

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
**The Board of Directors of
Cholamandalam Financial Holdings Limited (formerly known as TI Financial Holdings Limited)**

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Cholamandalam Financial Holdings Limited (formerly known as TI Financial Holdings Limited) (the "Company") for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" 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 together with the ethical requirements that are relevant to our audit of the 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 and



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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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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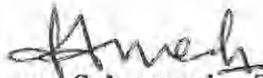
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Subramanian Suresh**

Partner

Membership No.: 083673

UDIN: 20083673AAAABA1546



Place of Signature: Chennai

Date: June 15, 2020

CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED (formerly known as TI FINANCIAL HOLDINGS LIMITED)
Audited Standalone Statement of Assets and Liabilities

₹ Crores

	As at 31.03.2020	As at 31.03.2019
	Audited	Audited
ASSETS		
Financial Assets		
(a) Cash and Cash equivalents	9.41	0.42
(b) Bank Balance other than (a) above	33.86	111.33
(c) Investments	1,278.35	955.70
(d) Other Financial Assets	0.02	-
	1,321.64	1,067.45
Non-Financial Assets		
(a) Current Tax Assets (Net)	0.05	0.01
(b) Deferred Tax Assets (Net)	0.34	0.26
(c) Intangible Assets	0.03	-
(d) Other Non-Financial Assets	0.04	0.06
	0.46	0.33
Total Assets	1,322.10	1,067.78
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities		
(a) Borrowings (other than debt securities)	200.63	-
(b) Payables		
Trade payables		
i) total outstanding dues of micro enterprises and small enterprises	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Other payables		
i) total outstanding dues of micro enterprises and small enterprises	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.55	0.34
(c) Other Financial Liabilities	1.91	2.25
	203.09	2.59
Non-Financial Liabilities		
(a) Provisions	0.01	-
(b) Other non-financial liabilities	0.71	0.67
	0.72	0.67
Equity		
(a) Equity Share Capital	18.77	18.77
(b) Other Equity	1,099.52	1,045.75
	1,118.29	1,064.52
Total Liabilities and Equity	1,322.10	1,067.78



CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED (formerly known as TI FINANCIAL HOLDINGS LIMITED)

CIN - L65100TN1949PLC002905

Registered Office : DARE HOUSE, 234, NSC Bose Road, Chennai - 600 001.

Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2020

₹ Crores

Particulars	Three months ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
	Refer Note 3		Refer Note 3		
	1	2	3	4	5
1. Revenue from operations					
-Interest Income	1.17	1.45	1.76	6.22	6.32
-Dividend Income	25.45	36.35	32.64	76.59	58.09
-Fair value gain on financial instruments through FVTPL	-	-	0.07	0.01	1.16
-Service Income	2.02	2.01	1.98	8.06	7.93
Total	28.64	39.81	36.45	90.88	73.50
2. Other income	0.02	-	0.02	0.02	0.02
3. Total Income (1+2)	28.66	39.81	36.47	90.90	73.52
4. Expenses					
a) Finance Cost	1.48	-	-	1.48	-
b) Employees benefits expense	0.27	0.26	0.28	1.03	0.91
c) Depreciation and amortisation expense	0.01	-	-	0.01	-
d) Other expenditure	0.74	0.19	0.93	1.45	1.70
Total expenses	2.50	0.45	1.21	3.97	2.61
5. Profit before tax (3-4)	26.16	39.36	35.26	86.93	70.91
6. Tax expense					
a) Current tax	0.80	0.88	1.00	3.60	4.38
b) Deferred tax	-	-	-	-	-
Total Tax expense	0.80	0.88	1.00	3.60	4.38
7. Profit for the period (5-6)	25.36	38.48	34.26	83.33	66.53
8. Other Comprehensive Income - Gain/(loss)					
a) (i) Items that will not be reclassified to Profit or Loss	(0.29)	(0.03)	(1.98)	(0.69)	(0.77)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss	0.03	0.02	0.23	0.08	0.09
b) (i) Items that will be reclassified to Profit or Loss	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to Profit or Loss	-	-	-	-	-
Total Other Comprehensive Income	(0.26)	(0.01)	(1.75)	(0.61)	(0.68)
9. Total Comprehensive Income for the period (7+8)	25.10	38.47	32.51	82.72	65.85
10. Paid-up equity share capital (₹1/- per share)	18.77	18.77	18.77	18.77	18.77
11. Reserves & Surplus (i.e. Other Equity)				1099.52	1045.75
12. Earnings per Share of ₹1/- each - not annualised (₹)					
a) Basic	1.35	2.05	1.83	4.44	3.55
b) Diluted	1.35	2.05	1.83	4.44	3.55



CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED (formerly known as TI FINANCIAL HOLDINGS LIMITED)
Standalone Cash Flow Statement

