04</b>	<b>4,963.91</b>	<b>33.00</b>	<b>5,761.03</b>	<b>8,553.46</b>	<b>4,110.46</b>	<b>213.23</b>	<b>-</b>	<b>(1.48)</b>	<b>23,500.44</b>

# Consolidated Statement of Changes in Equity for the year ended March 31, 2025 (Contd.)

## 2. Previous reporting year

### A) Equity Share Capital (Refer Note 25)

Balance as on March 31, 2023	Changes in Equity Share capital due to prior year errors	Restated Balance at the beginning of the current reporting year	Changes in Equity share capital during the current year	Balance as on March 31, 2024
164.48	-	164.48	3.58	168.06

### B) Other Equity (Refer Note 26)

Particulars	Reserve and Surplus											Total
	Share application money pending allotment	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained earnings	Statutory Reserve	Share Based Payments reserve	Debt Instruments through Other Comprehensive Income	Equity Instruments through other comprehensive income	Effective portion of cashflow hedge	
<b>Balance as on March 31, 2023</b>	-	0.04	2,912.99	33.00	5,761.03	2,771.05	2,560.46	83.38	-	9.95	49.72	14,181.62
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
<b>Restated Balance at the beginning of the current reporting year</b>	-	0.04	2,912.99	33.00	5,761.03	2,771.05	2,560.46	83.38	-	9.95	49.72	14,181.62
Profit for the year	-	-	-	-	-	3,420.06	-	-	-	-	-	3,420.06
Remeasurement of defined benefit plans	-	-	-	-	-	(6.12)	-	-	-	-	-	(6.12)
Other items in comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	(10.61)	(54.02)	(64.63)
Dividends	-	-	-	-	-	(166.72)	-	-	-	-	-	(166.72)
Transfer to retained earnings from FVOCI Reserves	-	-	-	-	-	0.82	-	-	-	(0.82)	-	-
Share Premium received on allotment of equity shares under QIP (net of share issue expenses ₹ 27.97 Cr)	-	-	1,968.64	-	-	-	-	-	-	-	-	1,968.64
Share premium received on allotment of equity shares under ESOP	-	-	35.34	-	-	-	-	-	-	-	-	35.34
Recognition of share based payments	-	-	-	-	-	-	-	55.40	-	-	-	55.40
Changes during the year	1.59	-	-	-	-	-	-	-	-	-	-	1.59
Transfer to Reserves from retained earnings during the year	-	-	-	-	-	(690.00)	690.00	-	-	-	-	-
<b>Balance as on March 31, 2024</b>	1.59	0.04	4,916.97	33.00	5,761.03	5,329.09	3,250.46	138.78	-	(1.48)	(4.30)	19,425.18

## As per our report of even date

### For Price Waterhouse LLP

Chartered Accountants  
ICAI Firm Regn No. 105146W/WI000621

### Devang Doshi

Partner  
Membership No: 140056

Date : April 25, 2025  
Place : Chennai

### For B.K. Khare & Co

Chartered Accountants  
ICAI Firm Regn No. 105102W

### Padmini Khare Kaicker

Partner  
Membership Number: 044784

### Ravindra Kumar Kundu

Managing Director

### P. Sujatha

Company Secretary

### Vellayan Subbiah

Executive Chairman

### D. Arul Selvan

Chief Financial Officer

## For and on behalf of the Board of Directors

# Consolidated Cash Flow Statement

for the year ended March 31, 2025

₹ in crores

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Cash Flow from Operating Activities</b>		
<b>Profit Before Tax</b>	<b>5,741.45</b>	<b>4,605.31</b>
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	244.83	198.06
Impairment of financial instruments	2,494.31	1,317.60
Net gain on derecognition of financial instruments under amortised cost category	(159.04)	-
Finance Costs	12,494.53	9,230.75
Loss on Sale of Property plant and equipment (Net)	2.06	1.04
Change in fair value of financial instruments-Gain	(0.04)	-
Intangible Assets Under Development-Expensed off	1.79	19.23
Net gain on fair value change in Mutual funds-realised	(184.79)	(142.38)
Net gain on Sale of equity shares-realised	(0.10)	(17.67)
Net (gain)/loss on fair value change in equity shares-Un-realised	(3.15)	3.15
Net loss on fair value change in convertible note-Un-realised	-	10.92
Interest Income on bank deposits and other investments	(668.59)	(470.42)
Dividend income	(0.07)	(0.30)
Interest on Income Tax Refund	(40.82)	-
Profit on Sale of Investments	(2.76)	(23.43)
Share based payment expense	74.45	55.40
	14,252.61	10,181.95
<b>Operating Profit Before Working Capital Changes</b>	<b>19,994.06</b>	<b>14,787.26</b>
Adjustments for :-		
<u>(Increase)/Decrease in operating Assets</u>		
Loans	(42,070.66)	(40,965.71)
Trade Receivables	91.95	(210.13)
Other Financial Assets	190.18	(101.09)
Other Non Financial Assets	(23.68)	(11.82)
	(41,812.21)	(41,288.75)
Proceeds from de-recognition of financial assets recognised at amortised cost	2,000.21	-
<u>Increase/(Decrease) in operating liabilities &amp; Provisions</u>		
Payables	159.19	389.07
Other Financial liabilities	48.97	(50.34)
Provisions	41.58	51.75
Other Non Financial liabilities	12.57	37.02
	262.31	427.50
<b>Cash Flow used in Operations</b>	<b>(19,555.63)</b>	<b>(26,073.99)</b>
Finance Costs paid	(11,976.87)	(8,744.80)
Dividend received	0.07	0.30
Interest Received on Bank Deposits and Other Investments	660.67	443.74
	(11,316.13)	(8,300.76)
	(30,871.76)	(34,374.75)
Income tax paid (Net of refunds)	(1,541.39)	(1,308.10)
<b>Net Cash Used in Operating Activities (A)</b>	<b>(32,413.15)</b>	<b>(35,682.85)</b>



# Consolidated Cash Flow Statement (Contd.)

for the year ended March 31, 2025

₹ in crores

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Cash Flow from Investing Activities</b>		
Purchase of Property, plant and equipment, Intangible assets, Capital work-in-progress and Intangible assets under development	(199.53)	(1,076.24)
Proceeds from Sale of Property, Plant and Equipment	12.86	5.43
Purchase of Mutual Funds Units	(1,97,683.41)	(1,95,690.22)
Redemption of Mutual Funds Units	1,97,829.91	1,95,832.60
Proceeds/(Investment) in Treasury Bill (Net)	(281.24)	96.10
Proceeds/(Investment) in STRIPS	(172.66)	(599.25)
Proceeds/(Investment) in Government Securities	(1,836.24)	-
Sale of Investments - Asset held for sale	48.86	-
Purchase/Proceeds from sale of Investments	(0.10)	26.92
Investment in Bank Fixed Deposits (Net of withdrawals)	(666.57)	(1,449.93)
<b>Net Cash Used in Investing Activities (B)</b>	<b>(2,948.12)</b>	<b>(2,854.59)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from issue of Share Capital (Including Securities Premium)	47.52	2,009.15
Proceeds from issue of Compulsorily Convertible Debentures	-	2,000
Payment of Lease liabilities	(133.55)	(89.54)
Proceeds from issue of debt securities	23,665.27	24,793.05
Redemption of Debt securities	(18,544.12)	(21,948.45)
Proceeds from Borrowing other than debt securities	1,31,326.24	1,16,508.71
Repayment of borrowing - Other than debt securities	(1,02,045.57)	(85,232.40)
Proceeds from issue of subordinated liabilities	5,760.00	1,155.10
Repayment of subordinated liabilities	(112.40)	(557.61)
	40,049.42	34,718.40
Dividends Paid	(168.11)	(166.78)
<b>Net Cash generated from Financing Activities (C)</b>	<b>39,795.28</b>	<b>38,471.23</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>4,434.01</b>	<b>(66.21)</b>
Cash and Cash Equivalents at the Beginning of the Year	845.64	911.85
Cash and Cash Equivalents at the End of the Year	<b>5,279.65</b>	<b>845.64</b>
<b>Non-cash financing and investing activities</b>		
Acquisition of right -of-use of assets	<b>314.59</b>	<b>300.76</b>
<b>Components of Cash and Cash Equivalents:</b>		
Cash on hand	11.92	10.44
Balances with banks		
- In Current Accounts	527.25	279.86
- In Deposit Accounts - Original maturity 3 months or less	4,732.05	540.41
Cheques, drafts on hand	8.43	14.93
<b>Total</b>	<b>5,279.65</b>	<b>845.64</b>

The above Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'

**The accompanying notes are integral part of the Consolidated financial statements**

**As per our report of even date**

**For KKC & Associates LLP**  
Chartered Accountants  
ICAI Firm Regn No. 105146W/WI00621

**For B.K. Khare & Co**  
Chartered Accountants  
ICAI Firm Regn No. 105102W

**For and on behalf of the Board of Directors**

**Devang Doshi**  
Partner  
Membership No: 140056

**Padmini Khare Kaicker**  
Partner  
Membership No: 044784

**Ravindra Kumar Kundu**  
Managing Director

**Vellayan Subbiah**  
Executive Chairman

Date : April 25, 2025  
Place : Chennai

**P. Sujatha**  
Company Secretary

**D. Arul Selvan**  
Chief Financial Officer

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

### 1. Corporate Information

**Cholamandalam Investment and Finance Company Limited** ("the Company") (CIN L65993TN1978PLC007576) is a public limited Company domiciled in India and the equity shares of the Company is listed on Bombay Stock Exchange and National Stock Exchange. The Company is registered with Reserve Bank of India as an NBFC-Investment and Credit Company and is classified as an NBFC in Upper Layer (NBFC-UL) under the Scale Based Regulatory Framework for NBFCs. The Company and its subsidiaries viz. Cholamandalam Securities Limited and Cholamandalam Leasing Limited (together hereinafter referred to as "Group"). The Group is one of the premier diversified financial services companies in India, engaged in providing vehicle finance, home loans, Loan against property, SME loans, unsecured loans, business of broking and distribution of financial products.

### 2.1 Basis of Consolidation

The Consolidated financial statements of the Group have been prepared in all material aspects to comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)] and other relevant provisions of the Act.

The Consolidated financial statements have been prepared in accordance with Ind AS. The Consolidated financial statements have been prepared on a historical cost basis, except for

- certain financial assets, liabilities (including derivative instruments) and share based payments - measured at fair value
- assets held for sale – measured at lower of cost or fair value less cost to sell
- defined benefit plans – plan assets measured at fair value

The Consolidated financial statements are presented in Indian Rupees (₹) (functional currency) and all values are rounded to the nearest crores, except when otherwise indicated

The Consolidated financial statements comprise the financial statements of the Company, its Subsidiaries (being the entity that it controls) and its Associate and Joint Venture as at March 31, 2025. Control is evidenced when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the Consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31, 2025.

#### Consolidation procedure for subsidiaries:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains the accounting for any related goodwill.
- Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the Consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

### 2.2 Audit Trail

The group is using multiple application systems (accounting software) for various facets of its business operations. Audit trail was operational throughout the year in twelve application systems. For six systems, the company adopted a holistic approach of enabling audit trail through change data capture (CDC) approach in a separate database to overcome the limitations in the respective applications. One of the system without an audit trail functionality was discontinued during the year and was replaced with another system. In case of one accounting software used by Joint Venture audit trail has been enabled during the year. Audit trails in the application systems and database was not disabled during the year. Adequate internal controls are in place to protect audit trail from any modification. The company has appropriate internal controls for its various process and the non-availability of audit trail in some application systems for some part of the year has no impact on the overall internal control environment.

### 3A Particulars of consolidation

The financial statements of the following subsidiaries/ associates/joint venture (all incorporated in India) have been considered for consolidation:

Name of the Company	Percentage of Voting March 31, 2025	Power as on March 31, 2024
Cholamandalam Securities Limited (CSEC)	92.00%	100.00%
Cholamandalam Leasing Limited (CLL) (Formerly known as Cholamandalam Home Finance Limited)	100.00%	100.00%
Vishvakarma Payments Private Limited	21.00%	21.00%
Payswiff Technologies Private Limited*	74.63%	74.69%
Chola Foundation**	50.00%	-

\*Even though, the Group holds 74.63% of the paid up equity capital of Payswiff Technologies Private Limited (Payswiff), however, in view of founder reserved matters and dispute resolution mechanism envisaged in the shareholder agreement executed between the Group and founders of Payswiff, the Group is considered to have joint control over the entity as per Ind AS 28 read with IND AS 110. Hence it is classified as investment in Joint venture

\*\*Chola Foundation (Public Trust) is jointly controlled entity, managed by Cholamandalam Investment and Finance Company Limited, Tube Investments of India Limited and CG Power and Industrial Solutions Limited for promoting CSR activities. The trust has four trustees of which two is from Cholamandalam Investment and Finance Company Limited and one each from other two entities.

The earnings of the trust is consolidated with Cholamandalam Investment and Finance Company Limited as jointly controlled entity representing a share of 50%

### 3B Investment in Associates/Joint Venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee.

A Joint venture is a joint arrangement whereby parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group's investments in its associates & joint ventures are accounted for using the equity method. Under the equity method, the investment in associates & joint ventures is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates & joint ventures since the acquisition date. Goodwill relating to the associates & joint ventures is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associates &

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

joint ventures. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associates & joint ventures, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associates & joint ventures are eliminated to the extent of the interest in the associates & joint ventures.

If Company's share of losses of an associates & joint ventures equal or exceeds its interest in the associates & joint ventures (which includes any long-term interest that, in substance, form part of the Group's net investment in the associates), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates. If the associates & joint ventures subsequently reports profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of associates & joint ventures is shown on the face of the statement of profit and loss.

The financial statements of the associates & joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associates & joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investment in the associates & joint ventures is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates & joint ventures and its carrying value, and then recognises the impairment loss with respect to the Group's investment in associates & joint ventures.

Upon loss of significant influence over the associates the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

#### 4. Presentation of financial statements

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- normal course of business
- event of default

- event of insolvency or bankruptcy of the Group and/or its counterparties

#### 5. Material accounting policies of the Group

##### 5.1 Loans – initial recognition

###### 5.1.1 Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are initiated to the customers' account or cheques for disbursement have been prepared by the Group (as per the terms of the agreement with the borrowers). The Group recognises debt securities and borrowings when funds reach the Group.

###### 5.1.2 Initial measurement of financial instruments

All financial instruments are recognised initially at fair value, including transaction costs that are attributable to the acquisition of financial instrument, except in the case of financial instruments which are FVTPL (Fair value through profit and loss), where the transaction costs are charged to the statement of profit and loss.

###### 5.1.3 Measurement categories of Loans

The Group classifies all its Loans at Amortised cost as the business model is to hold them to collect contractual cash flows and the contractual terms of the loans give rise on specified dates to cash flows that are solely repayments of principal and interest.

###### 5.1.4 Modification of Loans

Modification of a loan occurs when the contractual terms governing its cash flows are renegotiated or otherwise modified between the initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Modification of loan terms is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment). When a loan is modified the Group assesses whether this modification results in derecognition. In accordance with the Group's policy, a modification results in derecognition when it gives rise to substantially different terms. Where a modification does not lead to derecognition, the Group calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance).

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

### 5.1.5 Derecognition of Loans

Loan (or, where applicable, a part of a loan or part of a group of similar loans) is derecognised when the rights to receive cash flows from the loan has expired. The Group also derecognises the loan if it has both transferred the loan and the transfer qualifies for derecognition.

Loan is transferred only if, either:

- the Group has transferred its contractual rights to receive cash flows from the loan, Or;
- has retained the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

A transfer qualifies for derecognition if either:

- the Group has transferred substantially all the risks and rewards of the loan, Or;
- has neither transferred nor retained substantially all the risks and rewards of the loan but has transferred control of the loan.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the loan in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

In case of loan transfers which qualify for derecognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on de-recognition of such loan previously carried under amortised cost category. The resulting interest only strip initially is recognised at Fair Value Through Profit or Loss and re-assessed at the end of every reporting period.

In case of loan transfers which do not qualify for derecognition, the loan continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred loan and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred loan is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

### 5.1.6 Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet. The nominal values of these commitments are disclosed in notes.

### 5.1.7 Loan write-offs

Loans are written off either partially or in their entirety only when the Group has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is recorded as an expense in the period of write off.

### 5.2 Impairment of Loans

#### 5.2.1 Expected Credit Loss (ECL)

The Group records allowance ECL for all loans measured at amortised cost, together with loan commitments. ECL is the expected cash shortfall discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.  $(ECL = PD * EAD * LGD)$

**PD:** The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously derecognised and is still in the portfolio.

**EAD:** The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default first occurred.

**LGD:** The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a loan that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on a collective basis, for each category of loan.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a loan's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.



## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

Based on the above process, the Group categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

**Stage 1:** When loans are first recognised, the Group recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

**Stage 2:** When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

**Stage 3:** Loans considered credit impaired. The Group records an allowance for the LTECLs.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

#### 5.2.2 Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

#### 5.2.3 Forward looking information

The Group considers a broad range of forward-looking information with reference to external forecasts of economic parameters such as GDP growth, unemployment rates etc., as considered relevant so as to determine the impact of macro-economic factors on the Group's ECL estimates.

The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

#### 5.2.4 Collateral repossessed

The Group generally does not use the assets repossessed for the internal operations. The underlying loans in respect of which collaterals have been repossessed with an intention to realize by way of sale are considered as Stage 3 assets and the ECL allowance is determined based on the estimated net realisable value of the repossessed asset. Any surplus funds are returned to the borrower and accordingly collateral repossessed are not recorded on the balance sheet and not treated as non-current assets held for sale.

#### 5.2.5 Restructured, rescheduled, and modified loans

The Group sometimes makes concessions or modifications to the original terms of loans such as changing the instalment value or changing the tenor of the loan, as a response to the borrower's request.

When the loan has been renegotiated or modified but not derecognised, the Group also reassesses whether there has been a significant increase in credit risk. The Group also considers whether the assets should be classified as Stage 3. Once an asset has been classified as restructured, it will remain restructured for a period of year from the date on which it has been restructured.

Loans which have been renegotiated or modified in accordance with RBI Notifications (including extensions granted) - RBI/2020-21/16 DOR.No.BP. BC/3/21.04.048/2020-21- Resolution Framework for COVID-19 related Stress and RBI/2020-21/17 DOR.No.BP. BC/4/21.04.048/2020-21- Micro, Small and Medium Enterprises (MSME) sector - Restructuring of Advances, have been classified as Stage 2 due to significant increase in credit risk.

#### 5.3 Loans – Revenue recognition

Interest income on loans measured at amortised cost is recorded using the effective interest rate ('EIR') method. The EIR is the rate that discounts estimated future cash receipts through the expected life of the loan to the gross carrying amount of the loan. For credit-impaired loans, interest income is calculated by applying the EIR to the amortised cost. (i.e. the gross carrying amount less the allowance for expected credit losses).

The EIR is calculated by taking into account the fees and costs that are an integral part of the EIR of the loan such as origination fees received for acquisition of the loan and sourcing cost incurred for closing the transaction.

Fees, charges and reimbursements due from borrowers as per the contractual terms of the loan are recognised on realisation.

Any recovery from written off loan is recognised in the statement of profit and loss.

#### 5.4 Borrowings

##### 5.4.1 Debt securities and other borrowings

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

Debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

##### 5.4.2 Foreign Currency Borrowings

Borrowings in foreign currencies are initially recorded at the respective functional currency spot rates at the date the transaction first qualifies for recognition. They are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and



## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

losses arising on restatement are recognized under OCI in the statement of profit and loss as an adjustment to borrowing cost.

#### 5.4.3 Derivative and Hedge accounting

The Group enters into derivative transactions only for economic hedging purposes and not as speculative investments. Derivative instruments are used to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedges that meet the strict criteria for hedge accounting are accounted for as cash flow hedge.

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in Other Comprehensive Income (OCI) within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as net gain/loss on fair value changes in the loss statement of profit and loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

#### 5.4.4 Finance cost on Borrowing

Finance cost on borrowings measured at amortised cost is recorded using the effective interest rate ('EIR') method. The EIR is the rate that discounts estimated future payments through the expected life of the borrowing to its gross carrying amount. The EIR is calculated taking in to account any discount or premium on issue funds, and costs that are an integral part of the EIR.

### 6. Other accounting policies

#### 6.1 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### 6.2 Bank balances other cash and cash equivalents

These are measured at amortised cost as they are held for collecting contractual cash flows that are solely payments of principal and interest on principal outstanding.

#### 6.3 Receivables and other financial assets

Receivables and other financial assets are measured at amortised cost. The Group follows a 'simplified approach' for recognition of impairment loss allowance on these assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

#### 6.4 Investments

Investments are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument.

##### 6.4.1 Equity instruments

Equity Investment in Subsidiaries and Joint Ventures are carried at Cost.

The Group subsequently measures all equity investments other than investment in subsidiaries and associates, at fair value through profit or loss, unless the Group's management has elected to classify irrevocably some of its equity investments not held for trading as equity instruments at Fair value through OCI (FVOCI). Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI (Other Comprehensive Income). Equity instruments at FVOCI are not subject to an impairment assessment.

##### 6.4.2 Other Instruments

Investment in other instruments is measured at amortized cost if they are held for collecting contractual cash flows that are solely payments of principal and interest on principal outstanding. The Group follows 'simplified approach' for recognition of impairment loss allowance on these assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Investments which do not meet the SPPI test are measured at fair value through profit or loss.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### 6.5 Taxes

##### 6.5.1 Current tax

Current tax comprises amount of tax payable in respect to the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to tax payable or receivable in respect of prior years.

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Group operates and generates taxable income.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### 6.5.2 Deferred Tax

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets

against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority and intends to settle on net basis.

##### 6.6 Investment Property

Investment property represents property held to earn rentals or for capital appreciation or both.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Group's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Sch II to the Companies Act 2013.

##### 6.7 Property, plant and equipment

Property plant and equipment is stated at cost (net of tax/duty credits availed) excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Cost includes professional fees/charges related to acquisition of property plant and equipment. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure incurred, is capitalised only if it results in economic useful life beyond the original estimate.

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated.

Useful life of assets as per Schedule II:

Asset Description	Estimated Useful Life
Buildings	60/30/5 years
Computer Equipment	3 years
Other Equipment	5 years
Plant and Machinery	15 years
Leasehold improvements	Lease period or 5 years whichever is lower
Servers	6 years with effect from April 1, 2024 (3 years upto 31 <sup>st</sup> March 2024)

Useful life of assets based on Management's estimation, and which are different from those specified in schedule II:

Asset description	Estimated useful life
Furniture and Fixtures	5 years
Vehicles	5 years

The above estimated useful life is based on respective asset usage policy or pattern of the group.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

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

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item.

#### 6.8 Leases

The Group's lease asset consists of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Group recognises a right-to-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-to-use asset is initially recognised at cost which comprises of the initial amount of lease liability adjusted for lease payments made or prior to commencement date plus any direct cost i.e. lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment loss if any.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-to-Use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term. Right to use assets are evaluated for recoverability whenever events or changes in the circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates in the country of domicile of the leases. The Group has used single discount rate to a portfolio of leases with similar characteristics. Lease liabilities are remeasured with a corresponding adjustment to the related right to use asset if the Group changes its assessment as to whether it will exercise an extension or a termination option.

The Group has opted to present the Right to use as a part of the block of asset to which the lease pertains to and consequently, the Right to use asset has been presented as a part of Property, plant and equipment under the

buildings block, whereas the lease liability is presented under Other Financial Liabilities in the Balance Sheet. Lease payments made by the Group are classified as financing cash flows

#### 6.9 Intangible assets

The Group's intangible assets mainly include the value of computer software.

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, they are carried at cost less accumulated amortisation and impairment losses if any, and are amortised over their estimated useful life on the straight-line basis over a 3-year period or the license period whichever is lower.

The carrying amount of the assets is reviewed at each Balance sheet date to ascertain impairment based on internal or external factors. Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an assets net selling price and the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

#### 6.10 Input Tax Credit (Goods and Service Tax)

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted to the extent permitted as per the applicable regulatory laws and when there is no uncertainty in availing / utilising the same. The ineligible input credit is charged off to the respective expense or capitalised as part of asset cost as applicable.

#### 6.11 Provisions and Contingent liabilities

Provisions are recognised only when the Group has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liability is disclosed in case of present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligations and the present obligation arising from past events, when no reliable estimate is possible.

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

### 6.12 Share Based Payments

Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) of the Group are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Group and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

This cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or Credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. On cancellation or lapse of options granted to employees, the compensation charged earlier will be moved from share based payment reserve with corresponding credit in retained earnings.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

### 6.13 Dividend on ordinary shares

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013 in India, a distribution of final dividend is authorised when it is approved by the shareholders and interim dividend approved by the Board. A corresponding amount is then recognised directly in equity. In case of interim dividend, it is recognised on payment basis as they are revocable till actually paid.