₹ Crores

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
	Audited			
Cash Flow from Operating Activities				
Profit Before Tax		86.93		70.91
<u>Adjustments for:</u>				
Finance Costs	1.48		-	
Net gain on fair value changes on financial instruments at Fair Value Through Statement of Profit and Loss ('FVTPL')	(0.01)		(1.16)	
Depreciation and amortisation expense	0.01		-	
Interest income on Deposits	(6.22)		(6.32)	
		(4.74)		(7.48)
Operating Profit Before Working Capital Changes		82.19		63.43
<u>Adjustments for:</u>				
<u>(Increase)/Decrease in Operating Assets</u>				
- Financial Assets	(0.02)		0.04	
- Non Financial Assets	0.02		0.01	
- Investment in Bank Fixed Deposits / Unpaid dividend accounts (net of withdrawals)	76.22		(84.16)	
- Investment in Subsidiaries	(324.26)		(39.82)	
- Investment in Financial Instruments at FVTPL	(0.35)		(68.66)	
- Proceeds from Sale of Financial Instruments at FVTPL	1.29	(247.10)	94.19	(98.40)
<u>Increase/(Decrease) in Operating Liabilities</u>				
- Financial Liabilities	0.01		0.05	
- Trade Payables	0.21		(0.02)	
- Non Financial Liabilities	0.04		0.20	
- Provisions	0.01	0.27	-	0.23
Cash Flow generated used in Operations		(164.64)		(34.74)
Interest Received on Bank Deposits	7.48		5.22	
Income taxes paid	(3.66)	3.82	(4.37)	0.85
Net Cash generated / (used) in Operating Activities (A)		(160.82)		(33.89)
Cash Flow from Investing Activities				
Purchase of intangible asset		(0.04)		-
Net Cash used in Investing Activities (B)		(0.04)		-
Cash Flow from Financing Activities				
Borrowings other than debt securities at amortised cost		199.15		-
Proceeds from issue of Share Capital (Including Securities Premium and Share application money received)		0.47		5.20
Dividends Paid (Including Distribution Tax and Unpaid dividends pertaining to earlier periods)		(29.77)		(25.96)
Net Cash from / (used) in Financing Activities (C)		169.85		(20.76)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B)		8.99		(54.65)
Cash and Cash Equivalents at the Beginning of the year		0.42		55.07
Cash and Cash Equivalents at the End of the year		9.41		0.42



Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Cholamandalam Financial Holdings Limited
(TI Financial Holdings Limited)

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Cholamandalam Financial Holdings Limited (formerly known as TIHFLI) ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint venture for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended March 31, 2019, as reported in these consolidated financial results have not been subjected to audit/review.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements / financial results / financial information of the subsidiaries / associate / joint venture, the Statement:

- i. includes the results of the entities listed in Note 5 of the Statement;
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, its associate and joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.



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Emphasis of Matter

We draw attention to Note 6a to the accompanying Consolidated Ind AS Financial Results, which describes the impact of COVID-19 pandemic with respect to Cholamandalam Investment and Finance Company Limited's (CIFCL) and its possible consequential implications on CIFCL's operations and financial metrics, including CIFCL's estimates of impairment of loans and that such estimates may be affected by the severity and duration of the pandemic.

We draw attention to Note 6c to the accompanying Consolidated Ind AS Financial Results, wherein the Group has disclosed the impact due to the COVID-19 pandemic for Cholamandalam MS General Insurance Company Limited (MSGICL), a subsidiary company. The auditors of MSGICL have included an emphasis of matter paragraph in their auditors' report on the financial statements of MSGICL for the year ended March 31, 2020, stating that the impact assessment carried out by the Management with available information did not indicate any material impact on the carrying value of assets and liabilities of MSGICL as on the reporting date or any adverse impact on ability of MSGICL to continue as going concern. Considering the uncertainties prevailing in the economic conditions globally and in India, such impact assessment done by the management of MSGICL is highly dependent on the circumstances as they evolve in subsequent period.

Our opinion is not modified in respect of the above matters.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associate and joint venture in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Statement 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 Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.



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Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associate and joint venture of which we are the independent auditors, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement 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. 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.



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We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

The accompanying Statement includes the audited financial results/statements and other financial information, in respect of:

- One subsidiary, whose financial results/statements include total assets of Rs 0.01 crores as at March 31, 2020, total revenues of Nil and Nil, total net loss after tax of Rs. 0.001 Crores and Rs. 0.01 Crores, total comprehensive loss of Rs. 0.001 Crores and Rs. 0.01 Crores, for the quarter and the year ended on that date respectively, and net cash outflows of Rs. 0.01 Crores for the year ended March 31, 2020, as considered in the Statement which have been audited by its independent auditors.
- One joint venture, whose financial results/statements include Group's share of net profit of Rs. 1.35 Crores and Rs. 2.02 Crores and Group's share of total comprehensive income of Rs. 1.31 Crores and Rs. 1.98 Crores for the quarter and for the year ended March 31, 2020 respectively, as considered in the Statement whose financial results/financial statements, other financial information have been audited by its independent auditors.

The independent auditor's report on the financial statements/financial results/financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of the subsidiary and joint venture is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

The accompanying Statement includes the audited financial results/statements and other financial information, in respect of:

- One subsidiary, whose financial statements and other financial information include total assets of Rs. 10,549.99 Crores as at March 31, 2020 and total revenues of Rs. 1,080.25 Crores and Rs. 4,196.51 Crores, total net profit after tax of Rs. 61.48 Crores and Rs. 149.44 Crores, for the quarter and year ended on that date respectively, and net cash inflow of Rs. 84 Crores for the year ended March 31, 2020. These financial results/financial statements and other financial information have been prepared in accordance with the recognition and measurement principles of Generally Accepted Accounting Principles in India ('Indian GAAP') which have been framed as per the requirements of Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (as amended) (the 'IRDA Act'), the Insurance Regularity and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, Circulars / Orders / Directions issued by the Insurance Regulatory and Development Authority of India ('IRDAI' or 'Authority') in this regard, and the Accounting Standards specified under Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 ("Statutory GAAP") which have been audited by other auditors under generally accepted auditing standards applicable in India. The other auditors of this subsidiary in their report have reported that they have relied on the Subsidiary's appointed actuary's certificate on the estimate of claims Incurred but Not Reported [IBNR] and claims Incurred but Not Enough Reported [IBNER]. The appointed actuary has certified to the Subsidiary that the assumptions used for such valuation are appropriate and are in accordance with the requirements of the IRDAI and Institute of Actuaries of India in concurrence with IRDAI.



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The Subsidiary's management has converted the financial results / financial statements of such subsidiary from Statutory GAAP to comply with the requirements of Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including incorporating necessary adjustments relating to liability adequacy test and disclosures relating to insurance liabilities as per Ind AS 104 based on the appointed actuary's certificate. We have audited these conversion adjustments made by the subsidiary management and have relied upon the appointed actuary's certificate in this regard. Our opinion in so far as it relates to the balances and affairs of such subsidiary is based on the report of other auditors, the reliance on the appointed actuary's certificate and the conversion adjustments prepared by the management of the Subsidiary Company and audited by us.

The accompanying Statement includes unaudited financial results /statements and other unaudited financial information in respect of one associate whose financial results/statements includes the Group's share of net loss of Rs. 0.14 crores and Rs 0.42 crores and Group's share of total comprehensive loss of Rs. 0.19 crores and Rs. 0.47 crores for the quarter and for the year ended March 31, 2020 respectively, as considered in the Statement whose financial results /statements and other financial information have not been audited by its auditor. These unaudited financial statements/ financial information/ financial results have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the associate, is based solely on such unaudited financial statements/ financial information/financial results. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information/financial results are not material to the Group.

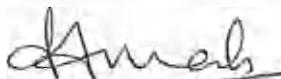
Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors, Financial Results/financial information certified by the Management and the certificates provided by the appointed actuary as applicable.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004


per **Subramanian Suresh**
Partner
Membership No.: 083673



UDIN: 20083673AAAABB7909

Place: Chennai

Date: June 15, 2020

CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED (formerly known as TI FINANCIAL HOLDINGS LIMITED)
CIN - L65100TN1949PLC002905
Registered Office : DARE HOUSE, 234, NSC Bose Road, Chennai - 600 001.
Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2020