### 6.14 Revenue recognition - other than financial assets

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is recognised at fair value of the consideration received or receivable when the Group satisfies the performance obligation under the contract with the customer.

### 6.15 Dividend Income

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

### 6.16 Employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as employee benefit obligations in the balance sheet.

#### (ii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined contribution plans such as provident fund, superannuation and Employee's state insurance scheme

(b) defined benefit plans such as gratuity

#### a) Defined Contribution Scheme

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Employees' State Insurance: The Group contributes to Employees State Insurance Scheme and recognizes such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

Superannuation: The Group contributes a sum equivalent to 15% of eligible employees' salary to a Superannuation Fund administered by trustees and managed by Life Insurance Corporation of India ("LIC"). The Group has no liability for future Superannuation Fund benefits other than its contribution and recognizes such contributions as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

#### b) Defined Benefit Scheme

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

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



## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

c) Compensated Absences: The Group treats its liability for compensated absences based on actuarial valuation as at the Balance Sheet date, determined by an independent actuary using the Projected Unit Credit method.

Actuarial gains and losses are recognised under OCI in the statement of Profit and Loss in the year in which they occur and not deferred.

#### 6.17 Earnings Per Share

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

Earnings considered for Earnings per share is the net profit for the year after deducting preference dividend, if any, and attributable tax thereto for the year.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### 6.18 Cash Flow Statement

Cash flows are reported using the indirect method, where by profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents as defined above, net of outstanding bank overdrafts as they are considered an integral part of cash management of the Group.

#### 6.19 Segment Information

An operating segment is a component of the Group that engages in the business activities from which it may earn

revenues and incur expenses, whose operating results are regularly reviewed by Group's Chief operating decision maker.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocable".

Assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the Segment. Assets and liabilities, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocable".

#### 6A. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future period

In the process of applying the Group's accounting policies, management has made the following judgements/ estimates, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### i. Business Model Assessment

The Group from time to time enters into direct bilateral assignment deals, which qualify for de-recognition under Ind AS 109. Accordingly, the assessment of the Group's business model for managing its financial assets becomes a critical judgment.

Further, the Group also made an investment in the Government securities in order to comply the liquidity ratio compliance as required by RBI pursuant to its master directions. The Group intends to hold these assets till maturity and expects that any sale if any necessitated by requirements are likely to be infrequent and immaterial. Accordingly, the related assessment becomes a critical judgement to determine the business model for such financial assets under Ind AS.

##### ii. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

#### iii. Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting estimates include:

- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward-looking information as economic inputs

iv.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

#### Leases

##### a. Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

##### b. Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to for its borrowings.

##### v. Provisions and other contingent liabilities

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.



## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 7 CASH AND CASH EQUIVALENTS</b>		
Cash on hand	11.92	10.44
Balances with banks		
- In Current Accounts	527.25	279.86
- In Deposit Accounts - Original maturity 3 months or less	4,732.05	540.41
Cheques, drafts on hand	8.43	14.93
<b>Total</b>	<b>5,279.65</b>	<b>845.64</b>

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 8 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
- In Deposit Accounts - Original maturity more than 3 months	1,175.59	1,189.97
- In earmarked accounts	98.61	69.92
- In Unpaid Dividend Accounts	0.72	0.70
- In Unclaimed Debenture Account	0.59	0.44
- Balances with banks to the extent held as Margin Money or Security against the borrowings, guarantess, other commitments	-	-
- Margin account for derivatives	88.01	67.16
- Deposits with Banks as collateral towards securitisation loan	2,857.50	2,219.82
- Other deposit Account on amalgamation of Cholamandalam Factoring Limited	0.08	0.08
<b>Total</b>	<b>4,221.10</b>	<b>3,548.09</b>

Particulars	As at March 31, 2025			As at March 31, 2024		
	Notional amounts	Fair Value -Assets	Fair Value -Liabilites	Notional amounts	Fair Value -Assets	Fair Value -Liabilites
<b>Note : 9 DERIVATIVE FINANCIAL INSTRUMENTS</b>						
<b>Part I</b>						
<b>Currency derivatives</b>						
(i) Cross Currency Interest Rate Swap	12,230.47	155.62	53.09	4,349.18	161.33	15.06
<b>Interest Rate derivatives</b>						
(i) Interest Rate Swap	8,320.22	-	100.78	3,998.39	-	20.74
(ii) Forward Contracts	701.43	47.70	130.73	917.25	86.49	150.90
<b>Total Derivative financial Instruments</b>	<b>21,252.12</b>	<b>203.32</b>	<b>284.60</b>	<b>9,264.82</b>	<b>247.82</b>	<b>186.70</b>
<b>Part II</b>						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
<b>Cash flow hedging:</b>						
<b>Currency derivatives</b>						
(i) Cross currency interest rate swap	12,230.47	155.62	53.09	4,349.18	161.33	15.06
<b>Interest Rate derivatives</b>						
(ii) Interest Rate Swap	8,320.22	-	100.78	3,998.39	-	20.74
(iii) Forward Contracts	701.43	47.70	130.73	917.25	86.49	150.90
<b>Total Derivative financial Instruments</b>	<b>21,252.12</b>	<b>203.32</b>	<b>284.60</b>	<b>9,264.82</b>	<b>247.82</b>	<b>186.70</b>

The Group has a Board approved policy for entering into derivative transactions. Derivative transaction represents Currency, Interest Rate Swaps and forward contracts. The Group undertakes such transactions for hedging interest/foreign exchange risk on borrowings. The Asset Liability Management Committee and Business Committee periodically monitors and reviews the risks involved. Also, refer note 45.3. The notional amount for interest rate swap represents borrowings on which Company has entered to hedge the variable interest rate. The company has not participated in currency future and options during the current and previous year.

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

₹ in crores

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Note : 10 RECEIVABLES</b>		
(i) Trade Receivables*		
Secured - Considered good	13.56	12.10
Unsecured - Considered good	191.98	204.25
	205.54	216.35
Less: Impairment Allowance	(1.35)	(2.89)
	204.19	213.46
Trade Receivables credit impaired	0.64	0.73
Less: Impairment Allowance	(0.64)	(0.73)
Total Trade receivables		
Considered good	205.54	216.35
Trade Receivables credit impaired	0.64	0.73
<b>Total</b>	<b>206.18</b>	<b>217.08</b>
Less: Impairment Allowance	(1.99)	(3.62)
<b>Subtotal (i)</b>	<b>204.19</b>	<b>213.46</b>
(ii) Other Receivables		
Considered Good*	116.98	199.01
Less: Impairment Allowance	(0.65)	-
<b>Subtotal (ii)</b>	<b>116.33</b>	<b>199.01</b>
<b>Total (i)+(ii)</b>	<b>320.52</b>	<b>412.47</b>

\*Includes dues from related parties (Refer Note 39)

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade Receivables ageing schedule as on March 31, 2025

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i)Undisputed Trade receivables - considered good*	204.78	0.51	0.22	0.02	0.01	205.54
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	0.55	0.09	-	-	-	0.64
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Gross Total</b>	<b>205.33</b>	<b>0.60</b>	<b>0.22</b>	<b>0.02</b>	<b>0.01</b>	<b>206.18</b>
Less: Impairment allowance						(1.99)
<b>Total</b>						<b>204.19</b>

Trade Receivables ageing schedule as on March 31, 2024

₹ in crores

Particulars	Outstanding for following periods from due date of transaction					
	Less than 6 Months	6 Months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i)Undisputed Trade receivables - considered good*	213.31	0.61	2.43		-	216.35
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	0.66	0.07	-	-	-	0.73
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Gross Total</b>	<b>213.97</b>	<b>0.68</b>	<b>2.43</b>	<b>-</b>	<b>-</b>	<b>217.08</b>
Less: Impairment allowance						(3.62)
<b>Total</b>						<b>213.46</b>

\* Includes unbilled revenue of ₹ 95.52 crores for the year ended March 31, 2025 (₹ 98.05 crores for the year ended March 31, 2024)

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

₹ in crores

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Note : 11 LOANS</b> (At amortised cost)		
(A)		
(i) Bills Discounted	464.33	753.77
(ii) Leasing - Finance Lease	22.29	-
(iii) Term loans	1,84,961.90	1,46,230.05
<b>Total (A) Gross</b>	<b>1,85,448.52</b>	<b>1,46,983.82</b>
Less: Impairment Allowance for (i), (ii) & (iii)	(3,410.88)	(2,521.17)
<b>Total (A) Net</b>	<b>1,82,037.64</b>	<b>1,44,462.65</b>
(B)		
(i) Secured	1,69,148.99	1,33,655.72
(ii) Unsecured	16,299.53	13,328.10
<b>Total (B) Gross</b>	<b>1,85,448.52</b>	<b>1,46,983.82</b>
Less: Impairment Allowance for (i), (ii)	(3,410.88)	(2,521.17)
<b>Total (B) - Net</b>	<b>1,82,037.64</b>	<b>1,44,462.65</b>
(C) (i) Loans In India		
(i) Public Sector	-	-
(ii) Others	1,85,448.52	1,46,983.82
Less: Impairment Allowance	(3,410.88)	(2,521.17)
<b>Total (C) (i) - Net</b>	<b>1,82,037.64</b>	<b>1,44,462.65</b>

Secured indicates loans secured, wholly or partly, by way of hypothecation of vehicles, tractors, construction equipments, other equipments and / or pledge of securities and / or equitable mortgage of property. It also includes loans where security creation is in process.

The Company has not extended any loans where collateral is an intangible asset such as charge over the rights, licenses, etc. The unsecured loans disclosed above are without any collateral or security.

Term loans include unsecured short term loans to Joint venture and secured long term loans to a related party. These loans have been classified under Stage 1 Category at the various reporting periods and related impairment provision as per the Company's accounting policy has been created. The details of the same are disclosed below:

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Loan - Outstanding Value</b>		
Payswiff Technologies Private Limited - Joint Venture	17.65	-
EID Parry (India) Limited - Promoter	2.34	-
<b>Impairment Provision</b>		
Payswiff Technologies Private Limited - Joint Venture	0.07	-
EID Parry (India) Limited - Promoter	0.01	-

### Note : 11.1 LOANS

An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans

₹ in crores

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Bills discounted</b>								
Opening as on April 1, 2024	736.85	4.98	11.94	753.77	5.91	0.48	10.14	16.53
New assets originated / Increase in existing assets (Net)	450.67	1.88	2.92	455.47	1.85	0.19	2.62	4.66
Exposure de-recognised / matured / repaid	(731.00)	(1.00)	(3.01)	(735.01)	(5.88)	(0.10)	(0.80)	(6.78)
Transfer to Stage 1	0.09	-	(0.09)	-	0.03	-	(0.03)	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(6.02)	(3.90)	9.92	-	(0.05)	(0.39)	0.44	-
Impact on account of exposures transferred during the period between stages	-	-	0.03	0.03	-	-	8.05	8.05
Impact of changes on items within the same stage	-	-	-	-	-	-	0.03	0.03
Write off*	-	-	(9.93)	(9.93)	-	-	(9.93)	(9.93)
<b>Closing as on March 31, 2025</b>	<b>450.59</b>	<b>1.96</b>	<b>11.78</b>	<b>464.33</b>	<b>1.86</b>	<b>0.18</b>	<b>10.52</b>	<b>12.56</b>
<b>Term loans</b>								
Opening as on April 1, 2024	1,39,380.37	3,216.81	3,632.87	1,46,230.05	535.93	285.78	1,682.93	2,504.64
New assets originated / Increase in existing assets (Net)	86,785.07	504.04	448.55	87,737.66	312.32	58.95	1,273.35	1,644.62
Exposure de-recognised / matured / repaid	(44,161.49)	(1,683.91)	(2,546.02)	(48,391.42)	(243.42)	(71.12)	(220.51)	(535.05)
Transfer to Stage 1	607.04	(523.29)	(83.75)	-	59.81	(39.35)	(20.46)	-
Transfer to Stage 2	(4,473.17)	4,508.12	(34.95)	-	(24.18)	32.92	(8.74)	-
Transfer to Stage 3	(3,859.15)	(1,341.22)	5,200.37	-	(21.30)	(133.58)	154.89	-

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

Note : 11.1 LOANS (Contd.)

₹ in crores

	Gross Carrying amount				Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impact on account of exposures transferred during the period between stages	0.11	14.40	63.95	78.46	-	281.58	717.14	998.72
Impact of changes on items within the same stage	786.87	0.07	111.91	898.85	12.74	1.63	362.63	377.00
Write off*	-	-	(1,591.70)	(1,591.70)	-	-	(1,591.70)	(1,591.70)
<b>Closing as on March 31, 2025</b>	<b>1,75,065.65</b>	<b>4,695.02</b>	<b>5,201.23</b>	<b>1,84,961.90</b>	<b>631.90</b>	<b>416.81</b>	<b>2,349.53</b>	<b>3,398.23</b>
<b>Leasing</b>								
Opening as on April 1, 2024	-	-	-	-	-	-	-	-
New assets originated / Increase in existing assets (Net)	22.29	-	-	22.29	0.09	-	-	0.09
Exposure de-recognised / matured / repaid	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Impact on account of exposures transferred during the period between stages	-	-	-	-	-	-	-	-
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off*	-	-	-	-	-	-	-	-
<b>Closing as on March 31, 2025</b>	<b>22.29</b>	<b>-</b>	<b>-</b>	<b>22.29</b>	<b>0.09</b>	<b>-</b>	<b>-</b>	<b>0.09</b>
<b>Bills Discounted</b>								
Opening as on April 1, 2023	915.68	3.98	7.19	926.85	7.49	0.39	5.35	13.23
New assets originated / Increase in existing assets (Net)	736.93	4.9	1.57	743.40	5.90	0.49	1.20	7.59
Exposure de-recognised / matured / repaid	(912.18)	(1.00)	(2.54)	(915.72)	(7.46)	(0.11)	(0.71)	(8.28)
Transfer to Stage 1	0.11	(0.11)	-	-	0.01	(0.01)	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	(3.69)	(2.79)	6.48	-	(0.03)	(0.28)	0.31	-
Impact on account of exposures transferred during the period between stages	-	-	0.02	0.02	-	-	4.77	4.77
Impact of changes on items within the same stage	-	-	-	-	-	-	-	-
Write off*	-	-	(0.78)	(0.78)	-	-	(0.78)	(0.78)
<b>Closing as on March 31, 2024</b>	<b>736.85</b>	<b>4.98</b>	<b>11.94</b>	<b>753.77</b>	<b>5.91</b>	<b>0.48</b>	<b>10.14</b>	<b>16.53</b>
<b>Term loans</b>								
Opening as on April 1, 2023	99,058.22	3,939.10	3,214.41	1,06,211.73	437.19	401.84	1,476.66	2,315.69
New assets originated	75,371.78	399.71	435.75	76,207.24	275.49	43.82	824.8	1,144.11
Exposure de-recognised / matured / repaid	(32,046.13)	(1,574.39)	(2,179.47)	(35,799.99)	(295.94)	(109.04)	(269.51)	(674.49)
Transfer to Stage 1	1,360.86	(1,289.85)	(71.01)	-	137.91	(117.69)	(20.22)	-
Transfer to Stage 2	(2,732.97)	2,765.64	(32.67)	-	(14.99)	23.7	(8.71)	-
Transfer to Stage 3	(2,232.61)	(1,029.67)	3,262.28	-	(13.16)	(115.54)	128.7	-
Impact on account of exposures transferred during the period between stages	1.29	5.37	35.26	41.92	0.17	157.2	378.88	536.25
Impact of changes on items within the same stage	599.93	0.90	87.32	688.15	9.26	1.49	291.33	302.08
Write off*	-	-	(1,119.00)	(1,119.00)	-	-	(1,119.00)	(1,119.00)
<b>Closing as on March 31, 2024</b>	<b>1,39,380.37</b>	<b>3,216.81</b>	<b>3,632.87</b>	<b>1,46,230.05</b>	<b>535.93</b>	<b>285.78</b>	<b>1,682.93</b>	<b>2,504.64</b>

ECL across stages have been computed on collective basis.

The Group uses Days past due of the customer to determine the credit quality of loans

\*write off includes Loss on disposal of collateral

Note : 11.2 Overdue greater than 90 days

₹ in crores

No. of loan accounts	Overdue Instalments*	Principal outstanding (not yet due)
<b>As on March 31, 2025</b>		
1,96,893	2,172.27	3,167.50
<b>As on March 31, 2024</b>		
1,44,017	1,562.24	2,228.11

\*Overdue instalments includes principal and interest overdue

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

### Note : 12 INVESTMENTS

₹ in crores

Investments	As at March 31, 2025							As at March 31, 2024						
	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total	Amortised cost	At Fair Value			Sub-total	Others (at cost)	Total
		Through Other Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss					Through Other Comprehensive Income	Through Profit or loss	Designated at Fair value through Profit or loss			
Mutual funds					-	38.29	38.29							-
Government Securities	3,375.31	-	-	-	-	-	3,375.31	1,539.07	-	-	-	-	-	1,539.07
Treasury Bill	1,721.41	-	-	-	-	-	1,721.41	1,440.17	-	-	-	-	-	1,440.17
STRIPS	771.91	-	-	-	-	-	771.91	599.25	-	-	-	-	-	599.25
Debt Securities-Convertible Note (Fair value on acquisition - ₹10 crores)	-	-	0	-	0	-	0	-	-	0	-	0	-	0
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Equity Instruments</b>														
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	458.76	-	-	-	-	-	458.76	455.63	-	-	-	-	-	455.63
Other equity investments	-	1.41	1.61	-	3.02	-	3.02	-	1.41	1.51	-	2.92	-	2.92
<b>Total Gross (A)</b>	<b>6,327.39</b>	<b>1.41</b>	<b>1.61</b>	<b>-</b>	<b>3.02</b>	<b>38.29</b>	<b>6,368.70</b>	<b>4,034.12</b>	<b>1.41</b>	<b>1.51</b>	<b>-</b>	<b>2.92</b>	<b>-</b>	<b>4,037.04</b>
<b>Investments outside India</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investments In India</b>	<b>4,034.12</b>	<b>1.41</b>	<b>1.51</b>	<b>-</b>	<b>2.92</b>	<b>-</b>	<b>4,037.04</b>	<b>4,034.12</b>	<b>1.41</b>	<b>1.51</b>	<b>-</b>	<b>2.92</b>	<b>-</b>	<b>4,037.04</b>
<b>Total (B)</b>	<b>4,034.12</b>	<b>1.41</b>	<b>1.51</b>	<b>-</b>	<b>2.92</b>	<b>-</b>	<b>4,037.04</b>	<b>4,034.12</b>	<b>1.41</b>	<b>1.51</b>	<b>-</b>	<b>2.92</b>	<b>-</b>	<b>4,037.04</b>
<b>Allowance for Impairment (C)</b>	<b>-</b>	<b>1.29</b>	<b>-</b>	<b>-</b>	<b>1.29</b>	<b>-</b>	<b>1.29</b>	<b>-</b>	<b>1.29</b>	<b>-</b>	<b>-</b>	<b>1.29</b>	<b>-</b>	<b>1.29</b>
<b>Total Net (D) = (A)-(C)</b>	<b>6,327.39</b>	<b>0.12</b>	<b>1.61</b>	<b>-</b>	<b>1.73</b>	<b>38.29</b>	<b>6,367.41</b>	<b>4,034.12</b>	<b>0.12</b>	<b>1.51</b>	<b>-</b>	<b>1.63</b>	<b>-</b>	<b>4,035.75</b>

All Instruments except government securities, Treasury Bill and STRIPS are Unquoted

Paytail Commerce Private Limited ceased to be an associate with effect from March 21, 2024. The carrying amount (net of impairment) is part of other equity instruments.

Asset held for sale -Investment-Equity Instruments	As at March 31, 2025	As at March 31, 2024
TVS Supply Chain Solutions Limited 24, 01,359 Equity of shares ₹ 1 each fully paid up - Quoted	-	37.09
<b>Total</b>	<b>-</b>	<b>37.09</b>

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 12 INVESTMENTS (Contd.)

##### Note 1

The Group has made an investment of ₹ 456 Crores in the JV engaged in the business of omni-channel payment transaction processing services Based on an independent valuation and in the opinion of the management, considering the future business potential , no impairment provision is required for this investment.

##### Note 2

The Group entered into a share swap agreement on March 28, 2023, with TVS Supply Chain Solutions Limited (TVSSCSL), White Data Systems India Private Limited (WDSI) and other shareholders of WDSI for the transfer of the entire equity shares held by the Company in WDSI to TVSSCSL. As consideration for transfer of WDSI shares, TVSSCSL has allotted 22,35,265 Compulsory Convertible Preference Shares (CCPS) of TVSSCSL to the company on April 20, 2023, subsequently on August 23, 2023 the Compulsory Convertible Preference Shares (CCPS) was converted into 24,01,359 equity shares of TVSSCSL. Since the Company intends to sell the equity shares, the above mentioned investment has been classified as asset held for sale as at March 31, 2024 in accordance with IND AS 105 Non Current asset held for sale and discontinued operations. During the current year company has sold the entire shares of TVSSCSL.

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 13 OTHER FINANCIAL ASSET</b>		
<b>Unsecured - considered good</b>		
<b>At amortised cost</b>		
Security deposits	66.02	200.54
Interest only strip receivable	286.63	146.85
Other advances*	17.15	52.40
<b>Gross Total</b>	<b>369.80</b>	<b>399.79</b>
Less: Impairment Allowance	(0.08)	(0.08)
<b>Net Total</b>	<b>369.72</b>	<b>399.71</b>

\*Amount for which services are yet to be received.

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 14 DEFERRED TAX</b>		
<b>Deferred Tax Assets</b>		
Impairment allowance for financial instruments	809.18	603.46
Provision for Contingencies and undrawn commitments	13.58	12.86
Provision for Compensated Absences and Gratuity	48.22	30.50
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	25.32	19.73
Carry forward of tax losses	0.54	-
Cash flow hedge	45.53	1.50
Others	35.33	21.21
<b>(A)</b>	<b>977.70</b>	<b>689.26</b>
<b>Deferred Tax Liability</b>		
Impact of Effective interest rate adjustment on Financial Liabilities	0.92	0.93
Impact of Effective interest rate adjustment on Financial Assets	28.18	30.89
Fair Valuation of Investment	-	1.59
<b>(B)</b>	<b>29.10</b>	<b>33.41</b>
<b>Net Deferred Tax Assets (A) - (B)</b>	<b>948.60</b>	<b>655.85</b>



## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 14 DEFERRED TAX (Contd.)

₹ in crores

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	Income Statement	OCI	Income Statement	OCI
<b>Deferred Tax Assets</b>				
Impairment allowance for financial instruments	(205.72)	-	(37.08)	-
Provision for Contingencies and undrawn commitments	(0.72)	-	0.06	-
Provision for Compensated Absences and Gratuity	(14.15)	(3.57)	(5.67)	(2.06)
Impact of Effective interest rate adjustment on Financial Assets	-	-	4.76	-
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	(5.59)	-	(4.08)	-
Carry forward of tax losses and MAT entitlement credit	(0.54)	-	3.43	-
Others	(14.12)	0.14	(18.66)	-
<b>(A)</b>	<b>(240.84)</b>	<b>(3.43)</b>	<b>(57.24)</b>	<b>(2.06)</b>
<b>Deferred Tax Liability</b>				
Impact of Effective interest rate adjustment on Financial Liabilities	0.01	-	0.23	-
Impact of Effective interest rate adjustment on Financial Assets	2.71	-	(30.89)	-
Fair Valuation of Investment	1.59	-	0.36	-
Net (Loss)/gain on equity instrument designated at FVOCI	-	-	-	0.29
Cash flow hedge	-	44.03	-	18.17
<b>(B)</b>	<b>4.31</b>	<b>44.03</b>	<b>(30.30)</b>	<b>18.46</b>
<b>Net deferred tax charge / (reversal) (A) - (B)</b>	<b>(245.15)</b>	<b>(47.46)</b>	<b>(26.94)</b>	<b>(20.52)</b>

#### Note : 15 INVESTMENT PROPERTIES

₹ in crores

Particulars	Total
<b>Gross carrying amount as at April 1, 2023</b>	<b>0.14</b>
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2024</b>	<b>0.14</b>
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2025</b>	<b>0.14</b>
<b>Accumulated depreciation and impairment</b>	
<b>Balance as at April 1, 2023</b>	<b>0.01</b>
Depreciation for the year*	-
Depreciation on disposals	-
<b>Balance as at March 31, 2024</b>	<b>0.01</b>
Depreciation for the year*	-
Depreciation on disposals	-
<b>Balance as at March 31, 2025</b>	<b>0.01</b>
<b>Net Carrying amount</b>	
<b>As at March 31, 2024</b>	<b>0.13</b>
<b>As at March 31, 2025</b>	<b>0.13</b>
Useful Life of the asset (In Years)	60
Method of depreciation	Straight line method

\*represents amount less than ₹ 1 lakh

The Group's investment property consists of 4 properties and includes one let out property as at March 31, 2025.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 15 INVESTMENT PROPERTIES (Contd.)

i) Income earned and expense incurred in connection with Investment Property

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
Rental Income	0.05	0.05
Direct Operating expense from property that generated rental income	0.01	0.01
Direct Operating expense from property that did not generate rental income	0.01	0.02

ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property.

iii) Leasing Arrangements

Certain investment properties are leased out to tenants under cancellable operating lease arrangements.