₹ Crores

Particulars	Three months ended			Year ended	
	31.03.2020 Audited Refer Note 4	31.12.2019 Unaudited	31.03.2019 Unaudited Refer Note 4	31.03.2020 Audited	31.03.2019 Audited
	1	2	3	4	5
1. Revenue from operations					
-Interest Income	2,207.76	2,268.18	1,905.21	8,742.35	7,065.47
-Dividend Income	0.68	0.01	1.11	2.24	2.97
-Net gain on derecognition of financial Instruments under amortised cost category	27.22	89.02	12.80	247.27	86.70
- Premium Income (net of reinsurance ceded)	865.77	879.26	789.19	3,436.31	3,049.10
-Fee & Commission Income	117.79	122.58	106.72	487.82	469.73
-Net gain/(loss) on fair value change on financial instrument	48.14	16.50	66.66	143.01	127.31
-Service Income	19.46	19.27	20.35	75.70	124.35
Total	3,286.82	3,394.82	2,902.04	13,134.70	10,925.63
2. Other income	-	0.52	0.38	1.03	21.18
3. Total Income (1+2)	3,286.82	3,395.34	2,902.42	13,135.73	10,946.81
4. Expenses					
a) Finance costs	1,135.62	1,188.17	985.85	4,592.40	3,586.87
b) Insurance Claims (net of reinsurance recoveries)	628.35	634.13	602.34	2,571.92	2,340.84
c) Impairment on financial instruments	676.06	200.40	69.12	1,177.99	350.24
d) Employees benefits expense	197.96	227.25	208.05	837.29	758.90
e) Depreciation and amortisation expense	37.94	41.94	21.75	149.81	77.91
f) Other expenditure	496.47	518.44	459.02	2,000.70	1,697.26
Total expenses	3,172.40	2,810.33	2,346.13	11,330.11	8,812.02
5. Profit before share of profit/(loss) from Associate & Joint Venture and tax (3-4)	114.42	585.01	556.29	1,805.62	2,134.79
6. Share of profit/(loss) from Associate & Joint Venture (net of tax)	0.88	0.64	0.84	1.27	1.11
7. Profit before Tax (5+6)	115.30	585.65	557.13	1,806.89	2,135.90
8. Tax expense					
a) Current tax	174.77	181.04	287.64	687.33	891.88
b) Deferred tax	(139.04)	(25.70)	(98.12)	(45.49)	(170.81)
Total Tax expense	35.73	155.34	189.52	641.84	721.07
9. Profit after tax (7-8)	79.57	430.31	367.61	1,165.05	1,414.83
Profit for the year attributable to:					
-Owners of the Company	39.91	203.74	189.65	550.85	696.70
-Non-Controlling Interest	39.66	226.57	177.96	614.20	718.13
10. Other Comprehensive Income- Gain/(loss)					
a. (i) Items that will not be reclassified to Profit or Loss	(3.35)	(0.88)	(4.91)	(12.34)	(14.98)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss	0.17	0.09	1.24	1.44	2.87
b. (i) Items that will be reclassified to Profit or Loss	(69.47)	22.62	(11.86)	(92.32)	13.06
(ii) Income tax relating to items that will be reclassified to Profit or Loss	17.49	(5.69)	3.18	32.61	(4.36)
Other Comprehensive Income for the year	(55.16)	16.14	(12.35)	(70.61)	(3.41)
Other Comprehensive Income for the year attributable to:					
-Owners of the Company	(25.20)	7.48	(6.67)	(32.64)	(2.03)
-Non-Controlling Interest	(29.96)	8.66	(5.68)	(37.97)	(1.38)
11. Total Comprehensive Income for the year (9+10)	24.41	446.45	355.26	1,094.44	1,411.42
Total Comprehensive Income for the year attributable to:					
-Owners of the Company	14.71	211.22	182.98	518.21	694.67
-Non-Controlling Interest	9.70	235.23	172.28	576.23	716.75
12. Paid-up equity share capital (₹1/- per share)	18.77	18.77	18.77	18.77	18.77
13. Reserves & Surplus (i.e. Other Equity)				4,571.81	3,924.83
14. Earnings per Share of ₹1/- each - not annualised (₹)					
a) Basic	2.13	10.85	10.11	29.35	37.13
b) Diluted	2.13	10.85	10.10	29.34	37.12



CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED
(formerly known as TI FINANCIAL HOLDINGS LIMITED)

Audited Consolidated Statement of Assets and Liabilities

₹ Crores

	As at 31.03.2020	As at 31.03.2019
	Audited	Audited
ASSETS		
Financial Assets		
(a) Cash and Cash equivalents	3,695.69	3,279.16
(b) Bank Balance other than (a) above	3,618.49	666.31
(c) Derivative financial instruments	114.20	88.69
(d) Receivables		
i) Trade Receivables	15.03	41.28
ii) Other Receivables	48.18	39.08
iii) Insurance Contract Assets	287.79	444.16
iv) Reinsurance Assets	658.80	957.68
(e) Loans	55,395.73	52,610.77
(f) Investments in Associate & Joint Venture	36.83	35.56
(g) Other Investments	8,855.85	7,516.71
(h) Other Financial Assets	530.30	262.79
	73,256.89	65,942.19
Non-Financial Assets		
(a) Current Tax Assets (Net)	330.01	246.92
(b) Deferred Tax Assets (Net)	687.13	608.07
(c) Goodwill	42.72	42.72
(d) Investment Property	28.96	28.96
(e) Intangible Assets under development	10.60	13.97
(f) Property, Plant and Equipment	370.06	197.32
(g) Intangible Assets	37.63	36.94
(h) Reinsurance Assets	600.65	421.23
(i) Other Non-Financial Assets	478.54	398.89
	2,586.30	1,995.02
Total Assets	75,843.19	67,937.21
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities		
(a) Derivative financial instruments	-	8.41
(b) Payables		
<u>Trade payables</u>		
i) total outstanding dues of micro enterprises and small enterprises	1.01	0.18
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	330.03	231.45
<u>Other payables</u>		
i) total outstanding dues of micro enterprises and small enterprises	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	99.62	223.15
<u>Other Insurers</u>		
i) Total outstanding dues of micro and small enterprises	-	-
ii) Total outstanding dues of creditors other than micro and small enterprises	272.29	401.63
(c) Debt Securities	7,135.18	13,961.82
(d) Borrowings (Other than Debt Securities)	43,473.71	32,126.78
(e) Subordinated Liabilities	4,508.58	4,358.68
(f) Insurance Contract Liabilities	6,024.81	5,212.09
(g) Other Financial Liabilities	529.62	371.87
	62,374.85	56,896.06
Non-Financial Liabilities		
(a) Provisions	107.59	87.13
(b) Insurance Contract Liabilities	3,620.73	3,032.07
(c) Other non-financial liabilities	38.13	57.49
	3,766.45	3,176.69
Equity		
(a) Equity Share Capital	18.77	18.77
(b) Other Equity	4,571.81	3,924.83
	4,590.58	3,943.60
Non controlling interest	5,111.31	3,920.86
	9,701.89	7,864.46
Total Liabilities and Equity	75,843.19	67,937.21



Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
	Audited			
<u>Cash Flow from Operating Activities</u>				
Profit before share of profit/(loss) from Associate & Joint Venture and tax Adjustments for :-		1,805.62		2,134.79
Depreciation and amortisation expense	149.81		77.91	
Impairment of financial instruments	1,177.99		350.24	
Finance Costs	4,592.40		3,586.87	
Profit / Loss on Sale of Property plant and equipment (Net)	(0.09)		0.08	
Net (gain)/loss on fair value change in financial instruments	(141.61)		(127.31)	
Fair value gain on loss of control in subsidiary	-		(20.29)	
Dividend on investments	(2.24)		(2.97)	
Interest Income on deposits and investments	(861.78)		(599.86)	
Share based payment expense	11.61		8.11	
		4,926.09		3,272.78
Operating Profit Before Working Capital Changes		6,731.71		5,407.57
Adjustments for :-				
<u>(Increase)/Decrease in Operating Assets</u>				
- Loans	(8,040.20)		(11,860.90)	
- Trade Receivables	17.15		29.16	
- Insurance assets	275.83		274.90	
- Purchase / Sale / Maturity of Other Investments (Net)	(1,485.55)		(1,233.27)	
- Other Financial Assets	(314.53)		(87.15)	
- Other Non Financial Assets	(80.47)	(9,627.77)	(43.40)	(12,920.66)
Proceeds from de-recognition of financial assets recognised at amortised cost		4,357.89		1,182.20
<u>Increase/(Decrease) in Operating Liabilities</u>				
- Payables		(158.87)		(161.58)
- Other Financial Liabilities		(23.33)		101.60
- Provisions		20.46		12.39
- Insurance Contracts liabilities		1,401.38		1,134.46
- Other Non-Financial liabilities		(11.02)		1.60
Cash Flow used in Operations		2,690.45		(5,242.42)
Finance Costs paid		(4,708.78)		(3,686.45)
Interest Received on deposits and investments		883.12		561.56
Dividend received		2.24		2.97
Income tax paid (Net of refunds)		(781.21)		(909.88)
Net Cash Used in Operating Activities (A)		(1,914.18)		(9,274.22)
<u>Cash Flow from Investing Activities</u>				
Purchase of Property, Plant and Equipment and Intangible Assets	(97.93)		(84.68)	
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	1.44		3.08	
Intangible assets under development	-		(11.57)	
Net Cash Used in Investing Activities (B)		(96.49)		(93.17)
<u>Cash Flow from Financing Activities</u>				
Proceeds from issue of Share Capital (Including Securities Premium)	0.47		6.90	
Proceeds from issue of Shares by subsidiary to non controlling interest	895.84		-	
Proceeds from issue of debt securities	19,405.25		17,096.61	
Redemption of Debt securities	(26,052.86)		(17,365.33)	
Borrowing - Other than debt securities	45,113.24		29,850.62	
Repayment of borrowing - Other than debt securities	(33,933.50)		(18,005.01)	
Proceeds from issue of subordinated liabilities	450.00		821.00	
Repayment of subordinated liabilities	(295.00)		(186.50)	
Payment of Lease Liabilities	(65.97)		-	
Purchase of shares in subsidiary from non-controlling interest	(24.26)		(39.82)	
		5,493.21		12,178.47
Investment in Fixed Deposits (Net of withdrawals)		(2,924.71)		104.42
Dividends Paid (Including Distribution Tax)		(141.30)		(112.27)
Net Cash Flow From Financing Activities (C)		2,427.20		12,170.62
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		416.53		2,803.23
Cash and Cash Equivalents at the Beginning of the period		3,279.16		475.93
Cash and Cash Equivalents at the End of the period		3,695.69		3,279.16



CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED (formerly known as TI FINANCIAL HOLDINGS LIMITED)