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
iv) Fair Value Investment Property	3.21	3.30

v) Sensitivity analysis

Particulars	Valuation technique	Significant unobservable inputs	Range (Weighted avg)	Sensitivity of the input to fair value	Fair value (₹ in crores)	Sensitivity (₹ in crores)
Investment property As at March 31, 2025	Professional valuer	Price per Sq. feet	₹8,500 - ₹15,000 per Sq. feet	5%	3.21	0.16
Investment property As at March 31, 2024	Professional valuer	Price per Sq. feet	₹8,500 - ₹16,000 per Sq. feet	5%	3.30	0.17

vi) The Title Deeds of the Immovable Properties mentioned above are in the name of the group

Particulars	Freehold Land	Plant and Machinery	Computer Equipment	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Vehicles	Buildings (Refer Note below)		Total
								Owned Assets	Right of Use Assets	

#### Note : 16 PROPERTY, PLANT AND EQUIPMENT

<b>Gross carrying amount as at April 1, 2023</b>	<b>39.56</b>	<b>-</b>	<b>176.05</b>	<b>35.18</b>	<b>27.33</b>	<b>61.22</b>	<b>84.73</b>	<b>23.05</b>	<b>334.31</b>	<b>781.43</b>
Additions	803.19	3.66	50.12	25.58	34.72	60.06	58.39	29.59	300.76	1,366.07
Disposals	-	-	17.83	3.70	3.98	6.78	10.54	-	15.88	58.71
<b>Gross carrying amount as at March 31, 2024</b>	<b>842.75</b>	<b>3.66</b>	<b>208.34</b>	<b>57.06</b>	<b>58.07</b>	<b>114.50</b>	<b>132.58</b>	<b>52.64</b>	<b>619.19</b>	<b>2,088.79</b>
Additions	0.07	-	52.76	18.95	6.50	51.18	47.95	0.11	314.59	492.11
Disposals	-	-	60.34	9.11	7.26	13.68	20.63	-	221.87	332.89
<b>Gross carrying amount as at March 31, 2025</b>	<b>842.82</b>	<b>3.66</b>	<b>200.76</b>	<b>66.9</b>	<b>57.31</b>	<b>152.00</b>	<b>159.90</b>	<b>52.75</b>	<b>711.91</b>	<b>2,248.01</b>
<b>Accumulated depreciation / amortisation and impairment</b>										
<b>Balance as at April 1, 2023</b>	<b>-</b>	<b>-</b>	<b>110.28</b>	<b>26.70</b>	<b>24.44</b>	<b>46.00</b>	<b>9.70</b>	<b>2.50</b>	<b>187.12</b>	<b>406.74</b>
Depreciation for the year	-	0.14	41.94	7.66	9.91	18.65	23.40	0.80	76.12	178.62
Depreciation on disposals	-	-	17.39	3.50	3.96	6.76	4.41	-	-	36.02
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>0.14</b>	<b>134.83</b>	<b>30.86</b>	<b>30.39</b>	<b>57.89</b>	<b>28.69</b>	<b>3.30</b>	<b>263.24</b>	<b>549.34</b>
Depreciation for the year	-	0.24	51.00	9.26	7.43	21.04	29.42	1.08	107.46	226.93
Depreciation on disposals	-	-	60.15	8.75	7.25	12.71	7.87	-	185.53	282.26
<b>Balance as at March 31, 2025</b>	<b>-</b>	<b>0.38</b>	<b>125.68</b>	<b>31.37</b>	<b>30.57</b>	<b>66.22</b>	<b>50.24</b>	<b>4.38</b>	<b>185.17</b>	<b>494.01</b>
<b>Net Carrying amount</b>										
<b>As at March 31, 2024</b>	<b>842.75</b>	<b>3.52</b>	<b>73.51</b>	<b>26.20</b>	<b>27.68</b>	<b>56.61</b>	<b>103.89</b>	<b>49.34</b>	<b>355.95</b>	<b>1,539.45</b>
<b>As at March 31, 2025</b>	<b>842.82</b>	<b>3.28</b>	<b>75.08</b>	<b>35.53</b>	<b>26.74</b>	<b>85.78</b>	<b>109.66</b>	<b>48.37</b>	<b>526.74</b>	<b>1,754.00</b>
Useful Life of the asset (In Years)		15	3/6	5	5	upto 5	5	60/30/5	upto 9	
Method of depreciation	Straight line method									

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 16 PROPERTY, PLANT AND EQUIPMEN (Contd.)

##### Note

- Details of Immovable properties of land and buildings, whose title deeds have been pledged in favour of Trustees for the benefit of debenture holders as security, has been explained in Note 19.1
- The Group has elected to include ROU assets pertaining to lease of buildings as part of the Property, plant and equipment as permitted under paragraph 47 of Ind AS 116.
- The Title Deeds of the Immovable Properties mentioned above are in the name of the Group
- Group has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2025 and year ended March 31, 2024

		₹ in crores
Particulars		Computer Software
<b>Note : 17 INTANGIBLE ASSETS</b>		
<b>Gross carrying amount as at April 01, 2023</b>		<b>115.72</b>
Additions		15.35
Deletions		10.71
<b>Gross carrying amount as at March 31, 2024</b>		<b>120.36</b>
Additions		20.36
Deletions		6.82
<b>Gross carrying amount as at March 31, 2025</b>		<b>133.90</b>
<b>Accumulated Amortization and impairment</b>		
<b>Balance as at April 1, 2023</b>		<b>87.86</b>
Amortization for the year		19.44
Amortization on deletions		10.71
<b>Balance as at March 31, 2024</b>		<b>96.59</b>
Amortization for the year		17.90
Amortization on deletions		6.31
<b>Balance as at March 31, 2025</b>		<b>108.18</b>
<b>Net Carrying amount</b>		
<b>As at March 31, 2024</b>		<b>23.77</b>
<b>As at March 31, 2025</b>		<b>25.72</b>
Useful Life of the asset (In Years)		3
Method of depreciation		Straight line method

		₹ in crores
Particulars	As at March 31, 2025	As at March 31, 2024
<b>Note : 18 OTHER NON FINANCIAL ASSETS</b>		
<b>Unsecured - considered good</b>		
Prepaid expenses	61.40	38.32
Capital advances	3.70	7.31
Other assets*	46.67	37.33
GST Input Credit	18.19	23.32
<b>Total</b>	<b>129.96</b>	<b>106.28</b>

\*Includes amount paid towards disputed legal/tax matters and Stamps

		₹ in crores
Particulars	As at March 31, 2025	As at March 31, 2024
<b>Note : 19 DEBT SECURITIES (At amortised cost)</b>		
Redeemable Non-Convertible Debentures		
Medium-Term - Secured	24,088.19	19,435.62
Compulsorily Convertible Debentures-Unsecured	2,074.06	2,071.45
Commercial Papers - Unsecured	4,060.45	3,305.69
<b>Total</b>	<b>30,222.70</b>	<b>24,812.76</b>

All debt securities have been contracted in India

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 19 DEBT SECURITIES (At amortised cost) (Contd.)

##### 19.1 Security

(i) **Redeemable Non-Convertible Debentures** - Medium-term is secured by way of specific charge on assets under hypothecation relating to Vehicle Finance, Loan against Property and other loans.

##### ii) **TERMS OF THE COMPULSORILY CONVERTIBLE DEBENTURES (CCD)**

Each CCD has a face value of ₹ 100,000 and shall constitute an unsecured and unsubordinated (as between other unsecured creditors) obligation of Company. The Allotment of CCDs has been made in dematerialized form.

##### **Maturity Date**

Unless converted earlier in accordance with the terms hereof, the maturity date for compulsorily conversion of each CCD shall be September 30, 2026.

##### **Conversion**

##### **Early Conversion Option**

Each CCD holder is entitled to convert their CCD into Equity Shares on or after September 30, 2025 ("Entitlement Date"). Each CCD of face value of ₹ 100,000 shall be converted into such number of Equity Shares fully paid of face value of ₹ 2 as per the Conversion Price (defined below).

CCD holders can apply for conversion of CCDs within the first 7 calendar days after the Entitlement Date or after the end of every calendar quarter after the Entitlement Date, except the last quarter before maturity, when it will compulsorily convert on the last maturity date i.e., September 30, 2026, provided if September 30, 2026 falls on a trading holiday, then the trading day immediately preceding such date shall be considered by the Company for the purpose of conversion Maturity Date.

##### **Compulsory Conversion**

If any or all of the CCDs have not been converted till Maturity Date, then all of the CCDs held on the Maturity Date shall be compulsorily and automatically converted into Equity Shares as per the Conversion Price (defined below).

The fractional amount after conversion of the CCDs tendered for conversion by the CCD holder shall be paid in cash to the CCD holders within seven working days from the date of conversion of CCDs.

##### **Conversion Price**

Subject to Regulation 176 of the SEBI Regulations and applicable law, each CCD shall be converted into such number of Equity Shares based on the conversion price arrived as per the below formula. Conversion price shall be higher of the following:

If conversion Volume Weighted Average Price (VWAP) is higher than ₹ 1,650.00 per Equity Share then the aggregate face value of the CCDs proposed to be converted into Equity Shares at a discount of 16.50% to the Conversion VWAP, if lower than or equal to ₹ 1,650.00 per Equity Share, then the aggregate face value of the CCDs shall be converted into Equity Shares at a discount of 15.00% to the Conversion VWAP.

For the purpose of the above, Conversion Volume Weighted Average Price (VWAP) shall be calculated as seven trading days volume weighted average price of Equity Shares of the Company traded on the NSE, preceding the first date after the end of quarter, prior to Conversion Notice or Maturity Date for compulsory conversion of the balance CCDs held; whichever is earlier; OR the Floor Price of Equity Shares being ₹ 1,200.51, subject to discount of upto 5%, as may be decided by the Board of Directors of a duly authorized committee of the Board.

##### **Interest on CCDs**

Each CCD will bear interest at the rate of 7.50% per annum calculated on the face value of the CCD commencing from the date of Allotment and until the Conversion Date. The Interest shall be paid to the CCD holders in half yearly instalments.

In the event the CCD holder has exercised its right to convert the CCD, then any Interest accrued but unpaid shall be paid within seven working days from the Conversion Date.

An additional interest at the rate of 2.00% per annum over and above the rate of interest of 7.50% per annum shall be applicable in case of delay in payment of interest for the delayed period.

##### iii) **The Group has not defaulted in the repayment of dues to its lenders.**

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

**Note : 19 DEBT SECURITIES (At amortised cost)** (Contd.)

### 19.2 Details of Debentures - Contractual principal repayment value

#### (i) Secured Redeemable Non-Convertible Debentures - Redeemable at par - No put / call option

No. of Debentures	Face Value ₹	Balance as at ₹ in crores		Due date of redemption	Rate of interest %
		March 31, 2025	March 31, 2024		
11,500	10,00,000	0.00	1150.00	Apr-24	8.6179
16,000	10,00,000	0.00	1600.00	Jul-24	7.38 to 8.66
4,000	10,00,000	0.00	400.00	Aug-24	7.67 to 7.69
3,500	10,00,000	0.00	350.00	Oct-24	6.80
13,600	10,00,000	0.00	1360.00	Dec-24	6.63 to 8.81
2,000	10,00,000	0.00	200.00	Feb-25	9.11
33,49,951	1,000	0.00	335.00	Mar-25	8.25
4,974	10,00,000	0.00	497.40	Mar-25	7.08
32,85,035	1,000	328.50	328.50	Jun-25	8.25
5,000	10,00,000	500.00	500.00	Jul-25	7.92
5,000	10,00,000	500.00	500.00	Nov-25	8.45
17,34,226	1,000	173.42	173.42	Dec-25	8.40
6,050	10,00,000	605.00	605.00	Dec-25	8.30
11,35,778	1,000	113.58	113.58	Jan-26	8.45
8,000	10,00,000	800.00	800.00	Jan-26	7.9217
60,200	1,00,000	602.00	602.00	Mar-26	8.50
7,000	10,00,000	700.00	700.00	Apr-26	7.32
70,000	1,00,000	700.00	700.00	May-26	8.25
18,72,062	1,000	187.21	187.21	Jun-26	8.30
20,18,847	1,000	201.88	201.88	Sep-26	8.30
250	10,00,000	25.00	25.00	Nov-26	8.55
22,81,860	1,000	228.19	228.19	Dec-26	8.50
1,00,000	1,00,000	1000.00	0.00	Dec-26	8.19
51,82,140	1,000	518.21	518.21	Jan-27	8.50
5,000	1,00,000	50.00	50.00	Jan-27	8.40
2,700	10,00,000	270.00	270.00	Mar-27	7.30
1,17,500	1,00,000	1175.00	0.00	Mar-27	8.19
2,750	10,00,000	275.00	275.00	Apr-27	7.50
4,550	10,00,000	455.00	455.00	May-27	7.95
50,000	1,00,000	500.00	0.00	May-27	8.58
50,000	1,00,000	500.00	0.00	Jul-27	8.50
1,50,000	1,00,000	1500.00	0.00	Sep-27	8.40
65,000	1,00,000	650.00	0.00	Feb-28	8.20
44,02,938	1,000	440.29	440.29	May-28	8.40
89,63,940	1,000	896.39	896.39	Aug-28	8.40
44,73,708	1,000	447.37	447.37	Dec-28	8.60
78,57,218	1,000	785.72	785.72	Jan-29	8.60
1,00,000	1,00,000	1000.00	1000.00	Feb-29	8.65
94,100	1,00,000	941.00	941.00	Mar-29	8.60
1,00,900	1,00,000	1009.00	0.00	Apr-29	8.54 to 8.59
1,38,650	1,00,000	1386.50	0.00	May-29	8.65
51,520	1,00,000	515.20	0.00	Jun-29	8.64
50,000	1,00,000	500.00	0.00	Jul-29	8.64
50,000	1,00,000	500.00	0.00	Oct-29	8.25
1,10,000	1,00,000	1100.00	0.00	Nov-34	8.50
		<b>22,079.46</b>	<b>17,636.16</b>		

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 19 DEBT SECURITIES (At amortised cost) (Contd.)

##### (ii) Secured Redeemable Non-Convertible Debentures - Redeemable at premium - No put/call option

₹ in crores

No. of Debentures	Face Value ₹	Balance as at ₹ in crores		Due date of redemption	Redemption price ₹	Premium ₹
		March 31, 2025	March 31, 2024			
350	10,00,000	0.00	35.00	Oct-24	13,01,025.00	3,01,025.00
250	10,00,000	0.00	25.00	Dec-24	12,93,960.00	2,93,960.00
1,67,213	1,000	0.00	16.72	Mar-25	1,156.64	156.64
74,466	1,000	7.45	7.45	Jun-25	1,156.64	156.64
5,000	10,00,000	500.00	500.00	Jun-25	12,56,740.00	2,56,740.00
850	10,00,000	85.00	85.00	Jul-25	13,53,045.00	3,53,045.00
1,2,50	10,00,000	125.00	125.00	Jul-25	14,61,481.00	4,61,481.00
1,26,294	1,000	12.63	12.63	Dec-25	1,175.32	175.32
1,00,942	1,000	10.09	10.09	Jan-26	1,176.40	176.40
83,500	1,000	8.35	8.35	Jun-26	1,279.15	279.15
1,12,926	1,000	11.29	11.29	Sep-26	1,279.15	279.15
1,12,696	1,000	11.27	11.27	Dec-26	1,277.58	277.58
48,858	1,000	4.89	4.89	Jan-27	1,277.29	277.29
1,000	10,00,000	100.00	100.00	Mar-27	14,22,599.00	4,22,599.00
1,24,336	1,000	12.43	12.43	May-28	1,497.40	497.40
96,548	1,000	9.65	9.65	Aug-28	1,497.41	497.41
89,123	1,000	8.91	8.91	Dec-28	1,511.28	511.28
25,903	1,000	2.59	2.59	Jan-29	1,511.28	511.28
		<b>909.55</b>	<b>986.27</b>			

##### (iii) Compulsorily Convertible Debentures

No. of Debentures	Face Value ₹	Balance as at ₹ in crores		Due date of redemption	Put option date	Rate of interest %
		March 31, 2025	March 31, 2024			
2,00,000	1,00,000	2,000.00	2,000.00	NA	NA	7.50%
		<b>2,000.00</b>	<b>2,000.00</b>			



## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 20 BORROWINGS (Other than Debt Securities) at amortised cost</b>		
A) Term Loans		
(i) From Banks - Secured		
- Rupee Loans	76,466.27	62,118.31
- External Commercial Borrowings	12,349.08	4,467.39
ii) From Other Parties - Secured		
- Financial Institutions		
- Rupee Loans	12,564.31	9,324.77
- External Commercial Borrowings	877.28	1,089.47
- Securitisation - Rupee Loans	26,666.52	23,781.83
B) Loan repayable on demand - Secured From Banks - Rupee Loans	4,868.52	3,729.36
<b>Total</b>	<b>1,33,791.98</b>	<b>1,04,511.13</b>

- 20.1**
- (i) Secured term loans from banks and financial institution are secured by way of specific /pari passu charge on assets under hypothecation relating to Vehicle Finance and Loans against Immovable property and Home Loans.
  - (ii) Securitisation borrowing represents the net outstanding value (Net of Investment in Pass-through Certificates) of the proceeds received by the Group from securitisation trust in respect of loan assets transferred by the Group pursuant to Deed of Assignment. The Group has provided Credit enhancement to the trust by way of cash collateral and Bank guarantee. Also, refer note-8.
  - (iii) Loan repayable on demand is in the nature of Cash Credit and working capital demand loan from banks and is secured by way of floating charge on assets under hypothecation and other assets.
  - (iv) Details of repayment such as date of repayment, interest rate and amount to be paid have been disclosed in note 20.2 based on the Contractual terms.
  - (v) The Group has not defaulted in the repayment of dues to its lenders.
  - (vi) The Group has utilised the borrowings for the purpose for which it was obtained.
  - (vii) The quarterly statements or returns of current assets filed by the company with banks are in agreement with books of accounts.

### 20.2 Details of term loans/working capital demand loan - Contractual principal repayment value

Rate of Interest	Maturity	Instalments	₹ in crores	
			Amount outstanding March 31, 2025	March 31, 2024
Base Rate / MCLR	< 1year	1	50.00	50.00
		2	1,400.00	-
		3	225.00	75.00
		4	2,998.89	2,615.56
		12	-	200.00
1 - 2 years	1 - 2 years	1	500.00	237.50
		2	1,400.00	-
		4	2,598.89	1,565.56
		9	-	150.00
2 - 3 years	2 - 3 years	1	500.00	-
		2	1,450.00	-
		3	241.67	-
		4	2,176.67	954.44
3 - 4 years	3 - 4 years	2	1,400.00	50.00
		3	232.50	241.67
		4	1,644.44	532.22

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### 20.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2025	March 31, 2024
	4 - 5 years	1	450.00	-
		2	600.00	-
		3	-	45.00
		4	300.00	200.00
Base Rate/ MCLR + spread (0.05% to 0.20%)	< 1year	1	1,000.00	1,000.00
		2	-	-
		3	-	375.00
		4	2,652.14	2,373.81
	1 - 2 years	1	-	1,000.00
		2	428.57	-
		3	686.25	-
		4	2,652.14	2,373.81
	2 - 3 years	4	880.00	2,107.14
	3 - 4 years	2	-	428.57
		3	300.00	637.50
		4	495.00	400.00
	4- 5 years	1	45.00	-
		3	-	300.00
		4	65.00	-
	> 5 Years	1	16.25	-
Rate based on T Bill	> 1year	4	20.00	20.00
	1-2 years	4	20.00	20.00
	2-3 years	4	20.00	20.00
	3-4 years	4	15.00	20.00
	4-5 years	3	-	15.00
Rate based on T Bill + Spread (0.25% to 1.75%)	< 1 year	1	4460.00	3,255.00
		2	2,238.21	1,200.00
		3	45.00	137.96
		4	7,470.36	5,801.79
	1 - 2 years	1	1,817.14	2,560.00
		2	2,739.29	1,575.71
		3	321.43	45.00
		4	5,468.22	5,470.36
	2 - 3 years	1	1,553.57	2,417.14
		2	2,394.64	1,639.29
		3	750.00	321.43
		4	1,400.36	3,143.22
	3 - 4 years	1	1,100.00	1,553.57
		2	721.50	1,732.14
		4	358.75	400.36
	4 - 5 years	1	250.00	1,100.00
		2	36.40	221.50
		4	-	358.75
	>5 Years	1	-	36.40
Fixed Rate (5.15% to 8.45%)	< 1year	1	1,684.00	1,516.33
		2	1,032.22	1,012.22
		3	-	102.20
		4	2,119.80	890.80
		12	166.67	166.67

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

### 20.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2025	March 31, 2024
	1 - 2 years	1	1,350.00	1,684.00
		2	932.22	1,032.22
		4	2,024.80	890.80
		7	97.22	-
		12	-	166.67
	2 - 3 years	1	1,007.78	1,350.00
		2	50.00	932.22
		3	420.00	-
		4	1,472.80	890.80
		7	-	97.22
	3 - 4 years	1	113.77	277.78
		2	801.00	710.00
		3	68.32	-
		4	1,143.60	890.80
	4 - 5 years	1	41.10	443.77
		2	-	141.00
		3	435.00	68.32
		4	400.00	163.60
	>5 years	1	-	41.10
		2	200.00	-
Repo rate	< 1year	1	-	176.19
		2	450.00	121.00
		3	37.50	251.79
		4	3,114.05	1,872.38
	1 - 2 years	2	460.00	150.00
		3	-	18.75
		4	3,119.05	1,186.67
	2 - 3 years	1	50.00	-
		2	661.11	160.00
		3	450.00	-
		4	1,876.83	1,166.67
	3 - 4 years	1	64.88	50.00
		2	743.65	361.11
		3	468.75	-
		4	975.00	524.44
	4 - 5 years	1	75.00	12.50
		2	300.00	372.22
		4	600.00	-
	> 5 Years	1	-	75.00
Overnight MIBOR + Spread (0.89% to 1.55%)	< 1year	2	111.11	111.12
		4	352.52	285.83
	1 - 2 years	1	43.75	-
		2	111.11	111.11
		4	194.08	285.83
	2 - 3 years	1	55.56	43.75
		2	-	111.11
		3	62.44	110.84

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### 20.2 Details of term loans/working capital demand loan - Contractual principal repayment value (Contd.)

₹ in crores

Rate of Interest	Maturity	Instalments	Amount outstanding	
			March 31, 2025	March 31, 2024
	3 - 4 years	1	55.56	-
		2	-	111.11
		4	83.25	-
	4 - 5 years	2	41.63	-
USD 3M SOFR + Spread	< 1year	4	243.52	237.37
	1-2 years	4	243.52	237.37
	2-3 years	1	3,636.30	-
		4	243.52	237.37
	3 - 4 years	1	60.88	-
		4	-	237.37
	4 - 5 years	1	-	59.34
USD 6M SOFR + Spread	< 1year	1	855.60	767.28
	1-2 years	1	2,994.60	834.00
	2 - 3 years	1	2,883.37	2,919.00
EURO 3M EURIBOR +Spread	2-3 years	1	2,082.15	-
<b>Total</b>			<b>1,03,948.87</b>	<b>77,644.44</b>

#### Details of Securitised loan

₹ in crores

Rate of Interest	Maturity	Amount outstanding	
		March 31, 2025	March 31, 2024
	< 1 year	11,113.27	9,448.78
Fixed	1-2 year	8,121.35	7,184.46
(4% to 8.65%)	2-3 year	4,833.49	4,526.29
	3-4 year	1,870.72	1,959.39
	4-5 year	458.84	345.33
	> 5 years	115.99	85.16
<b>Total</b>		<b>26,513.66</b>	<b>23,549.41</b>
	< 1 year	19.89	29.75
Floating	1-2 year	17.14	27.01
Base Rate/ MCLR - spread	2-3 year	14.56	26.55
(0.75% to 1.30%)	3-4 year	11.12	22.47
	4-5 year	9.07	18.66
	> 5 years	36.99	78.94
<b>Total</b>		<b>108.77</b>	<b>203.38</b>

#### 20.3 No borrowings are guaranteed by directors and /or others.

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 21 SUBORDINATED LIABILITIES</b> (at amortised cost)		
Perpetual Debt - Unsecured	2,594.38	1,614.19
Subordinated Debt - Unsecured		
a) Rupee Denominated Bonds	408.32	408.18
b) Other Subordinated Debts	8,018.62	3,128.62
<b>Total</b>	<b>11,021.32</b>	<b>5,150.99</b>

(i) All Subordinated liabilities have been contracted in India except for Rupee denominated bonds.