Notes

- The above Results have been reviewed by the Audit Committee and approved by the Board at its meeting held on June 15, 2020.
- As permitted under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had opted to submit only the quarterly and year-to-date standalone financial results to the Stock Exchanges in respect of Financial Year 2018-19.
- In respect of standalone financial results, the figures of last quarter (columns 1 & 3) are the balancing figure between the audited figures in respect of the full financial years (columns 4 & 5) and the published unaudited year-to-date figures upto the third quarter of the respective financial years which were subjected to limited review.
- In case of Consolidated Financial results, the figures for quarter ended March 31, 2019 are the balancing figures between audited figures in respect of financial year 2018-19 and unaudited financials for nine months ended December 31, 2018 prepared and certified by management and not subjected to limited review. The figures for quarter ended March 31, 2020 are the balancing figures between audited figures in respect of financial years 2019-20 and published unaudited financials for nine months ended December 31, 2019 where were subjected to limited review.
- The consolidated financial results of the Company comprising the Company, its Subsidiaries (together 'the Group'), Joint Venture and Associate, include the results of the following entities:

Company	Relationship under Ind AS
Cholamandalam Investment and Finance Company Limited (CIFCL)	Subsidiary
Cholamandalam Securities Limited	Subsidiary of CIFCL
Cholamandalam Home Finance Limited	Subsidiary of CIFCL
White Data Systems India Private Limited	Subsidiary of CIFCL upto Sep' 2018 & Associate thereafter
Cholamandalam MS General Insurance Company Limited (MSGICL)	Subsidiary
Cholamandalam Health Insurance Limited	Subsidiary
Cholamandalam MS Risk Services Limited	Joint Venture

- Impact of COVID-19 pandemic on the Group's operations:**
The COVID-19 pandemic has resulted in a significant decrease in economic activity across the country. The Government of India and the respective State Governments announced a strict lockdown to contain the spread of the virus which was further extended twice across the nation with some relaxations in specific areas.
- CIFCL**
The COVID-19 pandemic has had a consequential impact on the regular operations of CIFCL, including lending and collection activities. In respect of CIFCL's loan book, Management has made impairment provisions as more fully explained in Note 6b to these financial results. However, the full extent of impact of the COVID-19 pandemic on CIFCL's operations, and financial metrics (including impact on impairment provisions on loans) will further depend on government and regulatory guidelines and future developments which are uncertain and incapable of estimation at this time.
- In terms of the COVID-19 Regulatory Package of the RBI, vide guidelines dated March 27, 2020 and April 17, 2020, and in accordance with the Scheme approved by CIFCL's Board of Directors ("Board"), CIFCL has granted to all eligible borrowers, moratorium of three months on the payment of all loan instalments falling due between March 1, 2020 and May 31, 2020. Further, pursuant to RBI notification dated May 23, 2020 the moratorium is being extended for a further period of three months, and in accordance with CIFCL's policy approved by its Board. In this connection, having regard to the guidance provided by the RBI and the Institute of Chartered Accountants of India, extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory Package of the RBI by itself is not considered to result in significant increase in credit risk as per Ind AS 109. Further, estimates and associated assumptions applied in preparing the financial statements, especially in respect of expected credit loss on loans, are based on historical experience and other emerging/forward looking factors including those arising on account of the COVID-19 pandemic.
CIFCL, inter alia, has used relevant indicators of moratorium along with an estimation of potential stress on probability of defaults and loss given defaults due to COVID-19 situation in developing the estimates and assumptions to assess the expected credit loss on loans, including on account of potential macro economic conditions and has incrementally provided for an expected credit loss of Rs. 593.06 crores for the year ended March 31, 2020. However, considering the inherent uncertainty regarding the severity and duration of the pandemic and the resultant economic impact, CIFCL's actual impairment loss could be different from these estimates.
- MSGICL**
MSGICL has used the principles of prudence in applying judgements, estimates and assumptions to assess and provide for the impact of the pandemic on the financial statements. Since the pandemic and the lockdown imposed affected the tail end of the financial year, the impact on the financial performance was not significant. Our assessment based on estimates & judgments considering available information does not indicate any material impact on the carrying value of assets and liabilities as on the reporting date.
However, due to the uncertainties associated with the pandemic, the actual impact may not be in line with the current estimates. MSGICL will continue to closely monitor developments/changes to the estimates- basis the future macro-economic impact. Further, the impact assessment as on date with the available information does not indicate any adverse impact on the ability of the MSGICL to continue as a going concern.
- Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" ('Standard'), applied to all lease contracts existing on April 1, 2019 using the modified retrospective method wherein the right to use asset was created for an amount equal to the lease liability. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The effect of this adoption does not have material impact on the profit for the period and earnings per share.
- During the quarter, the Company infused additional capital of Rs.300 Crore by subscribing to the equity shares issued by CIFCL on a preferential basis. Post issue of shares by CIFCL, the Company holds 45.50% in the paid-up capital of CIFCL as on March 31, 2020.
- 2,250 options were exercised during the three months ended March 31, 2020. The total outstanding employee stock options as at March 31, 2020 is 72,506. These stock options have been issued by the Company in 2007 and 2016. Pursuant to a scheme of Arrangement ("the scheme"), the manufacturing business undertaking of the Company was vested in / transferred to Tube Investments of India Limited ("the resulting Company") vide the order of the National Company Law Tribunal ("NCLT") dated July 17, 2017 sanctioning the scheme. Consequent to the scheme being effective, the employees of the Company became employees of resulting Company who are the grantees to these options.
- Pursuant to the Taxation Laws (Amendment) Bill 2019, passed on 25th November 2019, the Company and some of its subsidiaries have exercised the option permitted u/s.115BAA of the Income Tax Act, 1961 to compute Income Tax at revised rate (i.e. 25.17%) from current financial year, and accordingly, has re-measured current / deferred tax and the consequential effect has been fully recorded during the year.
- An interim Dividend of Rs. 0.65 per equity share of the face value of Rs. 1/- each was declared by the Company at the meeting of Board of Directors held on February 26, 2020 for the financial year 2019-20 and the same has been paid. The Board of Directors in their meeting held on June 15, 2020 have recommended the same to be confirmed as final dividend for FY 2019-20.



12. All the activities of the Company revolve around the main business in India. As such there are no separate reportable segments defined in Ind AS 108 -'Operating Segments' in respect of the Standalone Financial Results. The Segment Reporting for Consolidated Financial Results is given in Appendix 1.

13. Prior period figures have been regrouped wherever necessary to conform to the current period presentation.

Place : Chennai
Date : June 15, 2020



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On behalf of the Board of Directors

M M Murugappan
Chairman

CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED (formerly known as TI FINANCIAL HOLDINGS LIMITED)
 CN - L651.00TN1949PLC02905
 Registered Office : DARE HOUSE, 234, NSC Bose Road, Chennai - 600 001.

Appendix 1

Segment wise Revenue, Results and Capital Employed for Audited Consolidated Financial Results under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

₹ Crores

	Three months ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited Refer Note 4	Unaudited	Unaudited Refer Note 4	Audited	Audited
	1	2	3	4	5
1. Segment Revenue					
Financing	2,165.67	2,289.86	1,502.24	8,712.39	7,087.85
Insurance	1,137.01	1,122.85	1,031.16	4,484.19	3,975.07
Others	28.27	40.33	36.82	91.54	94.68
Total	3,330.95	3,453.04	2,570.22	13,288.12	11,061.60
Less: Inter Segment revenue	(04.13)	(57.70)	(67.80)	(152.39)	(114.79)
Net Revenue	3,286.82	3,395.34	2,502.42	13,135.73	10,946.81
2. Segment Results (Profit before tax)					
Financing	57.38	522.89	464.87	1,588.22	1,831.53
Insurance	56.21	59.12	78.08	216.44	280.31
Others	26.15	39.36	35.23	86.92	70.89
Other net Un-allocable income and Inter segment eliminations	(25.32)	(36.39)	(21.89)	(85.96)	(147.94)
Profit Before Share of Profit/(Loss) from Associate & Joint Venture	114.42	585.01	556.29	1,805.62	2,134.79
Add: Share of Profit/(Loss) from Associate & Joint Venture (Net)	0.88	0.61	0.84	1.27	1.11
Profit before Tax	115.30	585.65	557.13	1,806.89	2,135.90
3. Segment Assets					
Financing	63,362.09	62,421.07	56,868.19	63,362.09	56,868.19
Insurance	11,558.79	11,113.24	10,267.82	11,558.79	10,267.82
Others	57.60	144.60	125.98	57.60	125.98
Other Unallocable assets	1,059.86	817.40	897.71	1,059.86	897.71
Inter Segment Assets	(195.15)	(183.02)	(222.49)	(185.15)	(222.49)
Total	75,443.19	74,309.29	67,937.21	75,443.19	67,937.21
4. Segment Liabilities					
Financing	55,849.17	55,854.17	51,281.23	55,849.17	51,281.23
Insurance	10,283.19	5,807.58	9,010.74	10,283.19	9,010.74
Others	204.09	1.88	3.27	204.09	3.27
Other Unallocable liabilities	-	-	-	-	-
Inter Segment Liabilities	(185.15)	(183.02)	(222.49)	(185.15)	(222.49)
Total	66,141.30	65,476.61	60,972.75	66,141.30	60,972.75
5. Capital Employed (Segment Assets - Segment Liabilities)					
Financing	7,512.92	6,566.90	5,586.96	7,512.92	5,586.96
Insurance	1,275.60	1,305.66	1,257.08	1,275.60	1,257.08
Others	(146.49)	142.72	122.71	(146.49)	122.71
Other Unallocable assets minus liabilities	1,059.86	817.40	897.71	1,059.86	897.71
Total	9,701.89	8,832.68	7,864.46	9,701.89	7,864.46

Notes:

- The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'
- In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon by the Statutory Auditor.
- Segment information for the previous periods has been restated/regrouped/re-classified wherever necessary, to conform to the current period presentation.