(ii) The Group has not defaulted in the repayment of dues to its lenders.

### 21.1 Details of Subordinated Liabilities - Contractual principal repayment value

#### (i) Unsecured Redeemable Non-Convertible Debentures - Subordinated debt - Redeemable at par - No put/call option

No. of Debentures	Face Value ₹	Balance as at ₹ in crores		Due date of redemption	Rate of interest %
		March 31, 2025	March 31, 2024		
250	10,00,000	-	25.00	Apr-24	11.00
50	10,00,000	-	5.00	May-24	11.00
150	10,00,000	-	15.00	Jun-24	11.00
100	10,00,000	10.00	10.00	Nov-26	9.20
2500	10,00,000	250.00	250.00	Jun-27	8.78 to 8.80
1500	10,00,000	150.00	150.00	Aug-27	8.53
5300	10,00,000	530.00	530.00	Mar-28	9.05
3000	10,00,000	300.00	300.00	Aug-28	9.75
20000	1,00,000	200.00	200.00	Oct-29	9.00
400	1,00,00,000	400.00	400.00	Jan-30	9.75
30000	1,00,000	300.00	300.00	May-30	8.75
11000	1,00,000	110.00	-	Apr-31	9.00
200000	1,00,000	2,000.00	-	Jun-31	9.10
200	1,00,00,000	200.00	200.00	Oct-31	7.90
150	1,00,00,000	150.00	150.00	Feb-32	8.10
100000	1,00,000	1,000.00	-	Mar-32	9.05
290	1,00,00,000	290.00	290.00	Dec-32	8.65
20500	1,00,000	205.00	205.00	Oct-33	8.85
20000	1,00,000	200.00	200.00	Nov-33	8.85
20010	1,00,000	200.10	200.10	Mar-34	8.85
15000	1,00,000	150.00	-	Jun-34	9.00
100000	1,00,000	1,000.00	-	Dec-34	8.92
50000	1,00,000	500.00	-	Jan-35	9.00
		<b>8,145.10</b>	<b>3,430.10</b>		

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

### (ii) Unsecured Redeemable Non-Convertible Debentures - Perpetual debt

No. of Debentures	Face Value ₹	Balance as at ₹ in crores		Call Option Date #	Rate of interest % (increase by 100 bps if call option is not exercised on the due date)
		March 31, 2025	March 31, 2024		
500	5,00,000	-	25.00	Jun-24	12.90
174	10,00,000	-	17.40	Jul-24	12.90
500	5,00,000	-	25.00	Aug-24	12.80
5000	5,00,000	250.00	250.00	Feb-29	10.88
1120	5,00,000	56.00	56.00	Mar-29	10.83
1000	5,00,000	50.00	50.00	Dec-29	10.75
900	5,00,000	45.00	45.00	Nov-30	9.30
2000	5,00,000	100.00	100.00	Mar-31	9.25
2000	5,00,000	100.00	100.00	May-31	9.20
800	5,00,000	40.00	40.00	Jul-31	9.05
30	1,00,00,000	30.00	30.00	Sep-31	8.98
25	1,00,00,000	25.00	25.00	Mar-32	9.10
45	1,00,00,000	45.00	45.00	May-32	9.20
1200	5,00,000	60.00	60.00	Aug-32	9.15
480	5,00,000	24.00	24.00	Sep-32	9.15
21	1,00,00,000	21.00	21.00	Oct-32	9.15
400	5,00,000	20.00	20.00	Dec-32	9.15
400	5,00,000	20.00	20.00	Jan-33	9.15
6000	5,00,000	300.00	300.00	Mar-33	9.45
460	5,00,000	23.00	23.00	Mar-33	9.40
340	5,00,000	17.00	17.00	Mar-33	9.40
600	5,00,000	30.00	30.00	Jun-33	9.40
200	1,00,00,000	200.00	200.00	Jun-33	9.25
400	5,00,000	20.00	20.00	Sep-33	9.25
1000	1,00,00,000	1,000.00	-	Aug-34	9.50
		<b>2,476.00</b>	<b>1,543.40</b>		

#Company can redeem using Call option date with prior approval of RBI.

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 22 OTHER FINANCIAL LIABILITIES</b>		
Unpaid dividend	0.72	0.70
Advance from customers	48.96	47.99
Security deposits received	7.71	5.83
Collections towards derecognised assets pending remittance	90.10	47.31
Lease liability (Refer Note 49)	558.72	372.90
Other liabilities*	47.83	44.34
<b>Total</b>	<b>754.04</b>	<b>519.07</b>

\*includes amount payable to insurance partners

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 23 PROVISIONS</b>		
<b>Provision for Employee Benefits</b>		
Compensated absences (Refer Note 37)	181.59	144.06
	181.59	144.06
<b>Other Provisions</b>		
Provision for contingencies and disputed claims (Refer Note 41)	39.54	39.54
Provision for expected credit loss towards undrawn commitments (Refer note 41)	14.42	10.37
	53.96	49.91
<b>Total</b>	<b>235.55</b>	<b>193.97</b>



## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 24 OTHER NON FINANCIAL LIABILITIES</b>		
Income received in advance	5.41	5.14
Statutory liabilities	90.33	76.74
Others	1.43	2.72
<b>Total</b>	<b>97.17</b>	<b>84.60</b>

Particulars	₹ in crores			
	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
<b>Note : 25 EQUITY SHARE CAPITAL</b>				
<b>AUTHORISED</b>				
Equity Shares of ₹ 2 each with voting rights	1,20,00,00,000	240.00	1,20,00,00,000	240.00
Preference Shares of ₹ 100 each	5,00,00,000	500.00	5,00,00,000	500.00
		<b>740.00</b>		<b>740.00</b>
<b>ISSUED</b>				
Equity Shares of ₹ 2 each with voting rights	84,16,24,675	168.32	84,06,52,732	168.13
		<b>168.32</b>		<b>168.13</b>
<b>SUBSCRIBED AND FULLY PAID UP</b>				
Equity Shares of ₹ 2 each with voting rights	84,09,40,905	168.18	83,99,68,962	167.99
Add : Forfeited Shares	6,54,500	0.07	6,54,500	0.07
		<b>168.25</b>		<b>168.06</b>

<b>a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:</b>					₹ in crores
Particulars	As at March 31, 2025		As at March 31, 2024		
	Nos.	Amount	Nos.	Amount	
<b>Equity Shares</b>					
At the beginning of the year (₹ 2 each)	83,99,68,962	167.99	82,20,40,356	164.41	
<b>Issued during the year</b>					
a) Qualified institutional Placement	-	-	1,69,49,152	3.39	
b) Employees Stock Option (ESOP) Scheme	9,71,943	0.19	9,79,454	0.19	
<b>Outstanding at the end of the year (₹ 2 each)</b>	<b>84,09,40,905</b>	<b>168.18</b>	<b>83,99,68,962</b>	<b>167.99</b>	
<b>Forfeited shares</b>					
<b>Equity Shares - Amount originally paid up</b>	<b>6,54,500</b>	<b>0.07</b>	<b>6,54,500</b>	<b>0.07</b>	

### Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

The Company had issued 1,69,49,152 equity shares of ₹ 2 each on October 10, 2023 at a issue price of ₹ 1,180 per share (including premium of ₹ 1,178 per share) through Qualified Institutional Placement.

### b) Equity Shares held by Holding Company

Particulars	As at	
	March 31, 2025	March 31, 2024
Cholamandalam Financial Holdings Limited	37,28,85,889	37,28,85,889

### c) Details of shareholding more than 5% shares in the Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding in the class	Nos.	% holding in the class
<b>Equity Shares</b>				
Cholamandalam Financial Holdings Limited - Holding Company	37,28,85,889	44.34	37,28,85,889	44.39

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### d) Shares held by Promoter/Promoter group

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

#### Details of Shareholding of promoters and promoter Group as on March 31, 2025

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
Valli Annamalai	Promoter Group	12,500	-	12,500	-	-
M Vellachi	Promoter Group	-	-	11,60,427	0.14	0.14
M A M Arunachalam	Promoter	1,65,752	0.02	1,65,752	0.02	-
Arun Alagappan	Promoter	8,65,000	0.10	9,50,000	0.11	0.01
M.A.Alagappan	Promoter	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	Promoter Group	1,32,625	0.02	1,32,625	0.02	-
A Vellayan	Promoter	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	Promoter Group	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	Promoter Group	50,255	0.01	50,255	0.01	-
M M Murugappan	Promoter	21,035	-	21,035	-	-
A M Meyyammai	Promoter Group	25,188	-	25,188	-	-
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	Promoter	10,000	-	10,000	-	-
Meenakshi Murugappan	Promoter Group	245	-	245	-	-
Valli Alagappan	Promoter Group	5,200	-	5,200	-	-
A Venkatachalam	Promoter	2,09,605	0.02	2,09,605	0.02	-
V Narayanan	Promoter	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	Promoter	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	Promoter	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	Promoter Group	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	Promoter Group	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	Promoter Group	15,960	-	15,960	-	-
M V AR Meenakshi	Promoter Group	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	Promoter Group	1,08,881	0.01	1,08,881	0.01	-
Sigapi Arunachalam	Promoter Group	74,255	0.01	74,255	0.01	-
Uma Ramanathan	Promoter Group	23,500	-	23,500	-	-
V Vasantha	Promoter Group	1,250	-	1,250	-	-
Dhruv M Arunachalam	Promoter Group	50,000	0.01	50,000	0.01	-
Kanika Subbiah	Promoter Group	67,000	0.01	67,000	0.01	-
Pranav Alagappan	Promoter Group	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	Promoter	-	-	11,90,583	0.14	0.14
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	Promoter	7,000	-	7,000	-	-
A A Alagammai	Promoter Group	2,894	-	2,894	-	-
Umayal R	Promoter Group	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	Promoter Group	12,890	-	12,890	-	-
Ambadi Enterprises Ltd	Promoter	2,91,380	0.03	2,91,380	0.03	-
A M M Vellayan Sons P Ltd	Promoter Group	26,785	-	26,725	-	-
Carborundum Universal Limited	Promoter	500	-	500	-	-
E.I.D. Parry (India) Ltd.	Promoter	1,965	-	1,965	-	-
M.M. Muthiah Research Foundation	Promoter Group	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited	Promoter	3,37,21,870	4.01	3,37,21,870	4.01	-

## Notes forming part of the Consolidated Financial Statements (Contd.)

**For the year ended March 31, 2025**

**Details of Shareholding of promoters and promoter Group as on March 31, 2025 (Contd.)**

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
Parry Enterprises India Ltd	Promoter Group	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited	Promoter	37,28,85,889	44.34	37,28,85,889	44.39	0.05
AR Lakshmi Achi Trust	Promoter Group	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	Promoter Group	1,12,700	0.01	1,12,700	0.01	-
Murugappa Educational and Medical Foundation	Promoter Group	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	Promoter Group	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	Promoter Group	5,50,630	0.07	5,50,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, MAM Arunachalam, AM Meyammai are Trustees)	Promoter Group	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (Subbiah Vellayan & M.V. Subbiah, Trustees holds shares for Trust)	Promoter Group	1,99,278	0.02	1,99,278	0.02	-
V S Bhairavi Trust (M V Subbiah & Subbiah Vellayan, Trustees holds shares for Trust)	Promoter Group	1,92,246	0.02	1,92,246	0.02	-
Arun Murugappan Children Trust (MAM Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	Promoter Group	1,41,160	0.02	1,41,160	0.02	-
MA.Alagappan Grand Children Trust (Arun Alagappan & AA Alagammai, Trustees holds shares for Trust)	Promoter Group	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	1,58,765	0.02	1,58,765	0.02	-
M V Seetha Subbiah Benefit Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	2,64,000	0.03	2,64,000	0.03	-
M.A.Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	Promoter	3,55,850	0.04	3,55,850	0.04	-
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	Promoter Group	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	46,055	0.01	46,055	0.01	-
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	4,74,130	0.06	0.03
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	Promoter Group	2,94,130	0.03	4,74,130	0.06	0.03
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	1,33,000	0.02	3,33,000	0.04	0.02
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	Promoter Group	25,000	-	25,000	-	-
M M Venkatachalam Family Trust (M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	Promoter Group	-	-	1,22,550	0.01	0.01

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Details of Shareholding of promoters and promoter Group as on March 31, 2025 (Contd.)

Promoters Name	Category	No. of shares as on March 31, 2025	% to shares	No. of shares as on March 31, 2024	% to shares	% Change during the year
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	Promoter Group	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	14,74,534	0.18	15,24,534	0.18	-
M A M Arunachalam HUF (M A M Arunachalam is the Karta of HUF)	Promoter	38	-	38	-	-
		<b>41,97,93,595</b>	<b>49.92</b>	<b>42,29,62,095</b>	<b>50.35</b>	<b>0.43</b>

#### Details of Shareholding of promoters and promoter Group as on March 31, 2024

Promoters Name	Category	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
Valli Annamalai	Promoter Group	12,500	-	12,500	-	-
M Vellachi	Promoter Group	11,60,427	0.14	11,60,427	0.14	-
M A M Arunachalam	Promoter	1,65,752	0.02	65,000	0.01	-0.01
Arun Alagappan	Promoter	9,50,000	0.11	9,50,000	0.12	0.01
M.A.Alagappan	Promoter	24,88,760	0.30	24,88,760	0.30	-
Lakshmi Chockalingam	Promoter Group	1,32,625	0.02	6,685	-	-0.02
A Vellayan	Promoter	1,35,785	0.02	1,35,785	0.02	-
Lalitha Vellayan	Promoter Group	1,39,630	0.02	1,39,630	0.02	-
Meyyammai Venkatachalam	Promoter Group	50,255	0.01	50,255	0.01	-
M M Murugappan	Promoter	21,035	-	21,035	-	-
A M Meyyammai	Promoter Group	25,188	-	2,51,880	0.03	0.03
M V Subbiah HUF (M V Subbiah holds shares in the capacity of Karta)	Promoter	10,000	-	10,000	-	-
Meenakshi Murugappan	Promoter Group	245	-	245	-	-
Valli Alagappan	Promoter Group	5,200	-	5,200	-	-
A Venkatachalam	Promoter	2,09,605	0.02	2,09,605	0.03	0.01
V Narayanan	Promoter	2,54,000	0.03	2,54,000	0.03	-
V Arunachalam	Promoter	2,42,515	0.03	2,42,515	0.03	-
Arun Venkatachalam	Promoter	4,03,750	0.05	4,03,750	0.05	-
Solachi Ramanathan	Promoter Group	20,000	-	20,000	-	-
Vedika Meyyammai Arunachalam	Promoter Group	1,08,280	0.01	1,08,280	0.01	-
A V Nagalakshmi	Promoter Group	15,960	-	15,960	-	-
M V A R Meenakshi	Promoter Group	8,53,155	0.10	8,53,155	0.10	-
A. Keertika Unnamalai	Promoter Group	1,08,881	0.01	2,27,440	0.03	0.02
Sigapi Arunachalam	Promoter Group	74,255	0.01	74,255	0.01	-
Uma Ramanathan	Promoter Group	23,500	-	23,500	-	-
V Vasantha	Promoter Group	1,250	-	1,250	-	-
Dhruv M Arunachalam	Promoter Group	50,000	0.01	50,000	0.01	-
Kanika Subbiah	Promoter Group	67,000	0.01	67,000	0.01	-
Pranav Alagappan	Promoter Group	3,11,440	0.04	3,11,440	0.04	-
Valli Arunachalam	Promoter	11,90,583	0.14	11,90,583	0.14	-
A Venkatachalam HUF (A Venkatachalam holds shares in the capacity of Karta)	Promoter	7,000	-	7,000	-	-
A A Alagammai	Promoter Group	2,894	-	2,894	-	-
Umayal R	Promoter Group	49,455	0.01	49,455	0.01	-
Valliammai Murugappan	Promoter Group	12,890	-	12,890	-	-

## Notes forming part of the Consolidated Financial Statements (Contd.)

**For the year ended March 31, 2025**

**Details of Shareholding of promoters and promoter Group as on March 31, 2024 (Contd.)**

Promoters Name	Category	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
Ambadi Enterprises Ltd	Promoter	2,91,380	0.03	2,91,380	0.04	0.01
A M M Vellayan Sons P Ltd	Promoter Group	26,725	-	26,725	-	-
Carborundum Universal Limited	Promoter	500	-	500	-	-
E.I.D. Parry (India) Ltd.	Promoter	1,965	-	1,965	-	-
M. M. Muthiah Research Foundation	Promoter Group	1,41,750	0.02	1,41,750	0.02	-
Ambadi Investments Limited	Promoter	3,37,21,870	4.01	3,37,21,870	4.10	0.09
Parry Enterprises India Ltd	Promoter Group	1,965	-	1,965	-	-
Cholamandalam Financial Holdings Limited	Promoter	37,28,85,889	44.39	37,28,85,889	45.36	0.97
AR Lakshmi Achi Trust	Promoter Group	4,77,145	0.06	4,77,145	0.06	-
M A Alagappan Holdings Private Limited	Promoter Group	1,12,700	0.01	1,70,700	0.02	0.01
Murugappa Educational and Medical Foundation	Promoter Group	1,965	-	1,965	-	-
MA Murugappan Holdings LLP (M A Murugappan Holdings Private Ltd was converted its status to LLP)	Promoter Group	75,000	0.01	75,000	0.01	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy Trustees holds shares for Trust)	Promoter Group	5,50,630	0.07	5,50,630	0.07	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam, M A M Arunachalam, A M Meyammai are Trustees)	Promoter Group	74,405	0.01	74,405	0.01	-
Valli Subbiah Benefit Trust (Subbiah Vellayan & M. V. Subbiah, Trustees holds shares for Trust)	Promoter Group	1,99,278	0.02	1,93,375	0.02	-
V S Bhairavi Trust (M V Subbiah & Subbiah Vellayan, Trustees holds shares for Trust)	Promoter Group	1,92,246	0.02	1,88,875	0.02	-
Arun Murugappan Children Trust (M A M Arunachalam & Sigappi Arunachalam Trustees holds shares for Trust)	Promoter Group	1,41,160	0.02	1,41,160	0.02	-
M A. Alagappan Grand Children Trust (Arun Alagappan & A A Alagammai, Trustees holds shares for Trust)	Promoter Group	1,57,250	0.02	1,57,250	0.02	-
K S Shambhavi Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	1,58,765	0.02	1,55,955	0.02	-
M V Seetha Subbiah Benefit Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	2,64,000	0.03	2,64,000	0.03	-
M.A.Alagappan (Holds shares in the capacity of Partner of Kadamane Estates - Firm)	Promoter	3,55,850	0.04	3,55,850	0.04	-
M M Muthiah Family Trust (M M Murugappan, M M Muthiah, Trustees holds shares for Trust)	Promoter Group	46,620	0.01	46,620	0.01	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	46,055	0.01	46,055	0.01	-

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Details of Shareholding of promoters and promoter Group as on March 31, 2024 (Contd.)

Promoters Name	Category	No. of shares as on March 31, 2024	% to shares	No. of shares as on March 31, 2023	% to shares	% Change during the year
M V Muthiah Family Trust (M M Venkatachalam & M V Muthiah, Trustees holds shares for Trust)	Promoter Group	4,74,130	0.06	4,74,130	0.06	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian, Trustees holds shares for Trust)	Promoter Group	4,74,130	0.06	4,74,130	0.06	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan Trustees holds shares for Trust)	Promoter Group	3,33,000	0.04	3,33,000	0.04	-
Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan, Trustees for Trust)	Promoter Group	25,000	-	25,000	-	-
M M Venkatachalam Family Trust (M M Venkatachalam Lakshmi Venkatachalam, Trustees for Trust)	Promoter Group	1,22,550	0.01	1,22,550	0.01	-
Saraswathi Trust (M V Subbiah, S Vellayan & M V Seetha Subbiah, Trustees holds shares for Trust)	Promoter Group	7,79,785	0.09	7,79,785	0.09	-
Shambho Trust (M V Subbiah & S Vellayan, Trustees holds shares for Trust)	Promoter Group	15,24,534	0.18	15,24,534	0.19	0.01
M A M Arunachalam HUF (M A M Arunachalam is the Karta of HUF)	Promoter	38	-	-	-	-
		<b>42,29,62,095</b>	<b>50.35</b>	<b>42,31,26,532</b>	<b>51.48</b>	<b>1.13</b>

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 26 OTHER EQUITY</b>		
<b>Statutory Reserve (Refer Note a)</b>		
Balance at the beginning of the year	3,250.46	2,560.46
Add: Amount transferred from retained earnings	860.00	690.00
<b>Closing balance at the end of the year</b>	<b>4,110.46</b>	<b>3,250.46</b>
<b>Capital Reserve (Refer Note b)</b>		
Balance at the beginning of the year	0.04	0.04
Add: Changes during the year	-	-
<b>Closing balance at the end of the year</b>	<b>0.04</b>	<b>0.04</b>
<b>Capital Redemption Reserve (Refer Note c)</b>		
Balance at the beginning of the year	33.00	33.00
Add: Changes during the year	-	-
<b>Closing balance at the end of the year</b>	<b>33.00</b>	<b>33.00</b>
<b>Securities Premium Account (Refer Note d)</b>		
Balance at the beginning of the year	4,916.97	2,912.99
Add: Premium on issue of shares on Qualified Institutional placement (QIP) (Refer note 25 (a))	-	1,996.61
Add: Premium on ESOPs exercised	46.94	35.34
Less: Share issue expenses	-	(27.97)
<b>Closing balance at the end of the year</b>	<b>4,963.91</b>	<b>4,916.97</b>
<b>General Reserve (Refer Note e)</b>		
Balance at the beginning of the year	5,761.03	5,761.03
Add: Amount transferred from retained earnings	-	-
<b>Closing balance at the end of the year</b>	<b>5,761.03</b>	<b>5,761.03</b>
<b>Share Based Payments Reserve (Refer Note f)</b>		
Balance at the beginning of the year	138.78	83.38
Add: Changes during the year	74.45	55.40
<b>Closing balance at the end of the year</b>	<b>213.23</b>	<b>138.78</b>



## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 26 OTHER EQUITY (Contd.)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Retained Earnings (Refer Note g)</b>		
Balance at the beginning of the year	5,329.09	2,771.05
Profit for the year	4,262.70	3,420.06
Less:		
Dividend		
Equity - Final (₹ 0.70 per share - March 31, 2024, ₹ 0.70 per share - March 31, 2023)	(57.56)	(57.56)
Equity - Interim (₹ 1.30 per share - March 31, 2025, ₹ 1.30 per share - March 31, 2024)	(110.57)	(109.16)
Transfer to Statutory Reserve	(860.00)	(690.00)
Re-measurement Gain / (Loss) on Defined Benefit Obligation (Net) transferred to Retained Earnings	(10.20)	(6.12)
Transfer to retained earnings from FVOCI Reserves	-	0.82
<b>Closing balance at the end of the year</b>	<b>8,553.46</b>	<b>5,329.09</b>
<b>Cashflow hedge reserve (Refer Note h)</b>		
Balance at the beginning of the year	(4.30)	49.72
Add: Changes during the year	(130.89)	(54.02)
<b>Closing balance at the end of the year</b>	<b>(135.19)</b>	<b>(4.30)</b>
<b>FVOCI Reserve (Refer Note i)</b>		
Balance at the beginning of the year	(1.48)	9.95
Add: Changes during the year	-	(10.61)
Transfer to retained earnings	-	(0.82)
<b>Closing balance at the end of the year</b>	<b>(1.48)</b>	<b>(1.48)</b>
<b>Share Application Money pending Allotment at the end of the year (Refer Note j)</b>		
Balance at the beginning of the year	1.59	-
Add: Changes during the year	0.39	1.59
<b>Closing balance at the end of the year</b>	<b>1.98</b>	<b>1.59</b>
<b>Total Other Equity</b>	<b>23,500.44</b>	<b>19,425.18</b>

- Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss account, before any dividend is declared.
- Capital reserve represents the reserve created on account of amalgamation of Chola Factoring Limited in the year 2013-14.
- Capital redemption reserve represents the amount equal to the nominal value of shares that were redeemed during the prior years. The reserve can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- Securities premium reserve is used to record the premium on issue of shares. The premium received during the year represents the premium received towards allotment of equity shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the provisions of the Companies Act, 2013.
- The general reserve is a free reserve, retained from Group's profits and can be utilized upon fulfilling certain conditions in accordance with specific requirement of Companies Act, 2013.
- Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service. Share based payment reserve represents the amount of reserve created for recognition of employee compensation cost at grant date and fair value of options vested and but not exercised by the employees and unvested options are recognised in Statement of Profit and Loss.
- The amount that can be distributed by the Group as dividends to its equity shareholders is determined based on the financial position of the Company and also considering the requirements of the Companies Act, 2013 and relevant RBI Regulations. Thus, the amounts reported in retained earnings are not distributable in entirety.
- Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Group accounting policies.
- FVOCI Reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income. There has been no draw down from reserve during the year ended March 31, 2025 and March 31, 2024.
- Share application money pending allotment represents amount received towards equity shares of the Company pursuant to ESOP scheme and have been subsequently allotted.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Proposed Dividend

The Board of Directors of the Company have recommended a final dividend of 35% being ₹ 0.70 per share on the equity shares of the Company, for the year ended March 31, 2025 (₹ 0.70 per share - March 31, 2024) which is subject to approval of shareholders. Consequently the proposed dividend has not been recorded in the books in accordance with IND AS 10.