On behalf of the Board of Directors

M M Murugappan

Place : Chennai
 Date : June 15, 2020

M M Murugappan
 Chairman

visit us at www.cholafhl.com



June 15, 2020

The Manager
Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C-1, Block G
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051

The Secretary
BSE Limited,
25th Floor, Phiroze Jeejeebhoy
Towers,
Dalal Street, Fort,
Mumbai 400 001

Symbol : CHOLAHLDNG

Scrip Code : 504973

Dear Sir / Madam,

Sub: Declaration in respect of un-modified opinion on Audited Financial Statements for the Financial Year ended March 31, 2020

In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare and confirm that the statutory auditors of the Company, M/s. S R Batliboi & Associates LLP, Chartered Accountants have issued an un-modified audit report on Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2020.

Kindly take this communication on record.

Thanking you,

Yours faithfully,
For Cholamandalam Financial Holdings Limited
(Formerly TI Financial Holdings Limited)



E Krithika
Company Secretary

Press Release from Cholamandalam Financial Holdings Limited

CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED (CFHL)

CONSOLIDATED PROFIT AFTER TAX FOR FY 20 - Rs. 1,165 Cr

Chennai, June 15, 2020: The Board of Directors of CFHL today approved the audited financial results for the quarter and year ended March 31, 2020.

Consolidated Results

For the year ended March 31, 2020, the Company has achieved consolidated Profit after tax of Rs. 1,165 Cr. as against Rs.1,415 Cr. in the previous year. Drop in Profit after tax is due to one time impairment provision of Rs 504 Cr. on loans to cover contingencies due to COVID-19 and related macro economic conditions and remeasurement of deferred tax asset consequent to reduction in Income Tax Rate during the year.

Cholamandalam Investment & Finance Company Ltd, in which the Company holds 45.50% stake, disbursed Rs. 29,091 Cr. for the year ended March 31, 2020 compared to Rs. 30,451 Cr. in the previous year. Due to the wide-spread Covid-19 pandemic, government had announced a lock-down of all businesses and all activities effective 24th March 2020 which severely impacted disbursements of Q4. Disbursements which were already registering a slow growth till Dec 19 (9% growth YTD Dec) suffered resulting in a drop of 4% for the year over FY 19.

Profit after tax for the year is at Rs. 1,052 Cr. after creation of one-time provision of Rs. 504 Cr to cover contingencies due to COVID-19 and Macro economic factors. On a comparable basis, Profit after tax for the year ended March 31, 2020 is at Rs. 1,387 Cr before one-time provision of Rs.504 Cr to cover contingencies due to COVID-19 and Macro, as against Rs. 1,186 Cr last year, registering a growth of 17%.

Total Assets under management grew by 16% at Rs. 66,943 Cr as compared to Rs.57,560 Cr in FY19.

Cholamandalam MS General Insurance Company Ltd., a subsidiary in general insurance business, in which the Company holds about 60% stake, registered a Gross Written Premium (GWP) of Rs. 4,824 Cr. during the year as against Rs. 4,552 Cr. in FY19, a growth of 6%. Profit after tax for the year was at Rs. 125 Cr. as against Rs. 198 Cr. in FY19. Drop in Profit after tax is on account of remeasurement of deferred tax asset consequent to reduction in Income Tax Rate for the year.

Cholamandalam MS Risk Services Ltd., a Joint Venture Company, in which the Company holds 49.5% stake, registered a revenue of Rs. 46.29 Cr. for the year as against Rs. 40.82 Cr. in FY19. Profit after tax for the year was at Rs. 4.09 Cr. as against Rs. 3.53 Cr. in FY 19.

Standalone Results

The Profit after tax for the year is at Rs. 83.33 Cr. as against Rs. 66.53 Cr. in FY19, a growth of 25%.

Dividend

The Board of Directors, at their meeting held on February 26, 2020 had declared interim dividend of Rs.0.65 per equity share of the face value of Re.1/- each, for FY 20. The Board of Directors have recommended the same to be confirmed as final dividend for FY 20.

Changes in Tax Rates:

Pursuant to the Taxation Laws (Amendment) Bill 2019, passed on 25th November 2019, the Company and some of its subsidiaries have exercised the option permitted u/s.115BAA of the Income Tax Act, 1961 to compute Income Tax at revised rate (i.e, 25.17%) from current financial year, and accordingly, has re-measured current / deferred tax and the consequential effect has been fully recorded during the year.

For more details, please visit www.cholafhl.com

About Murugappa Group

Founded in 1900, the INR 369 Billion (36,893 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including nine listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., Cholamandalam Financial Holdings Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd., and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Transmission systems, Cycles, Sugar, Farm Inputs, Fertilisers, Plantations, Bioproducts and Nutraceuticals, the Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Sociedad Química y Minera de Chile (SQM), Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, Parry's, Chola, Gromor, Shanthi Gears and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 50,000 employees.

For more details, visit www.murugappa.com.

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