₹ in crores		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>REVENUE FROM OPERATIONS</b>		
<b>Note : 27A - Interest income</b>		
<b>(i) Interest - on financial assets measured at amortised cost</b>		
(a) Loans		
- Bills Discounting	101.43	98.03
- Term Loans	22,976.46	17,058.66
- Leasing - Finance Lease	1.26	-
(b) Bank Deposits		
- under lien	175.58	104.62
- free of lien	164.17	144.37
(c) Others -Gsec/T-bill/STRIPS	328.84	221.43
<b>Total (A)</b>	<b>23,747.74</b>	<b>17,627.11</b>
<b>Note: 27B</b>		
<b>(i) Fee &amp; Commission income*</b>		
- Term loans	771.12	667.21
- Insurance Commission	967.87	674.89
- Others	0.13	0.02
<b>Total (B)</b>	<b>1,739.12</b>	<b>1,342.12</b>
*Services are rendered at a point in time		
<b>Note: 27C - Net gain on fair value change on financial instrument</b>		
<b>Net gain on fair value changes on FVTPL - Realised</b>		
- Mutual fund units	184.79	142.38
- Conversion of equity shares	-	17.67
- Sale of equity shares	8.63	-
<b>Net gain (loss) on fair value changes on FVTPL - Un-realised</b>		
Equity Shares	3.15	(3.15)
Convertible Note	-	(10.92)
<b>Total (C)</b>	<b>196.57</b>	<b>145.98</b>
<b>Note: 27D - Sale of Services</b>		
<b>(i) Sale of Services (Refer note below)</b>		
(a) Servicing and Collection fee on Assignment	3.51	2.24
(b) Other Service Income	-	22.17
<b>Total (D)</b>	<b>3.51</b>	<b>24.41</b>
<b>Note: Timing of revenue recognition</b>		
Services transferred at a point in time	3.51	24.41
Services transferred over a time	-	-
<b>Total</b>	<b>3.51</b>	<b>24.41</b>

₹ in crores		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 28 OTHER INCOME</b>		
Recovery of Bad debts	253.70	254.26
Interest on Tax Refund	40.82	0.09
Dividend Income	0.07	0.30
Change in the Fair Value of Investments	0.04	-
Profit on sale of Investments	2.76	23.43
Fair Value gain on financial instruments at fair value through profit or loss - Realised	0.10	-
Rent	1.00	0.68
Miscellaneous Income	8.29	1.49
<b>Total</b>	<b>306.78</b>	<b>280.25</b>

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 29 FINANCE COSTS</b>		
Interest on financial liabilities measured at amortised cost		
- Debt Securities	2,339.56	1,868.60
- Borrowings Other than Debt securities	9,401.90	6,863.54
- Subordinated Liabilities	692.14	457.86
Others		
- Bank charges	19.29	17.41
- Interest on lease liability (Refer Note 49)	41.13	23.34
- Interest on income tax/Others	0.51	-
<b>Total</b>	<b>12,494.53</b>	<b>9,230.75</b>

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 30 IMPAIRMENT ON FINANCIAL INSTRUMENTS (Net)</b>		
Impairment provision		
- Loans - measured at amortised cost	2,495.46	1,310.37
- Receivable and other Financial assets - measured at amortised cost	(1.15)	2.34
- Investment in Associate - measured at cost	-	4.89
<b>Total</b>	<b>2,494.31</b>	<b>1,317.60</b>

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 31 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Bonus and Commission	3,033.17	2,253.02
Contribution to Provident and Other Funds		
- Employees' Provident Fund	136.02	99.55
- Superannuation Fund	7.84	5.88
Share based employee payments	74.45	55.40
Gratuity Expense (Refer note 37)	33.99	27.18
Staff Welfare Expenses	42.28	37.57
<b>Total</b>	<b>3,327.75</b>	<b>2,478.60</b>

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 32 OTHER EXPENSES</b>		
Rent and facility charges	31.71	25.00
Rates and Taxes	51.58	45.18
Energy cost	27.47	21.28
Repairs and Maintenance	10.32	10.54
Communication Costs	45.55	43.11
Brokerage	12.55	11.77
Printing and Stationery	30.33	26.10
Advertisement and publicity Expenses	23.23	24.06
Directors Fees, allowances and expenses	5.26	7.41
Auditors' Remuneration	1.52	1.38
Legal and Professional Charges	206.70	165.25
Insurance	70.89	56.17
Travelling and Conveyance	187.58	139.52
Information Technology Expenses	100.75	106.06

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 32 OTHER EXPENSES (Contd.)

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
Loss on Sale of Property, Plant and Equipment (Net)	2.06	1.04
Fair value loss on financial instruments at fair value through profit or loss	-	1.63
Recovery Charges	440.88	397.99
Corporate Social Responsibility Expenditure	74.28	57.27
Outsource cost	513.79	392.65
Miscellaneous Expenses	13.44	58.29
	1,849.89	1,591.70
Less : Expenses Recovered	-	(2.15)
<b>Total</b>	<b>1,849.89</b>	<b>1,589.55</b>

#### Note : 32.1 CONTRIBUTION TO ELECTORAL TRUST

- 50.00

#### Note : 33 EARNINGS PER SHARE

Particulars	₹ in crore	
	Year ended March 31, 2025	Year ended March 31, 2024
Profit After Tax Attributable to Equity Shareholders (₹ in crore)	4262.72	3,420.06
Weighted Average Number of Equity Shares (Basic)	84,04,70,631	83,07,69,683
Add: Dilutive effect relating to ESOP(No's)	19,03,879	21,45,695
Weighted Average Number of Equity Shares (Diluted)	84,23,74,510	83,29,15,378
Earnings per Share - Basic (₹)	50.72	41.17
Earnings per Share - Diluted (₹)	50.60	41.06
Face Value Per Share (₹)	2.00	2.00

#### Note : 34 INCOME TAX RECONCILIATION

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2025 and March 31, 2024, is as follows:

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax from continuing operations	5,741.45	4,605.31
Income tax amount above	1,446.47	1,192.92
Effects of:		
Impact of difference in tax base for Donations & CSR expense	18.70	27.24
Share based payment expense – No deduction claimed under tax	17.75	13.22
Impact of Deduction u/s 80JJAA and 80M	(1.92)	(31.25)
Impact of Sale transactions taxable at differential rates (net)	(0.72)	(3.55)
Other adjustments	0.35	2.08
Adjustments in respect of prior years	0.82	(6.10)
Income tax expense reported in Consolidated statement of Profit and Loss	1,481.45	1,194.57

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 35 TRANSFER OF FINANCIAL ASSETS

##### 35.1 Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

##### A) Securitisation

The Group has Securitised certain loans (measured at amortised cost), without transferring substantially all risks and rewards. Hence these assets have not been de-recognised.

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Securitisations</b>		
Carrying amount of transferred assets measured at amortised cost	27,870.58	24,652.21
Carrying amount of associated liabilities (Borrowings other than Debt securities - measured at amortised cost)	28,490.72	25,335.89
Fair value of assets	27,480.89	24,196.47
Fair value of associated liabilities	26,577.68	23,561.48
Net position at Fair Value	903.20	634.99

##### B) Direct bilateral assignment

The Group has, transferred certain loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Group's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Assignment</b>		
Carrying amount of de-recognised financial asset	2,816.48	1,221.85
Carrying amount of Retained Assets at amortised cost	317.24	141.14

Particulars	₹ in crores	
	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
<b>Assignment</b>		
Gain on de-recognition of financial asset	159.04	-

**35.2** The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.

#### Note : 36 MICRO, SMALL & MEDIUM ENTERPRISES

Based on and to the extent of the information received by the Group from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are furnished below:

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
Principal amount due to suppliers under MSMED Act, as at the year end	14.33	7.65
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 37 RETIREMENT BENEFIT

##### A) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Group recognised ₹ 136.02 crore (Previous year - ₹ 99.55 crore) to Provident Fund under Defined Contribution Plan, ₹ 7.84 crore (Previous year - ₹ 5.88 crore) for Contributions to Superannuation Fund and ₹ 6.42 crore (Previous year - ₹ 6.11 crore) for Contributions to Employee State Insurance Scheme in the Statement of Profit and Loss.

##### B) Gratuity

The Group's defined benefit gratuity plan requires contributions to be made to a separately administered fund. The gratuity plan is funded with Life Insurance Corporation of India (LIC). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

#### Change in Defined Benefit Obligation and Fair Value of Plan assets:

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Defined Benefit Obligation at the beginning of the year</b>	<b>155.89</b>	<b>99.73</b>
Current Service Cost	33.11	23.82
Interest Cost	11.14	8.71
Remeasurement Losses/(Gains)		
a. Effect of changes in demographic assumptions	(0.99)	0.13
b. Effect of changes in financial assumptions	7.39	(0.48)
c. Effect of experience adjustments	6.33	6.98
Benefits Paid	(9.47)	(7.30)
Transfer In/(Out)	-	24.30
<b>Defined Benefit Obligation at the end of the year</b>	<b>203.40</b>	<b>155.89</b>
<b>Change in Fair value of Plan Assets</b>		
Fair Value of Plan Assets at the Beginning of the Year	120.96	95.16
Investment Income	10.28	7.36
Employer's Contribution	0.54	4.69
Benefits Paid	(9.47)	(7.31)
Return on plan assets (excluding amount recognized in net interest expense)	(1.46)	(1.43)
Transfer In/(Out)	0.09	22.49
<b>Fair Value of Plan Assets at the end of the year</b>	<b>120.93</b>	<b>120.96</b>
<b>Amount Recognised in the Balance Sheet</b>		
Fair Value of Plan Assets as at the End of the Year	120.93	120.96
Defined benefit obligation at the End of the Year	(203.40)	(155.89)
<b>Amount Recognised in the Balance Sheet under Other Payables</b>	<b>(82.47)</b>	<b>(34.93)</b>
<b>Cost of the Defined Benefit Plan for the Year</b>		
Current Service Cost (Net of transfer)	33.12	25.83
Net interest Expense	11.14	8.71
Expected Return on Plan Assets	(10.27)	(7.36)
<b>Net Cost recognized in the statement of Profit and Loss*</b>	<b>33.99</b>	<b>27.18</b>
<b>Remeasurement Losses/(Gains)</b>		
a) Effect of changes in financial assumptions	7.40	(0.48)
b) Effect of experience adjustments	6.33	6.98
c) Changes in demographic assumptions	(0.99)	0.13
d) Return on plan assets (excluding amount recognized in net interest expense)	1.46	1.43
e) Share of OCI pertaining to Joint Venture	(0.57)	0.11
<b>Net cost recognized in Other Comprehensive Income</b>	<b>13.63</b>	<b>8.17</b>



## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 37 RETIREMENT BENEFIT (Contd.)

₹ in crores

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Assumptions</b>		
Discount Rate	6.50% p.a.	7.15% p.a.
Future salary increase		
- CFF Grade	7.50% p.a.	7.50% p.a.
- Other Grades	7.25%-7.50% p.a.	7.25%-7.50% p.a.
Attrition Rate		
- CFF Grade	25% p.a.	25% p.a.
- Other Grades	13-17% p.a.	13-17% p.a.
Expected rate of return on Plan Assets	7.00% -7.67% p.a.	6.70% -7.50% p.a.
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
<b>Maturity profile of Defined Benefit Obligations</b>		
Weighted average duration (Based on discounted cash flows)	5-6 years	4-6 years
<b>Expected Cash flows over the next (valued on undiscounted basis)</b>		
Within the next 12 months (next annual reporting period)	30.60	23.66
Between 2 and 5 years	104.12	83.13
Between 6 and 10 years	91.56	72.65
Beyond 10 Years	87.36	70.54
<b>Total Expected Cash flows</b>	<b>313.64</b>	<b>249.98</b>

\*Recognised under Employee Benefit Expenses (Refer Note 31)

Particulars	March 31, 2025		March 31, 2024	
	Increase	Decrease	Increase	Decrease
<b>Sensitivity Analysis-Defined Benefit Obligation:</b>				
Discount Rate (+/- 1%)	192.34	215.64	147.58	165.06
Salary Growth Rate (+/- 1%)	214.17	193.31	163.99	148.28
Attrition Rate (+/- 50% of attrition rates)	195.22	214.75	151.78	160.75
Mortality Rate (+/- 10% of mortality rates)	203.41	203.40	155.90	155.88

#### Notes:

- The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
- The Group's best estimate of contribution during the next year is ₹ 119.25 crores.
- Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.
- The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC).
- The above sensitivity analysis are based on change in an assumption which is holding all the other assumptions constant. In practice, this is unlikely to occur, and changes in some assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant actuarial assumptions the same method of present value of defined benefit obligations calculated with Projected unit cost method at the end of the reporting period has been applied while calculating defined benefit liability recognised in the balance sheet.
- The method and type of assumptions used in preparing the sensitivity analysis does not change compared to the prior period.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 37 RETIREMENT BENEFIT (Contd.)

##### Description of Risk exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Group is exposed to various risks in providing the above gratuity benefit which are as follows:

- (a) **Interest Rate risk:** The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- (b) **Liquidity Risk:** This is the risk that the Group is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
- (c) **Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- (d) **Demographic Risk:** The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- (e) **Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.
- (f) **Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Group to market risk for volatilities/fall in interest rate.
- (g) **Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on a particular investment.

#### C) Compensated Absences

Assumptions	March 31, 2025	March 31, 2024
Discount Rate	6.50%	7.15%
Future salary increase		
- CFF Grade	7.50%	7.50%
- Other Grades	7.25%-7.50%	7.25%-7.50%
Attrition Rate		
- CFF Grade	25%	25%
- Other Grades	13%-17%	13%-17%
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

##### Notes:

1. The Group has not funded its Compensated Absences liability and the same continues to remain as unfunded as at March 31, 2025.
2. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.
3. Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

#### Note : 38 SEGMENT INFORMATION

The Group is primarily engaged in the business of financing. All the activities of the Group revolve around the main business. Further, the Group does not have any separate geographic segments other than India

During year ended March 31, 2025, for management purposes, the Group has been organised into the following operating segments based on products and services.

- Vehicle Finance - Loans to customers against purchase of new/used vehicles, tractors, construction equipment and loan to automobile dealers.
- Loan against property - Loans to customer against immovable property
- Home Loans - Loans given for acquisition/construction of residential property and loans against the residential/commercial property
- Other Loans - Other loans consist of consumer and small enterprise loans, secured business and personal loan and SME loans

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the financial statements. However, income taxes are managed on an entity as whole basis and are not allocated to operating segments.

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

Note : 38 SEGMENT REPORTING (Contd.)

₹ in crores

Particulars	Year ended March 31, 2025					Total
	Vehicle Finance	Loan against Property	Home Loans	Others	Unallocable	
<b>Revenue from Operations (I)</b>						
Interest Income	12,879.22	4,136.19	2,317.01	3,774.52	640.80	23,747.74
Net gain on derecognition of financial instruments under amortised cost category	-	159.04	-	-	-	159.04
Fee & commission income	1,057.59	268.81	184.05	228.67	-	1,739.12
Net gain on Fair value change on financial instrument	-	-	-	-	196.57	196.57
Sale of Services	1.84	1.42	0.25	-	-	3.51
<b>Segment revenue from Operations (I)</b>	<b>13,938.65</b>	<b>4,565.46</b>	<b>2,501.31</b>	<b>4,003.19</b>	<b>837.37</b>	<b>25,845.98</b>
Other income (II)	167.88	7.87	0.29	79.86	50.88	306.78
<b>Total Segment Income (I) + (II)</b>	<b>14,106.53</b>	<b>4,573.33</b>	<b>2,501.60</b>	<b>4,083.05</b>	<b>888.25</b>	<b>26,152.76</b>
<b>Expenses</b>						
Finance costs	6,723.05	2,470.33	1,152.26	1,623.98	524.91	12,494.53
Impairment of Financial Instruments	1,523.66	53.38	63.15	864.05	(9.93)	2,494.31
Employee benefits expense	1,971.44	429.30	336.21	524.40	66.40	3,327.75
Depreciation and amortisation expense	146.52	33.57	25.31	39.28	0.15	244.83
Other expenses	917.65	190.32	231.55	448.99	61.38	1,849.89
<b>Segment Expenses</b>	<b>11,282.32</b>	<b>3,176.90</b>	<b>1,808.48</b>	<b>3,500.70</b>	<b>642.91</b>	<b>20,411.31</b>
<b>Segment Profit before taxation</b>	<b>2,824.21</b>	<b>1,396.43</b>	<b>693.12</b>	<b>582.35</b>	<b>245.34</b>	<b>5,741.45</b>
Tax expense						1,481.45
Share of profit / (loss) from associate and Joint Venture				2.70		2.70
<b>Profit for the year</b>						<b>4,262.70</b>

₹ in crores

Particulars	Year ended March 31, 2024					Total
	Vehicle Finance	Loan against Property	Home Loans	Others	Unallocable	
<b>Revenue from Operations (I)</b>						
Interest Income	10,376.09	2,901.14	1,586.69	2,306.13	457.06	17,627.11
Fee & commission income	717.24	150.40	104.41	369.94	0.13	1,342.12
Net gain on Fair value change on financial instrument	-	-	-	-	145.98	145.98
Sale of Services	19.62	2.56	0.31	1.92	-	24.41
<b>Segment revenue from Operations (I)</b>	<b>11,112.95</b>	<b>3,054.10</b>	<b>1,691.41</b>	<b>2,677.99</b>	<b>603.17</b>	<b>19,139.62</b>
Other income (II)	143.05	15.36	10.84	(5.78)	116.78	280.25
<b>Total Segment Income (I) + (II)</b>	<b>11,256.00</b>	<b>3,069.46</b>	<b>1,702.25</b>	<b>2,672.21</b>	<b>719.95</b>	<b>19,419.87</b>
<b>Expenses</b>						
Finance costs	5,426.01	1,722.09	770.18	1,056.38	256.09	9,230.75
Impairment of Financial Instruments	905.88	(39.65)	17.68	388.46	45.23	1,317.60
Employee benefits expense	1,434.62	293.68	238.49	492.74	19.07	2,478.60
Depreciation and amortisation expense	134.80	21.89	17.50	23.74	0.13	198.06
Other expenses	831.65	148.05	188.50	311.09	110.26	1,589.55
<b>Segment Expenses</b>	<b>8,732.96</b>	<b>2,146.06</b>	<b>1,232.35</b>	<b>2,272.41</b>	<b>430.78</b>	<b>14,814.56</b>
<b>Segment Profit before taxation</b>	<b>2,523.04</b>	<b>923.40</b>	<b>469.90</b>	<b>399.80</b>	<b>289.17</b>	<b>4,605.31</b>
Tax expense						1,194.57
Share of profit / (loss) from associate and Joint Venture				9.32		9.32
<b>Profit for the year</b>						<b>3,420.06</b>

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 38 SEGMENT REPORTING (Contd.)

₹ in crores

Particulars	Vehicle finance	Loan against property	Home Loans	Others	Unallocable	Total
<b>As on March 31, 2025</b>						
Segment Assets	1,01,247.83	38,927.46	18,131.26	23,862.52		1,82,169.07
Unallocable Assets					19,717.69	19,717.69
<b>Total Assets</b>						<b>2,01,886.76</b>
Segment Liabilities	89,384.45	34,366.26	16,006.79	21,053.24		1,60,810.74
Unallocable Liabilities					17,407.33	17,407.33
<b>Total Liabilities</b>						<b>1,78,218.07</b>
<b>As on March 31, 2024</b>						
Segment Assets	84,455.70	29,036.23	13,047.52	18,046.10		1,44,585.55
Unallocable Assets					12,100.86	12,100.86
<b>Total Assets</b>						<b>1,56,686.41</b>
Segment Liabilities	73,898.65	25,406.67	11,416.57	15,783.04		1,26,504.93
Unallocable Liabilities					10,588.24	10,588.24
<b>Total Liabilities</b>						<b>1,37,093.17</b>

In computing the segment information, certain estimates and assumptions have been made by the management and is in consistent with the accounting policies that are used in preparation of the financial statements.

As the assets are allocated to segment based on certain assumptions, hence Property, plant and equipment have not been disclosed separately for each specific segment.

There are no revenue from transactions with a single external customer or counter party which amounted to 10% or more of the Group's total revenue in the Current year and Previous year.

All assets located are in India

#### Note : 39 RELATED PARTY DISCLOSURES

##### List of Related Parties

- **Holding Company:** Cholamandalam Financial Holdings Limited
- **Entity having significant influence over holding Company:** Ambadi Investments Limited
- **Subsidiaries of the entity which has significant influence over holding Company:** Parry Enterprises India Limited and Parry Agro Industries Limited.
- **Fellow Subsidiaries:** Cholamandalam MS General Insurance Company Limited
- **Joint Venture of Holding Company:** Cholamandalam MS Risk Services Limited
- **Associate:** Vishvakarma Payments Private Limited, Paytail Commerce Private Limited (Up to 21<sup>st</sup> March, 2024)
- **Joint Venture:** Payswiff Technologies Private Limited
- **Promoter#:** Coromandel International Limited, EID Parry (India) Limited, Tube Investments of India Limited
- **Promoter Group#:** Chola Business Services Limited, Coromandel Engineering Company Limited (upto 28<sup>th</sup> December 2023), Murugappa Morgan Thermal Ceramics Limited, Net Access India Limited, Murugappa Management Services Private Limited, AR Lakshmi Achi Trust, M A Murugappan Holdings LLP, AMM Foundation, TI Clean Mobility Private Limited, CG Power and Industrial Solutions Limited, Chola Foundation, Mavco Investments Private Limited, CE Info Systems Private Limited (upto 24 March 2024)
- **Key Managerial Personnel:**
  - a) Mr. Ravindra Kumar Kundu, Managing Director
  - b) Mr. D. Arulselvan, Chief Financial Officer
  - c) Ms. P. Sujatha, Company Secretary
- **Non-Executive Directors**
  - a) Mr. N Ramesh Rajan
  - b) Mr. Rohan Verma (Upto 24<sup>th</sup> March, 2024)
  - c) Ms. Bhama Krishnamurthy
  - d) Mr. Vellayan Subbiah
  - e) Mr. M A M Arunachalam
  - f) Mr. Anand Kumar
  - g) Mr. M R Kumar (w.e.f. 1<sup>st</sup> May, 2024)
  - h) Mr. Ramkumar Ramamoorthy (w.e.f. 26<sup>th</sup> July 2024)
- **Private companies in which a director or manager or his relative is a member or director##:** Zetwerk Manufacturing Business Private Limited, Finance Industry Development Council, Medall Healthcare Private Limited (upto 23<sup>rd</sup> September 2024), Mavnu Investments Private Limited
- **Firm, in which a director, manager or his relative is a partner##:** Kadamane Estates Co

# Represents entities/parties identified as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Represents entities/parties included as per Companies Act, 2013.

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

Note : 39 RELATED PARTY DISCLOSURES (Contd.)

₹ in crores

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 39 a) TRANSACTIONS DURING THE YEAR</b>		
<b>Dividend Payments (Equity Shares)</b>		
a) Cholamandalam Financial Holdings Limited	74.58	74.58
b) Ambadi Investments Limited	6.74	6.74
c) Parry Enterprises India Limited	*	*
d) AR Lakshmi Achi Trust	0.10	0.10
e) M A Murugappan Holdings LLP	0.02	0.02
f) Kadamane Estates Co	0.07	0.07
g) Relatives of KMP & Directors	0.09	0.11
h) Promoter and Promoter Group	2.57	3.00
<b>Amount received towards Reimbursement of expenses</b>		
a) Cholamandalam Financial Holdings Limited	1.77	1.58
b) Cholamandalam MS General Insurance Company Limited	0.05	0.06
c) Chola Business Services Limited	*	-
d) Murugappa Morgan Thermal Ceramics Limited	0.03	0.03
e) Payswiff Technologies Private Limited	1.66	0.09
f) Tube Investments of India Limited	0.31	0.15
g) Mavco Investments Private Limited	0.09	-
h) Mavnu Investments Private Limited	0.19	-
<b>Expenses – Reimbursed</b>		
a) Cholamandalam MS General Insurance Company Limited	0.20	0.22
b) Parry Enterprises India Limited	0.02	-
<b>Services Received</b>		
a) Cholamandalam MS General Insurance Company Limited	55.64	4.94
b) Parry Enterprises India Limited	28.16	8.69
c) Chola Business Services Limited	642.40	611.88
d) Coromandel Engineering Company Limited	-	1.98
e) Murugappa Management Services Private Limited	0.34	0.28
f) Net Access India Limited	15.12	14.71
g) Payswiff Technologies Private limited	1.32	0.46
h) Paytail Commerce Private Limited	-	2.10
i) Tube Investments of India Limited	-	0.09
j) CE Info Systems Private Limited	-	0.06
k) Medall Healthcare Private Limited	-	*
l) Cholamandalam MS Risk Services Limited	0.01	-
<b>Services Rendered</b>		
a) Chola Business Services Limited	-	26.15
b) Payswiff Technologies Private Limited	0.01	-
c) Key Managerial Personnel	*	*
<b>Rental Income</b>		
a) Coromandel International Limited	-	0.20
b) Tube Investments of India Limited	0.72	0.35
<b>Loans given</b>		
a) Payswiff Technologies Private limited	30.00	1.00
b) Zetwerk Manufacturing Business Private Limited	9.95	1.27
c) EID Parry (India) Limited	2.86	-
<b>Loans recovered</b>		
a) Payswiff Technologies Private limited	12.50	1.00
b) Zetwerk Manufacturing Business Private Limited	9.95	1.27
c) Medall Healthcare Private Limited	3.20	6.40
d) EID Parry (India) Limited	0.05	-
<b>Insurance Claims received</b>		
a) Cholamandalam MS General Insurance Company Limited	0.09	0.69
<b>Insurance Commission Income</b>		
a) Cholamandalam MS General Insurance Company Limited	370.88	304.42
<b>Interest Income Received</b>		
a) Payswiff Technologies Private Limited	1.78	*

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

Note : 39 RELATED PARTY DISCLOSURES (Contd.)

Particulars	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Interest Expense - Debentures</b>		
a) Cholamandalam MS General Insurance Company Limited	60.20	36.17
b) Promoters/Promotor group	27.42	22.76
<b>Subscriptions/Advertisement Expenses</b>		
a) Finance Industry Development Council	0.02	0.01
<b>Contribution to CSR activity</b>		
a) AMM Foundation	26.19	19.16
<b>Contribution to initial Corpus</b>		
a) Chola Foundation	0.01	-
<b>Interest earned on Loan</b>		
a) Zetwerk Manufacturing Businesses Private Limited	0.29	0.04
b) Medall Healthcare Private Limited	0.49	1.52
c) EID Parry (India) Limited	0.16	-
<b>Invocation of performance security on delinquent loans</b>		
a) Paytail Commerce Private Limited	-	1.93
<b>Purchase of Goods</b>		
a) Parry Agro Industries Limited	0.48	*
<b>Advances Paid</b>		
a) Parry Enterprises India Limited	8.26	4.58
<b>Advances Settled</b>		
a) Parry enterprises India Limited	10.47	-
<b>Rental Deposits received</b>		
a) Tube Investments of India Limited	-	0.15
b) EID Parry (India) Limited	0.40	-
<b>Loss sharing Arrangement - Recovery</b>		
a) TI Clean Mobility Private Limited	0.38	-
<b>Rent &amp; Maintenance</b>		
a) EID Parry (India) Limited	0.23	2.63
<b>Purchase of Property, plant and equipment</b>		
a) CG Power and Industrial Solutions Limited	0.44	-
<b>Sale of Property, plant and equipment</b>		
a) Cholamandalam MS General Insurance Company Limited	-	0.42
<b>Commission and Sitting fees to non-executive Directors</b>	4.96	7.19

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
<b>Note : 39 b) BALANCES OUTSTANDING AT THE YEAR END</b>		
<b>Loans - Receivable</b>		
a) Medall Healthcare Private Limited	-	8.05
b) Payswiff Technologies Private limited	17.65	-
c) EID Parry India Limited	2.33	-
<b>Debt Securities - Payable</b>		
a) Cholamandalam MS General Insurance Company Limited	(772.34)	(563.66)
b) Debentures held by promoter and promoter group	(323.92)	(277.81)
<b>Other Receivable / (Payable)</b>		
a) Cholamandalam MS General Insurance Company Limited	54.52	62.75
b) Parry Enterprises India Limited	(1.04)	(1.00)
c) TI Clean Mobility Private Limited	0.38	-
d) Chola Business Services Limited	(54.49)	(49.54)
e) Payswiff Technologies Private Limited	0.04	(0.08)
f) Murugappa Management Services Private Limited	-	(0.08)
g) EID Parry (India) Limited	(0.01)	(0.02)
h) Net Access India Limited	(2.93)	(4.59)
i) Tube Investments of India Limited	0.09	0.15
j) Murugappa Morgan Thermal Ceramics Limited	*	*
k) Parry Agro Industries Limited	(0.27)	-



## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 39 RELATED PARTY DISCLOSURES (Contd.)

Nature of Transaction	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 39 c) REMUNERATION AND OTHER TRANSACTIONS WITH KEY MANAGERIAL PERSONNEL (KMP)</b>		
Gross Salary Including Perquisites	12.10	8.70
Other – Contribution to funds	1.38	1.02
Dividend Payments	0.10	0.07
Share based payments	5.94	4.37

Nature of Transaction	₹ in crores	
	Year ended March 31, 2025	Year ended March 31, 2024
<b>Note : 39 d) REMUNERATION PAID TO PROMOTER AND PROMOTER GROUP</b>		
Gross Salary Including Perquisites	1.81	0.40
Other – Contribution to funds	0.10	0.03

\*Represents amounts less than ₹ 1 lakh

#### Note : 40 CONTINGENT LIABILITIES AND COMMITMENTS

##### (a) Contested Claims not provided for:

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
Income tax and Interest on Tax issues where the Group has gone on appeal	26.85	47.31
Decided in the Group's favour by Appellate Authorities and for which the Department is on further appeal with respect to Income Tax	0.28	0.28
Sales Tax issues pending before Appellate Authorities in respect of which the Group is on appeal	27.41	27.41
Decided in the Group's favour by Appellate Authorities and for which the Department is on further appeal with respect to Sales Tax	1.02	1.02
Service Tax & GST issues pending before Appellate Authorities in respect of which the Group is on appeal.	76.76	65.16
Disputed claims against the Group lodged by various parties under litigation (to the extent quantifiable)	164.48	118.90

Note: Refer note no 46 (i) for Group's share in the Contingent liability of the Joint Venture.

- The Group is of the opinion that the above demands based on management estimate no significant liabilities are expected to arise.
- It is not practicable for the Group to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings.
- The Group does not expect any reimbursement in respect of the above contingent liabilities.
- Future Cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

##### (b) Commitments

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
Capital commitments	58.95	15.96
Disbursements – Undrawn lines	4,383.66	4,001.56

##### (c) Bank Guarantee:

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
Outstanding bank guarantees given to stock exchanges/stock holding corporation of India Limited to meet margin requirements	60.00	48.00

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 41 CHANGES IN PROVISIONS

₹ in crores				
Particulars	As at March 31, 2024	Additional Provision	Utilisation/ Reversal	As at March 31, 2025
Provision for Contingencies and disputed claims	39.54	-	-	39.54
Provision for Expected credit loss allowance towards Undrawn commitments	10.37	9.23	(5.18)	14.42

₹ in crores				
Particulars	As at March 31, 2023	Additional Provision	Utilisation/ Reversal	As at March 31, 2024
Provision for Contingencies and disputed claims	39.54	-	-	39.54
Provision for Expected credit loss allowance towards Undrawn commitments	11.79	6.15	(7.57)	10.37

Undrawn loan commitments are commitments under which the Group is required to provide a loan under pre-sanctioned terms to the customer.

The undrawn commitments provided by the group represents limits provided for automobile dealers, bill discounting customers and partly disbursed loans for other loans.

The Group creates expected credit loss provision on the undrawn commitments outstanding as at the end of the reporting year.

#### Note : 42 ESOP DISCLOSURE

##### ESOP 2007

The Board at its meeting held on June 22, 2007, approved an issue of Stock Options up to a maximum of 5% of the issued Equity Capital of the Company (before Rights Issue) aggregating to 1,904,162 Equity Shares (prior to share split) in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines. There are no options outstanding under this scheme.

##### ESOP 2016

The Board at its meeting held on October 27, 2016, approved to create, and grant from time to time, in one or more tranches, not exceeding 1,56,25,510 Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the company including some of subsidiaries, managing director and whole time director, (other than promoter/promoter group of the company, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the company), as may be decided by the board, exercisable into not more than 1,56,25,510 equity shares of face value of ₹ 2/- each fully paid-up, on such terms and in such manner as the board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

In this regard, the Company has recognised an expense for the employees services received amounting to ₹ 74.45 crores during the year ended March 31, 2025 (₹ 55.40 crores during the year ended March 31, 2024), shown under Employee Benefit Expenses (Refer Note 31).

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

##### Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2024-25			Options outstanding		Options vested but not exercised		Options unvested		Weighted Average Remaining Contractual Life
		As at 31.03.2024	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2025	As at 31.03.2025	As at 31.03.2025	Exercise Price	As at 31.03.2025		
GT25 JAN 2017	25-Jan-17	2,12,525	-	-	-	1,28,655	83,870	69,170	14,700	202.00	-	-	-
GT30 JAN 2018	30-Jan-18	28,230	-	-	-	12,900	15,330	15,330	-	261.94	-	-	-
GT30 JAN 2018 A	30-Jan-18	7,800	-	-	-	7,800	-	-	-	261.94	-	-	-
GT23 APR 2018	23-Apr-18	-	-	-	-	-	-	-	-	312.47	-	-	-
GT26 JUL 2018	26-Jul-18	40,880	-	-	-	10,220	30,660	30,660	-	299.46	-	-	-
GT26 JUL 2018 A	26-Jul-18	-	-	-	-	-	-	-	-	299.46	-	-	-
GT30 OCT 2018	30-Oct-18	1,14,680	-	-	-	76,920	37,760	37,760	-	253.70	-	-	-
GT19 MAR 2019	19-Mar-19	2,30,574	-	-	-	1,44,644	85,930	85,930	-	278.01	-	-	-
GT30 JUL 2019	30-Jul-19	-	-	-	-	-	-	-	-	248.20	-	-	-
GT05 NOV 2019	05-Nov-19	1,10,140	-	-	-	26,200	83,940	82,940	1,000	316.00	-	-	-

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 42 ESOP DISCLOSURE (Contd.)

##### Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2024-25			Options outstanding		Options vested but not exercised		Options unvested		Exercise Price	Weighted Average Remaining Contractual Life
		As at 31.03.2024	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2025	As at 31.03.2025	As at 31.03.2025	As at 31.03.2025	As at 31.03.2025	As at 31.03.2025		
GT23 JAN 2020	23-Jan-20	-	-	-	-	-	-	-	-	-	-	-	317.50	-
GT03 JUNE 2020	03-Jun-20	20,820	-	-	-	13,900	6,920	6,920	-	-	-	-	157.90	-
GT03 JUNE 2020 A	03-Jun-20	-	-	-	-	-	-	-	-	-	-	-	157.90	-
GT07 MAY 2021	07-May-21	8,81,120	-	-	-	1,89,500	6,91,620	3,76,580	3,15,040	580.30	0.10	-	-	-
GT30 JULY 2021	30-Jul-21	24,700	-	-	-	8,500	16,200	8,790	7,410	487.15	0.33	-	-	-
GT29 OCT 2021	29-Oct-21	6,22,909	-	-	8,200	95,434	5,19,275	3,01,295	2,17,980	609.00	0.58	-	-	-
GT29 OCT 2021 A	29-Oct-21	2,520	-	-	-	2,520	-	-	-	609.00	0.58	-	-	-
GT01 FEB 2022	01-Feb-22	98,260	-	-	-	18,630	79,630	39,450	40,180	629.50	0.84	-	-	-
GT05 MAY 2022	05-May-22	45,200	-	-	-	8,200	37,000	9,880	27,120	712.15	0.60	-	-	-
GT29 JUL 2022	29-Jul-22	50,700	-	-	-	8,790	41,910	20,700	21,210	690.10	0.83	-	-	-
GT29 JUL 2022 A	29-Jul-22	48,300	-	-	-	7,000	41,300	12,320	28,980	690.10	0.33	-	-	-
GT29 JUL 2022 B	29-Jul-22	-	-	-	-	-	-	-	-	690.10	-	-	-	-
GT24 SEP 2022	24-Sep-22	20,600	-	-	-	4,940	15,660	840	14,820	738.50	0.98	-	-	-
GT24 SEP 2022 A	24-Sep-22	2,17,000	-	-	-	21,300	1,95,700	1,12,870	82,830	738.50	0.48	-	-	-
GT24 SEP 2022 B	24-Sep-22	6,300	-	-	-	2,520	3,780	3,780	-	738.50	-	-	-	-
GT01 NOV 2022	01-Nov-22	24,700	-	-	-	-	24,700	9,880	14,820	709.35	1.09	-	-	-
GT31 JAN 2023	31-Jan-23	14,52,243	-	-	74,400	1,52,810	12,25,033	3,64,743	8,60,290	710.75	1.34	-	-	-
GT01 AUG 2023	01-Aug-23	6,94,940	-	-	32,500	30,560	6,31,880	1,29,250	5,02,630	1,132.00	0.88	-	-	-
GT02 NOV 2023	02-Nov-23	3,360	-	-	-	-	3,360	840	2,520	1,149.00	1.72	-	-	-
GT02 NOV 2023 A	02-Nov-23	20,500	-	-	-	-	20,500	4,100	16,400	1,149.00	1.09	-	-	-
GT25 JAN 2024	25-Jan-24	3,44,900	-	-	10,100	-	3,34,800	63,680	2,71,120	1,245.08	1.95	-	-	-
GT29 APR 2024	29-Apr-24	-	-	2,68,380	6,000	-	2,62,380	-	2,62,380	1,171.70	0.62	-	-	-
GT26 JUL 2024	26-Jul-24	-	-	5,28,800	12,000	-	5,16,800	6,000	5,10,800	1,363.65	2.02	-	-	-
GT26 JUL 2024 A	26-Jul-24	-	-	1,50,720	-	-	1,50,720	-	1,50,720	1,363.65	1.45	-	-	-
GT26 JUL 2024 B	26-Jul-24	-	-	2,15,460	-	-	2,15,460	-	2,15,460	1,363.65	0.82	-	-	-
GT31 JAN 2025	31-Jan-25	-	-	5,16,500	-	-	5,16,500	-	5,16,500	1,279.40	2.54	-	-	-
GT03 MAR 2025	03-Mar-25	-	-	44,100	-	-	44,100	-	44,100	1,400.75	2.62	-	-	-
<b>Total</b>		<b>53,23,901</b>	<b>-</b>	<b>17,23,960</b>	<b>1,43,200</b>	<b>9,71,943</b>	<b>59,32,718</b>	<b>17,93,708</b>	<b>41,39,010</b>	<b>-</b>				

Note: Outstanding Options includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2025 - 280,630 options.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 42 ESOP DISCLOSURE (Contd.)

##### Employee Stock Option Plan 2016

Particulars												
Options outstanding				During the Year 2023-24			Options outstanding	Options vested but not exercised	Options unvested			
Particulars	Date of Grant	As at 31.03.2023	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2024	As at 31.03.2024	As at 31.03.2024	Exercise Price	Weighted Average Remaining Contractual Life	
GT25 JAN 2017	25-Jan-17	5,41,835	-	-	-	3,29,310	2,12,525	2,12,525	-	202.00		
GT30 JAN 2018	30-Jan-18	1,38,410	-	-	-	1,10,180	28,230	28,230	-	261.94	-	
GT30 JAN 2018 A	30-Jan-18	13,470	-	-	-	5,670	7,800	7,800	-	261.94	-	
GT23 APR 2018	23-Apr-18	-	-	-	-	-	-	-	-	312.47	-	
GT26 JUL 2018	26-Jul-18	47,360	-	-	-	6,480	40,880	40,880	-	299.46	-	
GT26 JUL 2018 A	26-Jul-18	-	-	-	-	-	-	-	-	299.46	-	
GT30 OCT 2018	30-Oct-18	1,71,950	-	-	-	57,270	1,14,680	1,14,680	-	253.70	-	
GT19 MAR 2019	19-Mar-19	2,90,600	-	-	-	60,026	2,30,574	2,30,574	-	278.01	-	
GT30 JUL 2019	30-Jul-19	-	-	-	-	-	-	-	-	248.20	-	
GT05 NOV 2019	05-Nov-19	1,78,080	-	-	-	67,940	1,10,140	1,10,140	-	316.00	-	
GT23 JAN 2020	23-Jan-20	-	-	-	-	-	-	-	-	317.50	-	
GT03 JUNE 2020	03-Jun-20	41,640	-	-	-	20,820	20,820	-	20,820	157.90	0.18	
GT03 JUNE 2020 A	03-Jun-20	-	-	-	-	-	-	-	-	157.90	-	
GT07 MAY 2021	07-May-21	9,92,500	-	-	-	1,11,380	8,81,120	2,85,620	5,95,500	580.30	0.60	
GT30 JULY 2021	30-Jul-21	24,700	-	-	-	-	24,700	9,880	14,820	487.15	0.83	
GT29 OCT 2021	29-Oct-21	7,38,050	-	-	4,100	1,11,041	6,22,909	1,77,129	4,45,780	609.00	1.08	
GT29 OCT 2021 A	29-Oct-21	2,520	-	-	-	-	2,520	2,520	-	609.00	1.08	
GT01 FEB 2022	01-Feb-22	1,26,100	-	-	-	27,840	98,260	22,600	75,660	629.50	1.34	
GT05 MAY 2022	05-May-22	45,200	-	-	-	-	45,200	9,040	36,160	712.15	1.22	
GT29 JUL 2022	29-Jul-22	56,560	-	-	-	5,860	50,700	8,280	42,420	690.10	1.45	
GT29 JUL 2022 A	29-Jul-22	92,400	-	-	44,100	-	48,300	2,660	45,640	690.10	0.83	
GT29 JUL 2022 B	29-Jul-22	5,340	-	-	-	5,340	-	-	-	690.10	-	
GT24 SEP 2022	24-Sep-22	24,700	-	-	-	4,100	20,600	840	19,760	738.50	1.61	
GT24 SEP 2022 A	24-Sep-22	2,20,880	-	-	-	3,880	2,17,000	51,340	1,65,660	738.50	0.98	
GT24 SEP 2022 B	24-Sep-22	7,560	-	-	-	1,260	6,300	6,300	-	738.50	-	
GT01 NOV 2022	01-Nov-22	45,200	-	-	16,400	4,100	24,700	4,940	19,760	709.35	1.71	

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 42 ESOP DISCLOSURE (Contd.)

##### Employee Stock Option Plan 2016

Particulars	Date of Grant	Options outstanding		During the Year 2023-24			Options outstanding		Options vested but not exercised	Options unvested		Weighted Average Remaining Contractual Life
		As at 31.03.2023	Addition in number of options on account of share split*	Options Granted	Options Forfeited / Expired	Options Exercised and allotted	As at 31.03.2024	As at 31.03.2024		As at 31.03.2024	Exercise Price	
GT31 JAN 2023	31-Jan-23	15,98,400	-	-	99,200	46,957	14,52,243	2,24,523		12,27,720	710.75	1.96
GT01 AUG 2023	01-Aug-23	-	-	7,21,440	26,500	-	6,94,940	-		6,94,940	1,132.00	2.04
GT02 NOV 2023	02-Nov-23	-	-	3,360	-	-	3,360	-		3,360	1,149.00	2.29
GT02 NOV 2023 A	02-Nov-23	-	-	20,500	-	-	20,500	-		20,500	1,149.00	1.72
GT25 JAN 2024	25-Jan-24	-	-	3,44,900	-	-	3,44,900	-		3,44,900	1,245.08	2.52
<b>Total</b>		<b>54,03,455</b>	<b>-</b>	<b>10,90,200</b>	<b>1,90,300</b>	<b>9,79,454</b>	<b>53,23,901</b>	<b>15,50,501</b>		<b>37,73,400</b>		

Note: Outstanding Options includes options (vested and unvested) issued to employees of subsidiary as at March 31, 2024 - 171,500 options.

The following tables list the inputs to the Black Scholes model used for the plans for the year ended March 31, 2025:

##### ESOP 2016

Date of Grant	Variables						Fair Value of the Option (₹)
	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of the underlying Share in the Market at the time of the Option Grant (₹)		
25-Jan-17	6.36% - 6.67%	3.5 - 6.51 years	33.39% - 34.47%	0.54%	1,010.00		401.29*
30-Jan-18	7.11%-7.45%	3.5 - 5.50 years	30.16%-31.46%	0.42%	1,309.70		496.82*
30-Jan-18	7.11%-7.45%	3.5 - 5.50 years	30.16%-31.46%	0.42%	1,309.70		531.84*
23-Apr-18	7.45%-7.81%	3.51 - 6.51 years	30.33%-32.38%	0.42%	1,562.35		646.08*
26-Jul-18	7.71%-7.92%	3.51 - 5.51 years	30.56%-31.83%	0.43%	1,497.30		586.32*
30-Oct-18	7.61%-7.85%	3.51 - 6.51 years	32.34%-32.70%	0.51%	1,268.50		531.36*
19-Mar-19	6.91% - 7.25%	3.51 - 6.51 years	32.19% - 32.59%	0.47%	1,390.05		564.13*
30-Jul-19	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	248.20		83.66
05-Nov-19	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	316.00		112.09
23-Jan-20	6.15% - 6.27%	3.51 - 4.51 years	32.21% - 32.93%	0.52%	317.00		109.51
03-Jun-20	5.00%	3.50 years	47.50%	1.33%	157.90		58.27
07-May-21	5.12% - 6.02%	3.5 - 6.5 years	52.06% - 43.62%	0.34%	580.30		276.84
30-Jul-21	5.25% - 6.20%	3.50 - 6.51 years	52.06% - 43.65%	0.41%	487.15		232.48
29-Oct-21	5.22% - 6.17%	3.50 - 6.51 years	53.2% - 43.93%	0.33%	609.00		293.95
01-Feb-22	5.49% - 6.50%	3.50 - 6.51 years	53.81% - 44.42%	0.32%	629.50		309.23
05-May-22	6.20% - 7.09%	2.5 - 5.51 years	59.10% - 47.09%	0.28%	712.15		336.08
29-Jul-22	6.84% - 7.18%	3.51 - 6.51 years	53.74% - 45.29%	0.29%	690.10		351.99
29-Jul-22	6.84% - 7.1%	3.51 - 5.51 years	53.74% - 47.07%	0.29%	690.10		339.76
29-Jul-22	6.84%	3.51 years	53.74%	0.29%	690.10		311.94
24-Sep-22	7.13% - 7.31%	3.51 - 6.51 years	53.79% - 45.27%	0.27%	738.50		379.33
24-Sep-22	7.13% - 7.28%	3.51 - 5.51 years	53.79% - 47.07%	0.27%	738.50		366.36

## Notes forming part of the Consolidated Financial Statements (Contd.)

For the year ended March 31, 2025

Note : 42 ESOP DISCLOSURE (Contd.)

### ESOP 2016

Date of Grant	Variables					Fair Value of the Option (₹)
	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of the underlying Share in the Market at the time of the Option Grant (₹)	
24-Sep-22	7.13%	3.51 years	53.79%	0.27%	738.50	336.74
01-Nov-22	7.15% - 7.37%	3.51 - 6.51 years	53.81% - 45.25%	0.28%	709.35	364.52
31-Jan-23	7.15% - 7.30%	3.51 - 6.51 years	53.58% - 45.23%	0.28%	710.75	364.41
01-Aug-23	7.00% - 7.05%	3.51 - 6.51 years	52.49% - 44.63%	0.18%	1,132.10	577.29
01-Aug-23	7.00% - 7.04%	3.51 - 5.51 years	52.49% - 47.18%	0.18%	1,132.10	556.82
01-Aug-23	7.00%	3.51 Years	52.49%	0.18%	1,132.10	509.03
01-Aug-23	7.00% - 7.02%	3.51 - 4.51 years	52.49% - 49.11%	0.18%	1,132.10	530.43
01-Aug-23	7.00% - 7.05%	3.51 - 6.51 years	52.49% - 44.63%	0.18%	1,132.10	577.29
02-Nov-23	7.22% - 7.28%	3.51 - 5.51 years	42.45% - 47.08%	0.17%	1,149.00	552.30
02-Nov-23	7.22% - 7.29%	3.51 - 6.51 years	42.45% - 44.54%	0.17%	1,149.00	576.73
25-Jan-24	7.01% - 7.06%	3.51 - 6.51 years	37.85% - 44.51%	0.16%	1,245.80	614.02
29-Apr-24	7.09% - 7.12%	3.5 - 6.51 years	36.34% - 44.58%	0.11%	1,171.70	576.27
26-Jul-24	6.75% - 6.81%	3.5 - 6.51 years	35.49% - 44.99%	0.15%	1,363.65	662.20
26-Jul-24	6.75% - 6.79%	3.5 - 5.51 years	35.49% - 46.25%	0.15%	1,363.65	628.27
26-Jul-24	6.75% - 6.77%	3.5 - 4.50 years	35.49% - 48.46%	0.15%	1,363.65	564.97
31-Jan-25	6.50% - 6.59%	3.5 - 6.50 years	33.68% - 45.07%	0.16%	1,279.40	595.17
03-Mar-25	6.52% - 6.63%	3.5 - 6.50 years	33.64% - 45.24%	0.14%	1,400.75	652.14

\*Fair value option of equity shares issued under this grant is before share split with a face value of ₹ 10/- each

### Note : 43 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	₹ in crores				
	April 01, 2024	Cash flows	Exchange Difference	Other	March 31, 2025
Debt Securities	24,812.76	5,121.15	-	288.79	30,222.70
Borrowings other than debt securities	1,04,511.13	29,280.67	(48.88)	49.06	1,33,791.98
Subordinated liabilities	5,150.99	5,647.60	-	222.73	11,021.32
<b>Total</b>	<b>1,34,474.88</b>	<b>40,049.42</b>	<b>(48.88)</b>	<b>560.58</b>	<b>1,75,036.00</b>

Particulars	₹ in crores				
	April 1, 2023	Cash flows	Exchange Difference	Other	March 31, 2024
Debt Securities	19,682.41	2,844.60	-	2,285.75	24,812.76
Borrowings other than debt securities	73,186.19	31,276.31	(2.75)	51.38	1,04,511.13
Subordinated liabilities	4,488.90	597.49	-	64.60	5,150.99
<b>Total</b>	<b>97,357.50</b>	<b>34,718.40</b>	<b>(2.75)</b>	<b>2,401.73</b>	<b>1,34,474.88</b>

- (i) Others column represents the effect of interest accrued but not paid on borrowing, amortisation of transaction cost etc
- (ii) Liabilities represents of Debt securities, Borrowings (other than debt securities) and Subordinated Liabilities
- (iii) Change in liabilities arising from lease liabilities has been disclosed in Note 49



## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 44 MATURITY ANALYSIS

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

Particulars	Amount	₹ in crores	
		Maturity Within 12 months	After 12 months
<b>As on March 31, 2025</b>			
<b>Financial Assets</b>			
Cash and Cash Equivalents	5,279.65	5,279.65	-
Bank balances Other than Cash and Cash Equivalents	4,221.10	1,843.88	2,377.22
Derivative financial instruments	203.32	53.84	149.48
Receivables			
i) Trade Receivables	204.19	204.19	-
ii) Other Receivables	116.33	116.33	-
Loans	1,82,037.64	44,522.00	1,37,515.64
Investments			
i) Associate	-	-	-
ii) Others	5,908.65	3,365.97	2,542.68
iii) Joint Venture	458.76	-	458.76
Other Financial Assets	369.72	47.53	322.19
<b>Total Financial Assets</b>	<b>1,98,799.36</b>	<b>55,433.39</b>	<b>1,43,365.97</b>
<b>Non- Financial Assets</b>			
Current tax assets (Net)	218.08	-	218.08
Deferred tax assets (Net)	948.60	-	948.60
Investment Property	0.13	-	0.13
Property, Plant and Equipment	1,754.00	-	1,754.00
Capital Work in Progress	3.69	-	3.69
Intangible assets under development	7.22	-	7.22
Other Intangible assets	25.72	-	25.72
Other Non-Financial Assets	129.96	15.46	114.50
<b>Total Non- Financial Assets</b>	<b>3,087.40</b>	<b>15.46</b>	<b>3,071.94</b>
<b>Asset held for sale - Investment</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>			
Derivative financial instruments	284.60	34.75	249.85
Payables			
i) Trade Payables-Due to MSME	14.33	14.33	-
ii) Trade Payables-Other than MSME	222.61	222.61	-
iii) Other Payables	1,573.77	1,573.77	-
Debt Securities	30,222.70	9,595.85	20,626.85
Borrowings (Other than Debt Securities)	1,33,791.98	47,163.65	86,628.33
Subordinated Liabilities	11,021.32	437.31	10,584.01
Other Financial Liabilities	754.04	248.33	505.71
<b>Total Financial Liabilities</b>	<b>1,77,885.35</b>	<b>59,290.60</b>	<b>1,18,594.75</b>
<b>Non-Financial Liabilities</b>			
Provisions	235.55	-	235.55
Other Non-Financial Liabilities	97.17	90.33	6.84
<b>Total Non-Financial Liabilities</b>	<b>332.72</b>	<b>90.33</b>	<b>242.39</b>

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 44 MATURITY ANALYSIS (Contd.)

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

Particulars	Amount	Maturity Within 12 months	After 12 months
<b>As on March 31, 2024</b>			
<b>Financial Assets</b>			
Cash and Cash Equivalents	845.64	845.64	-
Bank balances Other than Cash and Cash Equivalents	3,548.09	1,397.17	2,150.92
Derivative financial instruments	247.82	126.24	121.58
Receivables			
i) Trade Receivables	213.46	213.46	-
ii) Other Receivables	199.01	199.01	-
Loans	1,44,462.65	36,888.61	1,07,574.04
Investments			
i) Associate	-	-	-
ii) Others	3,580.12	1,449.18	2,130.94
iii) Joint Venture	455.63	-	455.63
Other Financial Assets	399.71	193.95	205.76
<b>Total Financial Assets</b>	<b>1,53,952.13</b>	<b>41,313.26</b>	<b>1,12,638.87</b>
<b>Non - Financial Assets</b>			
Current tax assets (Net)	359.04	-	359.04
Deferred tax assets (Net)	655.85	-	655.85
Investment Property	0.13	-	0.13
Property, Plant and Equipment	1,539.45	-	1,539.45
Capital Work in Progress	-	-	-
Intangible assets under development	12.67	0.22	12.45
Other Intangible assets	23.77	-	23.77
Other Non-Financial Assets	106.28	20.55	85.73
<b>Total Non - Financial Assets</b>	<b>2,697.19</b>	<b>20.77</b>	<b>2,676.42</b>
<b>Asset held for sale - Investment</b>	<b>37.09</b>	<b>37.09</b>	<b>-</b>
<b>Financial Liabilities</b>			
Derivative financial instruments	186.70	28.36	158.34
Payables			
i) Trade Payables-Due to MSME	7.65	7.65	-
ii) Trade Payables-Other than MSME	288.04	288.04	-
iii) Other Payables	1,338.26	1,320.09	18.17
Debt Securities	24,812.76	10,057.28	14,755.48
Borrowings (Other than Debt Securities)	1,04,511.13	37,144.27	67,366.86
Subordinated Liabilities	5,150.99	314.16	4,836.83
Other Financial Liabilities	519.07	182.52	336.55
<b>Total Financial Liabilities</b>	<b>1,36,814.60</b>	<b>49,342.37</b>	<b>87,472.23</b>
<b>Non - Financial Liabilities</b>			
Provisions	193.97	0.05	193.92
Other Non-Financial Liabilities	84.60	74.37	10.23
<b>Total Non - Financial Liabilities</b>	<b>278.57</b>	<b>74.42</b>	<b>204.15</b>

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 45.1 CAPITAL MANAGEMENT

The Group maintains an actively managed capital base to cover risks inherent in the business, meeting the capital adequacy requirements of Reserve Bank of India (RBI), maintain strong credit rating and healthy capital ratios in order to support business and maximise shareholder value. The adequacy of the Group's capital is monitored by the Board using, among other measures, the regulations issued by RBI.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

The Group has complied in full with the capital requirements prescribed by RBI over the reported year. The Capital adequacy ratio as of March 31, 2025 is 19.75% (March 31, 2024- 18.57%) as against the regulatory requirement of 15%.

#### 45.2 FINANCIAL RISK MANAGEMENT

The key financial risks faced by the Group are credit and market risks comprising liquidity risk, interest rate risk and foreign currency risks.

##### 45.2.1 Credit Risk

Credit risk arises when a borrower is unable to meet his financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in his future earning potential. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

##### 45.2.1.1 Assessment Methodology

The Group has comprehensive and well-defined credit policies across various businesses, products and segments, which encompass credit approval process for all businesses along with guidelines for mitigating the risks associated with them. The appraisal process includes detailed risk assessment of the borrowers, physical verifications and field visits. The Group has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals. This enables it to implement necessary changes to the credit policy, whenever the need arises. Also, being in asset financing business, most of the Group's lending is covered by adequate collaterals from the borrowers. The Group has a robust online application and underwriting model to assess the credit worthiness of the borrower for underwriting decisions for its vehicle finance, Loan Against Property and home loan business. The Group also has a well-developed model for the vehicle finance portfolio, to help business teams plan volume with adequate pricing of risk for different segments of the portfolio.

##### 45.2.1.2 Risk Management and Portfolio Review

The Group has a robust portfolio review mechanism. Key metrics like early delinquency, default rates are tracked, monitored and reviewed daily. Business teams review key trends in these Key Risk Indicators and location level strategies are adopted.

##### 45.2.1.3 ECL Methodology

The Group records allowance for expected credit losses for all financial assets including loan commitments, other than those measured at FVTPL. Equity instruments carried at cost are not subject to impairment under the ECL methodology and tested for impairment as per Ind AS 36.

##### 45.2.1.4 Assumptions and Estimation techniques

The Group calculates ECLs to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. ECL is computed on collective basis. The portfolio is segmented based on shared risk characteristics for the computation of ECL.

The key elements of the ECL are summarised below:

##### 45.2.1.4(a) PD

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. While computing probability of default, significant outlier events are suitably handled to ensure it does not skew the outcomes.

A 12M marginal PD is computed by creating cohorts of accounts starting in Stage 1 at the beginning of the year and subsequently moving to Stage 3 at any point in time during the year.

A conditional average probability of default is computed by taking cohort of which were in Stage 2 at the beginning the year and subsequently moved to Stage 3 anytime in each subsequent year

##### 45.2.1.4(b) EAD

The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred.

##### 45.2.1.4(c) LGD

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The recoveries are discounted back to the default date using customer IRR. This present value of recovery is used for LGD computation. A recovery rate (RR) computed as the ratio of present value of recovery to the EAD (1 – RR), gives the LGD.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 45 CAPITAL MANAGEMENT (Contd.)

##### 45.2.1.5 Mechanics of the ECL method

###### Stage 1:

All loans (other than purchased credit impaired asset) are categorised as Stage 1 on initial recognition. The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12 month default probabilities are applied to EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

###### Stage 2:

Loans which are past due for more than 30 days are categorised as Stage 2. When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

###### Stage 3:

Loans which are past due for more than 90 days are categorised as Stage 3. For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%

Restructured loans are categorised as Stage 3 on the date of restructuring and remain so for a period of one year. Post this, regular staging criteria applies.

Loans which have been renegotiated or modified in accordance with RBI Notifications for COVID-19 related stress has been classified as Stage 2 due to significant increase in credit risk.

The Post Implementation Staging of Loans restructured under Covid Resolution framework shall follow the Days Past Due of respective loan agreements.

In respect of new lending products, where historical information is not available, the group follows simplified matrix approach for determining impairment allowance based on industry practise. These loans constitute around 13% of the total loan book.

Loan Movement across stages during the year is given in note 11.1

###### Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

###### Other Financial assets:

The Group follows 'simplified approach' for recognition of impairment loss allowance on other financial assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

##### 45.2.1.6 Incorporation of forward looking statements in ECL model

The Group considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, Inflation, Government Expenditure etc., as considered relevant so as to determine the impact of macro-economic factors on the Group's ECL estimates.

The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Annual data from 2018 to 2028 (including forecasts for 4 years) were obtained from World Economic Outlook, October 2023 published by International Monetary Fund (IMF). IMF provides historical and forecasted data for important economic indicators country-wise. The data provided for India is used for the analysis. Macro variables that were compared against default rates at segment level to determine the key variables having correlation with the default rates using appropriate statistical techniques. Vasiceks model has been incorporated to find the Point in Time (PIT) PD. The Group has formulated the methodology for creation of macro-economic scenarios under the premise of economic baseline, upside and downside condition. A final PIT PD is arrived as the scenario weighted PIT PD under different macroeconomic scenarios.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 45 CAPITAL MANAGEMENT (Contd.)

##### 45.2.1.7 Macro economic variables

Segment	Macro-Economic Variables correlated for each segment	
Two Wheeler	Gross domestic product per capita, current prices	Volume of imports of goods and services
Three Wheeler	Total investment	Gross domestic product, current prices
Construction Equipment - New	Gross domestic product per capita, current prices	Total investment
Construction Equipment - Used	Gross domestic product, current prices	Inflation, end of period consumer prices
Commercial Vehicle Shubh	Gross domestic product per capita, current prices	Volume of imports of goods and services
Commercial Vehicle - Used	General government gross debt Gov Debt	Gross domestic product per capita, current prices
Heavy Commercial Vehicle - New	Gross domestic product, current prices	Inflation, average consumer prices
Home Loan	Total investment	Gross domestic product, current prices
Loan Against Property	Total investment	Gross domestic product, current prices
Light Commercial Vehicle - New	Gross domestic product per capita, current prices	Volume of exports of goods and services
Mini Light Commercial Vehicle - New	Inflation, end of period consumer prices	Gross domestic product per capita, current prices
Passenger Vehicle New (Car/MUV)	Gross domestic product per capita, current prices	Volume of imports of goods and services
Passenger Vehicle Shubh (Car/ MUV)	Total investment	Gross domestic product, current prices
Passenger Vehicle Used (Car/ MUV)	Gross domestic product, current prices	Inflation, average consumer prices
Tractor - New	Gross domestic product per capita, current prices	Volume of exports of goods and services
Tractor - Used	Gross domestic product, current prices	Volume of exports of goods and services

Since the group has used Gross Domestic Product (GDP) as a predominant macro economic variable the sensitivity around the same is given below

Year ended	Increase/(Decrease) of GDP	Impact on Expected Credit Losses (ECL) Increase/(Decrease)
March 31, 2025	Decrease by 5%	(9.72)
March 31, 2025	Increase by 5%	39.01

₹ in crores

Year ended	Increase/(Decrease) of GDP	Impact on Expected Credit Losses (ECL) Increase/(Decrease)
March 31, 2024	Decrease by 5%	(20.23)
March 31, 2024	Increase by 5%	29.53

##### 45.2.1.8 Concentration of credit risk and Collateral and Credit Enhancements

###### 45.2.1.8(a) Concentration of credit risk

Concentration of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in same geographical area or industry sector so that collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions. The Company is in retail lending business on pan India basis targeting primarily customers who either do not get credit or sufficient credit from the traditional banking sector.

Vehicle Finance (consisting of new and used Commercial Vehicles, Passenger Vehicles, Tractors, Construction Equipment and Trade advance to Automobile dealers) is lending against security (other than for trade advance) of Vehicle/ Tractor / Equipment and contributes to 55% of the loan book of the Company as of March 31, 2025 (58% as of March 31, 2024). Hypothecation endorsement is made in favour of the Company in the Registration Certificate in respect of all registerable collateral. Portfolio is reasonably well diversified across South, North, East and Western parts of the country. Similarly, sub segments within Vehicle Finance like Heavy Commercial Vehicles, Light Commercial Vehicles, Car and Multi Utility Vehicles, three wheeler and Small Commercial Vehicles, Refinance against existing vehicles, older vehicles (first time buyers), Tractors and Construction Equipment leading to well diversified sub product mix. New Tractors and New Construction Equipment have portfolio share of 6% each.

Loan Against Property is mortgage loan against security of existing immovable property (primarily self-occupied residential property) to self-employed non-professional category of borrowers and contributes to 21 % of the lending book of the Company as of March 31, 2025 (20% as of March 31, 2024). Portfolio is concentrated in South 44%, followed by North 29% and West 21% and with small presence in East 6% of the overall exposure of this segment.

Home Loan is loan provided to buy or construct new/existing homes and contributes 9 % of the lending book of the Company as of March 31, 2025 (9% as of March 31, 2024). Portfolio is concentrated in South 66% followed by East at 12% , North and West at 11% each of the overall exposure of this segment.

The Concentration of risk is managed by Group for each product by its region and its sub-segments. Group did not overly depend on few regions or sub-segments as of March 31, 2025.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 45 CAPITAL MANAGEMENT (Contd.)

##### 45.2.1.8(b) Collateral and Credit enhancements

Although collateral can be an important mitigation of credit risk, it is the Group's practice to lend on the basis of the customer's ability to meet the obligations out of cash flow resources other than placing primary reliance on collateral and other credit risk enhancements.

The Group obtains first and exclusive charge on all collateral that it obtains for the loans given. Vehicle Finance and Loan Against Property are secured by collateral at the time of origination. In case of Vehicle loans, Group values the vehicle either through proforma invoice (for new vehicles) or using registered valuer for used vehicles. In case of Loan Against Property loans, the value of the property at the time of origination will be arrived by obtaining two valuation reports from Group's empanelled valuers.

Hypothecation endorsement is obtained in favour of the Group in the Registration Certificate of the Vehicle/ Tractor / Equipment funded under the vehicle finance category.

Immovable Property is the collateral for Loan Against Property. Security Interest in favour of the Group is created by Mortgage through deposit of title deed which is registered wherever required by law.

In respect of Other loans, Home loans follow the same process as Loan Against Property and pledge is created in favour for the Group for loan against securities.

91% of the Group's term loan are secured by way of tangible Collateral.

In respect of some unsecured lending, the Group obtains First Loss Default Guarantee or similar arrangement from external service providers as partial cover against potential credit default.

#### Fair value of collateral held against credit impaired assets - March 31, 2025

₹ in crores

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
5,213.01	3,358.23	1,452.02	864.28	(461.52)	2,360.05

#### Fair value of collateral held against credit impaired assets - March 31, 2024

₹ in crores

Maximum exposure to credit risk (a)	Vehicles (b)	Loan against property (c)	Other loans (d)	Net exposure (e)=(a-b-c-d)	Associated ECL
3,644.81	2,793.62	1,605.03	280.70	(1,034.54)	1,693.07

Note: Column (b), (c), (d) of the above table, represents fair value of collateral

#### Valuation of Collateral:

- a) Vehicles including construction equipment and tractors are valued at original cost less 20% depreciation per year on WDV
- b) Immovable property is valued based on the amount as per the valuation report at the time of sanctioning of loan
- c) Other loans – Book debts at Cost or Securities at market value

#### 45.2.2 Market Risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates. The Group's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The Group is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee (ALCO) reviews market-related trends and risks and adopts various strategies related to assets and liabilities, in line with the Group's risk management framework. ALCO activities are in turn monitored and reviewed by a board sub-committee. In addition, the Group has put in an Asset Liability Management (ALM) support group which meets frequently to review the liquidity position of the Group.

##### 45.2.2.1 Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Group has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The Group also has lines of credit that it can access to meet liquidity needs. These are reviewed by the Asset Liability Committee (ALCO) on a monthly basis. The ALCO provides strategic direction and guidance on liquidity risk management. A sub-committee of the ALCO, comprising members



## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 45 CAPITAL MANAGEMENT (Contd.)

from the Treasury and Risk functions, monitor liquidity risks on a weekly basis and decisions are taken on the funding plan and levels of investible surplus, from the ALM perspective. This sets the boundaries for daily cash flow management.

Analysis of Financial liabilities by remaining contractual maturities given in Note 48.

#### 45.2.2.2 Interest Rate Risk

The Group being in the business of lending raises money from diversified sources like market borrowings, term Loan from banks and financial institutions, foreign currency borrowings etc. Financial assets and liabilities constitute significant portion, changes in market interest rates can adversely affect the financial condition. The fluctuations in interest rates can be due to internal and external factors. Internal factors include the composition of assets and liabilities across maturities, existing rates and re-pricing of various sources of borrowings. External factors include macro-economic developments, competitive pressures, regulatory developments and global factors. The movement in interest rates (upward / downward) will impact the Net Interest Income depending upon rate sensitivity of the asset or liability. The Group uses traditional gap analysis report to determine the vulnerability to movements in interest rates. The Gap is the difference between Rate Sensitive Assets (RSA) and Rate Sensitive Liabilities (RSL) for each time bucket. A positive gap indicates that the Group can benefit from rising interest rates while a negative gap indicates that the Group can benefit from declining interest rates. Based on market conditions, the Group enters into interest rate swap to mitigate interest rate risk.

₹ in crores

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31, 2025	Increase by 100 bps	64.49
March 31, 2025	Decrease by 100 bps	(64.49)

Year ended	Increase/(Decrease)	Impact on Profit before Tax
March 31, 2024	Increase by 100 bps	(120.51)
March 31, 2024	Decrease by 100 bps	120.51

#### 45.2.2.3 Foreign Currency Risk

Foreign currency risk for the Group arises majorly on account of foreign currency borrowings. The Group manages this foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group holds derivative financial instruments such as Cross currency interest rate swap to mitigate risk of changes in exchange rate in foreign currency and floating interest rate.

The Counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

#### 45.2.2.4 Hedging Policy

The Group's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment and hence the hedge ratio is 1:1.

### 45.3 Disclosure of Effects of Hedge Accounting

As at March 31, 2025								
Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crore)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crore)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crore)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
<b>Cash Flow Hedge</b>								
Cross Currency Interest rate swap	6	3	155.62	53.09	July 19, 2022 to March 27, 2028	(102.53)	221.55	Borrowings (Other than Debt Securities)
Interest rate Swaps	0	13	-	100.78	March 10, 2023 to September 10, 2029	100.78	-	Borrowings (Other than Debt Securities)
Forward contracts	1	1	47.70	130.72	July 01, 2020 to June 20, 2028	83.02	90.02	Borrowings (Other than Debt Securities)
<b>Fair Value Hedge</b>								
Interest rate swaps	-	-	-	-	-	-	-	NA

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 45 CAPITAL MANAGEMENT (Contd.)

Year ended March 31, 2025				
Cash flow Hedge	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crore)	Hedge Effectiveness recognised in profit and loss (₹ in crore)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in crore)	Line item affected in Statement of Profit and Loss because of the Reclassification
Foreign exchange risk and Interest rate risk	(174.92)	-	-	NA

#### As at March 31, 2024

As at March 31, 2024								
Foreign Exchange Risk on Cash Flow Hedge	Nominal Value of Hedging Instruments (No. of Contracts)		Carrying Value of Hedging Instruments (₹ in crore)		Maturity Date	Changes in Fair value of Hedging Instrument (₹ in crore)	Changes in the value of Hedged Item used as a basis for recognising hedge effectiveness (₹ in crore)	Line item in Balance sheet
	Asset	Liability	Asset	Liability				
<b>Cash Flow Hedge</b>								
Cross Currency Interest rate swap	2	2	161.33	15.06	June 03, 2019 to Feb 22, 2027	(146.27)	171.10	Borrowings (Other than Debt Securities)
Interest rate Swaps	-	7	-	20.74	Mar 10, 2023 to December 29, 2028	20.74	-	Borrowings (Other than Debt Securities)
Forward contracts	1	1	86.49	150.90	June 01, 2020 to June 20, 2028	64.40	91.59	Borrowings (Other than Debt Securities)
<b>Fair Value Hedge</b>								
Interest rate swaps	-	-	-	-	-	-	-	NA

Cash flow Hedge	Change in the value of Hedging Instrument recognised in Other Comprehensive Income (₹ in crore)	Hedge Effectiveness recognised in profit and loss (₹ in crore)	Amount reclassified from Cash Flow Hedge Reserve to Profit or Loss (₹ in crore)	Line item affected in Statement of Profit and Loss because of the Reclassification (₹ in crore)
Foreign exchange risk and Interest rate risk	(72.19)	-	-	NA

#### Note 46 : (i) INVESTMENT IN JOINT VENTURE AND JOINTLY CONTROLLED ENTITY

The Group has acquired equity shares of Payswiff Technologies Private Limited (Payswiff), from its founders and other existing shareholders towards strategic investment. This resulted in the Group holding to 74.63% of the equity capital of Payswiff which is engaged in the business of enabling online payment gateway services for e-commerce businesses and provides e-commerce solutions. Payswiff is an omni channel payment transaction solution that lets business owners accept payments from their customers in-store, at home deliveries, online, and on-the-go using mPOS and POS solution

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
Value of Investment in Joint Venture	456.83	456.83
Less: Cumulative Share of profit/(loss) from Joint venture	1.93	(1.13)
<b>Closing value of Investment</b>	<b>458.76</b>	<b>455.70</b>

Even though, the Group holds 74.63% of the paid up equity capital of payswiff, however, in view of founder reserved matters and dispute resolution mechanism envisaged in the shareholder agreement executed between the Group and founders of payswiff, the Group is considered to have joint control over the entity as per Ind AS 28 read with IND AS 110. Hence it is classified as investment in Joint venture

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note 46 : (i) INVESTMENT IN JOINT VENTURE AND JOINTLY CONTROLLED ENTITY (Contd.)

Particulars	₹ in crores	
	March 31, 2025	March 31, 2024
Current assets	30.61	44.35
Non-current assets	76.94	97.22
Current liabilities	(55.03)	(95.58)
Non-current liabilities	(21.55)	(19.21)
<b>Equity</b>	<b>30.97</b>	<b>26.78</b>
Proportion of the Group's ownership	74.63%	74.69%
Group's share in the Equity of the Joint Venture	23.11	20.00
Group's share in the Contingent liability of the Joint Venture	46.26	45.46

Chola Foundation (Public Trust) is jointly controlled entity, managed by Cholamandalam Investment and Finance Company Limited, Tube Investments of India Limited and CG Power and Industrial Solutions Limited. The objective of the trust is towards promoting CSR activities which shall be funded by any of the three entities. The trust has four trustees of which two is from Cholamandalam Investment and Finance Company Limited and one each from other two entities.

The earnings of the trust is consolidated with Cholamandalam Investment and Finance Company Limited as jointly controlled entity (having two trustees) representing a share of 50%.

Particulars	₹ in crores	
	As at March 31, 2025	
Value of Investment in Trust	0.01	
Less: Cumulative Share of Loss from Jointly controlled entity	(0.01)	
<b>Closing value of Investment</b>	<b>-</b>	

#### Note : 46 (ii) INVESTMENT IN ASSOCIATES

a) Vishwakarma Payments Private Limited (VPPL) is a consortium of 7 entities formed for the purpose of applying to the Reserve Bank of India (RBI) for an NUE (New Umbrella Entity) license within the framework of RBI circular. The licensed NUE is to focus on retail payment systems by developing interoperable infrastructure which will cater to banks and non-banks and enable innovative use-cases to solve the diversity, depth and width of consumers and small businesses in India. VPPL is incorporated with an equity capital of ₹ 1 lakh. It can commence operations only on receipt of license from RBI. The Group holds 21% stake in VPPL.

b) The Group had recognised the value of investment in associate - Paytail Commerce Private Limited (Paytail) at amortised Cost. The Group acquired 16.29% of the Equity Share Capital of Paytail Commerce Private Limited in September 2021. By virtue of the voting and other rights as per the share purchase agreement, Paytail Commerce Private Limited was assessed as an associate of the Group.

Particulars	₹ in crores	
	As at March 31, 2025	As at March 31, 2024
Value of investment in Associate	-	9.75
Less: Cumulative Share of Loss of from Associate	-	(4.86)
Less: Impairment on Investment	-	(4.89)
<b>Closing value of Investment</b>	<b>-</b>	<b>-</b>

The value of investment in this associate has been fully impaired as at March 31, 2024 and it ceased to be an associate from effective March 21, 2024.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 47

#### Note : 47.1 FAIR VALUE OF FINANCIAL INSTRUMENTS

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

Particulars	March 31, 2025		March 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
Cash and Cash Equivalents	5,279.65	5,279.65	845.64	845.64
Bank balances Other than Cash and Cash Equivalents	4,221.10	4,221.10	3,548.09	3,548.09
Receivables				
i) Trade Receivables	204.19	204.19	213.46	213.46
ii) Other Receivables	116.33	116.33	199.01	199.01
Loans	1,82,037.64	1,84,541.00	1,44,462.65	1,46,221.22
Investments in Government Securities	3,375.31	3,289.21	1,539.07	1,431.03
Investment in Treasury Bills	1,721.41	1,719.53	1,440.17	1,411.35
Investment in STRIPS	771.91	782.01	599.25	605.43
Investment other than associates & Joint Venture	40.00	40.00	1.63	1.63
Other Financial Assets	369.72	369.72	399.71	399.71
<b>Total Financial Assets</b>	<b>1,98,137.26</b>	<b>2,00,562.74</b>	<b>1,53,248.68</b>	<b>1,54,876.57</b>
<b>Financial Liabilities</b>				
Payables				
i) Trade Payables - Due to MSME	14.33	14.33	7.65	7.65
i) Trade Payables - Other than MSME	222.61	222.61	288.04	288.04
iii) Other Payables	1,573.77	1,573.77	1,338.26	1,338.26
Debt Securities	30,222.70	30,520.79	24,812.76	24,884.85
Borrowings (Other than Debt Securities)	1,33,791.98	1,30,191.78	1,04,511.13	1,04,800.38
Subordinated Liabilities	11,021.32	11,050.19	5,150.99	5,127.53
Other Financial Liabilities	754.04	754.04	519.07	519.07
<b>Total Financial Liabilities</b>	<b>1,77,600.75</b>	<b>1,74,327.51</b>	<b>1,36,627.90</b>	<b>1,36,965.78</b>

The Management assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments.

## Notes forming part of the Consolidated Financial Statements (Contd.)

**For the year ended March 31, 2025**

### NOTE 47.2 - FAIR VALUE HIERARCHY

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values of financial assets or liabilities disclosed under level 2 category.

- Derivatives are fair valued using market observable rates and publishing prices
- The fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.
- The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate near to reporting date based on comparable rate / market observable data.
- The fair values of quoted equity investments are derived from quoted market prices in active markets.
- The fair value of investment in Government securities/STRIPS/Treasury Bills are derived from rate equal to the rate near to the reporting date of the comparable product.
- Fair value of Investment property is calculated based on valuation given by external independent valuer and also refer note 15 for sensitivity analysis.

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities

Quantitative disclosure of fair value measurement hierarchy of assets as at March 31, 2025

₹ in crores

Particulars	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at Fair value</b>				
FVTOCI Equity Instruments	0.12	0.12	-	-
FVTPL Equity Instruments	39.90	-	-	39.90
Derivative financial instruments	203.32	-	203.32	-
<b>Assets for which fair values are disclosed</b>				
Loans	1,82,037.64	-	-	1,84,541.00
Investments in Government Securities	3,375.31	3,289.21	-	-
Investments in Treasury Bills	1,721.41	1,719.53	-	-
Investment in STRIPS	771.91	782.01	-	-
Investment Properties	0.13	-	-	3.21

There have been no transfers between different levels during the year.

Quantitative disclosure of fair value measurement hierarchy of liabilities as at March 31, 2025

₹ in crores

Particulars	Fair value measurement using			
	Carrying Value	Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Liabilities measured at Fair value</b>				
Derivative financial instruments	284.60	-	284.60	-
<b>Liabilities for which fair values are disclosed</b>				
Debt Securities	30,222.70	-	30,520.79	-
Borrowings(Other than Debt Securities)	1,33,791.98	-	1,30,191.78	-
Subordinated Liabilities	11,021.32	-	11,050.19	-

There have been no transfers between different levels during the year.

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 47.2 FAIR VALUE HIERARCHY (Contd.)

Quantitative disclosure of fair value measurement hierarchy of assets as at March 31, 2024

₹ in crores

Particulars	Carrying Value	Fair value measurement using Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at Fair value</b>				
FVTOCI Equity Instruments	0.12	0.12	-	-
FVTPL Equity Instruments	1.51	-	-	1.51
Derivative financial instruments	247.82	-	247.82	-
<b>Assets for which fair values are disclosed</b>				
Loans	1,44,462.65	-	-	1,46,221.22
Investments in Government Securities	1,539.07	1,431.03	-	-
Investments in Treasury Bills	1,440.17	1,411.35	-	-
Investment in STRIPS	599.25	605.43	-	-
Investment Properties	0.13	-	-	3.30

There have been no transfers between different levels during the year.

Quantitative disclosure of fair value measurement hierarchy of liabilities as at March 31, 2024

₹ in crores

Particulars	Carrying Value	Fair value measurement using Quoted price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Liabilities measured at Fair value</b>				
Derivative financial instruments	186.70	-	186.70	-
<b>Liabilities for which fair values are disclosed</b>				
Debt Securities	24,812.76	-	24,884.85	-
Borrowings (Other than Debt Securities)	1,04,511.13	-	1,04,800.38	-
Subordinated Liabilities	5,150.99	-	5,127.53	-

There have been no transfers between different levels during the year.

#### Note 47.3 Summary of Financial assets and liabilities which are recognised at amortised cost

₹ in crores

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Financial Assets</b>		
Cash and Cash Equivalents	5,279.65	845.64
Bank balances other than Cash and Cash Equivalents	4,221.10	3,548.09
Loans	1,82,037.64	1,44,462.65
Investments in Government Securities	3,375.31	1,539.07
Investment in Treasury Bill	1,721.41	1,440.17
Investment in STRIPS	771.91	599.25
Other Financial Assets	369.72	399.71
<b>Financial Liabilities</b>		
Debt Securities	30,222.70	24,812.76
Borrowings (Other than Debt Securities)	1,33,791.98	1,04,511.13
Subordinated Liabilities	11,021.32	5,150.99
Other Financial liabilities	754.04	519.07



## Notes forming part of the Consolidated Financial Statements (Contd.)

**For the year ended March 31, 2025**

### Note : 48 ANALYSIS OF FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

**As at March 31, 2025**

	₹ in crores							
Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
<b>Financial Liabilities</b>								
Derivative financial instruments	-	8.07	8.50	18.17	145.45	104.41	-	<b>284.60</b>
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	14.33	-	-	-	-	-	-	<b>14.33</b>
ii) Total outstanding dues of creditors other than micro and small enterprises	222.61	-	-	-	-	-	-	<b>222.61</b>
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	1,573.76	-	-	-	-	-	-	<b>1,573.76</b>
Debt Securities	1,211.84	4,068.35	1,216.25	4,230.70	13,882.02	9,715.33	1,567.50	<b>35,891.99</b>
Borrowings (Other than Debt Securities)	5,418.85	10,140.70	14,851.91	23,151.44	76,123.60	17,386.37	204.85	<b>1,47,277.72</b>
Subordinated Liabilities	54.09	81.52	360.68	528.21	2,879.61	2,959.46	10,787.03	<b>17,650.60</b>
Other Financial Liabilities	201.20	22.12	32.82	64.96	226.20	194.02	163.83	<b>905.15</b>
<b>Total Undiscounted financial liabilities</b>	<b>8,696.68</b>	<b>14,320.76</b>	<b>16,470.16</b>	<b>27,993.48</b>	<b>93,256.88</b>	<b>30,359.59</b>	<b>12,723.21</b>	<b>2,03,820.76</b>

**As at March 31, 2024**

	₹ in crores							
Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
<b>Financial Liabilities</b>								
Derivative financial instruments	-	6.39	-	21.97	89.21	69.13	-	<b>186.70</b>
Payables								
(I) Trade Payables								
i) Total outstanding dues of micro and small enterprises	7.65	-	-	-	-	-	-	<b>7.65</b>
ii) Total outstanding dues of creditors other than micro and small enterprises	288.04	-	-	-	-	-	-	<b>288.04</b>
(II) Other Payables								
i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	1,338.26	-	-	-	-	-	-	<b>1,338.26</b>
Debt Securities	2,511.23	1,220.93	2,366.36	4,824.41	11,520.17	6,119.54	-	<b>28,562.64</b>
Borrowings (Other than Debt Securities)	5,409.92	8,169.37	10,963.17	19,163.47	58,768.55	16,257.56	340.92	<b>1,19,072.96</b>
Subordinated Liabilities	29.14	123.15	115.09	266.39	839.97	2,281.13	11,973.21	<b>15,628.08</b>
Other Financial Liabilities	149.39	16.86	24.20	46.11	162.71	98.76	111.80	<b>609.83</b>
<b>Total Undiscounted financial liabilities</b>	<b>9,733.63</b>	<b>9,536.70</b>	<b>13,468.82</b>	<b>24,322.35</b>	<b>71,380.61</b>	<b>24,826.12</b>	<b>12,425.93</b>	<b>1,65,694.16</b>

### Note : 49 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES

The Group has taken office premises on lease for its operations.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group had certain leases with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of lease liabilities included under financial liabilities and right to use asset included in Property, Plant and Equipment and the movements during the year:

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 49 DISCLOSURES IN CONNECTION WITH IND AS 116 - LEASES (Contd.)

##### (i) Movement in the carrying value of the Right to Use Asset

₹ in crores

Particulars	As on March 31, 2025	As on March 31, 2024
Opening Balance	355.95	147.19
Depreciation charge for the year	(107.46)	(76.12)
Additions during the year	314.59	300.76
Adjustment/Deletion	(36.34)	(15.88)
<b>Closing Balance</b>	<b>526.74</b>	<b>355.95</b>

##### (ii) Classification of current and non current liabilities of the lease liabilities

Particulars	As on March 31, 2025	As on March 31, 2024
Current liabilities	92.08	71.60
Non Current Liabilities	466.64	301.30
<b>Total Lease liabilities</b>	<b>558.72</b>	<b>372.90</b>

##### (iii) Movement in the carrying value of the Lease Liability

Particulars	As on March 31, 2025	As on March 31, 2024
Opening Balance	372.90	168.28
Interest Expense	41.13	23.34
Lease Payments [Total Cash Outflow]	(133.55)	(89.54)
Additions during the year	314.59	288.09
Adjustment/Deletion	(36.34)	(17.27)
<b>Closing Balance</b>	<b>558.73</b>	<b>372.90</b>

##### (iv) Contractual Maturities of Lease liability outstanding

Particulars	As on March 31, 2025	As on March 31, 2024
Less than one year	131.22	97.16
One to five Years	414.80	254.70
More than Five years	163.83	111.80
<b>Total</b>	<b>709.85</b>	<b>463.66</b>

##### (v) The following are the amount recognised in the Profit or Loss statement

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Depreciation expense of right-of-use assets	107.46	76.12
Interest expense on lease liabilities	41.13	23.34
Expense relating to short-term leases (included in other expenses)	-	0.64
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
<b>Total amount recognised in profit or loss</b>	<b>148.59</b>	<b>100.10</b>

Lease expenses relating to short term leases aggregated to ₹ Nil crores (₹ 0.64 crores - March-2024) during the year ended March 31, 2025  
Lease liabilities are recognised at weighted average incremental borrowing rate of 8.60% during the year ended March 31, 2025.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to the lease liabilities as and when they fall due.

The Group has several lease contracts that includes option to extend or terminate. These options are negotiated by the Management to provide flexibility in managing the leased-asset portfolio and align with Group's business needs. Management exercises significant judgement in determining whether these extension and termination are reasonably certain to be exercised.

The Group has not defaulted in its lease obligations

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

**NOTE 50: ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013 AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 AND MARCH 31, 2024**

**As at March 31, 2025**

₹ in crores

Name of the entities	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets		As % of Consolidated Profit and Loss		As % of Consolidated Other Comprehensive Income		As % of Consolidated Total Comprehensive Income	
	Amount		Amount		Amount		Amount	
<b>I. Parent</b>								
Cholamandalam Investment and Finance Company Limited	98%	23,079.31	100%	4,252.70	100%	(141.46)	100%	4,111.24
<b>II. Subsidiaries</b>								
Cholamandalam Securities Limited	0%	76.69	0%	8.01	0%	(0.05)	0%	7.96
Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	0%	53.93	0%	(0.72)	0%	-	0%	(0.72)
Minority Interests in all subsidiaries	-	-	-	-	-	-	-	-
<b>III. Joint Venture (Investment as per equity method)</b>								
Payswiff Technologies Private Limited	2%	458.76	0%	2.71	0%	0.42	0%	3.13
Chola Foundation	-	-	0%	-	0%	-	0%	-
<b>IV. Associates (Investment as per equity method)</b>								
Vishvakarma Payments Private Limited	-	-	0%	-	0%	-	0%	-
	<b>100%</b>	<b>23,668.69</b>	<b>100%</b>	<b>4,262.70</b>	<b>100%</b>	<b>(141.09)</b>	<b>100%</b>	<b>4,121.61</b>

**As at March 31, 2024**

Name of the entities	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets		As % of Consolidated Profit and Loss		As % of Consolidated Other Comprehensive Income		As % of Consolidated Total Comprehensive Income	
	Amount		Amount		Amount		Amount	
<b>I. Parent</b>								
Cholamandalam Investment and Finance Company Limited	97%	19,033.36	97%	3,298.54	85%	(60.11)	97%	3,238.43
<b>II. Subsidiaries</b>								
Cholamandalam Securities Limited	0%	43.73	2%	66.86	9%	(6.68)	2%	60.18
Cholamandalam Home Finance Limited	0%	60.59	1%	45.34	5%	(3.88)	1%	41.46
Minority Interests in all subsidiaries	0%	-	0%	-	0%	-	0%	-
<b>III. Joint Venture (Investment as per equity method)</b>								
Payswiff Technologies Private Limited	3%	455.56	0%	9.32	0%	(0.07)	0%	9.25
<b>IV. Associates (Investment as per equity method)</b>								
White Data Systems India Private Limited	0%	-	0%	-	0%	-	0%	-
Vishvakarma Payments Private Limited	0%	-	0%	-	0%	-	0%	-
Paytail Commerce Private Limited	0%	-	0%	-	0%	-	0%	-
	<b>100%</b>	<b>19,593.24</b>	<b>100%</b>	<b>3,420.06</b>	<b>100%</b>	<b>(70.74)</b>	<b>100%</b>	<b>3,349.32</b>

## Notes forming part of the Consolidated Financial Statements (Contd.)

### For the year ended March 31, 2025

#### Note : 51

#### Part 1 - Ageing Analysis

##### A.Trade Payables ageing schedule as on March 31, 2025

₹ in crores

Particulars	Outstanding for following periods from due date of Transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	14.33	-	-	-	14.33
(ii) Others	213.43	7.48	1.39	0.31	222.61
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>227.76</b>	<b>7.48</b>	<b>1.39</b>	<b>0.31</b>	<b>236.94</b>

##### B.Trade Payables ageing schedule as on March 31, 2024

₹ in crores

Particulars	Outstanding for following periods from due date of Transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	7.65	-	-	-	7.65
(ii) Others	281.61	2.09	1.59	2.75	288.04
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>289.26</b>	<b>2.09</b>	<b>1.59</b>	<b>2.75</b>	<b>295.69</b>

There are no balances not due or unbilled for the year ended March 31, 2025 and March 31, 2024

##### C. Capital work in progress ageing schedule as on March 31, 2025

₹ in crores

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	3.69	-	-	-	3.69
Projects Temporarily Suspended	-	-	-	-	-

##### D. Capital work in progress ageing schedule as on March 31, 2024

₹ in crores

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-

##### E. Intangible assets under development ageing schedule as on March 31, 2025

₹ in crores

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	6.45	0.77	-	-	7.22
Projects Temporarily Suspended	-	-	-	-	-

##### F. Intangible assets under development ageing schedule as on March 31, 2024

₹ in crores

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	2.59	0.05	10.03	-	12.67
Projects Temporarily Suspended	-	-	-	-	-

## Notes forming part of the Consolidated Financial Statements (Contd.)

**For the year ended March 31, 2025**

### Note : 51 ADDITIONAL DISCLOSURES UNDER SCHEDULE III DIVISION III

#### Part - II - Other Disclosures

- 1 No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- 2 Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- 3 The Group does not have any outstanding amount arising out of transactions with struck off companies during the year.
- 4 There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- 5 Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries)
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 6 Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 7 Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2025
- 8 Company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017
- 9 Group has not entered into any scheme of arrangements which has an accounting impact on current/previous financial year
- 10 There is no income surrendered/disclosed as income during the current/previous year in the tax assessments under Income Tax Act, 1961, that has not been recorded in the books of accounts.

### Note : 52 EVENTS AFTER REPORTING DATE

There have been no other events after the reporting date apart from above that require disclosure in the financial statements.

### Note : 53

The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to the current year presentation

#### As per our report of even date

##### For KKC & Associates LLP

Chartered Accountants

ICAI Firm Regn No. : **105146W/WI00621**

##### Devang Doshi

Partner

Membership No. : 140056

##### For B.K. Khare & Co

Chartered Accountants

ICAI Firm Regn No. : **105102W**

##### Padmini Khare Kaicker

Partner

Membership No. : **044784**

Date : April 25, 2025

Place : Chennai

#### For and on behalf of the Board of Directors

##### Ravindra Kumar Kundu

Managing Director

##### Vellayan Subbiah

Executive Chairman

##### P. Sujatha

Company Secretary

##### D. Arul Selvan

Chief Financial Officer

**Form AOC-1****(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

**Part "A": Subsidiaries**

₹ in crores

Name of the subsidiary	Cholamandalam Leasing Limited (Formerly known as Cholamandalam Home Finance Limited)	Cholamandalam Securities Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2025	March 31, 2025
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not applicable	Not applicable
Share capital	42.40	24.48
Reserves & surplus	11.53	52.21
Total assets	56.07	271.45
Total Liabilities	2.13	194.76
Investments	50.40	14.60
Turnover	3.45	104.44
Profit/(Loss) before taxation	(0.45)	10.85
Provision for taxation	0.27	2.84
Profit/(Loss) after taxation	(0.72)	8.01
Proposed Dividend	-	-
% of shareholding	100.00%	100.00%

1. Names of subsidiaries which are yet to commence operations - NIL

2. Names of subsidiaries which have been liquidated or sold during the year - NIL

**Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates	Payswiff technologies private limited	Vishvakarma payments Private Limited	Chola Foundation
Latest Balance Sheet Date	March 31, 2025	March 31, 2025	March 31, 2025
Shares of Associate/Joint Ventures held by the company on the year end			
No.	28,15,227	2,100	Not applicable-
Amount of Investment in Associates/Joint Venture (₹ in crores)	456.82	0*	0*
Extend of Holding %	74.63%	21.00%	50%
Description of how there is significant influence	By way of shareholding and rights in shareholding agreement	By way of shareholding	By way of managing control
Reason why the associate/joint venture is not consolidated	Not applicable	Not applicable	Not applicable
Networth attributable to Shareholding as per latest Balance Sheet	23.11	0*	3.43
Profit / (Loss) for the year - ₹ in crores	3.63	0*	3.39
Considered in Consolidation - ₹ in crores	2.71	0*	(0.01)
Not Considered in Consolidation - ₹ in crores	0.92	0*	3.38

\*Represents amount less than ₹ 1 lakh

1. Names of associates or joint ventures which are yet to commence operations - Vishwakarma Payments Private Limited

2. Names of associates or joint ventures which have been liquidated or sold during the year - NIL

**For and on behalf of the Board of Directors**

**Ravindra Kumar Kundu**  
Managing Director

**Vellayan Subbiah**  
Executive Chairman

Date : April 25, 2025  
Place : Chennai

**P. Sujatha**  
Company Secretary

**D. Arul Selvan**  
Chief Financial Officer



## GLOSSARY

### A. TERMS

Assets Under Management (AUM)	Business AUM and Investments
Business AUM	On - Balance sheet Business assets and Off - Balance sheet Business assets
Business AUM(Net)	Business AUM less Expected Credit Losses(ECL) provisions
Net credit Losses (NCL)	Loan losses and ECL provision

### B. PERFORMANCE RATIOS

Operating Expenses to Assets	Total Expenses (Less: Finance Costs & Impairment of Financial Instruments)/Average of Closing Assets
Loan Losses %	Impairment of Financial instruments/Average of Closing Assets
PBT-ROTA	Profit Before Tax/Average of Closing Assets
Prot Before Tax to Income	Profit Before Tax/Total Income
Return on Total Assets - PAT	Profit After Tax/Average of Closing Assets
Return on Equity - PAT	Profit After Tax/Average of Shareholder's funds

Closing assets Represents Business AUM for Respective Business and represents on-balance sheet business assets and Investment at Company's level for computing ratios

### C. INVESTOR RATIOS

Earnings per Equity share	Profit After Tax/Weighted Average number of shares
Book value per Equity share	Networth/Total Number of Shares
Dividend per Equity share	Interim Dividend paid & Final Dividend proposed per Equity share
CAR (Capital Adequacy Ratio)	Tier I & Tier II Capital/Risk Weighted Assets



**murugappa**

**Cholamandalam Investment and Finance Company Limited**

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

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